**ATTICA HOLDINGS S.A.**

**Condensed Interim Financial Statements**
**for the period ended June 30th 2018**
(In compliance with article 5 of Law 3556/2007)

Type of certified auditor’s review report: Unqualified

(amounts in Euro thousand)

The Interim Financial Statements for the period 1-1-2018 to 30-6-2018 were approved by the Board of Directors of Attica Holdings S.A. on 24 September, 2018.

ATTICA HOLDINGS S.A.
Registration Number: 7702/06/B/86/128
Commercial Registration Number: 5780001000
1-7 Lysikratous & Evripidou Street,
176 74
Kallithea, Athens, Greece

**Half Year Financial Report**
**(January 1st 2018 to June 30th 2018)**

The present Half Year Financial Report is compiled according to article 5 of Law 3556/2007 and the decisions of the Hellenic Capital Market Commission an includes:

- Statement of the Board of Directors' Members,
- Certified auditor's review report,
- Half Year Report of the Board of Directors for the period 1.1.2018 – 30.6.2018,
- Condensed Interim Financial Statements (company and consolidated) for the period ended June 30, 2018,
- Figures and Information for the period from January 1 to June 30, 2018.

The present Half Year Financial Report for the six-month period ended June 30, 2018 is the one approved by the Board of Directors of Attica Holdings S.A. on 24 September, 2018 and is available in the internet on the web address www.attica-group.com.

The concise financial data and information published in the Press, deriving from the financial statements, aim at providing readers with general information on the Company's financial situation and results but do not offer a complete picture of its financial position, the Company and Group financial performance and cash flows, according to the International Financial Reporting Standards.

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**Statement of the Board of Directors' members**
**(In accordance with article 5, par. 2 of Law 3556/2007)**

The members of the Board of Directors of ATTICA HOLDINGS S.A. :
1. Kyriakos Magiras, Chairman,
2. Spiros Paschalis, Chief Executive Officer and
3. Iraklis Simitsidellis, Executive member, having been specifically assigned by the Board of Directors,

under our capacity as mentioned above, and specifically as appointed by the Board of Directors of Attica Holdings S.A., we declare and we assert that to the best of our knowledge

a) the enclosed financial statements (company and consolidated) of Attica Holdings S.A.(hereafter referred to as the company) for the period of 1.1.2018 to 30.06.2018, which were prepared in accordance with the current accounting standards, give a true picture of the assets and liabilities, the shareholder's equity and the profit and loss account of the Company, as well as of the companies included in the consolidation as a whole, in accordance with the provisions laid down in paragraphs 3 to 5, article 5, of Law No. 3556/2007,

b) the enclosed semi-annual report by the Board of Directors includes a true presentation of the required information of Attica Holdings S.A., as well as of the companies included in Group consolidation and considered aggregately as a whole, in accordance with paragraph 6 of article 5 of Law No. 3556/2007,

c) the interim financial statements for the period of 1.1.2018 to 30.06.2018 were approved by the Board of Directors on 24 September, 2018 and are available in the internet on the web address www.attica-group.com.

Kallithea, 24 September, 2018

Confirmed by

| Kyriakos D. Magiras | Spiros Ch. Paschalis | Iraklis I. Simitsidellis |
|---|---|---|
| **Chairman of the B.O.D**<br>**ID Card No. AK109642** | **Chief Executive Officer**<br>**ID Card No. AB 215327** | **Executive member**<br>**ID Card No. AM 140292** |

## Report on Review of Interim Financial Information

To the Board of Directors of ATTICA HOLDINGS SA

**Introduction**

We have reviewed the accompanying separate and consolidated condensed statement of financial position of ATTICA HOLDINGS SA. as of 30 June 2018 and the related separate and consolidated condensed statement of comprehensive income, changes in equity and cash flows for the six-month period then ended, and the selected explanatory notes that comprise the interim financial information, which form an integral part of the six-month financial report of Law 3556/2007. Management is responsible for the preparation and fair presentation of this interim condensed financial statement in accordance with the International Financial Reporting Standards as adopted by the European Union and apply for interim financial information (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

**Scope of Review**

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

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information has not been prepared in all material respects, in accordance to IAS 34

Athens, 24 September 2018
The Certified Public Accountant

Manolis Michalios
SOEL. Reg. No: 25131

Grant Thornton

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

## Semi - Annual Board of Directors Report for Attica Holdings S.A. for the period 1.1.2018– 30.6.2018

(article 5 of Law 3556/2007)

The present Semi – Annual Board of Directors Report (hereinafter called the « Report ») for the closed period January 1st , 2018 to June 30th, 2018, has been prepared so as to ensure harmonization with the relevant provisions of Law 3556/2007 (article 5) and the issued executive decisions of the Hellenic Capital Market Commission.

As the present report contains financial details of «Attica Holdings S.A.» (hereinafter called the «Company» or «Attica») and its subsidiaries, the report is common and describes the financial developments and performance of the Group during the reporting period, the significant events that took place during the closed period, as well as the operational developments in the second half of the current fiscal year. It also describes the main risks and uncertainties that the Group may face in the first half of 2018 and records the major transactions conducted between the Company and its related legal entities.

### A. FINANCIAL DEVELOPMENTS AND PERFORMANCE DURING THE REPORTING PERIOD

First of all, it should be noted that the interim financial statements of the first semester 2018 of Attica Group consolidate for the first time and for a period of one month (1.6.2018 - 30.6.2018) the financial figures of "HELLENIC SEAWAYS MARITIME S.A. "(hereafter "HSW"), following the acquisition of the majority stake in the company at the end of May 2018.

The development and performance of the Group in the first half of 2018 are as follows:

#### 1. Activities Overview

Consolidated revenue stood at Euro 131.68mln compared to Euro 112.04mln in the first half of 2017. Earnings before taxes, investing and financial results, depreciation and amortization (EBITDA) stood at Euro 8.80mln compared to Euro 7.07mln in the first half of 2017.

Increased Group's Revenue was offset by the continued fuel oil price increase compared to the 1st half of 2017, which influenced results by over Euro 12mln.

#### 2. Operating Markets and Traffic Volumes

Considering the full integration of HSW figures in the interim financial statements of Attica Group, which concerns only the month of June (1.6.2018-30.6.2018), Group's vessel's carried 2.05mln passengers (an increase 32.5% compared to the first half of 2017), 278.71 thousand private vehicles (27.0% increase) and 167.88 thousand freight units (14.5% increase).

In the Adriatic Sea and specifically in the Patras – Igoumenitsa – Ancona route and in the Patras – Igoumenitsa – Bari route, the traffic volumes of the Superfast vessels increased by 11.0% in passengers, 16.1% in private vehicles and 10.3% in freight units, in 2.7% more sailings compared to 1st half 2017.

In the Greek domestic sea routes Attica Group operated in Cyclades, Dodecanese, Piraeus – Crete and Piraeus – Chios – Mitilene and , through HSW, strengthened the existing markets and added to its activities the markets of the Saronic Gulf and Sporades Islands.

According to the Group's traffic data, including the figures of HSW for the period 1.6.18-30.6.18, the total traffic volumes in all Domestic routes increased by 16.5% in freight units, 28.6% in private vehicles and 34.9% in passengers.

It is noted that Attica Group is in cooperation with ANEK S.A. through the Joint Venture Revenue Agreement "Anek S.A. – Superfast Endeka (Hellas) Inc" for the joint service of vessels of the two companies in Adriatic Sea and in the domestic routes of Crete.

## 3. Group's Financial Results

Consolidated revenue stood at Euro 131.68mln compared to Euro 112.04mln in the first half of 2017. Earnings before taxes, investing and financial results, depreciation and amortization (EBITDA) stood at Euro 8.80mln compared to Euro 7.07mln in the first half of 2017.

The Group's geographical operation is as follow:

In the Domestic market, the Group operated in Cyclades, Dodecanese, Piraeus – Crete and Piraeus – Chios – Mitilene and through HSW, strengthened existing markets and added to its activities the markets of the Saronic Gulf and Sporades Islands.

