GROUP OF COMPANIES
HELLENIC RAILWAYS ORGANIZATION

Interim Condensed Financial Statements
of the Company and the Group
for the six-month period ended as at
June 30th, 2016

in compliance with

International Financial Reporting Standards
as adopted by the European Union

Athens, 30 September, 2016

GROUP OF COMPANIES HELLENIC RAILWAYS ORGANIZATION
Karolou 1-3 – PC 10437 Athens
Societe Anonyme Reg. Num.: 1967/98/B/86/02/23.08.1991
G.E.M.I. Reg. Num. : 000779701000

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A. Review Report on Interim Financial Information

To the shareholders of the Company "HELLENIC RAILWAYS ORGANIZATION S.A."

Introduction

We have reviewed the accompanying interim separate and consolidated statement of financial position of the Company HELLENIC RAILWAYS ORGANIZATION S.A. as at 30th June, 2016, the relative interim separate and consolidated statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes, that constitute the interim financial information. Management is responsible for the preparation and presentation of this interim financial information, in accordance with International Financial Reporting Standards, as adopted by the European Union and which apply to Interim Financial Reporting (International Accounting Standard IAS 34). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily to persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing 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.

Basis for Qualified Conclusion

The following issues arose from our review:

1. As also referred to in Note 4 to the interim financial statements, given the provisions of the Law 3891/2010 on conditional allocation to the State of real estate property and the liabilities of the organization, notwithstanding the accounting principles set out in IFRS, there was not conducted the impairment test on the existence of indications of impairment of engineering structures, vehicles and fixed assets under construction of the Company and the Group. Given this fact, we keep reservations regarding the size of the contingent impairment of property, plant and equipment as at June 30th, 2016 as well as its potential effect on the income statements for the closing and previous periods.
2. The Company decreased its debt to the Greek State by Euro 503 million due to the transfer of the respective carrying amount of rolling stock in accordance with the Joint Ministerial Decisions No. F35 /Οικ.23084/1822/14.4.2014 and F35 /Οικ.62786/3165/22.10.2015. The aforementioned Decisions also make reference to the fact that the commercial value of the transferred rolling stock was transferred will be determined following the subsequent decision of the respective Ministers and in case there is a difference compared to the carrying amount, the debt reduction regarding the Organization will be adjusted so that it would equal its commercial value. In the context of our review, we were not in position to obtain sufficient and appropriate evidence of the commercial value, given that technical and financial evaluation of the transferred rolling stock, as provided for in the above decision, has not been conducted. Therefore, we keep reservations regarding the size of the debt reduction and its potential effect on the income statement and the Equity of the Company and the Group as at June 30th, 2016.
3. As also referred to in Note 5 to the interim financial statements for the six-month period ended as at at June 30th, 2016, notwithstanding the accounting principles laid down in IFRS, there was not conducted the readjustment of fair value measurement of the Group investment property as at June 30th, 2016. Given this fact, it is possible that the value at which this property is presented in the interim financial statements has changed, due to the changes in the conditions, as compared to the period of its last measurement. Given the above, we keep reservations regarding the fair value at which investment property is presented in the interim financial statements as well as the potential effect on the Equity and income statement for the closing and previous period.
4. The Company receivables also include past due and doubtful receivables from TRAINOSE S.A., totally amounting to approximately €748 million. Given the finalization of provisions of the Law 3891/2010 regarding the write-off of the Company receivables from TRAINOSE S.A., following the relative approval of the European Commission and in the context of the settlement of overall allocation to the State of real estate property and liabilities of the Company, the Management did not make the equally amounting provision, notwithstanding the accounting principles laid down in IFRS, and therefore,

the Equity and the income statement of the Company and the Group for the previous periods as at June 30th, 2016 are presented overstated by an amount of Euro 748 million.

Qualified Conclusion

Based on our review, apart from the potential effect of the matters 1, 2 and 3 and the effects of the matter 4, described in the paragraph "Basis for Qualified Conclusion", nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Emphasis of Matter

We draw your attention to the following:

1. Note 32 to the interim financial statements that describes the issue of introduction of Law 3891/2010, which projects significant changes in operational structure of the Company and its subsidiaries, as well as in its property structure. In particular, the Law makes projections for conditional allocation to the State of real estate property, allocation of certain assets to the State; write off of receivables and allocation of parts of the Organization's liabilities. At the date of the interim financial statements preparation and approval by the Management, there were material uncertainties regarding the amounts of Assets and Liabilities and the Equity remaining with the Company and the Group and therefore, it was not possible to determine the impact of these changes on the financial position and assets structure of the Company and the Group.
2. The fact that the total Equity of the Company and the Group, taking into account the effects of the matters described in the paragraph "Basis for Qualified Conclusion", has been formed as that lower than one tenth (1/10) of the share capital and therefore, there are effective the prerequisites for application of Article 48 of Law 2190/1920. The Group's management is in the process of developing a suitable plan, under Laws 3891/2010, 4111/2013, 4313/2014 and 4337/2015, in respect of withdrawal of implementation regarding the provisions of this Article and facilitating the Group going concern principle.

Our concluding opinion is not further qualified in respect of these matters.

Athens, September 20, 2016

The Certified Public Accountant	The Certified Public Accountant
Panagiotis Christopoulos S.Q. SOEL. 28481	Marilena Bouzoura S.Q. SOEL. 30511

Grant Thornton
An instinct for growth™

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Registry Number SOEL 127

STATEMENT OF FINANCIAL POSITION

		THE GROUP		THE COMPANY	
Amounts in € '000	Note	**30/6/2016**	**31/12/2015**	**30/6/2016**	**31/12/2015**
ASSETS					
Non-current assets					
Property, plant and equipment	4	10.910.949	10.873.505	10.978.346	10.936.593
Intangible assets		517	585	414	479
Investments in subsidiaries		0	0	303	303
Investments in other companies		15.265	15.265	15.265	15.265
Investment property	5	142.268	142.268	142.268	142.268
Deferred tax assets		0	0	0	0
Other long term receivables	6	40.097	41.584	3.891	3.891
Total		**11.109.096**	**11.073.207**	**11.140.487**	**11.098.799**
Current Assets					
Inventory		6.831	6.089	6.831	6.089
Receivables from customers and other trade receivables	7	772.708	773.673	814.431	859.052
Other receivables	8	205.101	171.912	199.863	167.308
Cash and cash equivalents	9	165.722	234.408	87.436	103.640
Total		**1.150.362**	**1.186.082**	**1.108.561**	**1.136.089**
Assets held for sale		0	208.233	0	208.231
Total Asserts		**12.259.458**	**12.467.522**	**12.249.048**	**12.443.119**
EQUITY AND LIABILITIES					
Equity					
Share capital	10	4.799.198	4.799.198	4.799.198	4.799.198
Amounts intended for share capital increase	11	3.150.363	3.026.249	3.150.363	3.026.249
Other Reserves		8.878	8.878	4.434	4.434
Retained earnings		(7.358.187)	(7.279.614)	(7.326.314)	(7.252.278)
Equity attributable to owners of the parent		**600.252**	**554.711**	**627.681**	**577.603**
Non-controlling interests		0	0	0	0
Total equity		**600.252**	**554.711**	**627.681**	**577.603**
Non-current liabilities					
Pension and other employee obligations	12	20.685	20.086	19.499	18.933
Future income from government grants	13	381.665	395.800	381.665	395.800
Long-term borrowings	14	2.454.190	2.904.190	2.454.190	2.904.190
Long-term provisions	15	263.682	267.016	263.682	267.016
Other long-term liabilities	16	18.899	20.572	18.630	20.297
Total		**3.139.121**	**3.607.664**	**3.137.666**	**3.606.236**
Current liabilities					
Trade and other payables	17	52.149	60.228	18.021	17.955
Current tax payable		885	685	0	0
Other short term liabilities	18	8.467.051	7.924.407	8.465.681	7.921.498
Total		**8.520.085**	**7.985.320**	**8.483.702**	**7.939.453**
Total liabilities		**11.659.206**	**11.592.984**	**11.621.368**	**11.545.689**
Liabilities held for sale		0	319.827	0	319.827
Total equity and liabilities		**12.259.458**	**12.467.522**	**12.249.049**	**12.443.119**

The attached Notes constitute an integral part of the financial statements.

