



**ADMIE HOLDING Reports 2018 Full - Year financial results  
for period January 1<sup>st</sup>, 2018 to December 31<sup>st</sup>, 2018**

**ADMIE Holding:**

- Net Profit €42.3 million, +83,4% YoY
- Interim dividend distributed in 2018: €0,0316 per share
- Proposed Dividend and Interim Dividend for 2019: circa €0,087 per share

**IPTO:**

Strong financial performance and acceleration of major projects

- Net Profit €85.6 million, +38,6% YoY
- EBITDA €183.0 million, +6,4% YoY
- CapEx €178.2 million, +154% YoY
- Net Financial Expenses, -73.1 % YoY

**Athens, Greece – March 19<sup>th</sup>, 2019 – ADMIE HOLDING S.A.** (or “Company”), owner of a 51% stake into IPTO S.A., today announced the yearly results under IFRS for the period January 1<sup>st</sup>, 2018 to December 31<sup>st</sup>, 2018:

<b>ADMIE Holding SA</b>			
<b>EUR mn</b>	<b>2018</b>	<b>2017</b>	<b>Change</b>
Income from Affiliate	42,4	24,0	76,3%
EBITDA	42,1	23,1	82,7%
Operating Profit	42,1	23,0	82,7%
Net Profit	42,3	23,0	83,4%
Earnings per share (€)	0,201	0,116	73,5%
End of period	<b>31.12.2018</b>	<b>31.12.2017</b>	
Cash and cash equivalents	4,8	2,2	124,0%



**ADMIE/IPTO SA** (“IPTO”), the Greek transmission system operator, also announced interim results under IFRS for the 12-month period ended December 31<sup>st</sup>, 2018:

EUR mn	IPTO S.A.			Group 2018
	2018	2017	Change	
<b>Total Revenues</b>	<b>249,2</b>	<b>256,5</b>	<b>-2,8%</b>	<b>249,2</b>
<b>EBITDA*</b>	<b>183,0</b>	<b>172,0</b>	<b>6,4%</b>	<b>182,8</b>
<i>EBITDA margin (%)</i>	<i>73,4%</i>	<i>67,0%</i>	<i>6,4 pp</i>	<i>73,3%</i>
<b>Operating Profit</b>	<b>115,6</b>	<b>107,7</b>	<b>7,4%</b>	<b>115,4</b>
Net Financial Expenses	-6,6	-24,7	-73,1%	-6,1
<b>Net Profit</b>	<b>85,6</b>	<b>61,7</b>	<b>38,6%</b>	<b>85,9</b>
	<b>31.12.2018</b>	<b>31.12.2017</b>		<b>31.12.2018</b>
Net debt	283,8	234,4	21,1%	83,5
Debt / Equity	0,7x	0,5x	21,8%	0,7x
Cash and cash equivalents **	402,6	295,8	36,1%	602,9

\* incl. provision release amounting to €26,6 million due to dismissal of a contractor lawsuit

\*\* end 2017 excl €476 million that was transferred to HEDNO on 5 January 2018

## Outlook

The successful implementation of IPTO’s financial strategy in 2018 led to a 73.1% decrease in Net Financial Expenses. The decrease in its operating expenses, mainly due to a provision release, contributed to the 6.4% increase in Earnings before Interest, Tax, Depreciation and Amortization (EBITDA). All these resulted in a 38.6% increase in Net Profit, which amounted to € 85.6 million. In addition, in 2018 IPTO S.A. invested more than 178 million euros in CapEx .

The Company’s healthy balance sheet in combination with its strong capital position enable it to make the investments that will lead to a massive increase of its asset base. Looking forward to the future we maintain a positive view in terms of our growth strategy. Management is in close cooperation with ADMIE Holding and the strategic investor, State Grid Corporation of China, carrying on with the acceleration of the critical projects of the Electricity Transmission System with an increased focus on island interconnections. IPTO’s working assumption is €4 billion investments on a cumulative total until 2027.

