

# FY 2017 Financial Results

April 2018

# Disclaimer

*This document contains forward-looking statements that involve risks and uncertainties. These statements may generally, but not always, be identified by the use of words such as “outlook”, “guidance”, “expect”, “plan”, “intend”, “anticipate”, “believe”, “target” and similar expressions to identify forward-looking statements. All statements other than statements of historical facts, including, among others, statements regarding the future financial position and results of ADMIE Holding and ADMIE (IPTO), the outlook for 2018 and future years as per IPTO’s business strategy and five-year business plan planning, the effects of global and local economic and energy conditions, the impact of the sovereign debt crisis, effective tax rates, and management initiatives regarding ADMIE Holding’s and IPTO’s business and financial conditions are forward-looking statements. Such forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially, because current expectations and assumptions as to future events and circumstances may not prove accurate. Actual results and events could differ materially from those anticipated in the forward-looking statements for many reasons, including potential risks described in ADMIE Holding’s Greek Information Prospectus originally drafted and approved by the Hellenic Capital Market Commission in the Greek language as well as Affiliate ADMIE’s (IPTO) Annual Financial Report 31 December 2017.*

*ADMIE Holding S.A. is owner of a 51% stake in “Independent Power Transmission Operator S.A.” (ADMIE/IPTO).*

*EBITDA = Operating Income before Income tax and Financial Income (Expense) + Depreciation & Amortization.*



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An aerial photograph of a road at night, with glowing green lines tracing the road's path. The background is dark, and there are some faint lights in the distance.

*Safely completing the transition in year-1,*

*'18 focus shifts to transmission system growth*

# IPTO 2017 checklist

EUR million	2016	2017	Comment
Regulated Asset Base (RAB)*	€1.5 billion	€1.4 billion	RAE impact reflected on 2018 RAB
Investments (System & Users)	142.1	70.1	Backloaded due to unbundling process
EBITDA	152.0	172.0	✓ In line with Outlook
Net profit/(loss)	-2.7	61.7	✓ Higher than Outlook
Dividend payout		50%	✓ As per Shareholder Agreement

\* Source: RAE, Resolution 235/2018; source: ADMIE (IPTO)

# IPTO '18-'21 outlook

EUR million	2017	2021
Regulated Asset Base (RAB)*	RAE: €1.4 billion	RAE: €2.1 billion
Investments (System & Users)	70.1	Approximately €1 billion cumulative '18-'21
EBITDA	172.0	Approximately 220
Net profit/(loss)	61.7	Approximately 85
Dividend payout	50%	At least 50%**

\* Source: RAE, Resolution 235/2018 \*\*As per Shareholder Agreement; source: ADMIE (IPTO)

# IPTO 2017 Highlights

- Electricity transmission +1.6% yoy
- IPTO system rent +5% yoy on favorable 2H comps
- EBITDA €172.0M, +13.1% yoy
- Net profit €61.7M
- Net debt €234.4M\*
- Initiatives by new management well in-progress
- RAE initiates new, four-year, regulatory period

52TWh

Strongest demand since 2010

€172.0M

Reported EBITDA

€69.9M

Free cash flow\*\*

\* Excl. €476 million regarding PSO's account deposited to HEDNO on 5 January 2018 ; \*\*Post-interest; source: ADMIE (IPTO)

# IPTO selected items

EUR M

Balance sheet	2016	2017
Non-current assets	1,617.4	1,607.4
Current assets	1,237.1	2,131.3
<i>of which: Cash &amp; equiv.*</i>	<i>294.1</i>	<i>295.8</i>
<b>Total Assets</b>	<b>2,854.5</b>	<b>3,738.7</b>
Equity	898.1	967.2
Interest-bearing liabilities	498.1	530.3
Non-current liabilities	443.8	456.2
Current liabilities	1,014.5	1,785.0
<b>Total Equity &amp; Liabilities</b>	<b>2,854.5</b>	<b>3,738.7</b>

P&L	2016	2017	Chg yoy
System rent	225.5	236.9	5.0%
Total revenues	248.6	256.5	3.2%
Reversals/(Provisions & Impairments)	-7.3	-5.5	-23.9%
EBITDA	152.0	172.0	13.1%
EBITDA margin	61.1%	67.0%	5.9 pp
Operating Income	88.8	107.7	21.2%
<b>Net profit/(loss)</b>	<b>-2.7</b>	<b>61.7</b>	
Cash flows	2016	2017	Chg yoy
CF from Operations*	207.5	150.3	-27.6%
CF from Investments	-61.5	-55.6	-9.6%
CF from Financing	-40.4	-93.0	130.4%
<b>Change in cash</b>	<b>105.7</b>	<b>1.8</b>	<b>-98.3%</b>

\* Excl. €476 million concerning PSO's account deposited to HEDNO on 5 January 2018; Pass-through revenues not presented; source: ADMIE (IPTO)