STATEMENT OF COMPREHENSIVE INCOME

Amounts in € '000	Note	THE GROUP 1/1/-30/6/2016	THE GROUP 1/1/-30/6/2015	THE COMPANY 1/1/-30/6/2016	THE COMPANY 1/1/-30/6/2015
Continuing operations					
Revenue	19	9.816	11.600	9.710	11.594
Cost of sales	20	(129.752)	(129.156)	(127.142)	(126.386)
Gross profit (loss)		**(119.936)**	**(117.556)**	**(117.432)**	**(114.792)**
Administrative expenses	20	(7.763)	(11.011)	(6.449)	(9.598)
Other expenses	21	(1.544)	(2.228)	(1.529)	(2.167)
Other income	22	37.378	37.073	37.371	37.059
Operating profit(loss)		**(91.865)**	**(93.722)**	**(88.039)**	**(89.498)**
Finance costs	23	(88.213)	(120.953)	(88.190)	(120.935)
Finance income		2.362	1.607	1.672	645
Other financial items	24	(9.906)	(9.116)	(9.906)	(9.116)
Income from dividends		0	0	1.176	0
Losses before tax		**(187.622)**	**(222.184)**	**(183.287)**	**(218.904)**
Income tax expense		(200)	0	0	0
Losses for the year from continuing operations		**(187.822)**	**(222.184)**	**(183.287)**	**(218.904)**
Profit/(losses) for the year from discontinued operations	26	109.249	(13.157)	109.249	(13.157)
Losses for the year after tax		**(78.573)**	**(235.341)**	**(74.038)**	**(232.061)**

The attached Notes constitute an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY – THE GROUP

Amounts in € '000	Note	Share capita	Amounts intended for share capital increase	Other Reserves	Retained earnings	Equity attributable to the owners of the parent
Balance as at 01/01/2015		**4.799.198**	**2.738.176**	**8.878**	**(6.773.049)**	**773.203**
Shareholders Deposits	11		53.989			53.989
Transactions with the owners		0	53.989	0	0	53.989
Losses for the year from continuing operations					(222.184)	(222.184)
Profit/Loss for the year from discontinued operations	*26*				(13.158)	(13.158)
Total income		0	0	0	(235.342)	(235.342)
Balance as at 30/6/2015		**4.799.198**	**2.792.165**	**8.878**	**(7.008.391)**	**591.850**
Balance as at *01/01/2016*		**4.799.198**	**3.026.249**	**8.878**	**(7.279.614)**	**554.711**
Shareholders Deposits	11		124.114			124.114
Transactions with the owners		0	124.114	0	0	124.114
Losses for the year from continuing operations					(187.822)	(187.822)
Profit/Loss for the year from discontinued operations	*26*				109.249	109.249
Total income		0	0	0	(78.573)	(78.573)
Balance as at 30/6/2016		**4.799.198**	**3.150.363**	**8.878**	**(7.358.187)**	**600.252**

There are no non-controlling interest in the Group.

The attached Notes constitute an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY – THE COMPANY

Amounts in € '000	Note	Share capita	Amounts intended for share capital increase	Other Reserves	Retained earnings	Total equity
Balance as at 01/01/2015		**4.799.198**	**2.738.176**	**4.434**	**(6.756.501)**	**785.307**
Shareholders Deposits	11		53.989			53.989
Transactions with the owners		0	53.989	0	0	53.989
Losses for the year from continuing operations					(218.904)	(218.904)
Profit/Loss for the year from discontinued operations	26				(13.155)	(13.155)
Total income		0	0	0	(232.059)	(232.059)
Balance as at 30/6/2015		**4.799.198**	**2.792.165**	**4.434**	**(6.988.560)**	**607.237**
Balance as at 01/01/2016		**4.799.198**	**3.026.249**	**4.434**	**(7.252.278)**	**577.603**
Shareholders Deposits	11		124.114			124.114
Transactions with the owners		0	124.114	0	0	124.114
Losses for the year from continuing operations					(183.287)	(183.287)
Profit/Loss for the year from discontinued operations	*26*				109.251	109.251
Total income		0	0	0	(74.036)	(74.036)
Balance as at 30/6/2016		**4.799.198**	**3.150.363**	**4.434**	**(7.326.314)**	**627.681**

The attached Notes constitute an integral part of the financial statements.

STATEMENT OF CASH FLOWS

		THE GROUP		THE COMPANY	
Amounts in € '000	Note	**1/1/-30/6/2016**	**1/1/-30/6/2015**	**1/1/-30/6/2016**	**1/1/-30/6/2015**
Cash flows from operating activities					
Losses before tax from continuing operations		(187.622)	(222.184)	(183.287)	(218.904)
Profit/ (losses) before tax from discontinued operations	26	109.249	(13.157)	109.249	(13.157)
Profit adjustments from continuing operations	25	180.525	199.083	179.943	199.887
Profit adjustments from discontinued operations		(109.249)	13.157	(109.249)	13.157
		(7.097)	**(23.101)**	**(3.344)**	**(19.017)**
Changes in Working Capital					
(Increase) / decrease in inventory		(742)	(53)	(742)	(53)
(Increase) / decrease in receivables		(30.751)	(21.395)	(30.422)	(15.994)
Increase/ (decrease) in payables		(15.096)	14.490	38.252	75.691
		(46.589)	**(6.958)**	**7.088**	**59.644**
Cash flows from operating activities		**(53.686)**	**(30.059)**	**3.744**	**40.627**
less: Income tax paid		0	0	0	0
Net cash flows from continuing operations		**(53.686)**	**(30.059)**	**3.744**	**40.627**
Net cash flows from discontinued operations		0	0	0	0
Net cash flows from operating activities		**(53.686)**	**(30.059)**	**3.744**	**40.627**
Cash flows from investing activities					
Purchase of property, plant and equipment		(139.031)	(108.308)	(143.311)	(112.861)
Purchase of intangible assets		(21)	(132)	(11)	(117)
Self-produced tangible fixed assets		(2.300)	(1.354)	(2.300)	(1.354)
Dividends received		0	0	0	(155)
Net cash flows from investing activities		**(141.336)**	**(109.794)**	**(145.622)**	**(114.487)**
Cash flows from financing activities					
Repayment of borrowings		(510.172)	(374.377)	(510.172)	(374.377)
Interest received		2.362	1.607	1.672	645
Interest paid		(119.599)	(134.172)	(119.577)	(134.154)
Inflows from Greek State (share capital increase)		124.114	53.989	124.114	53.989
Change in other long term liabilities (Greek State)		629.630	515.199	629.637	515.200
Net cash flows from financing activities		**126.335**	**62.246**	**125.674**	**61.303**
Net increase / (decrease) in cash and cash equivalent		**(68.687)**	**(77.607)**	**(16.204)**	**(12.557)**
Cash and cash equivalent, beginning of year		234.408	223.335	103.640	127.173
Cash and cash equivalent, end of year		**165.721**	**145.728**	**87.436**	**114.616**

The attached Notes constitute an integral part of the financial statements.

B. EXPLANATORY NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED AS AT JUNE 30th 2016

1. Information on the Group and the Company

1.1. General Information

"Hellenic Railways Organization S.A."(Public Law Entity) was founded on January 1st 1970 (by the Presidential Decree 674/1970) with the aim of being a unified organization, operation and development of the railway transports, as well as the railway network.

The Company's headquarters are in Athens (Karolou Street 1-3).

OSE S.A., undertook modernizing its network and rolling stock. The new Strategic Transport Investment Framework 2014-2025 of the Ministry of Transport makes provisions for projects totally amounting to more than € 4 billion aimed at completing the existing lines modification as well as the construction of new railway lines and other infrastructures.

Within 2016, the Board of Directors has approved the new Business Plan 2016-2020, making provisions for Reorganization and Maintenance projects regarding OSE railway network for the five year period 2016-2020, totally amounting to €382 million.

On 27/7/2016, Law 4408/16 was published on "Harmonization of the Legislation with Directive 2012/34 / EU of the European Parliament and the Council as of 21 November 2012 establishing a single European railway area (EU L343 / 32 of 12.14.2012) and other provisions".

Within the year 2008, there was finalized the secession of the subsidiary company TRAINOSE, therefore it no longer belongs to the Group. Within 2010, there was finalized the merger of EDISY S.A. with the parent company OSE S.A. Under Law 4111/2013 voted for by the Hellenic Parliament, the decision was made on transfer of GAIAOSE S.A. to the Greek State and secession and contribution of the Rolling Stock Maintenance segment to ROSCO SA.

Shareholder and Supervisory Authority

Shareholder: Greek State /Ministry of Finance
Supervisory Authority: Ministry of Economy, Infrastructure, Transport and Networks

Members of the Board of Directors

The Organization is managed by the Board of Directors. The BoD consists of 7 members with a maximum of six-year term of service. The members of the Board of Directors that approve the Annual Financial Report, were appointed following the Joint Ministerial Decision Prot. Num. 136 as of March 11th, 2016 are as follows:

GEORGIOS APOSTOLOPOULOS	Chairman of the BoD
KONSTANTINOS PETRAKIS	CEO
DIMITRIOS KIOUSIS	Executive Member
AIKATERINI KYLAKOU	Non-Executive Member
IOANNA TSILMIGKA	Non-Executive Member
THEODOROS AGAPITOS	Non-Executive Member
ATHANASIOS LEVENTIS	Non-Executive Member
Legal Consultants	ANDREAS ZACHOPOULOS - Director
	ATHANASIOS MIXELIS - Assoc. Director
Auditors	Grant Thornton S.A.