The pick-up in investments reflects the entry into construction phase - following a fast and transparent contracting process (thanks to the use, for the first time, of an e-auction platform) of a series of major projects included in the Ten-year Network Development Plan (TYNDP) of IPTO S.A.

Indicatively,

-Phases B and C of the Cyclades Interconnection

-The Crete-Peloponnese Interconnection

-The extension of the 400 kV system to the Peloponnese with the contracting of the so-called "Corridor A" projects (Megalopolis Extra High Voltage Centre - existing 400 kV transmission line Acheloos-Distomo) including the first 400 kV submarine cable in Greece (between Rio and Antirrio). This project will allow Megalopoli V power plant to operate at maximum capacity.

The establishment of the subsidiary Special Purpose Vehicle (SPV) Ariadne Interconnection S.P.L.C. following RAE's (Regulatory Authority of Energy) relevant decisions, is a milestone for IPTO S.A., as it ensures its participation with a controlling stake in the company that will finance and construct the Crete-Attica interconnection, a project budgeted at approx. €1 billion. The initial share capital of Ariadne Interconnection amounts to €200 million.

Furthermore, IPTO SA is planning Phase D of the Cycladic Islands Interconnection (Serifos, Milos, Folegandros and Santorini), budgeted at €386 million and has included in the new Ten Year National Development Plan (TYNDP) the Dodecanese Interconnection, paving the way for a new major island interconnection.

In 2018 ADMIE Holding distributed the maximum permissible payout, in the form of an interim dividend, which amounted at €0.0316 per share. For 2019 ADMIE Holding S.A. will distribute the residual dividend amount, adjusted to the running costs, as a regular dividend along with an interim dividend. The total dividend distribution is foreseen circa at €0,087 per share.

## ADMIE Holding S.A. – Financial review

ADMIE Holding's operating results in the January-December 2018 period, amount to €42.1 million, as a result of the 51% stake participation in IPTO S.A. profits.

Operating Expenses stood at €244 thousand in 2018FY and are related mainly to the flotation and trading on the Athens Stock Exchange and personnel costs. As a result of active cash management the Financial Income amounted to €156 thousand partially offsetting the Operating Expenses.

Net profits for ADMIE Holding amounted to €42.3 million, while earnings per share stood at €0.201.

The Company's cash reserves as of December 31<sup>st</sup>, 2018 amounted to €4.8 million and are deposited in the Bank of Greece providing an average 3,1% return. It is worth reminding that ADMIE Holding has no debt.

For 2018 the Management distributed the maximum permissible payout - 50% - of cash dividend received from IPTO S.A., within the year, in the form of an interim dividend. The interim dividend per share amounted to €0.0316 <sup>1</sup>.

For 2019 ADMIE Holding S.A. will distribute the residual amount, adjusted to the running costs, as regular dividend. Furthermore, the Management has proposed the distribution of the maximum permissible payout of cash dividend that it will receive from IPTO S.A. within the year, in the form of an interim dividend. The total dividend distribution is foreseen at €0,087 per share.

Since 01.01.2019, Law 2190/1920 has been replaced by Law 4548/2018, which changes the method of calculation and distribution time of the Interim Dividend. Until now, the maximum permissible amount of the interim dividend that is paid out couldn't exceed 50% of the temporary results. Under the new law, the maximum permissible amount cannot exceed the net realized gains and reserves for distribution of the previous fiscal year

---

<sup>1</sup> The main revenue for ADMIE Holding S.A. is the dividend received from the affiliate company IPTO S.A. The dividend from IPTO S.A. for the fiscal year 2017 is paid within 2018. ADMIE Holding S.A. received for the first-time dividend from IPTO S.A. on June 2018. As a result, ADMIE Holding S.A. is allowed to distribute regular dividend to the shareholders for fiscal year 2018 within 2019, over and above the interim dividend paid to shareholders this year.