Revenue from the Domestic market in the first half of 2018 stood at Euro 94.27mln compared to Euro 75.97mln for the corresponding period in 2017 (increased by 24.1%).

In the Adriatic market, Attica Group operated in the Patras – Igoumenitsa – Ancona route and in the Patras – Igoumenitsa – Bari route.

Revenue from the Adriatic market increased by 3.7% to Euro 37.41mln compared to Euro 36.07mln for the corresponding period in 2017.

<u>Operating expenses and other items</u>

Operating expenses increased in 2018 to Euro 115.81mln compared to Euro 101.81mln for the corresponding period in 2017 as a result of the fuel oil price increase and the consolidation for the first time of HSW.

Administrative expenses stood at Euro 11.66mln compared to Euro 10.62mln for the corresponding period in 2017. The Group's Sales & Distribution expenses rose to Euro 8.65mln compared to Euro 7.14mln in 2017. It should be noted that administrative expenses and sales & distribution expenses for the first half of 2018 include HSW figures.

Other financial results (Euro 3.2mln) includes mainly gain from the fuel oil price hedging against fuel oil price fluctuations.

The Group's financial expenses stood at Euro 7.61mln compared to Euro 12.58mln in the first half of 2017. The above change refers mainly to the change of the fair value of the convertible bond loan of Blue Star Ferries Maritime S.A. exchangeable into Attica shares. It is noted that this expense results from the accounting treatment of Blue Star Ferries Maritime S.A convertible bond loan, which forms a combined (hybrid) financial instrument and is measured at fair value in the consolidated financial statements.

In the first half of 2018, the Group recorded profit of Euro 16.96mln from the sales of vessels Superfast XII and Highspeed 7.

Overall, Attica's consolidated profit after tax stood at Euro 8.52mln compared to losses of Euro 22.26mln in the first half of 2017.

Excluding HSW, which is controlled by 98,83%, the Group's consolidated companies are 100% controlled by the parent company.

The Group's revenues are highly seasonal. The highest traffic for passengers and vehicles is observed during the months July, August and September while the lowest traffic for passengers and vehicles is observed between November and February. On the other hand, freight sales are not affected significantly by seasonality.

**4. Financial Position and Cash Flow items**

Tangible assets increased compared to 31.12.2017 (Euro 664.70mln compared to Euro 527.07mln) due to the full consolidation of HSW. Furthermore, Attica Group in implementation of the agreement with Minoan Lines S.A. for the acquisition of shares of HSW within the first half of 2018, sold Superfast XII and Highspeed 7.

The figure "goodwill" amounting Euro 26.33mln refers to the goodwill arising from the acquisition of HSW and is explained in detail in the interim financial statements, in note 5.2.

The figure "Investments in associates" amounting Euro 4.52mln refers to the participation in Africa Morocco Links (AML).

Trade and other receivables rose to Euro 63.35mln from Euro 47.28mln at 31.12.2017 due to seasonality as well as to the full consolidation of HSW.

Other current assets rose to Euro 61.61mln from Euro 37.37mln at 31.12.2017 mainly due the full consolidation of HSW.

Derivatives stood at Euro 10.10mln (Euro 4.43mln on 31.12.2017) and refer to derivatives for partial hedging against fuel oil price fluctuation.

Cash and cash equivalents of the Group stood at Euro 48.78mln compared to Euro 44.10mln at 31.12.2017. The above increase refers mainly to the full consolidation of the company HSW. The Group paid the amount of Euro 44.15mln for its long-term loans including long-term loans of the sold vessels Superfast XII and Highspeed 7.

The Group's total Equity, after the minority shareholders, stood at Euro 406.43mln compared to Euro 402.92mln at 31.12.2017.

Long-term borrowing of the Group amounts at 30.06.2018 Euro 283.15mln compared to Euro 214.43mln at 31.12.2017 and short-term borrowing of the Group amounts at 30.06.2018 Euro 73.44mln compared to Euro 24.30mln at 31.12.2017. The above increase is mainly due to the full consolidation of the company HSW.

Trade and other payables rose to Euro 58.72mln from Euro 20.30mln at 31.12.2017 mainly due vessels' dry dockings and the full consolidation of the company HSW.

The figure "other short-term liabilities" (Euro 61.85mln compared to Euro 12.99mln at 31.12.2017) increased mainly due to the full consolidation of the company HSW, as well as, the seasonality related to "Deferred income" which refers to passenger tickets issued but not yet travelled until 30/6/2018.

In summary, it is noted that the acquisition of HSW led to an increase in the Group's assets and liabilities by Euro 254.5 million (28.6% of the total assets of the Group) and Euro 178.0 (36.9% of the Group's total liabilities) respectively.

Cash Flow

The first half of 2018 operating cash in-flows were Euro 38.30mln against cash in-flows of Euro 4.16mln in the first half of 2017.

Investing cash out-flows stood at Euro 6.48mln against cash out-flows of Euro 1.09mln in the first half of 2017.

Cash out-flows from financing activities stood at Euro 27.21mln against Euro 6.78mln in the first half of 2017.

Financial Ratios (alternative performance measure "**APMs**")

The main financial ratios of the Group are presented below:

| | 30/6/2018 | 30/6/2017 |
|---|---|---|
| **General Liquidity**<br>Total Current Assets/Total Short Term Liabilities | 0.97 | 1.75 |
| **Debt-equity Ratio**<br>Equity/Total Liabilities | 0.84 | 1.21 |
| **Gearing Ratio**<br>Net Debt/Total Capital Employed | 0.43 | 0.36 |
| Net Debt/EBITDA | 4.1 | 3.77 |

Definitions/Agreements APMs

General Liquidity and Debt-Equity Ratio, arise from the Group's balance sheet items. EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization is intended to provide useful information to analyze the Group's operating performance.

Gearing Ratio is used to evaluate the capital structure of the Group and the capacity to leverage. Net debt is defined as short-term borrowings plus long-term borrowings plus short-term portion of long-term borrowings less cash and cash equivalents. Total Capital Employed is defined as Net Debt plus Equity (see paragraph E, main risks and uncertainties).

Net Debt/EBITDA is used as another planning tool of the Group's appropriate capital structure in relation to the ability to generate future cash flows and operating profit. The calculation for this ratio arises from the EBITDA of Attica Group (including HSW) of the last twelve months (1.7.2017 - 30.6.2018 and compared with the corresponding previous period).

**5. Financial Results of the parent company**

Attica Holdings S.A. is a Holding Company and as such its income derives from shareholdings and interests.

The parent company has an amount of Euro 3,110 thousand as receivable dividend arising from its 100% subsidiary company Attica Ferries Maritime S.A. Also, Attica Holding S.A. received from the above company the amount of Euro 1,110 thousand as dividend.

During, the first semester of 2018, the company recorded profits of Euro 2.60mln, similarly to the same period of 2017.

Investments in 100% subsidiaries (with the exception of the newly acquired HSW controlled by the Group's companies by 98.83%) stood at Euro 586.05mln at 30.6.2018 (Euro 508.19mln at 31.12.2017).

Other current assets stood at Euro 3.14mln at 30.6.2018 compared to Euro 1.15mln at 31.12.2017.

Cash and cash equivalents stood at 30.6.2018 at Euro 0.66mln while at 31.12.2017 at Euro 2.18mln.

Equity stood at Euro 572.10mln from Euro 511.14mln at 31.12 2017.

Attica Holdings S.A. is a subsidiary company of MARFIN INVESTMENT GROUP HOLDINGS S.A.(MIG).

There are no shares of the parent company owned by Attica Holdings S.A. or its subsidiaries.

Subsidiaries of Attica Holdings S.A., main financial figures of Group's Financial Statements as well as Accounting Policies applied by the Group are mentioned analytically in «Notes to the Interim Financial Statements» which is an integral part of this Semi-Annual Report.

## B. SIGNIFICANT EVENTS

Acquisition of 98.83% of share capital of Hellenic Seaways Maritime S.A.