The above Table presents the Board of Directors that will approve the Interim Condensed Financial Statements.

Income Tax

As from 1.1.2014, the Company is exempted from income tax apart from the income acquired from capital and capital transfer goodwill under the provisions of Article 46, Law 4172/2013.

The basic taxation data regarding the Company is as follows:

G.E.M.I.	000779701000
S.A. Reg. Num.	1967/98/B/86/02/23.8.91
TIN	094 038 689, DOY FAE ATHINON
Headquarters address	Karolou 1 – 3, PC 104 37, Athens

1.2. The Company Scope of Operations

Following Presidential Decree 41/2005, OSE S.A. mandatory proceeded to unbinding operations, with separate entities managing the railway infrastructure and exploitation. For this reason, it established two subsidiaries EDISY S.A. and TRAINOSE S.A. entrusting the above sectors to the new entities. On 26/11/2010, following the Decision of the Minister of Transportation and Networks, there was approved the merger of OSE S.A. and EDISY S.A. At the same time, under the Law 3891/2010, there was modified the PD 41/2005 and it was defined that OSE exercises the duties of the management of the National Railway Infrastructure. The Group's operations per company, under PD 41/2005, as effective, are as follows:

OSE S.A.

OSE S.A. is the company which undertakes exclusive management of the National Railway Infrastructure. It is responsible for construction of new infrastructure, management of regulatory and a safety system of rail traffic and holds responsibilities defined by national and EU legislation regarding the infrastructure management. It is also in charge of managing the relative investments.

It estimates, tariffs, levies and collects fees for the use of the railway infrastructure from railway entities that use it. It makes decisions on the allocation of capacity.

ERGOSE S.A.

ERGOSE responsibilities include as follows:

1. design, tendering, procurement, construction and project management of railway infrastructure of the rail systems,
2. provision of services to OSE related to design, development and implementation of its programs,
3. conduct under state or any other public sector bodies expenditure, of expropriation and requisition of property to the State or any other public sector entities for the construction of railway infrastructure,
4. provisions of services related to design, development, support, management, supervision and construction works of any nature to third parties in Greece and abroad.

OSE may, following the decision of its Board of Directors, assign to ERGOSE, since it is an associate, within the meaning of article 42 e paragraph 5 of the Company Law 2190/1920, provision of all kinds of services related to design, development, implementation of its programs, as well as convey, without consideration, to ERGOSE all the main and ancillary rights and obligations arising from construction contracts.

2. Basis for Presentation and Preparation Framework

The Interim Financial Statements for the period have been prepared in accordance with International Accounting Standard 34 (IAS 34 "Interim Financial Reporting") as issued by the International Accounting Standards Board (IASB) and adopted by the European Union (EU) based on historic cost principal, as effective, with adjustments to fair value of investment property. The Interim Financial Statements have also been prepared under the Group and the Company going going concern principle. The Interim Financial Statements do not include all the information and disclosures required regarding the annual financial statement and, therefore, should be read in combination with the annual financial statements as of 31/12/2015.

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, 2015, apart from amendments to the standards, effective as from 01/01/2016. The amendments are presented in Note 3.

The financial statements are presented in thousand Euro (€ ‘000), unless otherwise stated.

3. Changes in Accounting Principles

The accounting principles under which the financial statements have been prepared are the same as those used for the preparation of the annual financial statements for FY 2016, adjusted in respect of new Standards and revisions adopted by the Group as at January 1, 2016:

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

The following amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), adopted by the European Union, and their application is mandatory from or after 01/01/2016. The most significant standards and interpretations are presented below as follows:

Amendments to IFRS 11: "Accounting for Acquisitions of Interests in Joint Operations" (effective for annual periods starting on or after 01/01/2016)	In May 2014, the IASB issued amendments to IFRS 11. The amendments add new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business and specify the appropriate accounting treatment for such acquisitions. The amendments do not affect the Financial Statements.
Amendments to IAS 16 and IAS 38: "Clarification of Acceptable Methods of Depreciation and Amortisation" (effective for annual periods starting on or after 01/01/2016)	In May 2014, the IASB published amendments to IAS 16 and IAS 38. IAS 16 and IAS 38 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The amendments do not affect the Financial Statements.
Amendments to IAS 16 and IAS 41: "Agriculture: Bearer Plants" (effective for annual periods starting on or after 01/01/2016)	In June 2014, the IASB published amendments that change the financial reporting for bearer plants. The IASB decided that bearer plants should be accounted for in the same way as property, plant and equipment in IAS 16. Consequently, the amendments include bearer plants within the scope of IAS 16, instead of IAS 41. The produce growing on bearer plants will remain within the scope of IAS 41. The amendments do not affect the Financial Statements.
Amendments to IAS 27: "Equity Method in Separate Financial Statements" (effective for annual periods starting on or after 01/01/2016)	In August 2014, the IASB published narrow scope amendments to IAS 27. Under the amendments, entities are permitted to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate Financial Statements – an option that was not effective prior to the issuance of the current amendments. The amendments do not affect the Financial Statements.
Annual Improvements to IFRSs – 2012-2014 Cycle (effective for annual periods starting on or after 01/01/2016)	In September 2014, the IASB issued Annual Improvements to IFRSs - 2012-2014 Cycle, a collection of amendments to IFRSs, in response to four issues addressed during the 2012-2014 cycle. The amendments are effective for annual periods beginning on or after 1 January 2016, although entities are permitted to apply them earlier. The issues included in this cycle are the following: IFRS 5: Changes in methods of disposal, IFRS 7: Servicing Contracts and Applicability of the amendments to IFRS 7 to condensed interim financial statements, IAS 19: Discount rate: regional market issue, and IAS 34: Disclosure of information "elsewhere in the interim financial report". The amendments do not affect the Financial Statements.
Amendments to IAS 1: "Disclosure Initiative" (effective for annual periods starting on or after 01/01/2016)	In December 2014, the IASB issued amendments to IAS 1. The aforementioned amendments address settling the issues pertaining to the effective presentation and disclosure requirements as well as the potential of entities to exercise judgment under the preparation of financial statements. The amendments do not affect the Financial Statements.

New Standards and Interpretations that have been issued and are mandatory for the accounting periods beginning on or after 01/01/2016 but not adopted by the European Union and not earlier implemented by the Group and the Company

The following new Standards 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. In particular:

IFRS 14 "Regulatory Deferral Accounts" (effective for annual periods starting on or after 01/01/2016)	In January 2014, the IASB issued a new Standard, IFRS 14. The aim of this interim Standard is to enhance the comparability of financial reporting by entities that are engaged in rate-regulated activities. Many countries have industry sectors that are subject to rate regulation, whereby governments regulate the supply and pricing of particular types of activity by private entities. 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 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 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 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 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 IFRS 10 and IAS 28: "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture" (the IASB postponed the effective date of this amendment indefinitely)	In September 2014, the IASB published narrow scope amendments to IFRS 10 and IAS 28. The objective of the aforementioned amendments is to address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. In December 2015, the IASB postponed the effective date of this amendments indefinitely pending the outcome of its research project on the equity method of accounting. 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 IFRS 10, IFRS 12 and IAS 28: "Investment Entities: Applying the Consolidated Exception" (effective for annual periods starting on or after 01/01/2016)	In December 2014, the IASB published narrow scope amendments to IFRS 10, IFRS 11 and IAS 28. The aforementioned amendments introduce explanation regarding accounting requirements for investment entities, while providing exemptions in particular cases, which decrease the costs related to the implementation of the Standards. 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 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 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 12: " Recognition of Deferred Tax Assets for Unrealized Losses" (effective for annual periods starting on or after 01/01/2017)	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 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 7: "Disclosure Initiative" (effective for annual periods starting on or after 01/01/2017)	In January 2016, the IASB published narrow scope amendments to IAS 7. The objective of the amendments is to enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments will require entities to provide disclosures that enable investors to evaluate changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes. 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.
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 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.
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 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.

Significant Accounting Estimates and Management Assumptions

Under the preparation of the interim condensed financial statements, the significant accounting judgments, estimates and assumptions adopted by Management to implement the Group's accounting policies and the key sources of uncertainty affecting the estimates are the same as those adopted during the preparation of the annual financial statements for FY ended as at December 31, 2015.