Dividends are subject to income tax according to the Law 4603/2019

## ADMIE (IPTO) S.A. – Financial review

The following financial information and analysis is provided by ADMIE Holding's Affiliate IPTO S.A. and within the IPTO's Financial Statements for the 12month period ended December 31<sup>st</sup>, under IFRS. IPTO S.A. announces for first time Group Financial Results.

EUR mn	IPTO S.A.			Group
	2018	2017	Change	2018
Revenue from Transmission System Rent	222,7	236,9	-6,0%	222,7
<b>Total revenues</b>	<b>249,2</b>	<b>256,5</b>	<b>-2,8%</b>	<b>249,2</b>
Other Income	7,9	4,6	72,9%	7,9
<i>Personnel costs</i>	-60,1	-65,0	-7,5%	-60,1
<i>Dismissal Allowance</i>	-9,9			-9,9
Total Personnel Costs	-70,0	-65,0	7,7%	-70,0
Other costs	-20,3	-19,1	6,3%	-20,5
Third party costs	-10,9	-4,3	154,7%	-10,9
Net provision / impairment reversals	27,0	-0,8		27,0
<b>Total expenses excl D &amp; A</b>	<b>-66,3</b>	<b>-84,5</b>	<b>-21,6%</b>	<b>-66,5</b>
<b>EBITDA*</b>	<b>183,0</b>	<b>172,0</b>	<b>6,4%</b>	<b>182,8</b>
<b>EBITDA margin (%)</b>	<b>73,4%</b>	<b>67,0%</b>	<b>6,4 pp</b>	<b>73,3%</b>
Operating Profit (EBIT)	115,6	107,7	7,4%	115,4
<i>Financial Income</i>	11,2	2,7	308,1%	11,7
<i>Financial Expenses</i>	-17,8	-27,4	-35,2%	-17,8
Net Financial Expenses	-6,6	-24,7	-73,1%	-6,1
<b>Net profit</b>	<b>85,6</b>	<b>61,7</b>	<b>38,6%</b>	<b>85,9</b>
	<b>31.12.2018</b>	<b>31.12.2017</b>		<b>31.12.2018</b>
Net debt	283,8	234,4	21,1%	83,5
Debt / Equity	0,7x	0,5x	21,8%	0,7x
Cash and cash equivalents**	402,6	295,8	36,1%	602,9

\* incl. provision release amounting to €26.57 million due to dismissal of a contractor lawsuit

\*\* end 2017 excl. €476 million was transferred to HEDNO on 5 January 2018

Pass-through revenues not presented; source: IPTO S.A.

In 2018 Revenues from Transmission Rent decreased by 6,0% in comparison to 2017. The settlement amount due to under recovery in comparison to Decision 235/2018 issued by the Regulatory Authority for Energy (RAE) concerning the Allowed and Required Revenue for 2018 will be incorporated in the Required Revenue of 2020. Other Sales increased by €6.9 million primarily due to increased contractor revenues related to the incumbent Public Power Co. (PPC) (from €4.6 million to €12.8 million), a factor that is also reflected in the increased contracting costs (from €4.3 million to €10.9 million)

Operating expenses excluding D&A, dropped 21,6% to €66.3 million. The deviation is mainly due to a provision release amounting to €26.6 million as in the first quarter of 2018 the Athens Court of Appeal issued the decision No 1335/2018 whereby dismissed the lawsuit of a contractor (which was notified to PPC in 2006). This positive effect was partially reduced by €9.9 million as result of a new provision, regarding a defined benefit plan (future personnel retirement), under IAS 19. This amount is calculated in proportion to the years of actual service of the employees that are entitled to retire and leave the Company. To be noted that the Personnel Cost includes an amount of €1.6 million for a second voluntary exit scheme regarding approximately 80 employees with matured retirement rights which will be implemented in 2019

Earnings before Income, Tax, Interest and Depreciation & Amortization (EBITDA), increased by €11.0 million to €183.0 million. The EBITDA margin stood at 73.4%, up 6.4 percentage points from last year. IPTO's Operating Income (EBIT) amounted to €115.6 million and after-tax profit increased by €23.9 million and amounted to €85.6 million.