Within the first half of 2018, Attica Group announced the completion of the acquisition of 98.83% of the share capital of Hellenic Seaways Maritime S.A.

The most significant stages which led to the completion of the acquisition have as follows:

On 25.4.2018 the Hellenic Competition Commission by power of its decision 658/2018 approved the acquisition by Attica Group of sole control over (HSW).

The clearance of the Hellenic Competition Commission (HCC) was granted following certain commitments made by the Group, which according to the HCC's assessment are adequate, sufficient and appropriate to ensure effective competition in the Greek Domestic Ferry sector. The commitments are described in detail in the relevant Press Release issued by the HCC.

On 25.5.2018 Attica Group announced the completion of the acquisition of a majority stake in HSW, within the framework of the implementation of the agreement dated 11.08.2017 with Piraeus Bank and another minority shareholder of HSW for the acquisition of a total of 37,789,833 shares of HSW for a total consideration of Euro 69.07mln.

Part of the consideration (Euro 25.61mln) was paid in cash with Attica Group's own funds, while the remaining amount due to the sellers (Euro 43.46mln), was agreed to be paid through issuance and delivery of 24,145,523 new shares of Attica Holding S.A.

On 26.06.2018, the Annual General Meeting of Shareholders approved the share capital increase of Attica Holdings S.A. amounting to Euro 7,243,656.90 through the issue of 24,145,523 common registered shares of nominal value Euro 0.30 each, at an issue price of Euro 1.80 each by capitalization of respective receivables of "Piraeus Bank S.A." and another minority shareholder of HSW and the abolition of the relevant pre-emptive rights. Tthe new shares were listed on the Athens Stock Exchange on July 31, 2018.

On 12.06.2018 Attica Group completed the acquisition of an additional stake of 48.53% of the share capital of HSW, implementing the agreement dated on 26.10.2017 with "Minoan Lines M.S.A." for the acquisition of 37,667,504 shares of HSW for a cash consideration of Euro 78.5mln.

As per the same agreement, Attica Group sold and delivered SUPERFAST XII to a Grimaldi Group company for a cash consideration of Euro 74.5mln, and HSW sold and delivered HIGHSPEED 7 to Minoan Lines for a cash consideration of Euro 25mln.

Following conclusion of the aforementioned transaction, Attica Group now holds 98.83% of the total share capital of HSW.

Hellenic Seaways Maritime S.A. is a shipping company. The headquarters of the Company are in Piraeus (6 Astiggos St., Karaiskaki Sq., Piraeus). HELLENIC SEAWAYS operated with a fleet of 17 vessels (2 Highspeed, 8 conventional, 4 flying cat and 3 flying dolphins) in Cyclades, Northeast Aegean, the Sporades Islands and the Saronic Gulf.

In addition to the acquisition of HSW, other significant events for the Group in the first half of 2018 are:

On 28.03.2018 the Group announced a triple accolade at the 2018 Tourism Awards organised by Boussias Communications. At a ceremony held at the cultural center Hellenic Cosmos, Attica Group received the following awards:
- A Gold award in the “Support for local communities/CSR Actions - First Aid Scheme” category,
- A Silver award in the “Technology enhanced experience “category – Service @sea Infotainment Platform,
- A Silver award in the “Loyalty Scheme “category – Traveller Loyalty Scheme programme Seasmiles.

On 28.06.2018 the Ordinary General Meeting of Shareholders, among others, elected a new Board of Directors due to expiration of the previous term, with Mr. Kyriakos Magiras, Mr. Michael Sakellis, Mr. Spiros Paschalis, Mr. Iraklis Simitsidellis, Mr. George Efstratiadis, Mr. Panagiotis Throuvalas and Mr. Anastassios Kyprianidis. From the above members, Independent, Non-Executive Members are Mr. Michael Sakellis and Mr. Anastassios Kyprianidis. Furthermore, the same General Meeting approved the election of an Audit Committee in accordance with article 44 of L.4449/2017. the Audit Committee consists of Mr. Michael Sakellis, Mr. Anastassios Kyprianidis and Mr. Mr. George Efstratiadis. The Audit Committee elected Mr. Michalis Sakellis President of the Committee.

On 29.6.2018 Attica Group announced its honorary accolade at the Environmental Sensitivity Awards, ECOPOLIS, in the category of Business Awards, sub-category "Environmental Policy". This award is a further recognition of the Group's efforts to systematic and responsible operation on environmental issues, a key pillar of Attica's Corporate Responsibility program.

On 31.7.2018, 24,145,523 new common registered shares were listed, in implementation of the relevant decision of the Ordinary General Meeting of the Company dated 26.6.2018. The share capital amounts to Euro 64,741,752.90 and is divided in 215,805,843 common registered voting shares with a nominal value of Euro 0.30 each.

## C. PROSPECTS – BUSINESS DEVELOPMENTS FOR THE 2ND HALF OF THE CURRENT FISCAL YEAR

The condition of the Greek economy, and its impact on traffic volumes together with the intensity of competition and fuel prices, are the most important factors that will affect the 2nd half 2018 performance.

The above factors can not be controlled and therefore any forecast by the Company for the development of revenues and results is uncertain.

The Group evaluates on an ongoing basis the market conditions and assumes all necessary actions to mitigate risks.

## D. MAIN RISKS AND UNCERTAINTIES

This section presents the main risks and uncertainties regarding the Group's business activities.

<u>The economic condition of our country in connection with the decrease in the disposable income of a significant part of the population and other uncertainties have a negative effect on the traffic of passengers and vehicles</u>

The ongoing economic recession of our country, the capital controls, other uncertainties and the decrease in the disposable income of a significant part of the population, can't be controlled by the Group and have a significant effect on the traffic of passengers and vehicles.

<u>Liquidity risk</u>

The total borrowings of the Group on 30.6.2018 amounted to Euro 356.59mln (Euro 238.73mnl on 31.12.2017). From the above, the amount of Euro 283.15mln refers to the long-term portion (Euro 214.43mnl on 31.12.2017) and the amount of Euro 73.44mln refers to the short-term portion (Euro 24.30mnl on 31.12.2017). It should be noted that the increase on borrowings arise mainly due to the full consolidation of HSW.

The Group is managing its liquidity requirements on a daily basis through a systematic monitoring of its short term financial liabilities and receivables.

Furthermore, the Group constantly monitors the maturity of its receivables and payables, in order to maintain a balanced liquidity management (see below "Additional risks arising from the enforcement of capital controls in Greece").

<u>Fuel oil prices fluctuation risk</u>

The Group due to the nature of shipping activities is affected significantly by the volatility of fuel oil prices. It should be noted that the cost of fuel oil and lubricants is the most significant operating cost.

A change in fuel oil prices equal to 10% will have an effect of Euro 5.0mln approximately on the six months period's results and Group's equity.

The Group has hedged partially its risk against Fuel Oil price fluctuation.

<u>Interest rate risk</u>

The Group was exposed to variations of market as regards bank loans, which are subject to variable interest rate. A decrease of the interest rates has a positive effect on the Group's profit while an increase has the opposite effect.

Foreign currency risk

The Group's transactions are denominated in Euro.

The Group is affected by the exchange rates to the extent that the fuel oil purchased for the operation of the vessels is traded internationally in U.S. Dollars. Furthermore, the Group is affected by the exchange rates fluctuations due to its participation in AML where the currency is Moroccan Dirham.

Credit risk

The Group, due to its large number of customers, is exposed to credit risk and therefore it has established credit control procedures in order to minimize effects from such risk. More specifically, the Group has defined credit limits and specific credit policies for all of its customers, while it has obtained bank guarantees from major customers, in order to secure its trade receivables.

Also, the Group monitors the balances of its customers and assesses potential creation of provisions. Therefore, any customers' weakness to fulfill their obligations may affect the Group's results by generating relevant provisions (see below "Additional risks arising from the enforcement of capital controls in Greece").

The Group has significant loan capital due to the nature of its activities

The Group has significant borrowing obligations due to the fact that investments for vessels' acquisition require a significant amount of capital which is largely supported by bank loans, as customary in the maritime sector.