4. Property, Plant and Equipment

Land plots, buildings and technical equipment are carried as at transaction date (01/01/2005) at deemed cost, as in compliance with the requirements of IFRS 1. Deemed cost is the fair value of fixed equipment at IFRS transition date, estimated by independent, internationally recognized actuary agency.

There are a lot of contractual commitments for acquisition of fixed assets (New Investment) of large amounts that mainly pertain to expansion, modernization and improvement of the National Rail Network.

The Group Property, plant and equipment items are analyzed as follows:

Amounts in € '000	**Land**	**Buildings**	**Machinery**	**Transportation technical equipment**	**Furniture and other equipment**	**Fixed assets under construction**	**Total**
Acquisition cost as at 1/1/2015	3.292.277	8.097.334	98.991	759.170	31.454	1.519.817	13.799.043
Less: Accumulated Depreciation	0	(2.199.252)	(57.621)	(302.760)	(22.102)	0	(2.581.736)
Net Book Value at 1/1/2015	**3.292.277**	**5.898.082**	**41.370**	**456.410**	**9.352**	**1.519.817**	**11.217.308**
Additions	7.494	4.035	8.841	52	167	248.068	268.657
Transfer to Greek State & Held for Sale	0	0	0	(654.795)	0	(4.000)	(658.795)
Disposals	0	0	0	0	(77)	0	(77)
Total Depreciations of transferred rolling stock to Greek State	0	0	0	262.736	0	0	262.736
Self-produced tangible fixed assets	0	4.896	0	0	0	0	4.896
Depreciation of discontinued operations	0	0	0	(18.738)	0	0	(18.738)
Depreciation	0	(193.447)	(5.980)	(2.128)	(927)	0	(202.482)
Acquisition cost as at 31/12/2015	3.299.771	8.106.265	107.832	104.427	31.544	1.763.885	13.413.725
Less: Accumulated Depreciation	0	(2.392.699)	(63.601)	(60.890)	(23.029)	0	(2.540.220)
Net Book Value at 31/12/2015	**3.299.771**	**5.713.567**	**44.231**	**43.537**	**8.514**	**1.763.885**	**10.873.505**
Additions	1.630	(1.538)	503	0	120	142.317	143.031
Transfer to Greek State & Held for Sale	0	0	0	0	0	(2.347)	(2.347)
Self-produced tangible fixed assets	0	2.300	0	0	0	0	2.300
Depreciation	0	(96.830)	(3.128)	(5.051)	(533)	0	(105.542)
Acquisition cost as at 30/6/2016	3.301.401	8.107.027	108.335	104.427	31.664	1.903.855	13.556.709
Less: Accumulated Depreciation	0	(2.489.529)	(66.728)	(65.941)	(23.563)	0	(2.645.760)
Net Book Value at 30/6/2016	**3.301.401**	**5.617.498**	**41.607**	**38.486**	**8.101**	**1.903.855**	**10.910.949**

Amounts in € '000	Land	Buildings	Machinery	Transportation technical equipment	Furniture and other equipment	Fixed assets under construction	Total
Acquisition cost as at 1/1/2015	3.297.229	8.096.038	99.435	759.051	29.301	1.568.505	13.849.559
Less: Accumulated Depreciation	0	(2.197.949)	(57.467)	(302.695)	(20.039)	0	(2.578.150)
Net Book Value at 1/1/2015	**3.297.229**	**5.898.089**	**41.968**	**456.356**	**9.262**	**1.568.505**	**11.271.410**
Additions	7.803	4.151	9.137	0	75	256.447	277.613
Transfer to Greek State & Held for Sale	0	0	0	(654.795)	0	(4.000)	(658.795)
Transfer to Greek State & Held for Sale (depreciation)	0	0	0	262.736	0	0	262.736
Self-produced tangible fixed assets	0	4.896	0	0	0	0	4.896
Depreciation	0	(193.446)	(5.977)	(2.120)	(985)	0	(202.529)
Depreciation of discontinued operations	0	0	0	(18.738)	0	0	(18.738)
Acquisition cost as at 31/12/2015	3.305.032	8.105.085	108.572	104.256	29.376	1.820.952	13.473.273
Less: Accumulated Depreciation	0	(2.391.395)	(63.444)	(60.817)	(21.024)	0	(2.536.680)
Net Book Value at 31/12/2015	**3.305.032**	**5.713.690**	**45.128**	**43.439**	**8.352**	**1.820.952**	**10.936.593**
Additions	1.682	(1.514)	505	0	103	146.536	147.311
Transfer to Greek State & Held for Sale	0	0	0	0	0	(2.347)	(2.347)
Self-produced tangible fixed assets	0	2.300	0	0	0	0	2.300
Depreciation	0	(96.828)	(3.127)	(5.041)	(515)	0	(105.511)
Acquisition cost as at 30/6/2016	3.306.714	8.105.870	109.077	104.256	29.479	1.965.141	13.620.537
Less: Accumulated Depreciation	0	(2.488.223)	(66.572)	(65.858)	(21.539)	0	(2.642.192)
Net Book Value at 30/6/2016	**3.306.714**	**5.617.647**	**42.505**	**38.398**	**7.939**	**1.965.141**	**10.978.346**

Following the publication of the Joint Ministerial Decisions No. F35/OIK.23084/1822 dated as at 14.04.2014 and F35/OIK.62786/3165/22.10.2015, the rolling stock was automatically transferred by OSE to the Greek State. OSE debt to the Greek State will be equally reduced at the book value amounting to € 315,15 million and € 187,8 million respectively regarding the rolling stock transferred on the transfer date. The issues related to the delivery of rolling stock, the organizations-in charge-of the transfer, the storage spaces, determination of the transferred stock condition as well as the technical and financial evaluation of the rolling stock for the purposes of establishing its commercial value will be defined under a new decision of the respective Ministers to be issued in accordance with the provisions of Article 8 of Law. 3891/2010 as effective. In case there is a difference compared to the carrying amount, the debt reduction regarding the Organization will be adjusted so that it would equal its commercial value. On 17.10.2015, OSE signed Assumption Agreement with the Greek State towards Eurofima and following the publication of the Joint Ministerial Decision No. 337/ 29.03.2016, as from 1.1.16, OSE no longer enjoys any right arising from finance lease agreements with Eurofima, and, therefore, the Rolling Stock of 210.6 million value was transferred to Assets Held for Sale category on 31.12.2015. The transferred value has burdened the income statement for the period.

5. Investment Property

Land plots and buildings are carried at IFRS transition date (01/01/2005) at adjusted values as determined based on fair values by an independent valuer at the transition date.
In 2011, there was completed the update of the fair value of OSE S.A. investment property investment by an independent appraiser at the reporting date - 31/12/2010.

6. Other Long-term Receivables

The receivables pertain to advance payments performed to the contractors by the subsidiary ERGOSE S.A. According to Article 51, Law 3669/2008, on public construction projects, the Company provides advice payments to contractors till 15% of the total contractual amount. The contractor is burdened with interest for the aforementioned purposes.

7. Trade and Other Receivables

The analysis of the Group and the Company trade and other trade receivables is as follows:

-	THE GROUP		THE COMPANY	
Amounts in € '000	**30/6/2016**	**31/12/2015**	**30/6/2016**	**31/12/2015**
Receivables from private sector	1.110	1.100	1.042	1.024
International Transport Fares	1.292	1.292	1.292	1.292
Greek State – Public entities	777.173	778.148	777.173	778.148
Receivables from related company	0	0	41.249	84.913
Total Receivables	**779.575**	**780.540**	**820.756**	**865.377**
Less: Allowance for bad debts	(6.867)	(6.867)	(6.325)	(6.325)
Total Net Receivables	**772.708**	**773.673**	**814.431**	**859.052**

The total of the above receivables are short term and their book value approximates their fair value.

8. Other Receivables

The Group and the Company Other Receivables are analyzed as follows:

-	THE GROUP		THE COMPANY	
Amounts in € '000	**30/6/2016**	**31/12/2015**	**30/6/2016**	**31/12/2015**
Receivables from Greek State	188.065	155.641	186.492	154.172
Receivables from Insurance Funds	48.670	48.604	48.670	48.604
Advanced payments to suppliers	2.748	2.546	2.748	2.546
Miscellaneous debtors	14.133	13.664	10.483	10.560
Blocked Deposit Accounts	445	443	445	443
Prepaid expenses	93	234	93	216
Income Received	1	57	1	57
Staff current accounts	3.191	2.968	3.176	2.955
Receivables from Foreign Networks	303	303	303	303
Total Other Receivables	**257.649**	**224.460**	**252.411**	**219.856**
Less: Allowance for bad debts	(52.548)	(52.548)	(52.548)	(52.548)
Total Net Receivables	**205.101**	**171.912**	**199.863**	**167.308**

The item «Receivables from Greek State» mainly includes VAT returns.