Net financial expenses stood at €6.6 million, down 73.1% compared to 2017 as a result of positive performance and the successful implementation of Group's financial strategy. More specifically, this can be attributed to two factors. Firstly, the financial income rose by €8.4 million due to improvement in time deposits and current account interest rates on the cash reserves held with banks, as well as the return on a significant part of the cash reserves, invested in a special account with the Bank of Greece. Secondly the financial expenses decreased by €9.7 million, reflecting the significant decrease of the interest rates of IPTO's loan portfolio as well as the elimination of PPC debt guaranties.

The nominal tax rate for the current period is 29% and the income tax amounted to €23.4 million.

In 2018 the gross Operating Cash Flow on a pre-tax and pre-interest basis (excluding the amount of €476 million that was allocated to the new Administrator of PSO account, HEDNO S.A.) amounted to €309.7 million compared to €207.5 million. In December 2017 the amount of €476 million was deposited by the State Treasury Department pursuant to a decision of the Ministry of Finance for the Special Account for Public Service Obligations, while on January 5<sup>th</sup> 2018 conforming to Law 4508 article 57 this amount was allocated to HEDNO S.A.

IPTO's gross outstanding debt was as follows, as at December 31<sup>st</sup>, 2018:

IPTO S.A.	
EUR million	Amount
Syndicated Bond	223,5
European Investment Bank	270,0
BoC	199,0
<b>Total</b>	<b>692,5</b>

IPTO's Board proposed, aligned with the Shareholder's Agreement, the distribution to the Affiliate's shareholders of dividend equivalent to 50% of its net profit for fiscal year 2018, for the amount of €42.79 million.

ADMIE Holding will collect its share pro rata with the 51% shareholding it owns.

#### Forward-Looking Statements:

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, future dividend distribution, 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 Annual Financial Report ended 31, December 2018, ADMIE Holding's Greek Information Prospectus originally drafted and approved by the Hellenic Capital Market Commission in the Greek language, and Affiliate ADMIE's (IPTO) Annual Financial Report ended 31, December 2018.

Although the Company believes that, as of the date of this document, the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that our future results, level of activity, performance or achievements will meet these expectations. Moreover, neither the Company's directors, employees, advisors nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. After the date of the condensed financial statements included in this document, unless required by law to update these forward-looking statements, the Company will not necessarily update any of these forward-looking statements to adjust them either to actual results or to changes in expectations.

## Events in the Period

### **Assignment of Crete – Attica Interconnection**

IPTO S.A., following RAE's Decision, established on September 2018 a subsidiary Special Purpose Vehicle (SPV) Ariadne Interconnection S.P.S.A that will finance and construct the Crete-Attica Interconnection, a project budgeted at approx. €1 billion. The initial share capital of Ariadne Interconnection amounts to €200 million.

### **Beginning of works for the Crete-Peloponnese Interconnection**

In November 2018 the contracts for the Crete-Peloponnese electrical interconnection were signed, the longest submarine and underground cable interconnection in the world (total length 174 km). The project has a budget of € 324 million and is due to be completed by the end of the first half of 2020. IPTO S.A. signed contracts with:

- "Fulgor" for the western submarine interconnections of Crete – Peloponnese and the underground connections in the Peloponnese
- "Prysmian Powerlink" for the eastern submarine interconnection of Crete-Peloponnese
- "Hellenic Cables" for the underground interconnections in Crete within the Peloponnese-Crete interconnection
- "Terna" for the construction of the new Substation in the South East Peloponnese, the upgrading and extension of the existing substation in the Chania area in Crete

### **Beginning of works for Phase B of Cyclades Interconnection**

The works for Phase B of Cyclades Interconnection, due to be completed by the end of 2019 and budgeted at €72 million, are in progress. The project includes:

- The construction and laying of the submarine cables connecting Naxos with Paros and Mykonos (awarded to the consortium Hellenic Cables SA-Fulgor SA)
- The construction of the 150 KV Substation in Naxos (awarded to the consortium Nari Group Corporation-Electromek SA)
- The installation of new increased capacity transmission lines (200 MVA) at the Interconnections of Evia - Andros and Andros – Tinos (awarded to Prysmian)

### **Beginning of works for Phase C of Cyclades Interconnection**

Phase C of Cycladic Interconnection is under implementation and is due to be completed during 2020. The project foresees the laying of a second submarine cable between Lavrion and Syros. "Nexans" was the successful bidder for a total consideration of €111 million, which incorporates a significant discount compared to the auction starting price

### **Beginning of works for the construction of submarine and underground cables in the area of Rio - Antirrio**

An important step towards the extension of the 400 kV transmission lines to the Peloponnese was taken with the selection of the tenderers (consortium Hellenic Cables SA-Fulgor SA and Hellenic Cables SA) for the construction of the submarine and underground cable interconnections in the Rio-Antirrio area. Those cables form a key part of the so-called "Corridor A" that will connect the Extra High Voltage

(EHV) Center of Megalopolis – via Patras - to the existing 400 kV Acheloos-Distomo transmission line. It is also a flagship project for the National Electricity Transmission System, as the Rio-Antirrio cable is the first 400kV submarine cable in Greece. The project is worth €47 million and is due to be completed by end-2019.

#### **Hellenic Energy Exchange**

In June, IPTO S.A. invested 1 million euros and became a major shareholder in the newly established Hellenic Energy Exchange SA with a stake of 20%.

#### **New Loan agreement**

IPTO S.A. disbursed in April the amount of €199 million as a result of the loan facility provided by Bank of China (Luxembourg) S.A. and Industrial and Commercial Bank of China Limited. The tenor of the above mentioned syndicated loan facility is 5 years with 1-year grace period unsecured without state guarantee. The margin is 2,4% per annum

#### **Early repayment and refinancing of Syndicated Bond Loan**

IPTO S.A. in the context of refinancing the existing Syndicated Bond Loan of €337 million with expiration date November 2021 proceeded in April with the early repayment of €100 million. In June it completed the refinancing of the above mentioned loan which was signed in 2017 with Greek Banks and had an interest margin of 6,25% by signing a new facility with an interest margin of 3%.

The annual benefit from the reduction of the margin is estimated at approximately €7.4 million with a positive impact on IPTO's results.

#### **Voluntary Exit Scheme**

In April 2018, IPTO S.A. completed successfully a voluntary exit scheme, with the participation of 136 employees with matured retirement rights. The reduction of the annual payroll cost is estimated at €8.5 million per annum.

#### **Distribution of interim dividend for 2018**

ADMIE Holding distributed in August 2018 as interim dividend €0.0316 per share for the financial year 2018

### **Subsequent Events**

#### **Establishment of «GRID TELECOM SINGLE MEMBER SOCIETE ANONYME»**

On January 14, 2019, the single-member Societe Anonyme under the name "GRID TELECOM SINGLE MEMBER SOCIETE ANONYME" and the distinctive title "GRID TELECOM SINGLE MEMBER SA" was established. The purpose of the company is the provision of electronic communications services, the installation, operation, exploitation, management and development of all kinds of electronic communications and related services at local, national, transnational and international level. The company is 100% subsidiary of IPTO S.A.

**“Ariadne Interconnection S.P.L.C.”**

Ariadne Interconnection S.P.L.C. is IPTO S.A.'s subsidiary Special Purpose Vehicle that has undertaken the financing and construction of the project of Crete-Attica Interconnection. “Ariadne” has finalized its organizational structure and is staffing at a rapid pace, while it has completed its Business Plan.

The Company has submitted to the Energy Regulatory Authority (RAE) the Invitation for Expression of Interest for the entry of one or more strategic investors by acquiring up to 39% into its share capital.

The tenders for the submarine cables and the converter stations of Crete-Attica Interconnection will be launched within April.