The Group's ability to service and repay its loans depends on its ability to generate cash flows in the future, which to some extent depends on factors such as general economic conditions, competition and other uncertainties.

Market Risk

The Group operates on routes with intense competition which has as a result the ongoing effort of the companies to increase market shares in already mature markets.

Risks of accidents

The Group's vessels and generally the entire maritime sector, due to the nature of their operations, are being subject to the above risk which may have a negative effect on the results, the customer base or the functioning of the Group. The Group's vessels are covered by insurance against the following risks: a) hull and machinery, b) increased value, c) war risks and d) protection and Indemnity.

Seasonality

The Group's sales are highly seasonal. The highest traffic for passengers and vehicles is observed during the months July, August and September while the lowest traffic for passengers and vehicles is observed between November and February. On the other hand, freight units sales are not affected significantly by seasonality.

Additional risks arising from the enforcement of capital controls in Greece

The Group has been and continues to monitor developments in the issue of capital controls as a result of the Legislative Act dated 28.06.2015 and any subsequent legislative acts until now.

The Group's Management continually evaluates the developments and takes initiatives in order to protect the Group and minimize any impact in its financial position.

**E. IMPORTANT TRANSACTIONS WITH RELATED PARTIES**

This section includes the most important transactions between the Company and its related parties as they are defined by IAS 24.

The 100% subsidiary company Blue Star Ferries Maritime S.A. returned part of its share capital to the parent company Attica Holdings S.A. due to its share capital decrease. The capital return amounts Euro 50.14mln.

The 100% subsidiary companies Attica Ferries M.C. and Blue Star M.C. returned part of their share capital to the parent company Attica Holdings S.A. due to their share capital decrease. The capital return amounts Euro 20.47mln and Euro 24.39mln respectively.

The parent company participated in the share capital increases of its 100% subsidiary companies Nordia M.C. and Superfast Endeka INC. with the amount of Euro 8.39mln and Euro 2.0mln respectively.

Furthermore, the parent company has an amount of Euro 3.1mln as receivable dividend arising from its 100% subsidiary company Attica Ferries Maritime S.A. Also, Attica Holding S.A. received from the above company the amount of Euro 1.1mln as dividend.

The intercompany transactions between Attica Group and Africa Morocco Links have as follows:
- Receivables stood at Euro 11.58mln; and
- Payables stood at Euro 0.27mln.

The intercompany balances are set-off in the consolidated accounts of Attica Group.

The intercompany transactions during the period 01.01.2018 - 30.06.2018 between the companies of the Group derive from the Group's business activity, being of administrative rather than financial nature, reflecting a common revenue and expenses management through joint ventures and management companies, which create intercompany transactions with the other companies of the Group. The intercompany balances are set-off in the consolidated accounts of ATTICA GROUP.

The intercompany transactions between Attica Group with the other companies of Marfin Investment Group Holdings S.A. (MIG) are not significant and do not influence the financial condition of the Company or the Group. They are mostly related to food and beverage supplying services on board the Group's vessels. More specifically, for the first half of 2018 the intercompany transactions between Attica Group with the other companies of Marfin Investment Group Holdings S.A. (MIG) have as follows:

- Sales stood at Euro 5.4mln,
- Purchases stood at Euro 1.7mln,
- Receivables stood at Euro 10.5mln,
- Payables stood at Euro 0.8mln.

The intercompany balances as at 30.06.2018 between Attica Group and Piraeus Bank are as follows:

- Sales stood at Euro 0.008mln,
- Purchases stood at Euro 1.1mln,
- Receivables stood at Euro 17.8mln,
- Payables stood at Euro 89.45mln.

Finally, Executive Directors' salaries and remuneration of the members of the Group's Board of Directors stood at Euro 1.57mln for the first half of 2018 while at 30.06.2017 stood at Euro 1.14mln. The Group has neither receivables nor liabilities towards its Directors and members of the Board of Directors.

Kallithea, 24 September, 2018

On behalf of the Board of Directors
Chief Executive Officer
Spiros Ch. Paschalis

Interim Financial Statements for the period 1-1-2018 to 30-6-2018

The attached Interim Financial Statements are those approved by the Board of Directors of Attica Holdings S.A. on 24 September, 2018 and is available in the internet on the web address www.attica-group.com and on ASE website where they will be available to investors for at least five (5) years since their compilation and publication date.

(amounts in Euro thousand)

**STATEMENT OF COMPREHENSIVE INCOME**
For the period ended June 30 2018 & 2017

| | | GROUP | |
|---|---|---|---|
| | | **1.01-30.06.2018** | **1.01-30.06.2017** |
| Sales | 7.1 | 131,680 | 112,038 |
| Cost of sales | 7.2 | -115,814 | -101,813 |
| **Gross profit** | | **15,866** | **10,225** |
| Administrative expenses | 7.3 | -11,657 | -10,617 |
| Distribution expenses | 7.3 | -8,646 | -7,137 |
| Other operating income | | 241 | 2,245 |
| Other operating expenses | | -34 | - |
| **Profit / (loss) before taxes, financing and investment activities** | | **-4,230** | **-5,284** |
| Other financial results | 7.4 | 3,158 | -1,039 |
| Financial expenses | 7.5 | -7,608 | -12,583 |
| Financial income | | 78 | 63 |
| Share in net profit (loss) of companies accounted for by the equity method | 7.6 | 263 | -3,358 |
| Profit/ (loss) from sale of assets | 7.7 | 16,955 | - |
| **Profit before income tax** | | **8,616** | **-22,201** |
| Income taxes | | -98 | -58 |
| **Profit for the period** | | **8,518** | **-22,259** |
| **Attributable to:** | | | |
| Owners of the parent | | 8,507 | -22,259 |
| Non-controlling interests | | 11 | - |
| Earnings After Taxes per Share - Basic (in €) | | 0.0444 | -0.1161 |
| Diluted earnings after taxes per share (in €) | 7.8 | -0.0139 | -0.4442 |
| **Net profit for the period** | | **8,518** | **-22,259** |
| **Other comprehensive income:** | | | |
| **Amounts that will not be reclassified in the Income Statement** | | | |
| Revaluation of the accrued pension obligations | | - | - |
| **Amounts that may be reclassified in the Income Statement** | | | |
| Cash flow hedging : | | | |
| - current period gains /(losses) | | -3,203 | -5,270 |
| - reclassification to profit or loss | | 6,986 | 1,065 |
| Related parties' measurement using the fair value method | | - | - |
| **Other comprehensive income for the period before tax** | | **3,783** | **-4,205** |
| Income tax relating to components of other comprehensive income | | - | - |
| **Other comprehensive income for the period, net of tax** | | **3,783** | **-4,205** |
| **Total comprehensive income for the period after tax** | | **12,301** | **-26,464** |
| **Attributable to:** | | | |
| Owners of the parent | | 12,292 | -26,464 |
| Non-controlling interests | | 9 | - |

The attached notes are an integral part of these Interim Financial Statements.

## Income Statement of the Group

## STATEMENT OF COMPREHENSIVE INCOME

For the period ended June 30 2018 & 2017

| | | COMPANY | |
|---|---|---|---|
| | | 1.01-30.06.2018 | 1.01-30.06.2017 |
| Sales | | - | - |
| Cost of sales | | - | - |
| **Gross profit** | | **-** | **-** |
| Administrative expenses | | -440 | -513 |
| Distribution expenses | | - | - |
| Other operating income | | - | - |
| Other operating expenses | | - | - |
| **Profit / (loss) before taxes, financing and investment activities** | | **-440** | **-513** |
| Other financial results | | -1 | - |
| Financial expenses | | -67 | -2 |
| Financial income | | - | 3 |
| Income from dividends | 7.9 | 3,110 | 3,110 |
| **Profit before income tax** | | **2,602** | **2,598** |
| Income taxes | | - | - |
| **Profit for the period** | | **2,602** | **2,598** |
| **Attributable to:** | | | |
| Owners of the parent | | 2,602 | 2,598 |
| Non-controlling interests | | - | - |
| Earnings After Taxes per Share - Basic (in €) | | 0.0136 | 0.0136 |
| Diluted earnings after taxes per share (in €) | 7.8 | -0.0715 | -0.4402 |
| **Net profit for the period** | | **2,602** | **2,598** |
| **Other comprehensive income:** | | | |
| **Amounts that will not be reclassified in the Income Statement** | | | |
| Revaluation of the accrued pension obligations | | - | - |
| **Amounts that may be reclassified in the Income Statement** | | | |
| Related parties' measurement using the fair value method | | 24,551 | -17,008 |
| **Other comprehensive income for the period before tax** | | **24,551** | **-17,008** |
| Income tax relating to components of other comprehensive income | | - | - |
| **Other comprehensive income for the period, net of tax** | | **24,551** | **-17,008** |
| **Total comprehensive income for the period after tax** | | **27,153** | **-14,410** |
| **Attributable to:** | | | |
| Owners of the parent | | 27,153 | -14,410 |
| Non-controlling interests | | - | - |

The attached notes are an integral part of these Interim Financial Statements.