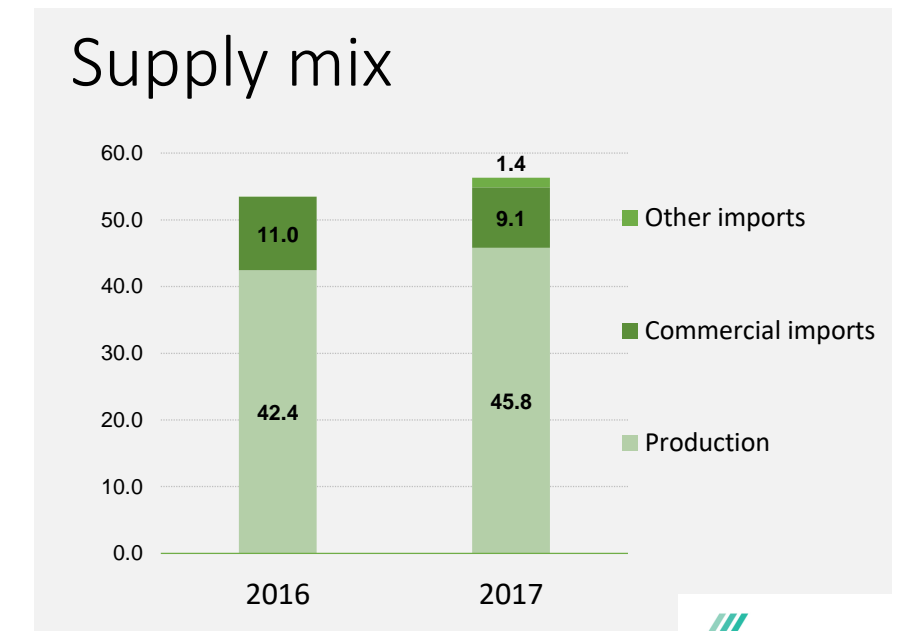
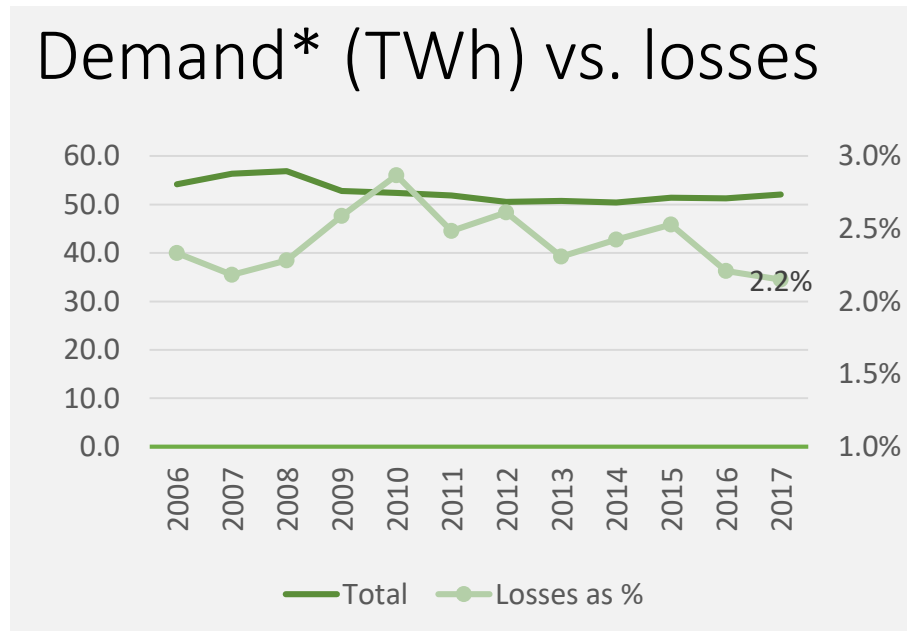
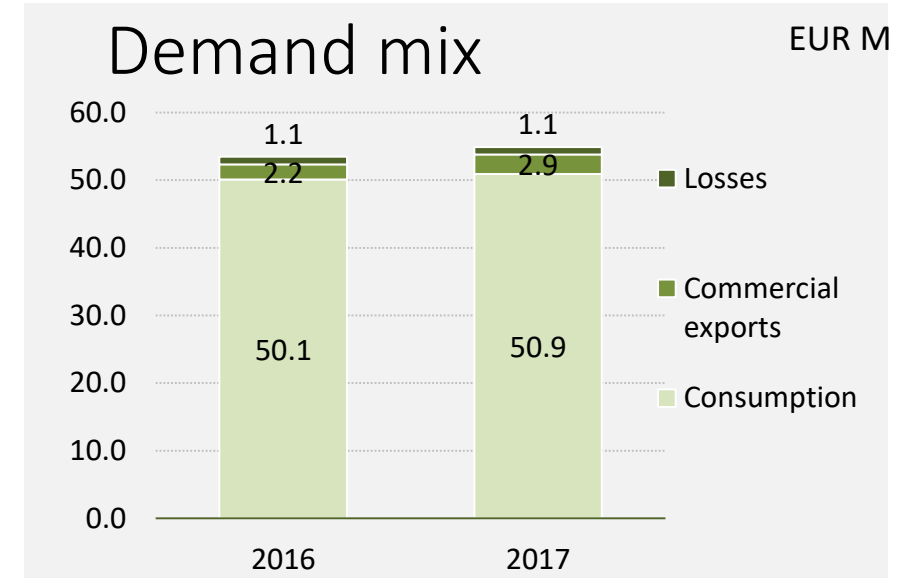
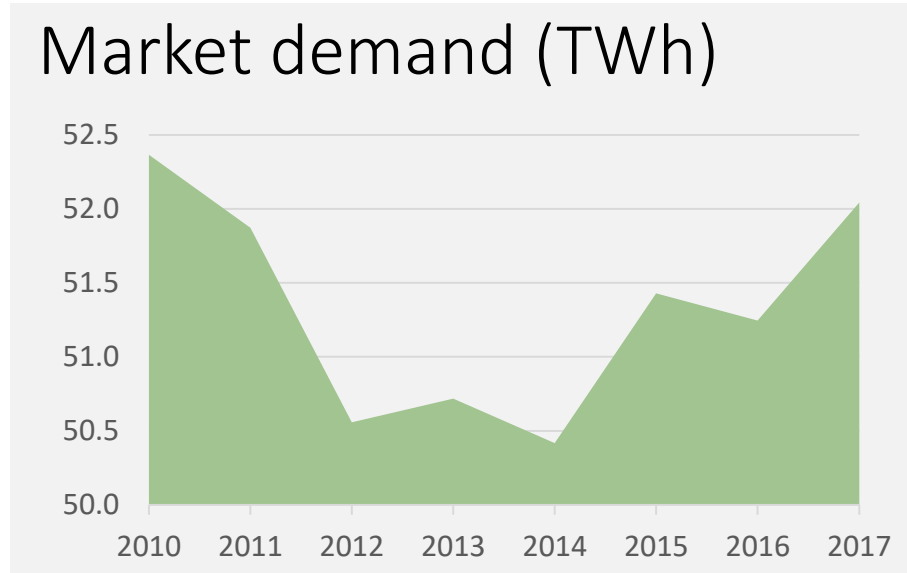
# ADMIE Holding selected items