In addition, IPTO S.A. has submitted to RAE updated data on the Crete – Attica Interconnection project in order to calculate the Allowed Revenue and made a proposal for the WACC of the project.

### About ADMIE Holding

The Company has the distinctive title "ADMIE HOLDING SA" and is a shareholder in the "Independent Power Transmission Operator SA" ("IPTO" or "Affiliate"), with a 51% stake.

In the context of full ownership unbundling of IPTO, the sole activity for ADMIE Holding is its participation in IPTO and the sole source of revenue is the dividend that it receives. ADMIE Holding's participation in IPTO is recognized with the equity method as a Joint Venture.

ADMIE Holding's mission is to be aligned with every activity relating to its Affiliate.

ADMIE Holding's shares are listed on the Athens Exchange (ATHEX: ADMIE). For more information, please visit <http://www.admieholding.gr>.

### About IPTO

The Independent Power Transmission Operator (IPTO) SA is the Greek Transmission System Operator for the Hellenic Electricity Transmission System. As such, IPTO performs the duties of System operation maintenance and development, so as to ensure Greece's electricity supply in a safe, efficient and reliable manner. As of June 20, 2017, IPTO follows the model of proprietary separated Administrator (Ownership Unbundling) and is fully harmonized with Directive 2009/72/EC.

IPTO seeks to promote the development of competition in the Greek electricity market and guarantee the non-discriminatory treatment of System users.

IPTO's network comprises of transmission lines with length 11,801 kilometers across Greece, overhead, submarine and underground, as well as international interconnection points with Italy, Albania, FYROM, Bulgaria and Turkey. The interconnected mainland and islands system operates in High Voltage (150kV) and extra-High Voltage (400kV). IPTO's network transported a total of 51.5 million mega watt-hours of electricity in 2018.

---

#### Enquiries:

Investor Relations Office

Tel: +30 210 3636 936, Email: [office@admieholding.gr](mailto:office@admieholding.gr)

---

## ADMIE HOLDING S.A.

### SUMMARY PROFIT & LOSS ACCOUNT

EUR million

	2018	2017	%
Share of investments accounted for using the equity method	42.4	24.0	76.3
Operational Expenses	-0.2	-1.0	-75.0
<b>PROFITS BEFORE INCOME TAX FOR THE PERIOD</b>	<b>42.3</b>	<b>23.0</b>	<b>83.4</b>
<b>NET PROFITS FOR THE PERIOD</b>	<b>42.3</b>	<b>23.0</b>	<b>83.4</b>
<b><u>Earnings per share (EUR)</u></b>	<b><u>0.201</u></b>	<b><u>0.116</u></b>	<b><u>73.5</u></b>

### SUMMARY BALANCE SHEET

ASSETS	31.12.2018	31.12.2017
Total non-current assets	550,5	520,1
Total current assets	14,7	2,3
<b>TOTAL ASSETS</b>	<b>565,2</b>	<b>522,4</b>
<b>EQUITY AND LIABILITIES</b>		
Total Equity	565,2	518,7
Total non-current liabilities	0	0,0
Total Current liabilities	0,02	3,7
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>565,2</b>	<b>522,4</b>

### SUMMARY STATEMENT OF CASH FLOWS

	31.12.2018	31.12.2017
<b>Cash flows from operating activities</b>		
Profits before tax	42.3	23.0
Adjustments for		
Participation rate in related companies (ADMIE 51%)	-42.4	-24.0
Other	-1.2	-0.6
<b>Net cash generated from operating activities</b>	<b>-1.3</b>	<b>-1.6</b>
<b>Net cash used in investing activities</b>	<b>0.04</b>	<b>-0.02</b>
<b>Net cash flows from financial activities</b>	<b>3.9</b>	<b>3.8</b>
<b>Net increase in cash and cash equivalents</b>	<b>2.7</b>	<b>2.2</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>2.2</b>	<b>-*</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>4.8</b>	<b>2.2</b>