**STATEMENT OF FINANCIAL POSITION**
**As at 30 of June 2018 and at December 31, 2017**

| | | GROUP | | COMPANY | |
|---|---|---|---|---|---|
| | | **30/6/2018** | **31/12/2017** | **30/6/2018** | **31/12/2017** |
| **ASSETS** | | | | | |
| **Non-Current Assets** | | | | | |
| Tangible assets | 7.10 | 664,701 | 527,073 | 5 | 6 |
| Goodwill | 5.2 | 26,325 | - | - | - |
| Intangible assets | | 1,811 | 1,929 | 1 | 1 |
| Investments in subsidiaries | | - | - | 586,054 | 508,193 |
| Investments in associates | | 4,519 | - | - | - |
| Investment portfolio | | - | 5,000 | - | - |
| Other non current assets | | 2,687 | 8,564 | 8 | 8 |
| Deferred tax asset | | 296 | 296 | - | - |
| **Total** | | **700,339** | **542,862** | **586,068** | **508,208** |
| **Current Assets** | | | | | |
| Inventories | | 5,061 | 3,306 | - | - |
| Trade and other receivables | 7.11 | 63,345 | 47,278 | 18 | 2 |
| Other current assets | 7.12 | 61,607 | 37,374 | 3,138 | 1,146 |
| Derivatives | 7.13 | 10,100 | 4,433 | - | - |
| Cash and cash equivalents | 7.14 | 48,777 | 44,099 | 659 | 2,182 |
| **Total** | | **188,890** | **136,490** | **3,815** | **3,330** |
| Assets held for sale | | - | - | - | - |
| **Total Assets** | | **889,229** | **679,352** | **589,883** | **511,538** |
| **EQUITY AND LIABILITIES** | | | | | |
| **Equity** | | | | | |
| Share capital | 7.15 | 57,498 | 57,498 | 57,498 | 57,498 |
| Share premium | 7.15 | 290,256 | 290,256 | 290,256 | 290,256 |
| Fair value reserves | | 8,041 | 4,258 | 148,801 | 122,250 |
| Other reserves | | 154,354 | 119,347 | 62,935 | 29,040 |
| Retained earnings | | -104,616 | -68,444 | 14,611 | 12,100 |
| **Equity attributable to parent's shareholders** | | **405,533** | **402,915** | **574,101** | **511,144** |
| Minority interests | | 897 | - | - | - |
| **Total Equity** | | **406,430** | **402,915** | **574,101** | **511,144** |
| **Non-current liabilities** | | | | | |
| Deferred tax liability | | - | - | - | - |
| Accrued pension and retirement obligations | | 3,453 | 2,425 | 59 | 59 |
| Long-term borrowings | 7.16 | 283,154 | 214,430 | 17,450 | - |
| Non-Current Provisions | | 1,335 | 1,218 | - | - |
| Other long-term liabilities | | - | - | - | - |
| **Total** | | **287,942** | **218,073** | **17,509** | **59** |
| **Current Liabilities** | | | | | |
| Trade and other payables | 7.17 | 58,716 | 20,298 | 62 | 129 |
| Tax payable | | 843 | 769 | 20 | 20 |
| Short-term debt | 7.16 | 73,444 | 24,303 | - | - |
| Derivatives | | - | - | - | - |
| Other current liabilities | 7.18 | 61,854 | 12,994 | 191 | 186 |
| **Total** | | **194,857** | **58,364** | **273** | **335** |
| Liabilities related to Assets held for sale | | - | - | - | - |
| **Total liabilities** | | **482,799** | **276,437** | **17,782** | **394** |
| **Total Equity and Liabilities** | | **889,229** | **679,352** | **591,883** | **511,538** |

The attached notes are an integral part of these Interim Financial Statements.

**Statement of Changes in Equity**
For the Period 1/01-30/06/2018

**GROUP**

| | Number of shares | Share capital | Share premium | Revaluation of financial instruments | Other reserves | Retained earnings | Minority interests | Total Equity |
|---|---|---|---|---|---|---|---|---|
| **Balance at 1/1/2018** | **191,660,320** | **57,498** | **290,256** | **4,258** | **119,347** | **-68,444** | | **402,915** |
| Changes in accounting policies IFRS 9 | - | - | - | - | - | -1,722 | | **-1,722** |
| **Restated balance** | **191,660,320** | **57,498** | **290,256** | **4,258** | **119,347** | **-70,166** | | **401,193** |
| **Profit for the period** | **-** | **-** | **-** | **-** | **-** | **8,507** | **11** | **8,518** |
| **Other comprehensive income** | | | | | | | | |
| **Cash flow hedges:** | | | | | | | | |
| Gains/(losses) taken to equity | - | - | - | -3,203 | - | - | - | -3,203 |
| Reclassification to profit or loss | - | - | - | 6,986 | - | - | - | 6,986 |
| Revaluation of the accrued pension obligations | - | - | - | - | - | - | - | - |
| **Total recognised income and expense for the period** | **-** | **-** | **-** | **3,783** | | **8,507** | **11** | **12,301** |
| Reserves from Issue of share capital | - | - | - | - | 33,804 | - | - | 33,804 |
| Capitalisation of share premium | - | - | - | - | - | - | - | - |
| Transfers between reserves and retained earnings | | | | - | 1,203 | -1,203 | - | 0 |
| Icrease/(decrease) of non-controlling interests in subsidiaries | - | - | - | - | - | -41,754 | -36,747 | -78,501 |
| Non-controlling interests due to purchase of subsidiaries | - | - | - | - | - | - | 37,633 | 37,633 |
| **Balance at 30/6/2018** | **191,660,320** | **57,498** | **290,256** | **8,041** | **154,354** | **-104,616** | **897** | **406,430** |

**Statement of Changes in Equity**
For the Period 1/01-30/06/2018

**COMPANY**

| | Number of shares | Share capital | Share premium | Revaluation reserves of tangible assets | Other reserves | Retained earnings | Total Equity |
|---|---|---|---|---|---|---|---|
| **Balance at 1/1/2018** | **191,660,320** | **57,498** | **290,256** | **122,250** | **29,040** | **12,100** | **511,144** |
| **Profit for the period** | | | | | | **2,602** | **2,602** |
| **Other comprehensive income** | | | | | | | |
| **Cash flow hedges:** | | | | | | | |
| Gains/(losses) taken to equity | - | - | - | - | - | - | - |
| Remeasurements of defined benefit pension plans | - | - | - | - | - | - | - |
| **Measurement using the fair value method** | | | | | | | |
| Related parties' measurement using the fair value method | - | - | - | 24,551 | - | - | 24,551 |
| **Total recognised income and expense for the period** | **-** | **-** | **-** | **24,551** | **-** | **2,602** | **27,153** |
| Reserves from issue of share capital | - | - | - | - | 33,804 | - | 33,804 |
| Transfers between reserves and retained earnings | - | - | - | - | 91 | -91 | - |
| Capitalisation of losses | - | - | - | - | - | - | - |
| Expenses related to share capital increase | - | - | - | - | - | - | - |
| **Balance at 30/6/2018** | **191,660,320** | **57,498** | **290,256** | **146,801** | **62,935** | **14,611** | **572,101** |