Balance sheet	2017
Non-current assets	519.6
Current assets	2.8
<i>of which: Cash &amp; equiv.</i>	2.2
<b>Total Assets</b>	<b>522.4</b>
Equity	518.7
Interest-bearing liabilities	-
Non-current liabilities	-
Current liabilities	3.7
<b>Total Equity &amp; Liabilities</b>	<b>522.4</b>

P&L	2017
Income from Affiliate	24.0
EBITDA	23.0
Operating Income	23.0
Net profit	23.0
Cash flows	2017
CF from Operations	-1.6
CF from Investments	-
CF from Financing	3.8
<b><i>Change in cash</i></b>	<b>2.2</b>

# Demand & transmission

- Highest demand in six years
- Consumption at c52TWh, back to 2010 levels
- Losses at 1.1TWh, at 12yr low 2.2% in demand mix

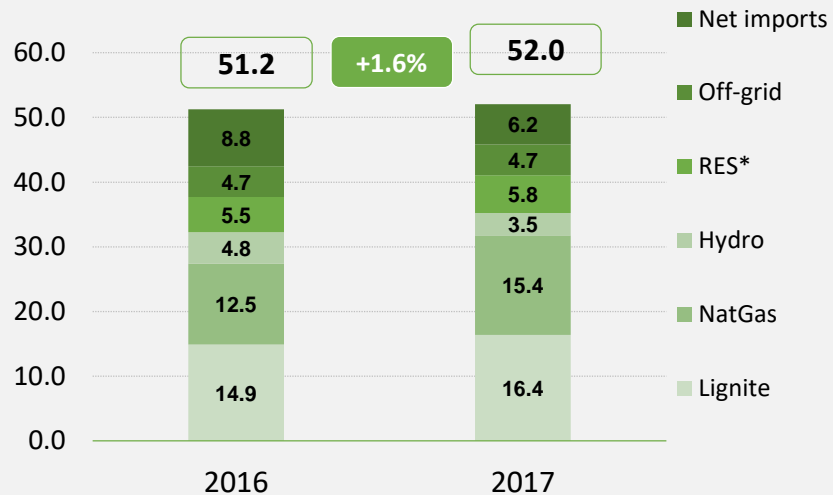


\*Incl. Pumping; source: ADMIE (IPTO)

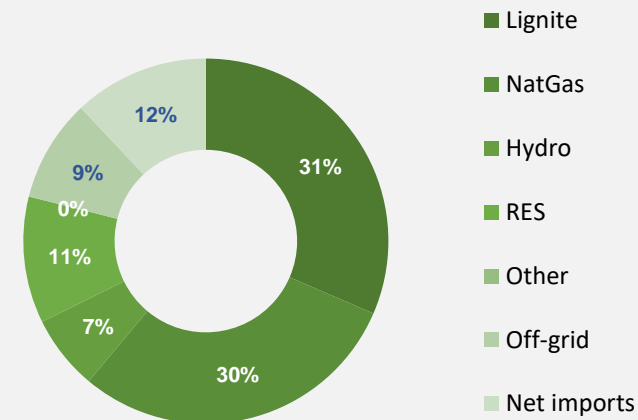
# Supply & transmission

- Net production at 45.8TWh, +7.9% yoy
- Net imports at 6.2TWh, -29.1% yoy
- Net imports at 12% in supply mix, lowest since 2013