The accumulated provision for doubtful receivables from insurance funds amounts € 48.590 k (2015: € 48.590 k). The remaining amount of the provision pertains to other accounts receivable.

Miscellaneous debtors account also includes a amount of approximately euro 6 million, pertaining to OSE receivables from the Greek State arising from administrative courts claims.

9. Cash and Cash Equivalents

Cash and cash equivalents represent cash in the Group's cashier as well as the bank deposits (sights or long term deposits) that are available upon demand.

Following No. 5316/04.02.2015 minutes of the Board of Directors, the Company Management, in compliance with the decision of the General Meeting of OSE Shareholders held on March 26, 2015, approved the proposal to open a cash management account/ accounts of OSE at the Bank of Greece. The Legislative Act (Government Gazette 41/ 20.04.2015) made provisions for the mandatory transfer of cash and time deposits of the General Government Institutions to the Bank of Greece, based on the provisions of case G, paragraph 11, Article 15, Law 2469/1997 (A-38), as amended by Article 36, Law 4320/2015 (A 29). This article makes provisions for the possibility of investing the total of such funds into acquisition or disposal securities of the Greek State securities under re-disposal/repurchase transactions with the Greek State. If case capital losses arises, the Institution holds direct claim for losses against the Greek State. Following the above, 82% of the Company's total cash available (or 100% of non-directly callable receivables for the needs of cash management) were transferred to the aforementioned account.

The Legislative Act has imposed capital control in Greece. The Group estimates that no liquidity shortage is to be currently expected.

The Group and the Company cash and cash equivalents are as follows:

- Amounts in € '000	THE GROUP 30/6/2016	31/12/2015	THE COMPANY 30/6/2016	31/12/2015
Cash on hand	171	398	167	395
Bank deposits in €	164.428	232.888	86.147	102.122
Bank deposits in foreign currency	1.123	1.122	1.123	1.122
Total Cash & Cash Equivalents	**165.722**	**234.408**	**87.437**	**103.639**

10. Share Capital

The Company share capital comprises 47.991.984 ordinary, fully paid Shares (2015: 47.991.984), of nominal value € 100 each. The total share capital amounts to € 4.799.198.400.

As far as the Company Share Capital is concerned, there are no specific restrictions apart from those, imposed by the effective legislation.

11. Amounts Intended for Share Capital Increase

The Group and the Company amounts intended for the Share Capital Increase are analyzed as follows:

Amounts in € '000	THE GROUP	THE COMPANY
Balance as at 1/1/2015	**2.738.176**	**2.738.176**
Shareholders deposits	288.073	288.073
Balance as at 31/12/2015	**3.026.249**	**3.026.249**
Shareholders deposits	124.114	124.114
Balance as at 30/6/2016	**3.150.363**	**3.150.363**

The above amounts are expected to be capitalized following the issue of ministerial decisions.

12. Employee End of Service Benefit Obligations

The corresponding obligations of the Group and the Company as well as the amounts recorded in the income statement are as follows:

- Amounts in € '000	THE GROUP 30/6/2016	31/12/2015	THE COMPANY 30/6/2016	31/12/2015
Opening balance obligations	**20.086**	**21.161**	**18.933**	**20.001**
Pension benefits (debited in the income statement)	682	888	649	771
Pension benefits (debited in other comprehensive income)	121	(3)	121	121
Use of provisions (payments)	(204)	(1.960)	(204)	(1.960)
Total	**20.685**	**20.086**	**19.499**	**18.933**

13. Future Income from Government Grants

The above item includes effective fixed assets grants.

Amounts in € '000	THE GROUP 30/6/2016	31/12/2015	THE COMPANY 30/6/2016	31/12/2015
Acquisition value	706.777	706.777	706.777	706.777
Grants Amortization	(325.112)	(310.977)	(325.112)	(310.977)
Book value as at 30/6/2016	**381.665**	**395.800**	**381.665**	**395.800**

The aforementioned government grants pertain to:

1. Government Investments Grants
2. European Union Grants
3. Volos – Milies line reoperation grants
4. Grants from the General Secretariat of Research and Technology (MITRO – SRM LIFE- INTELLECT)

The future income from the grants included in the above account is definite.

14. Long term Loan Liabilities

The Group and the Company long term loan liabilities are analyzed as follows:

Long term loans	**THE GROUP**		**THE COMPANY**	
Amounts in € '000	**30/6/2016**	**31/12/2015**	**30/6/2016**	**31/12/2015**
L/T Liabilities to participating interest in € (Eurofima)	0	0	0	0
Bond loans in €	2.454.190	2.904.190	2.454.190	2.904.190
Bond loans in foreign currency	0	0	0	0
Total long term loans	**2.454.190**	**2.904.190**	**2.454.190**	**2.904.190**

The maturity dates of the Group and the Company loans (in years) are as follows:

Borrowing as at 30/6/2016	**THE GROUP AND THE COMPANY**			
Amounts in € '000	**From 1 to 2 years**	**From 2 to 5 years**	**Over 5 years**	**TOTAL**
Bond loans	878.700	775.000	800.490	2.454.190
Total	**878.700**	**775.000**	**800.490**	**2.454.190**

The Group and the Company long-term loan liabilities paid in the following year are included in the item «Other short term liabilities» (Note 18) and for the current period amount to 1,32 billion euro (2015: 1,38 billion euro).

All the loan liabilities of the Organization that as at 30/6/2016 stand at € 3.780 million, are secured by the Greek State. Bonds of approximately € € 3.129 million are held by the Greek State following the exchange process (Private Security Investment - PSI+) completed in 2012, while bonds worth of € 651 million are held by third parties that have not accepted the terms of exchange.

15. Other Provisions

The provisions, included in the above item, are analyzed as follows:

	THE GROUP			**THE COMPANY**		
Amounts in € '000	**Other provisions for contingent liabilities**	**Provisions for tax inspection differences**	**Total**	**Other provisions for contingent liabilities**	**Provisions for tax inspection differences**	**Total**
Book value as at 1/1/2015	**153.047**	**60.316**	**213.363**	**153.047**	**60.316**	**213.363**
Additions	64.164	0	64.164	64.104	0	64.104
Used provisions	(962)	(9.549)	(10.511)	(902)	(9.549)	(10.451)
Book value as at 31/12/2015	**216.249**	**50.767**	**267.016**	**216.249**	**50.767**	**267.016**
Additions	0	0	0	0	0	0
Used provisions	(3.334)	0	(3.334)	(3.334)	0	(3.334)
Book value as at 30/6/2016	**212.915**	**50.767**	**263.682**	**212.915**	**50.767**	**263.682**

The Organisation was inspected by the tax authorities for tax items under the Real Estate Property Tax (respectively - the Unified Property Tax (ETAK) for 2009), Stamp Duties and Code of Accounting Books and Records, according to the inspection order 1686/4/1118/ 04.02.2015 of the Audit Authority for Large Enterprises. The audit covered FYs from 2009 to 2012 and was completed in April 2015 through the issue of the Amending Identification Definitive Acts. Concerning the Amending Identification Definitive Acts in respect of ETAK, the Organisation accepted the tax charges for FYs 2009-2012 and paid its debts by using the settlement under Law 4321/2015 on debt settlement, using the equal amount of provision.

16. Other Long-term Liabilities

The account mainly pertains to the long-term component of liabilities arising following the final settlement of liabilities to insurance organizations (Law 4321/2015). The settlement includes liabilities arising as till 2011 inclusively. Since the settlement date till currently, the Organization timely pays its insurance contributions.

17. Trade and Other Liabilities

rade and other liabilities balances in respect of the Group and the Company are analyzed as follows:

-	THE GROUP		THE COMPANY	
Amounts in € '000	**30/6/2016**	**31/12/2015**	**30/6/2016**	**31/12/2015**
Domestic suppliers	43.975	53.764	17.993	17.930
Foreign suppliers	28	25	28	25
Liabilities to associates	0	0	0	0
Checks payable	8.146	6.439	0	0
Total liabilities	**52.149**	**60.228**	**18.021**	**17.955**

18. Other Short-term Liabilities

The Group and the Company other short-term liabilities are analyzed as follows:

-	THE GROUP		THE COMPANY	
Amounts in € '000	**30/6/2016**	**31/12/2015**	**30/6/2016**	**31/12/2015**
Greek State – Loan Repayment	7.055.615	6.425.977	7.055.615	6.425.977
Long term liabilities carried forward	1.326.282	1.376.551	1.326.282	1.376.550
Accrued expenses	37.840	69.832	37.840	69.832
Other taxes (excluding income tax)	1.363	3.656	110	906
Insurance funds	3.111	4.591	3.111	4.591
Advances from customers	1.404	1.265	1.404	1.265
Salaries and wages payable	1.371	1.108	1.371	1.108
Deferred income	96	128	0	0
Miscellaneous debtors	240	240	240	240
Fees beneficiaries	5.646	5.780	5.628	5.754
Other short term liabilities	34.083	35.279	34.079	35.275
Total liabilities	**8.467.051**	**7.924.407**	**8.465.680**	**7.921.498**

Following the publication of the Joint Ministerial Decisions, the debt to the State has decreased. Analytical reference is presented in Note 4.