**Statement of Changes in Equity**
For the Period 1/01-30/06/2017

**GROUP**

| | Number of shares | Share capital | Share premium | Revaluation of financial instruments | Other reserves | Retained earnings | Total Equity |
|---|---|---|---|---|---|---|---|
| **Balance at 1/1/2017** | **191,660,320** | **57,498** | **290,256** | **4,054** | **116,558** | **-66,777** | **401,589** |
| **Profit for the period** | **-** | **-** | **-** | **-** | **-** | **-22,259** | **-22,259** |
| **Other comprehensive income** | | | | | | | |
| **Cash flow hedges:** | | | | | | | |
| Gains/(losses) taken to equity | - | - | - | -5,270 | - | - | -5,270 |
| Reclassification to profit or loss | - | - | - | 1,065 | - | - | 1,065 |
| **Total recognised income and expense for the period** | **-** | **-** | **-** | **-4,205** | **-** | **-22,259** | **-26,464** |
| Share capital issue | - | - | - | - | - | - | - |
| Transfer between reserves and retained earnings | - | - | - | - | 2,789 | -2,789 | 0 |
| Expenses related to share capital increase | - | - | - | - | - | - | - |
| **Balance at 30/6/2017** | **191,660,320** | **57,498** | **290,256** | **-151** | **119,347** | **-91,825** | **375,125** |

**Statement of Changes in Equity**
For the Period 1/01-30/06/2017

**COMPANY**

| | Number of shares | Share capital | Share premium | Revaluation reserves of tangible assets | Other reserves | Retained earnings | Total Equity |
|---|---|---|---|---|---|---|---|
| **Balance at 1/1/2017** | **191,660,320** | **57,498** | **290,256** | **121,874** | **29,040** | **10,285** | **508,953** |
| **Profit for the period** | **-** | **-** | **-** | **-** | **-** | **2,598** | **2,598** |
| **Other comprehensive income** | | | | | | | |
| **Cash flow hedges:** | | | | | | | |
| Gains/(losses) taken to equity | - | - | - | - | - | - | - |
| Reclassification to profit or loss | - | - | - | - | - | - | - |
| **Fair value's measurement** | | | | | | | |
| Related parties' measurement using the fair value method | - | - | - | -17,008 | - | - | -17,008 |
| Remeasurements of defined benefit pension plans | - | - | - | - | - | - | - |
| **Total recognised income and expense for the period** | **-** | **-** | **-** | **-17,008** | **-** | **2,598** | **-14,410** |
| Share capital issue | - | - | - | - | - | - | - |
| Capitalisation of losses | - | - | - | - | - | - | - |
| Expenses related to share capital increase | - | - | - | - | - | - | - |
| **Balance at 30/6/2017** | **191,660,320** | **57,498** | **290,256** | **104,867** | **29,040** | **12,882** | **494,543** |

## CASH FLOW STATEMENT (Indirect Method)

For the period 1/1-30/6 2018 & 2017

| | | GROUP | | COMPANY | |
|---|---|---|---|---|---|
| | | 1/1-30/6/2018 | 1/1-30/6/2017 | 1/1-30/6/2018 | 1/1-30/6/2017 |
| **Cash flow from Operating Activities** | | | | | |
| Profit/(Loss) Before Taxes | | 8,616 | -22,201 | 2,602 | 2,598 |
| **Adjustments for:** | | | | | |
| Depreciation & amortization | | 13,035 | 12,353 | 1 | 1 |
| Deferred tax expense | | - | - | - | - |
| Provisions | | 40 | 68 | 1 | 1 |
| Foreign exchange differences | | 45 | -26 | - | - |
| Net (profit)/Loss from investing activities | | -20,499 | 4,312 | -3,109 | -3,114 |
| Interest and other financial expenses | | 7,586 | 12,552 | 67 | 1 |
| **Plus or minus for Working Capital changes:** | | | | | |
| Decrease/(increase) in Inventories | | -364 | 403 | - | - |
| Decrease/(increase) in Receivables | | -2,761 | -16,098 | -7 | 40 |
| (Decrease)/increase in Payables (excluding banks) | | 37,384 | 17,402 | -151 | 48 |
| Less: | | | | | |
| Interest and other financial expenses paid | | -4,730 | -4,529 | -29 | -1 |
| Taxes paid | | -52 | -79 | - | - |
| **Total cash inflow/(outflow) from operating activities (a)** | | **38,300** | **4,157** | **-625** | **-426** |
| **Cash flow from Investing Activities** | | | | | |
| Purchase of tangible and intangible assets | | -996 | -154 | - | - |
| Investments in companies consolidated by the equity method | | -8,290 | -999 | - | - |
| Increase in capital and additional paid-in capital of subsidiaries | | - | - | -10,390 | -7,400 |
| Share capital return from subsidiaries | | - | - | 94,990 | 7,400 |
| Interest received | | 78 | 63 | - | 4 |
| Acquisition of subsidiaries (less cash) | | -96,769 | - | -104,107 | - |
| Proceeds from disposal of property, plant and equipment | | 99,500 | - | - | - |
| Dividends received | | | | 1,110 | |
| **Total cash inflow/(outflow) from investing activities (b)** | | **-6,477** | **-1,090** | **-18,397** | **4** |
| **Cash flow from Financing Activities** | | | | | |
| Proceeds from issue of Share Capital | | - | - | - | - |
| Proceeds from Borrowings | | 17,500 | - | 17,500 | - |
| Expenses related to share capital increase | | - | - | - | - |
| Proceeds from subsidiaries capital return | | - | - | - | - |
| Payments of Borrowings | 7.14 | -44,145 | -6,259 | - | - |
| Payments of finance lease liabilities | 7.14 | -568 | -525 | - | - |
| Capital return due to cancelation of SCI | | - | - | - | - |
| **Total cash inflow/(outflow) from financing activities (c)** | | **-27,213** | **-6,784** | **17,500** | **-** |
| **Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)** | | **4,610** | **-3,717** | **-1,522** | **-422** |
| **Cash and cash equivalents at beginning of period** | | **44,099** | **51,220** | **2,182** | **1,225** |
| **Exchange differences in cash and cash equivalents** | | **68** | **-39** | **-1** | **-1** |
| **Cash and cash equivalents at end of period** | | **48,777** | **47,464** | **659** | **802** |

The attached notes are an integral part of these Interim Financial Statements.

## Notes to the Financial Statements

### 1. General information

ATTICA HOLDINGS S.A. (“ATTICA GROUP”) is a Holding Company and as such does not have trading activities of its own. The Company, through its subsidiaries, mainly operates in passenger shipping.

The headquarters of the Company are in Kallithea, Athens, Greece, 1-7 Lysikratous & Evripidou Street, 17674.

The number of employees, at period end, was 2 for the parent company and 2,115 for the Group, while at 30.6.17 was 2 and 1,254 respectively.

Attica Holdings S.A. shares are listed in the Athens Stock Exchange under the ticker symbol ATTICA.

The corresponding ticker symbol for Bloomberg is ATTICA GA and for Reuters is EPA.AT.

The total number of common registered voting shares outstanding as at 30 June 2018 was 191,660,320. The total market capitalization was Euro 254,908 thousand approximately.

The financial statements of Attica Holdings S.A. are included, using the full consolidation method, in the consolidated financial statements of MARFIN INVESTMENT GROUP HOLDINGS S.A. which is registered in Greece and whose total participation in the company (directly & indirectly), was 79.38%.

The interim financial statements of the Company and the Group for the period ending at 30 June 2018 were approved by the Board of Directors on 24 September, 2018.

*Due to rounding there may be minor differences in some amounts.*

### 2. Basic accounting policies

Condensed interim financial statements comprise limited scope of information as compared to that presented in the annual financial statements. These interim financial statements have been prepared by management in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting". The Group has adopted all the new Standards and Interpretations, whose implementation is mandatory for the years starting as at 1st January, 2018.