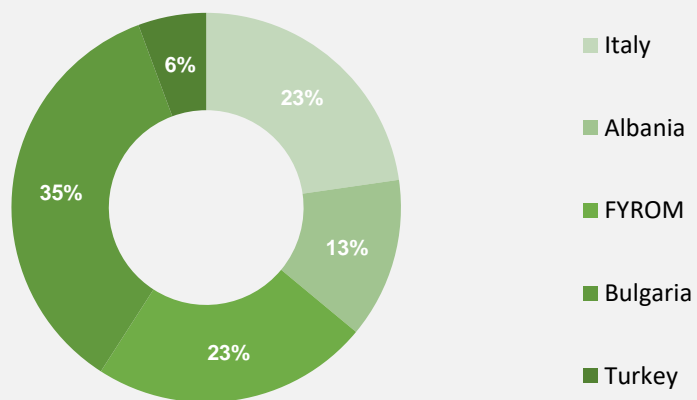
## Supply mix (TWh)



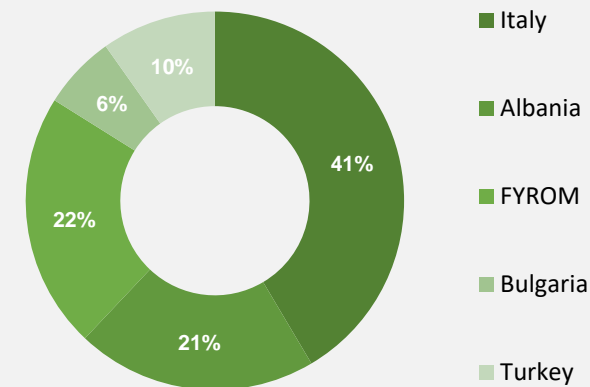
## Supply mix 2017



## Import mix 2017



## Export mix 2017

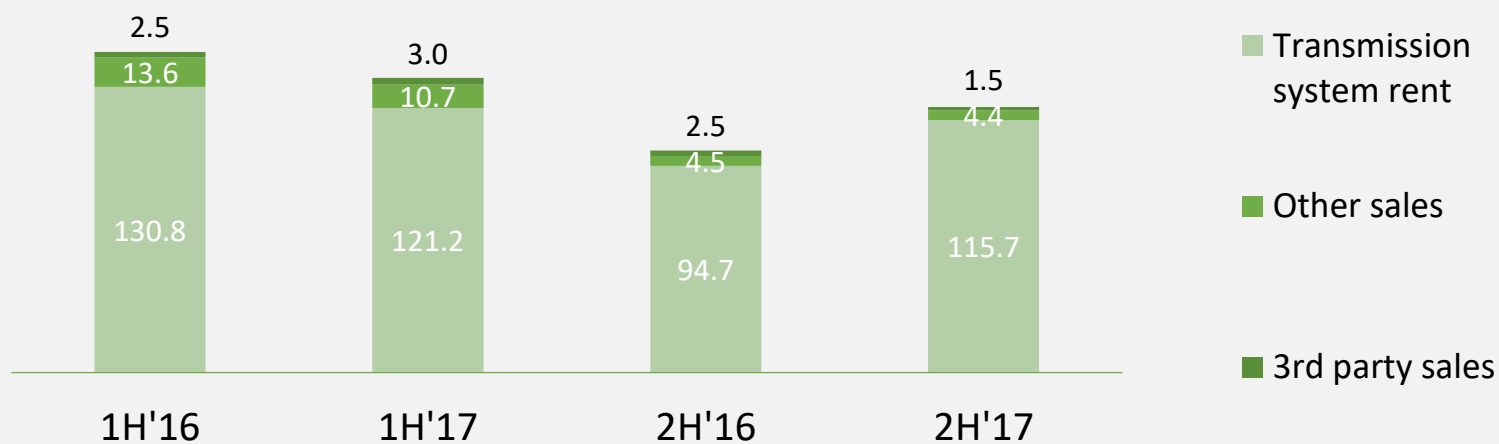
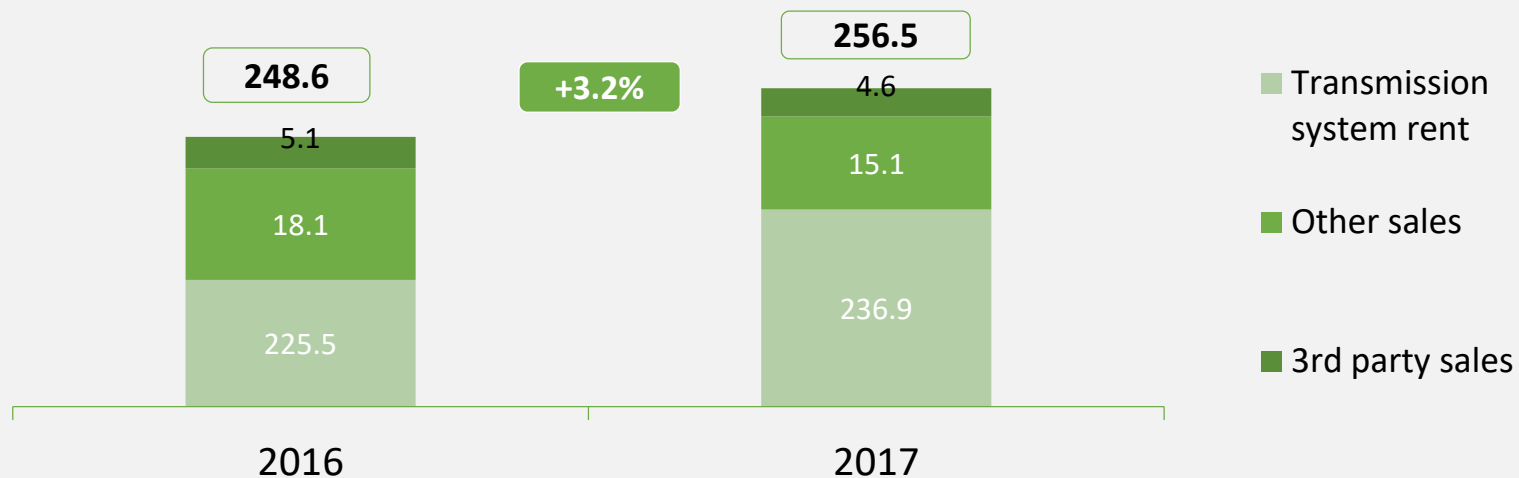