Within the current period, the Organization liabilities to the Greek State arising from loan guarantees increased by € 629 million. The most significant amounts that have increased the aforementioned liabilities pertain to an amount of € 515 million, regarding amortization of loans and an amount of € 114 million regarding interest and loan commissions over loans under guarantees. As referred to in Note 14, the amounts of credit installments and interest that appear to have been paid by the guarantor (the Greek State) differ in respect of the actual amounts paid, meaning that a significant part of the liabilities of the Organization (approximately 82,7% of the value of its bonds) has come into possession of the Greek State through the exchange process (PSI+ 2012).

Long-term liabilities carried forward are related to amortization of loans to be paid within the next fiscal year. An amount of Euro 800 million is owned by the Greek State.

Accrued expenses mainly concern accrued interest on bond loans.

Other current liabilities mainly concern liabilities amounting to approximately Euro 4,1 million for staff retirement and Euro 21 million for obligation due to judicial dispute with another public entity.

19. Turnover

The Group and the Company turnover analysis is as follows:

-	THE GROUP		THE COMPANY	
Amounts in € '000	**1/1/-30/6/2016**	**1/1/-30/6/2015**	**1/1/-30/6/2016**	**1/1/-30/6/2015**
Income from infrastructure use fees	7.600	8.001	7.600	8.001
Income from Other Services	968	855	877	853
Income from infrastructure use duties (Electrification)	1.119	844	1.119	844
Disposal of obsolete stock	129	1.900	114	1.896
Total	**9.816**	**11.600**	**9.710**	**11.594**

Income from infrastructure use duties concern the income receivable from the companies TRAINOSE S.A. and URBAN RAIL TRANSPORT S.A. that use it. It is calculated based on the Network Statement which is annually renewed and posted on the Organization's website.

Revenue from rendering services is mainly related to income from the provision of education services to third parties, providing IT services and rental of buildings and means of transportation.

Revenue from infrastructure use duties (electrification) concern revenue from the companies TRAINOSE S.A. and URBAN RAIL TRANSPORT S.A. under electrification transfer cost.

Income from scrap sales pertains to disposals of old and obsolete inventory.

20. Analysis of Expenses per Category

Analysis and allocation of the Group expenses for the closing year per category as well as the comparative period sizes are presented below as follows:

-	THE GROUP 1/1/-30/6/2016			THE COMPANY 1/1/-30/6/2016		
Amounts in € '000	**Cost of sales**	**Administration expenses**	**Total**	**Cost of sales**	**Administration expenses**	**Total**
Cost of inventory recognized as expenses	833	(679)	**154**	833	(679)	**154**
Cost of tangible assets depreciation	99.158	2.401	**101.559**	99.122	2.390	**101.512**
Cost of intangible assets amortization	12	77	**89**	3	73	**76**
Operating leases expenses	370	116	**486**	168	16	**184**
Electric power	3.180	101	**3.281**	3.180	101	**3.281**
Telecommunications	277	129	**406**	261	121	**382**
Insurance	87	28	**119**	79	24	**107**
Repair and maintenance	2.057	29	**2.086**	2.032	17	**2.049**
Charges for outside services	120	30	**150**	98	19	**117**
Taxes-Duties	571	80	**651**	556	69	**625**
Employee compensation and expenses	20.768	4.174	**24.942**	18.631	3.395	**22.026**
Professional fees and expenses	4.110	874	**4.984**	4.057	649	**4.706**
Provisions	28	11	**39**	18	10	**28**
Advertisement expenses	15	26	**41**	2	6	**8**
Travel expenses	0	40	**40**	0	14	**14**
Miscellaneous expenses	466	326	**792**	401	224	**625**
Self-production fixed assets	(2.300)	0	**(2.300)**	(2.300)	0	**(2.300)**
Total	**129.752**	**7.763**	**137.519**	**127.142**	**6.449**	**133.595**

	THE GROUP 1/1/-30/6/2015			THE COMPANY 1/1/-30/6/2015		
Amounts in € '000	**Cost of sales**	**Administration expenses**	**Total**	**Cost of sales**	**Administration expenses**	**Total**
Cost of inventory recognized as expenses	876	149	**1.025**	876	149	**1.025**
Cost of tangible assets depreciation	99.574	2.460	**102.034**	99.565	2.456	**102.021**
Cost of intangible assets amortization	8	46	**54**	4	46	**50**
Operating leases expenses	440	135	**575**	218	21	**239**
Electric power	2.099	40	**2.139**	2.099	40	**2.139**
Distribution expenses	30	0	**30**	4	0	**4**
Telecommunications	224	72	**296**	203	61	**264**
Insurance	80	50	**132**	74	47	**123**
Repair and maintenance	2.292	20	**2.312**	2.273	10	**2.283**
Charges for outside services	215	36	**251**	189	22	**211**
Taxes-Duties	586	375	**961**	571	365	**936**
Employee compensation and expenses	22.272	4.637	**26.909**	19.962	3.796	**23.758**
Professional fees and expenses	1.240	2.572	**3.812**	1.229	2.237	**3.466**
Provisions	30	33	**63**	0	22	**22**
Advertisement expenses	4	7	**11**	0	4	**4**
Travel expenses	0	23	**23**	0	7	**7**
Miscellaneous expenses	540	354	**894**	473	313	**786**
Self-production fixed assets	(1.354)	0	**(1.354)**	(1.354)	0	**(1.354)**
Total	**129.156**	**11.009**	**140.167**	**126.386**	**9.596**	**135.984**

21. Other Operating Expenses

The Group and the Company other operating expenses are analyzed as follows:

-	THE GROUP		THE COMPANY	
Amounts in € '000	**1/1/-30/6/2016**	**1/1/-30/6/2015**	**1/1/-30/6/2016**	**1/1/-30/6/2015**
Fines & surcharges	19	439	19	439
Other operating expenses	416	367	401	365
Inventory deficit differences value	0	0	0	0
Interest surcharges	0	525	0	525
Prior periods expenses	1.109	838	1.109	838
Provisions	0	59	0	0
Total	**1.544**	**2.228**	**1.529**	**2.167**

22. Other Operating Income

The Group and the Company other operating income is analyzed as follows:

-	THE GROUP		THE COMPANY	
Amounts in € '000	**1/1/-30/6/2016**	**1/1/-30/6/2015**	**1/1/-30/6/2016**	**1/1/-30/6/2015**
Extraordinary grant	0	0	0	0
Service income	340	85	335	85
Income from rendering of staff	191	115	191	115
Operating leases income	75	0	75	0
Extraordinary profit from write off of liabilities & Other income	99	47	97	33
Income from penalties - Forfeiture	35	190	35	190
Grants proportional to the year	14.136	14.136	14.136	14.136

State grant	22.500	22.500	22.500	22.500
Income from provisions	2	0	2	0
Total	**37.378**	**37.073**	**37.371**	**37.059**

Within the closing period, there was provided state grant to OSE S.A. by the Greek State, amounting to € 22.500 k. The grant in question concerns the following services:

Service A: Maintenance and operation of existing railway infrastructure

Service B: Railway Traffic Management

Service C: Other services

The amount of the grant for every year will be determined by contract to be signed between OSE S.A. and the Greek State. The contract signing will be completed upon finalization of the railway infrastructure recording process for which OSE S.A. will undertake the maintenance obligation.

23. Finance Costs

The Group and the Company finance costs are analyzed as follows:

-	THE GROUP		THE COMPANY	
Amounts in € '000	**30/6/2016**	**30/6/2015**	**30/6/2016**	**30/6/2015**
Borrowing interest	87.574	120.848	87.573	120.848
Interest expense on defined benefit liability	617	86	617	86
Other similar expenses	22	19	0	1
Total	**88.213**	**120.953**	**88.190**	**120.935**

24. Other financial Results

The Group and the Company other financial results pertain to foreign exchange translation differences regarding the loans issued by the parent company in Japanese Currency (yen ¥).