Therefore, the attached interim Financial Statements should be read in line with the publicized annual Financial Statements as of 31st December, 2017 that include a full analysis of the accounting policies and valuation methods used.

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

#### 2.1.1. IFRS 9: “Financial Instruments”

In July 2014, the IASB completed the last phase of replacing IAS 39, by adopting IFRS 9 "Financial Instruments". The package of improvements introduced by IFRS 9 includes a logical model for classification and measurement, a single impairment model based on expected future losses and a substantially reformed approach to hedge accounting.

Classification and Measurement

Classification determines how financial assets and financial liabilities are accounted for in the financial statements, and in particular how they are measured on an ongoing basis. IFRS 9 introduces a reasonable approach to classification of financial assets, which is driven by the characteristics of the cash flows and the business model to which an asset belongs. This unique and principle-based approach replaces existing rules-based requirements which are considered to be overly complex and difficult to apply. The new model also results in application of a unique impairment model applied to all financial instruments, thus eliminating a source of complexity associated with the previous accounting requirements.

Impairment

During the financial crisis, late recognition of credit losses on loans (and other financial instruments) was recognized as a weakness of existing accounting standards. As part of IFRS 9, the IASB introduced a new impairment model based on expected loses, which will require a more timely recognition of expected credit losses. In particular, the new Standard requires companies to account for the expected credit losses once the financial instruments are recognized for the first time and to recognize the expected losses over their lifetime on a more timely basis.

Hedge accounting

IFRS 9 introduces a substantially reformed hedge accounting model with enhanced disclosures about risk management activity. The new model is a significant reforming of accounting hedging that aligns accounting with risk management activities, enabling companies to better reflect these activities in their financial statements. In addition, as a result of these changes, the users of the financial statements will have better information about risk management and the impact of hedge accounting on the financial statements.

Adoption of IFRS 9 from the Group and the Company

The Group and the Company have applied the Standard from 1 January 2018 retrospectively, without reviewing the comparative information for prior periods except for hedge accounting.

IFRS 9 was adopted without reviewing the comparative information and, therefore, the adjustments resulting from the new classification and the new impairment rules were not recorded in the financial position as at 31 December 2017 but were recognized in the opening financial position as at 1 January 2018.

In particular:

Classification and Measurement

The financial assets held as at 1.1.2018 by the Group will continue to be measured on the same basis as the new standard and therefore there have been no significant changes in the classification and measurement of the assets.

Impairment

The Group applied the simplified approach of IFRS 9 for impairment of expected credit losses on trade and other receivables balances at the date of initial application. The result of the requirements of the new standard was to increase the Group's provisions for impairment by Euro 1.7 million with a respective impact on the opening accounts “Retained earnings balance”.

Subsequent changes in market conditions and the business model of the Group may affect the above estimates.

The cumulative impact on the Statement of Financial Position as at 01.01.2018 is as follows:

Impact on the Statement of Financial Position
Amounts in thousands €

| ASSETS | 31/12/2017 | IMPACT OF IFRS 9 | 1/1/2018 |
|---|---|---|---|
| **Total non-current assets** | 542,862 | | 542,862 |
| Trade and other receivables | 47,278 | (1,722) | 45,556 |
| Other | 89,212 | | 89,212 |
| **Total current assets** | **136,490** | **(1,722)** | **134,768** |
| **Total Assets** | **679,352** | **(1,722)** | **677,630** |
| | | | |
| **EQUITY & LIABILITIES** | | | |
| **Equity** | | | |
| Other Equity assets | 471,359 | | 471,359 |
| Retained Earnings | (68,444) | (1,722) | (70,166) |
| **Total Equity** | **402,915** | **(1,722)** | **401,193** |
| Total Long-term Liabilities | 218,073 | | 218,073 |
| Total Short-term Liabilities | 58,364 | | 58,364 |
| **Total Liabilities** | **276,437** | | **276,437** |
| **Total Equity and Liabilities** | **679,352** | **(1,722)** | **677,630** |

Hedge accounting

At the date of the original application of the Standard, all existing hedging relationships of the Group can be classified as continuing and hence the application of the new standard has no impact on the financial statements. The Group's risk management policies are in line with the requirements of the new standard and hedge accounting continues to apply.

### 2.1.2. IFRS 15: "Revenue from Contracts with Customers"

IFRS 15 replaces IAS 11 "Construction Contracts", IAS 18 "Revenue" and all related interpretations for revenue from contracts with customers, unless those contracts are within the scope of other standards.
The new standard establishes a five-step model for determining revenue from contracts with customers. According to IFRS 15, revenue is recognized in the amount that an entity expects to be entitled to in exchange for the transfer of the goods or services to a customer. The standard also sets out the accounting for the additional costs of undertaking a contract and the direct costs required to complete this contract.

Revenue is defined as the amount an entity expects to be entitled to in exchange for the goods or services it has transferred to a client, except for amounts collected on behalf of third parties (value added tax, other sales tax). Variable amounts are included in the consideration and are calculated either using the "expected value" method or the "most likely amount" method.

An entity recognizes revenue when (or as) it satisfies the performance commitment of a contract by transferring the goods or services promised to the customer.

The customer acquires control of the good or service if the customer has the ability to direct the use and to derive virtually all the economic benefits from that good or service. Control is passed over a period or at a specific time.

Revenue from the sale of goods is recognized when the control of the good is transferred to the customer, usually upon delivery, and there is no unfulfilled obligation that could affect the acceptance of the good by the customer.

Revenue from provision of services is recognized in the accounting period in which the services are provided and measured according to the nature of the services provided using either output methods or input methods.

Receivables from customer are recognized when there is an unconditional right for the entity to receive the consideration for the performed obligations of the contract to the customer.

A contractual asset is recognized when the Group (or the Company) has satisfied its obligations to the customer before the customer pays or before the payment is due, for example when the goods or services are transferred to the customer before the Group's right (or the Company's right) to issue an invoice.

The contractual obligation is recognized when the Group (or the Company) receives a consideration from the customer (prepayment) or when it reserves the right to a consideration that is unconditional (deferred income) prior to the performance of the obligations of a contract and the transfer of goods or services. The contractual obligation is recognized when the contract obligations are met and the income is recorded in the income statement.

Revenue from operating leases is recognized in the income statement using the straight-line method over the lease term.

As at January 1, 2018, the Group and the Company adopted IFRS 15 using the modified retrospective method, i.e. the transition impact was collectively recognized in the "Retained earnings balance", while the comparative amounts were not restated. However, the Group and the Company had no impact on their profitability or financial position at the time of the first application of IFRS 15. Therefore, no adjustment was made to the "Retained earnings balance" as at 1 January 2018.

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

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

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

In July 2014, the IASB issued the final version of IFRS 9. The package of improvements introduced by the final version of the Standard, includes a logical model for classification and measurement, a single, forward-looking "expected loss" impairment model and a substantially-reformed approach to hedge accounting. The new Standard affects the consolidated Financial Statements. Please see note 2.1.

- **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 new Standard does not affect the consolidated Financial Statements. Please see note 2.1.

- **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 amendments do not affect the consolidated Financial Statements.

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

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

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

  In September 2016, the IASB published amendments to IFRS 4.

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

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

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

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

  In December 2016, the IASB published narrow-scope amendments to IAS 40. The objective of the amendments is to reinforce the principle for transfers into, or out of, investment property in IAS 40, to specify that (a) a transfer into, or out of investment property should be made only when there has been a change in use of the property, and (b) such a change in use would involve the assessment of whether the property qualifies as an investment property.

  That change in use should be supported by evidence. The amendments do not affect the consolidated Financial Statements.

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

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

2.3. <u>New Standards, Interpretations, Revisions and Amendments to existing Standards that have not been applied yet or have not been adopted by the European Union</u>

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

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

  In January 2016, the IASB issued a new Standard, IFRS 16. The objective of the project was to develop a new Leases Standard that sets out the principles that both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'), apply to provide relevant information about leases in a manner that faithfully represents those transactions. To meet this objective, a lessee is required to recognise assets and liabilities arising from a lease. The Group will examine the impact of the above on its Financial Statements. The above have been adopted by the European Union with effective date of 01/01/2019.