# Revenue inflection

- 2017 revenues +3.2% yoy
- System rent increase by €11.4M
- Favourable 2H comparison driven by accounting treatment in 2016

## IPTO Revenues

EUR M



Pass-through revenues not presented; source: ADMIE (IPTO)

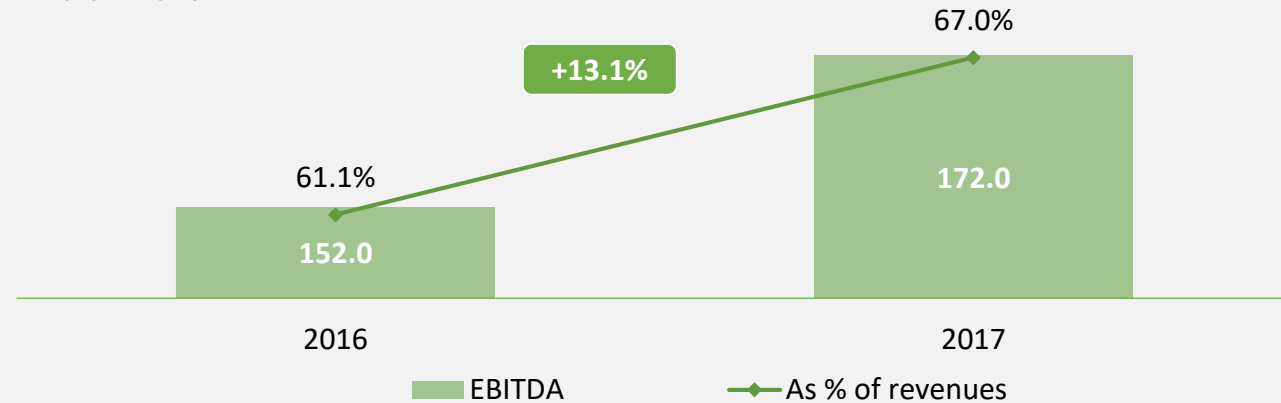
# EBITDA

recovery due to system rent & efficiencies

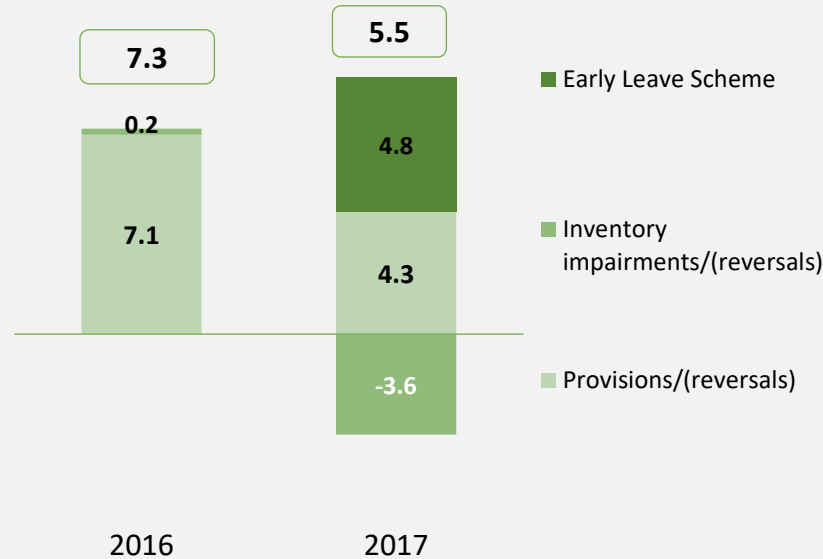
- EBITDA +13.1% yoy
- OpEx before Net Provisions and excl. D&A -11.4% yoy
- Voluntary exit plan is taking place in Q1 18  
Cost reduction of approximately €8.5million on an annual basis from 2019