25. Cash Flows – Profit Adjustments

The income statement adjustments for the definition of cash flows from operating activities are analyzed as follows:

Continuing operations		THE GROUP		THE COMPANY	
Amounts in € '000	Note	**1/1/-30/6/2016**	**1/1/-30/6/2015**	**1/1/-30/6/2016**	**1/1/-30/6/2015**
Income Statement adjustments for:					
Depreciation of tangible fixed assets		101.539	102.019	101.510	102.019
Amortization of intangible assets		88	57	76	49
Provisions and Returned Provisions		(2.735)	(17.342)	(2.768)	(17.474)
Income from Dividends		0		(1.176)	0
Income from government grants		(14.136)	(14.136)	(14.136)	(14.136)
Interest income		(2.362)	(1.607)	(1.672)	(645)
Interest expenses		88.225	120.977	88.203	120.959
Foreign currency translation differences		9.906	9.115	9.906	9.115
Total		**180.525**	**199.083**	**179.943**	**199.887**

Discontinued operations		THE GROUP		THE COMPANY	
Amounts in € '000	Note	**1/1/-30/6/2016**	**1/1/-30/6/2015**	**1/1/-30/6/2016**	**1/1/-30/6/2015**
Depreciation of tangible fixed assets		0	9.369	0	9.369

Interest expenses of discontinued operations	0	3.788	0	3.788
Loss due to transfer Rolling Stock	210.579	0	210.579	0
Profit from taking up borrowings from the Greek State	(319.828)	0	(319.828)	0
Total	**(109.249)**	**13.157**	**(109.249)**	**13.157**

26. Disconnected Operations

TRANSFER OF PART OF ROLLING STOCK TO THE GREEK STATE

Following the publication of the Joint Ministerial Decisions F35/OIK.23084/1822/14/4/2014 and F35/οικ.62786/3165/22.10.2015, the rolling stock referred to in the relative decision was transferred by OSE to the Greek State. On 17.10.2015, OSE signed Assumption Agreement with the Greek State towards Eurofima and following the publication of the Joint Ministerial Decision No. 337/ 29.03.2016, as from 1.1.16, OSE no longer enjoys any right arising from finance lease agreements with Eurofima, thus making the Greek State the first beneficiary and lessee of the domestic rolling stock.

	THE GROUP		**THE COMPANY**	
	1/1/-30/6/2016	**1/1/-30/6/2015**	**1/1/-30/6/2016**	**1/1/-30/6/2015**
Discontinued Operations				
Cost of sales	0	(9.369)		(9.369)
Other operating expenses (Loss Rolling Stock)	(210.579)	0	(210.579)	0
Accrued interest	0	(3.788)		(3.788)
Other operating income (profit from deletion loans)	319.828	0	319.828	0
Earnings before interest, taxes and amortization	**109.249**	**(13.157)**	**109.249**	**(13.157)**

27. Segment Reporting

Each segment income and expenses for the periods are analyzed as follows:

Amounts in € '000 ***Segment reporting as at 30/6/2016***	**Infrastructure & Traffic Operation**	**Rolling Stock Leasing**	**Other**	**Non apportioned**	**Total**
Income					
Revenue from rendering of services	8.719	0	991	106	9.816
Other income	22.500	15	0	727	23.242
Total Income	**31.219**	**15**	**991**	**833**	**33.058**
Expenses					
Employee benefits expense	21.547	0	3.395	0	24.942
Inventory (material usage)	827	0	(673)	0	154
Expenses to third parties	10.542	0	1.256	1.009	13.095
Self-production of fixed assets	(1.000)	0	0	0	(2.300)
Other Expenses	209	0	1.345	15	1.569
Total Expenses	**32.125**	**0**	**5.324**	**1.024**	**37.460**
EBITDA	**(906)**	**15**	**(4.332)**	**(191)**	**(4.402)**
Depreciation	84.005	1.002	2.444	0	87.450
EBIT	**(84.911)**	**(986)**	**(6.777)**	**(191)**	**(91.852)**
Finance Income	0	0	0	2.362	2.362
Finance costs	0	0	0	98.130	98.130
Losses before tax	**(84.911)**	**(986)**	**(6.777)**	**(95.960)**	**(187.621)**
Tax expense	0	0	0	200	200
Losses for the year from continuing operations	**(84.911)**	**(986)**	**(6.777)**	**(96.160)**	**(187.821)**
Losses for the year from discontinued operations	0	109.249	0	0	109.249
Losses for the year	**(84.911)**	**108.262**	**(6.777)**	**(96.160)**	**(78.572)**

Amounts in € '000 ***Segment reporting as at 30/6/2015***	**Infrastructure & Traffic Operation**	**Rolling Stock Leasing**	**Other**	**Non apportioned**	**Total**
Income					
Revenue from rendering of services	8.845	0	2.750	5	11.600
Other income	22.500	0	0	437	22.937
Total Income	**31.345**	**0**	**2.750**	**442**	**34.537**
Expenses					
Employee benefits expense	23.113	0	3.818	0	26.930
Inventory (material usage)	910	0	150	0	1.026
Expenses to third parties	7.334	0	3.108	1.034	11.476
Self-production of fixed assets	(1.354)	0	0	0	(1.354)
Other Expenses	5	0	2.162	61	2.228
Total Expenses	**30.007**	**0**	**9.239**	**1.094**	**40.306**
EBITDA	**1.338**	**0**	**(6.489)**	**(652)**	**(5.769)**
Depreciation	83.621	1.810	2.501	0	87.931
EBIT	**(82.283)**	**(1.810)**	**(8.990)**	**(652)**	**(93.700)**
Finance Income	0	0	0	1.607	1.607
Finance costs	0	0	0	130.091	130.091
Losses before tax	**(82.283)**	**(1.810)**	**(8.990)**	**(129.137)**	**(222.184)**
Tax expense	0	0	0	0	0
Losses for the year from continuing operations	**(82.283)**	**(1.810)**	**(8.990)**	**(129.137)**	**(222.184)**
Losses for the year from discontinued operations	0	9.369	0	3.788	13.157
Losses for the year	**(82.283)**	**(11.180)**	**(8.990)**	**(132.925)**	**(235.341)**

The main client of OSE SA is the company TRAINOSE SA. Total revenue from services to TRAINOSE SA amounts to € 20,1 million, and is distributed to all the above segments.

The Group's management estimates that revenue from providing services to TRAINOSE SA is collectible. If it is not possible to recover all or part of this amount, either in the context of finalization and implementation of the provisions of Law 3891/2010, or due to economic inability of TRAINOSE SA, the analysis presented in the above table will be affected accordingly.

28. Related Parties Transactions

The Group and the Company inter-company transactions (disposals/acquisitions) are analyzed as follows:

Amounts in € '000	**THE GROUP**		**THE COMPANY**	
Acquisition of Assets	**30/6/2016**	**30/6/2015**	**30/6/2016**	**30/6/2015**
Subsidiaries	0	0	138.755	50.580
Other related parties	0	0	0	0
Revenue				
Subsidiaries	0	0	4.439	0
Other related parties	0	0	0	0
Total	**0**	**0**	**134.316**	**50.580**

The Company provisions to the Members of the Management for the respective periods are as follows:

-	**THE GROUP**		**THE COMPANY**	
Amounts in € '000	**30/6/2016**	**30/6/2015**	**30/6/2016**	**30/6/2015**
BoD & CEO benefits	69	38	18	37

29. Related Parties Receivables – Payables

The Group and the Company inter-company receivables/payables balances are analysed as follows:

Amounts in € '000	**THE COMPANY**	
Receivables	**30/6/2016**	**31/12/2015**
Subsidiaries	49.447	92.392
Other Related Parties	0	0
Total	**49.447**	**92.392**

Payables	**30/6/2016**	**31/12/2015**
Subsidiaries	8.205	7.643
Other Related Parties	0	0
Total	**8.205**	**7.643**

No loans have been issued to members of the Board of Directors or to any Company's executives (and their families).

OSE S.A. and TRAINOSE S.A. as a total belong to the Greek State and are independent from each other. OSE receivables from TRAINOSE stand at € 755 million (2015: 757 million). Income from OSE provision of services and sale of goods to TRAINOSE stood at approximately € 9.7 million, while the corresponding expenses stood at approximately € 49 k.

30. Commitments, Contingent Liabilities and Receivables

30.1 Guarantees

Various types of Letters of Guarantee, mainly related to the projects, have been issued to the Company and the Group. Good performance, advance payment and 10% retention letters of guarantee, received by the Group for the period stand at € 530. 857 k (31/12/2015: € 549.737 k). Letters of guarantee to third parties for conduct of expropriation for the period stood at € 18.220 k (2015: €18.220 k).