## IPTO S.A.

### CONDENSED STATEMENT OF PROFIT & LOSS

EUR million

	IPTO S.A.		Group
	1/1/2018- 31/12/2018	1/1/2017- 31/12/2017	1/1/2018- 31/12/2018
<b>NET SALES:</b>			0
Revenue from Transmission System Rent	222,7	236,9	222,7
<i>Operator's sales</i>	933,5	1.617,0	933,5
<i>Operator's purchases</i>	(933,5)	(1.617,0)	(933,5)
Other sales	26,6	19,6	26,6
	<b>249,2</b>	<b>256,5</b>	<b>249,2</b>
<b>EXPENSES / (INCOME)</b>			
Employee benefit expenses	70,0	65,0	70,0
Depreciation and amortization	67,3	64,3	67,3
Contracting cost	10,9	4,3	10,9
Materials and consumables	1,3	3,0	1,3
Third party benefits	3,6	4,0	3,6
Third party fees	4,5	4,2	4,5
Other Taxes-duties	2,5	2,2	2,5
Provisions for legal claims, net of reversals	(21,0)	4,4	(21,0)
Provision/(Release) for impairment of inventory	0,5	(3,6)	476,7
Provision of impairment for financial assets	0,2	0,0	244,1
Provisions of receivables impairment	(6,7)	-30,1	(6,7)
Other income	(7,9)	(4,6)	(7,9)
Other expenses	8,4	5,6	8,6
<b>Total expenses</b>	<b>133,6</b>	<b>148,8</b>	<b>133,8</b>
<b>PROFITS BEFORE INCOME TAX AND FINANCIAL EXPENSES</b>	<b>115,6</b>	<b>107,7</b>	<b>115,4</b>
Financial expenses	(17,8)	(27,4)	(17,8)
Financial income	11,2	2,7	11,7
<b>PROFITS BEFORE INCOME TAX FOR THE PERIOD</b>	<b>109,0</b>	<b>83,0</b>	<b>109,4</b>
Income Tax	(23,4)	(21,2)	(23,5)
<b>NET PROFIT FOR THE PERIOD</b>	<b>85,6</b>	<b>61,7</b>	<b>85,9</b>
<b>Operating Income before Income Tax and Financial Income (Expense) + Depreciation &amp; Amortization</b>	<b>183,0</b>	<b>172,0</b>	<b>182,8</b>
<b>As % of revenues</b>	<b>73,4%</b>	<b>67,0%</b>	<b>73,3%</b>

Source: IPTO S.A.

## IPTO S.A.

### CONDENSED STATEMENT OF FINANCIAL POSITION

EUR million

	IPTO S.A.		GROUP
	31/12/2018	31/12/2017	31/12/2018
<b>ASSETS</b>			
<b>Non-current assets:</b>			
Tangible assets	1.671,3	1.580,9	1.671,3
Intangible assets	215,3	246,6	215,3
Investments in subsidiaries	200,0	0,0	0,0
Investments in associates	1,0	0,0	1,0
Financial Assets at amortizes cost	3,8	0,0	3,8
Other assets	0,0	26,3	0,0
<b>Total non-current assets</b>	<b>1.876,3</b>	<b>1.607,4</b>	<b>1.676,3</b>
<b>Current assets:</b>			
Inventory	54,2	47,0	54,2
Trade receivables	715,9	1.250,3	715,9
Other receivables	63,2	62,1	63,2
Cash and cash equivalents	402,6	771,8	602,9
<b>Total current assets</b>	<b>1.235,9</b>	<b>2.131,3</b>	<b>1.436,3</b>
<b>TOTAL ASSETS</b>	<b>3.112,2</b>	<b>3.738,7</b>	<b>3.112,6</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity:</b>			
Share capital	38,4	38,4	38,4
Legal reserve	12,8	12,8	12,8
Other reserves	(13,3)	(10,4)	(13,3)
Fixed assets' statutory revaluation	650,9	639,7	650,9
Accumulated Profits	338,8	286,6	339,0
<b>Total equity</b>	<b>1.027,7</b>	<b>967,2</b>	<b>1.028,0</b>
<b>Non-current liabilities:</b>			
Long-term borrowings	623,2	520,4	623,2
Personnel benefits	40,1	26,5	40,1
Other Provisions	37,7	63,9	37,7
Deferred tax liabilities	125,9	139,3	125,9
Consumers' contributions and subsidies	295,0	218,0	295,0
Other non-current liabilities	8,2	8,5	8,2
<b>Total Non-Current Liabilities</b>	<b>1.130,1</b>	<b>976,6</b>	<b>1.130,1</b>
<b>Current liabilities:</b>			
Trade and other payables	729,3	1.646,2	729,3
Short-term borrowings	0,0	0,0	0,0
Current portion of long-term borrowings	63,3	9,9	63,3
Dividends payable	0,0	0,0	0,0
Income Tax payable	5,1	9,1	5,2
Accrued and other liabilities	44,7	18,1	44,7
Deferred Income	112,1	111,6	112,1
<b>Total current liabilities</b>	<b>954,4</b>	<b>1.794,9</b>	<b>954,5</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>3.112,2</b>	<b>3.738,7</b>	<b>3.112,6</b>