## IPTO EBITDA

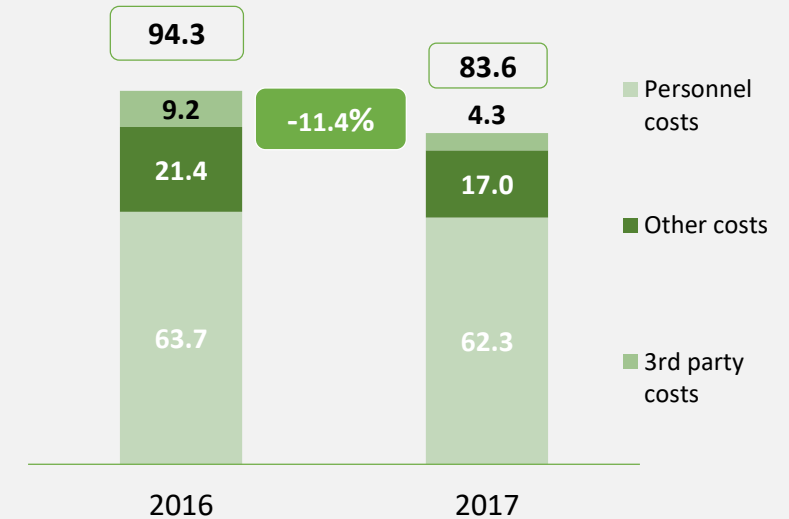
EUR M



## IPTO Provisions



## IPTO OpEx\*

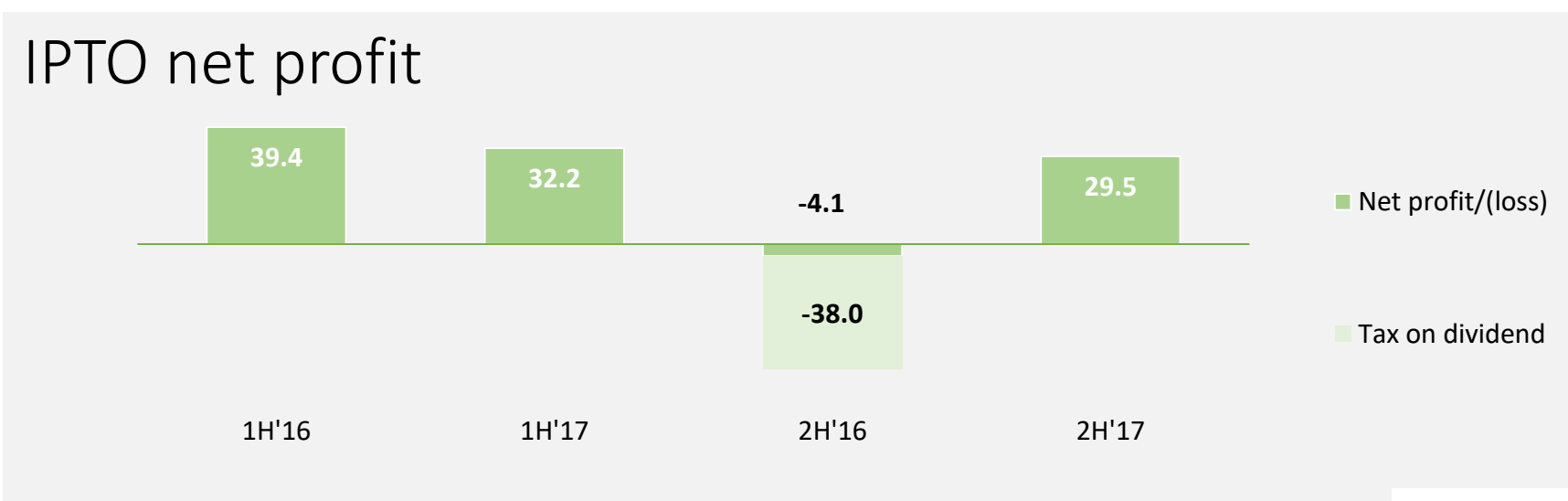
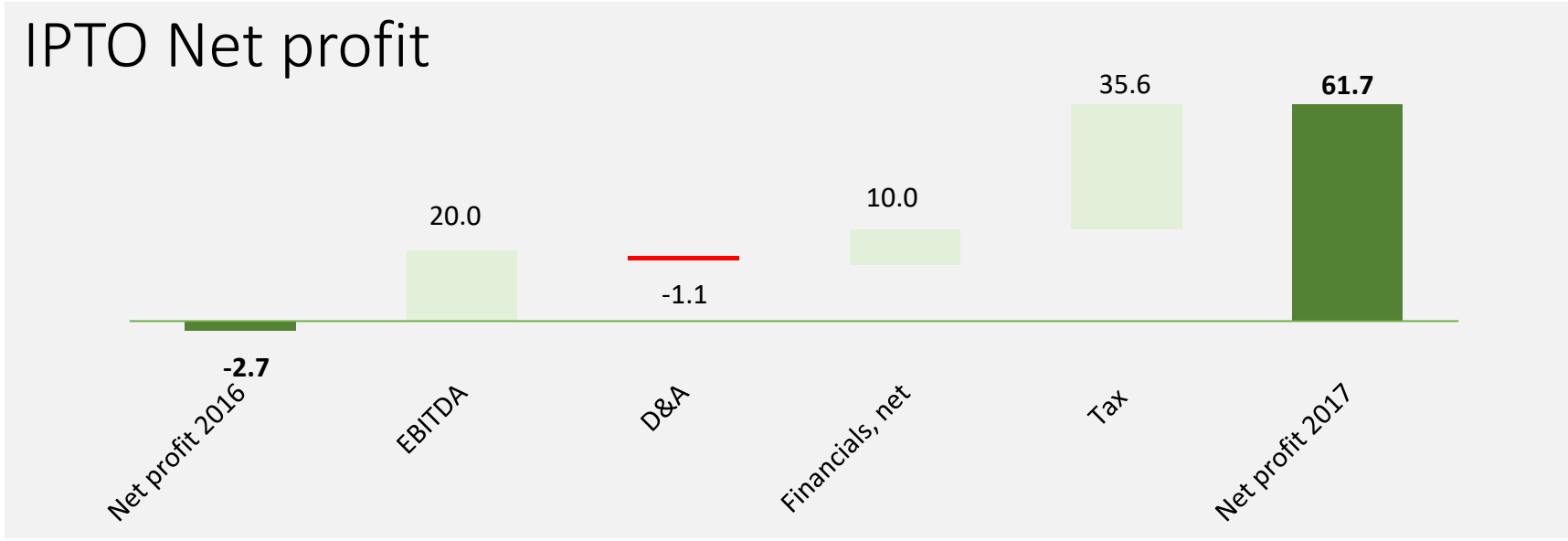