30.2 Litigations

Third parties versus OSE

There is a sufficient number of litigations, pending for a long time, against the Company and the Group pertaining to the following amounts:

Litigations arising from:	**Amount claimed**
Labor disputes	118.517
Transportation - Accidents	43.175
From Contracts	111.812
Damage to third party	43.491
Total	**316.995**

As far as the above litigations are concerned and according to the estimates of the company legal consultants, there has been formed accumulative provision, totally amounting to € 213 million that is presented in the item «Other Provisions» (Note 15).

OSE versus third parties

OSE has filed motions against third party suppliers, contractors etc. based on contractual obligations or motions directly related to the contractual obligations of the above counterparties of the Group (ex. Moral damage), totally amounting to € 341 million. It shall be noted that the majority of the motions arise from the program agreements signed by the Group.

30.3 Tax Non-inspected Years

The Group makes the relevant provision for tax non-inspected years. The above provision totally amounts to € 51 million (Note 15).

The table below briefly presents the Group tax non-inspected years, as till currently:

Company	Tax Non-inspected Years
OSE S.A.	2009-2010
ERGOSE S.A.	2010

The Organisation was inspected by the tax authorities for tax items under the Real Estate Property Tax for FY 2009 and FY 2010, Stamp Duties and Code of Accounting Books and Records aw well as similar items, while the income tax inspection is pending. Within the closing FY, EDISY S.A., which has merged with OSE, tax inspection was completed regarding FYs 2006, 2007, 2008. As far as FYs 2011, 2012, 2013, 2014 and 2015 are concerned, the parent company and ERGOSE S.A. have been subject to tax audit of Chartered Accountants. The finalization of tax inspection by the Ministry of Finance is pending.

31. Number of Employees

The average rate of the employees is as follows:

	THE GROUP		THE COMPANY	
Number of employees	**30/6/2016**	**31/12/2015**	**30/6/2016**	**31/12/2015**
	1.506	1.570	1.313	1.377

32. Significant Events

On November 4, 2010 there was publicized Law 3891/2010 on restructuring, reorganization and development of OSE Group. Later, laws 4111/2013 and 4313/17.12.2014 were published, amending changes to Law 3891/2010, εwhile settling the other matters regarding the Organisation.

The basic provisions of the aforementioned laws are as follows:

Settlement of real estate property

Under Article 6 of the Law 3891/2010, the entire real estate property of OSE, including real estate and railway infrastructure, automatically gets under the ownership of the State, following the publication in the Government Gazette of the relevant decision of the Ministers of Economy and Transport Infrastructure and Networks. From the above transfer, the State, through the competent services, undertakes the responsibility to ensure the expansion of the rail network is the National Railway Infrastructure by acquiring the necessary properties and submitting property items for this purpose. Till currently, the relative decision has not been issued.

Debt settlements

Under the effective date of Article 13 of Law 3891/2010, subject to the provisions of Article 44, par. 1 of the same law, there are written off the debts TRAINOSE to OSE, under the ministerial decree within the context of the specific terms to be approved by European Commission, given the effective legislation on the state aid. The timing, scope and process of recording and write off are determined jointly by the Ministers of Economy and Transport Infrastructure and Networks.

Under the effective date of Article 13 of Law 3891, subject to the provisions of Article 44, par. 1 of the same law, there are written off the debts of OSE to the State within the context of the specific terms to be approved by European Commission.

Also, under a joint decree of the above Ministers, there can be defined assumption of debt of OSE to third parties by the State, the write off of these debts from its financial statements and there is specified the procedure of assessment, clearing and assumption of debt, and any other necessary details.

According to article 44 of Law 3891/2010, the validity of provisions in the articles listed on the transfer of the rolling stock, the settlement of debts, is effective at the time determined by the decision of the Ministers of Finance, Transportation, Infrastructure and Networks and Labor and Social Security, taking into account the outcome of the applications to be received for the provision of an approval by the European Commission on the state assistance issues in accordance with the relevant articles of the Treaty on the functioning of the European Union.

The company is in the process of implementing the aforementioned Law provisions. As at the financial statements preparation date, there are effective significant issues regarding the amounts of assets and Liabilities that remain with the company and the group, and therefore, currently, it is not feasible to estimate the impact of those changes on the financial position and assets composition of the Company and the Group.

Rolling stock transfer

Under Article 8, Law 3891/2010, as amended by Article 25, Law 4111/2013, following the decision of the Ministers of Finance, Transportation and Networks, issues 2 months after the effective date of the relative paragraph, the particular rolling stock is transferred from OSE to the Greek State. Following the issue of this decision, the debt of OSE to the Greek State is reduced proportionally to the value of the transferred assets. Under the transfer of the rolling stock, the State automatically and without further formalities replaces OSE regarding rights and obligations under the lease contract signed with TRAINOSE. The transferred rolling stock is a total of OSE rolling stock other than the items, used for infrastructure management activities. The aforementioned decision also regulates all the issues in respect of the rolling stock.

Following the above, there was published the JMD under number F35/OIK.23084 /1822 dated as at 04.14.2014, which provides for the transfer of the active rolling stock of OSE to the Greek State. The aforementioned decision also determines the meaning of the active rolling stock. OSE debt to the Greek State was reduced by 315.1 million, which is the carrying amount of the transferred rolling stock on the date of the transfer (acquisition value amounted to € 539,1 million and accumulated depreciation to 223.9 million.) The issues related to the delivery of rolling stock, the organizations-in charge-of the transfer, the storage spaces, determination of the transferred stock condition as well as the technical and financial evaluation of the rolling stock for the purposes of establishing its commercial value will be defined under a new decision of the respective Ministers to be issued in accordance with the provisions of Article 8 of Law. 3891/2010 as effective. In case there is a difference compared to the carrying amount, the debt reduction regarding the Organization will be adjusted so that it would equal its commercial value. At the current stage, OSE is in no position to know the market value of the rolling stock that will constitute the transfer consideration and therefore, in compliance with the requirements of IFRS, the particular assets, as well as the income arising from the rentals of the rolling stock, are not separately presented in the financial statements. Following the finalization of the procedures, OSE debt to the Greek State will be decreased proportionally to the value of the transferred rolling stock.

Following the publication of the Joint Ministerial Decision F35/OIK.62786/3165/22.10.2015, the rolling stock was automatically transferred by OSE to the Greek State. OSE debt to the Greek State will be equally reduced at the book value amounting to € 187,8 million regarding the rolling stock transferred on the transfer date. In case there is a difference compared to the carrying amount, the debt reduction regarding the Organization will be adjusted so that it would equal its commercial value.

Following the publication of the Joint Ministerial Decision 337 (Government Gazette 829/29.3.2016), bearing in mind the "Assumption Agreement" dated as at 17/10/2015 with the Greek State towards Eurofima and Article 13A, Law 3891/2010 (added under Law 4337/17.10.2015), as from January 1st 2016, OSE no longer enjoys any right arising from finance lease agreements with Eurofima, thus making the Greek State the first beneficiary and lessee of the domestic rolling stock.

Rolling stock leasing

As from 1.1.2013 and till the finalization of transferring the rolling stock, OSE automatically, and without formalities, assigned to the Greek State the lease payments, provided for under leasing agreement of rolling stock between OSE and TRAINOSE.

33. Post Reporting Period Date Events

On May 22, 2016 the Greek Parliament voted for the complex legislation, in which Article 197 makes provisions for the establishment of the Public Holding Company ("PHC") so that it could hold state investments in public companies, professionally manage and enhance the value of these investments in accordance with the best international practices and OECD guidelines regarding corporate governance, corporate compliance, supervision and transparency of procedures and in accordance with the best practices on socially and environmentally responsible entrepreneurship and consultation with the involved public bodies. As at the date of PHC Articles of Association registration with the General Commercial Electronic Registry, the shares of public companies listed in attachment IV, which forms an integral part of the legislation, are automatically transferred to PHC without the payment of any consideration. OSE is included in the list of companies presented in Attachment IV. Till the date the interim financial statements approval by the Board of Directors of the Organisation, the shares transfer procedures have bot been completed.

34. Approval of Interim Condensed Financial Statements

The Corporate and Consolidated interim condensed Financial Statements for the ended period were approved by the Board of Directors of HELLENIC RAILWAYS ORGANIZATION S.A. on September 15, 2016

Athens, September 20, 2016

CHAIRMAN OF THE BOARD OF DIRECTORS	CHIEF EXECUTIVE OFFICER
GEORGIOS APOSTOLOPOULOS	KONSTANTINOS PETRAKIS
CHIEF FINANCIAL OFFICER	CHIEF ACCOUNTANT & TRANSACTIONS DIRECTOR
PETROS P. AVOURIS	IOANNIS A. SERDARIS