Source: IPTO S.A.

## IPTO S.A.

### CONDENSED STATEMENT OF CASH FLOWS

EUR million

	IPTO S.A.		GROUP
	1/1/2018- 31/12/2018	1/1/2017- 31/12/2017	1/1/2018- 31/12/2018
<b>Cash flows from operating activities</b>			
Profits before tax	109,0	83,0	109,4
Adjustments for:			
Depreciation/amortization of tangible and intangible assets	75,4	70,2	75,4
Amortization of customers' contributions and subsidies	-8,0	-5,9	-8,0
Interest Income	-11,2	-2,7	-11,7
Other provisions	-27,0	0,8	-27,0
Contracting cost and write offs	12,4	2,7	12,4
Amortization of loan issuance costs	1,5	0,0	1,5
Guarantee commission of PPC's loans	0,0	5,8	0,0
Interest expense	17,6	21,7	17,6
<b>Operational profit/(loss) before changes in working capital</b>	<b>169,6</b>	<b>175,4</b>	<b>169,4</b>
(Increase) / decrease in:			
Trade Receivables	541,1	-421,0	541,1
Other Receivables	18,3	24,7	18,2
Inventory	-7,7	-1,8	-7,7
Increase / (decrease) in:			
Trade liabilities	-916,9	950,0	-916,9
Accrued and other liabilities	29,3	-43,8	29,3
Tax payments	-29,0	-57,1	-29,0
<b>Net cash generated from operating activities</b>	<b>-195,4</b>	<b>626,3</b>	<b>-195,7</b>
<b>Cash flows from investing activities</b>			
Interest received	10,7	2,6	11,3
Subsidies received	85,0	14,5	85,0
Investment in associates, financial assets	-205,0	0,0	-5,0
Purchase of tangible and intangible assets	-178,2	-70,1	-178,2
<b>Net cash used in investing activities</b>	<b>-287,4</b>	<b>-53,0</b>	<b>-86,8</b>
<b>Cash flows from financial activities</b>			
Principal payments of loans	-110,0	-29,7	-110,0
Dividends paid	-23,6	-92,9	-23,6
Interim dividends paid	0,0	-7,3	0,0
Loan expenses	-4,3	-3,2	-4,3
Loans received	269,0	65,0	269,0
Payment of Interests and other bank charges	-17,6	-27,4	-17,6
<b>Net cash flows from financial activities</b>	<b>113,6</b>	<b>-95,6</b>	<b>113,6</b>
<b>Net increase in cash and cash equivalents</b>	<b>-369,2</b>	<b>477,8</b>	<b>-168,9</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>771,8</b>	<b>294,1</b>	<b>771,8</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>402,6</b>	<b>771,8</b>	<b>602,9</b>

Source: IPTO S.A.