\*Expenses before Net Provisions and excl. D&A for presentation purposes; source: ADMIE (IPTO)

# Net profit higher on various drivers

- EBITDA increase
- Sharp drop in total financial expenses mainly due to elimination of PPC debt guaranties
- Non-recurring dividend-related tax worth €38M in 2016.

EUR M



Source: ADMIE (IPTO)

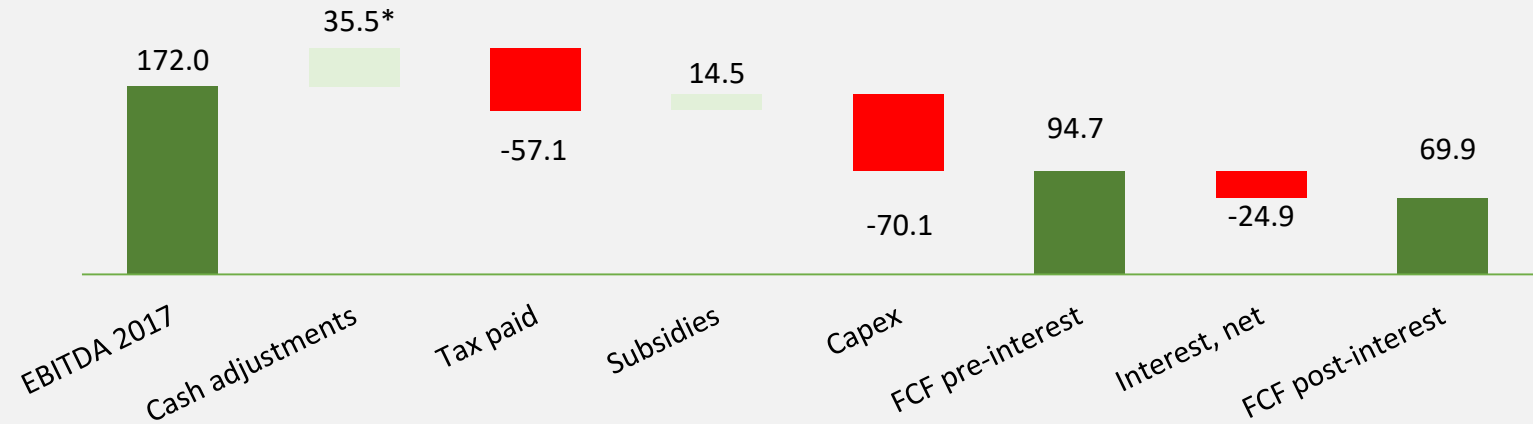


# Strong cash flow on solid conversion and low Capex

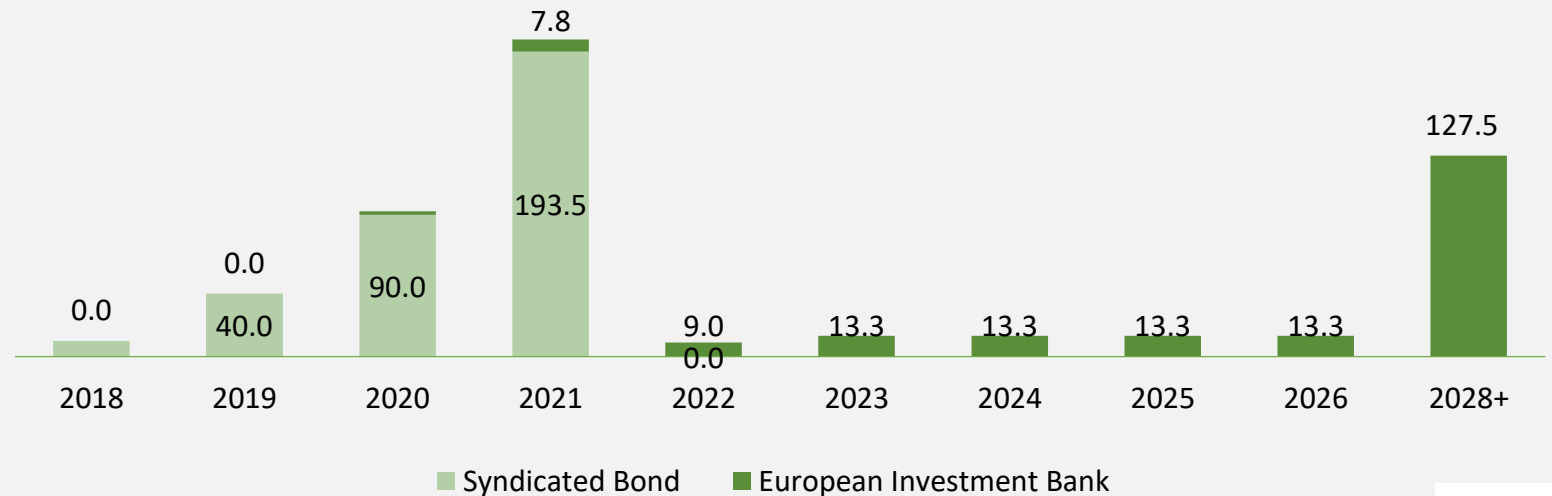
- Net debt €234M, flattish in 2H'17
- Near-term debt maturities remain light prior to additional exercise
- ADMIE Holding has collected interim €3.7M dividend; is expected to receive regular dividend c€12 M

## IPTO Cash flow ladder

EUR M



## IPTO debt maturity schedule



\*Excl. €476 million regarding PSO's account deposited to HEDNO on 5 January 2018; source: ADMIE (IPTO)

# Cash flow generation

Cash reserves excluding the amount deposited to HEDNO pursuant to a decision of the Ministry of Finance's for the Special Account for Public Service Obligations early this year increased only by €1.8 mn reflecting:

- Tax payment of €38M booked 4Q'16
- Dividend payment to PPC

EUR million	2016	2017
EBITDA	152.0	172.0
Chg in WC, non-cash Provisions & Other*	65.5	35.5
Tax paid	-10.0	-57.1
Interest paid, net	-30.6	-24.9
<b>Cash Flow from Operations</b>	<b>177.0</b>	<b>125.5</b>
Subsidies	80.6	14.5
Capex	-142.1	-70.1
<b>Free Cash Flow</b>	<b>115.4</b>	<b>69.9</b>
Debt repaid	-27.0	-29.7
New debt	35.0	65.0
Dividend paid	-17.8	-92.9
Interim Dividends paid	-	-7.3
Loan Expenses	-	-3.2
<b>Change in Cash</b>	<b>105.7</b>	<b>1.8</b>

\*Excl. €476 million regarding PSO's account deposited to HEDNO on 5 January 2018; source: ADMIE (IPTO)





# Appendix

## IPTO key financial items

# IPTO P&L items

EUR million	2014	2015	2016	2017
<b>System rent</b>	<b>242.3</b>	<b>239.7</b>	<b>225.5</b>	<b>236.9</b>
Total revenues	312.6	264.6	248.6	256.5
Reversals/ (Provisions & Impairments)	-	-25.1	-7.3	-5.5
<b>EBITDA</b>	<b>183.8</b>	<b>154.8</b>	<b>152.0</b>	<b>172.0</b>
As % of revenues	58.8%	58.5%	61.1%	67.0%
Operating Income	130.6	93	88.8	107.7
<b>Net profit / (loss)</b>	<b>70.0</b>	<b>35.5</b>	<b>-2.7</b>	<b>61.7</b>

Pass-through revenues not presented; EBITDA = Operating Income before Income tax and Financial Income (Expense) + Depreciation & Amortization; source: ADMIE (IPTO)

# IPTO Balance sheet items

EUR million	2014	2015	2016	2017
Non-current assets	1,537.7	1,597.8	1,617.4	1,607.4
Current assets	1,089.1	1,151.6	1,237.1	2,131.3
<b>Total Assets</b>	<b>2,626.8</b>	<b>2,749.4</b>	<b>2,854.5</b>	<b>3,738.7</b>
Total Equity	1,028.0	1,014.0	898.1	967.2
Interest-bearing liabilities	445.1	490.2	498.1	530.3
Non-current liabilities	287.7	360.6	443.8	456.2
Current liabilities	866.0	884.6	1,014.5	1,785.0
<b>Total Equity &amp; Liabilities</b>	<b>2,626.8</b>	<b>2,749.4</b>	<b>2,854.5</b>	<b>3,738.7</b>

Source: ADMIE (IPTO)

# IPTO Free cash flow

EUR million	2014	2015	2016	2017
EBITDA	183.8	154.8	152	172.0
WC, Provisions & Other	23.7	66.4	65.5	35.5*
Tax paid	-3.9	0	-10	-57.1
Interest, net	-29.6	-31.2	-30.6	-24.9
<b>Cash Flow from Operations</b>	<b>174.0</b>	<b>190.0</b>	<b>177.0</b>	<b>125.5</b>
Subsidies	1.1	17.8	80.6	14.5
Capex	-92.4	-138.6	-142.1	-70.1
<b>Free Cash Flow</b>	<b>82.7</b>	<b>69.2</b>	<b>115.4</b>	<b>69.9</b>

\* excl 476 million regarding PSO's account deposited to HEDNO on 5 January 2018; source: ADMIE (IPTO)



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