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

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

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

  In October 2017, the IASB published narrow-scope amendments to IAS 28.

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

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

  In December 2017, the IASB issued Annual Improvements to IFRSs – 2015-2017 Cycle, a collection of amendments to IFRSs, in response to several issues addressed during the 2015-2017 cycle.

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

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

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

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

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

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

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

  The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

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

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

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

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

## 3. Financial risk management

### 3.1. Financial risk factors

The Group is exposed to a series of financial risks, including market risk (unexpected volatility of exchange rates and interest rates) and credit risk. Consequently, the Group uses a risk management program which seeks to minimize potential adverse effects.

Risk management relates to identifying, evaluating and hedging financial risks. The Group's policy is not to undertake any transactions of a speculative nature.

The Group's financial instruments consist mainly of deposits with banks, receivables and payables, loans, repos, finance leases and financial derivatives.

#### 3.1.1. Foreign currency risk

The functional currency of the Group is EURO.

**ASSETS AND LIABILITIES IN FOREIGN CURRENCY**

| GROUP | 30/6/2018 USD | 31/12/2017 USD |
|---|---|---|
| **Notional amounts** | | |
| Financial assets | 502 | 392 |
| Financial liabilities | - | - |
| **Short-term exposure** | **502** | **392** |
| Financial assets | - | - |
| Financial liabilities | - | - |
| **Long-term exposure** | **-** | **-** |

The table below presents the sensitivity of the period's result and owner's equity to a reasonable change in the interest rate equal to +/-10% in relation to the financial assets, financial liabilities and the transactional currency EURO/USD.

| GROUP | Sensitivity factor 30/6/2018 EURO | | Sensitivity factor 31/12/2017 EURO | |
|---|---|---|---|---|
| | 10% | -10% | 10% | -10% |
| Profit for the fiscal year (before taxes) | 39 | -39 | 30 | -30 |
| Net position | 39 | -39 | 30 | -30 |

Moreover, the Group is affected by the exchange rates to the extent that the fuel oil purchased for the operation of the vessels is traded internationally in U.S. Dollars.

### 3.1.2. Liquidity risk

Prudent liquidity risk management implies sufficient cash and availability of necessary available funding sources.

The Group is managing its liquidity requirements on a daily basis through a systematic monitoring of its short and long term financial liabilities and of the payments that are made on a daily basis.

Furthermore, the Group constantly monitors the maturity of its receivables and payables, in order to maintain a balanced liquidity management (see note 3.1.3. "Additional risks arising from the enforcement of capital controls in Greece").

The maturity of the financial liabilities as of 30/06/2018 and 31/12/2017 of the Group and the Company is analyzed as follows:

**GROUP**

**30/6/2018**

| | **Short-term** | | **Long-term** | |
|---|---|---|---|---|
| | **Within 6 months** | **6 to 12 months** | **1 to 5 years** | **more than 5 years** |
| Long-term borrowing | 15,209 | 49,966 | 270,726 | 10,996 |
| Liabilities relating to operating lease agreements | 600 | 614 | 1,432 | |
| Trade payables | 58,716 | - | - | - |
| Other short-term / long-term liabilities | 62,697 | - | - | - |
| Short-term borrowing | 7,055 | - | - | - |
| Derivative financial instruments | - | - | - | - |
| **Total** | **144,277** | **50,580** | **272,158** | **10,996** |

**31/12/2017**

| | **Short-term** | | **Long-term** | |
|---|---|---|---|---|
| | **Within 6 months** | **6 to 12 months** | **1 to 5 years** | **more than 5 years** |
| Long-term borrowing | 9,798 | 13,337 | 198,512 | 13,872 |
| Liabilities relating to operating lease agreements | 568 | 600 | 2,046 | - |
| Trade payables | 20,298 | | - | - |
| Other short-term / long-term liabilities | 13,763 | | | - |
| Short-term borrowing | - | - | - | - |
| Derivative financial instruments | - | - | - | - |
| **Total** | **44,427** | **13,937** | **200,558** | **13,872** |

**COMPANY**

**30/6/2018**

| | **Short-term** | | **Long-term** | |
|---|---|---|---|---|
| | **Within 6 months** | **6 to 12 months** | **1 to 5 years** | **more than 5 years** |
| Trade payables | 62 | - | - | - |
| Other short-term / long-term liabilities | 211 | - | - | - |
| **Total** | **273** | **-** | | **-** |

**31/12/2017**

| | **Short-term** | | **Long-term** | |
|---|---|---|---|---|
| | **Within 6 months** | **6 to 12 months** | **1 to 5 years** | **more than 5 years** |
| Trade payables | 129 | - | - | - |
| Other short-term / long-term liabilities | 206 | - | - | - |
| **Total** | **335** | **-** | **-** | **-** |

As shown in the table above, the total borrowings of the Group at 30/06/2018 amounted to Euro 356,598 thousand.

3.1.3. Additional risks arising from the enforcement of capital controls in Greece

The Group has been and continues to monitor developments in the issue of capital controls as a result of the Legislative Act dated 28.06.2015 and any subsequent legislative acts until now.

The Group's Management continually evaluates the developments and take initiatives in order to protect the Group and minimize any impact in its financial position.

## 4. Fair value of financial instruments

The Group uses the following hierarchy in order to define and disclose the fair value of financial instruments per valuation technique:

Level 1: Assets / liabilities are measured at fair value according to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Assets / liabilities are measured at fair value according to evaluation models in which elements affecting significantly the evaluation are based (directly or indirectly) to observable market values.

Level 3: Assets / liabilities are measured at fair value according to evaluation models in which elements affecting significantly the evaluation are not based to observable market values.

4.1. Financial derivatives

Derivative financial instruments are valued using valuation models based on observable market data.

4.2. Investments carried at fair value

Under IAS 27 «Separate Financial Statements» measures its investments holdings in accordance with the requirements of IAS 39 "Financial Instruments: Recognition and Measurement" at fair value.

At the end of each reporting period of the financial statements, the Company carries out the calculations required in relation to the fair value of its investments.

The investments in respect of its interests (unlisted shares) are valued based on generally accepted valuation models which include data based on both - unobservable factors, and market observable inputs.

The assessment performed to determine the fair value of financial instruments not traded in active markets, focuses both on exogenous and endogenous factors. Consequently, at the end of each reporting period, the Company:

a) Identifies and assesses the state of the Greek economy

b) Collects, analyzes and monitors the accounting information on efficiency, using as benchmarks the development of the Company's financial sizes at the end of each reporting period.

The analysis of these data provides information regarding the level of meeting or not meeting the business objectives and indicates the tendencies regarding the results and the financial performance of the companies at the end of the annual reporting period.

c) Reviews the business conditions and available information and estimates regarding the future development of financial sizes and tendencies.

According to is standard practice, at each interim reporting date of the financial statements, the Company reexamines the business plans assumptions, based on the business plan prepared at the end of the previous annual reporting period, in relation to subsequent financial periods in five-year time.

In case the financial performance of each company during the interim period under examination does not present substantial deviations from the budget of the respective period and, given with the Management's estimates regarding the future development of these financials, redefinition of the original business plan is not considered necessary and the relative calculations for determining fair value are limited to sensitivity analysis on the changes in the weighted average cost of capital.

Main assumptions for the determination of investments at fair value are the assessment of expected cash flows as described above and the weighted average cost of capital (WACC) which is calculated by weighting cost of capital, cost of long-term debt and any grants.

The basic parameters determining the weighted cost of capital (WACC) are:

• The risk-free market interest rate (risk-free return),

• In specific country risk (country risk premium),

• Equity risk premium.

Accordingly, for the years 2018 - 2022 the WACC was determined at 10,40%, while for the years 2022 onwards at 8.40%.

The value calculated as above, is weighted together with the value estimated on the basis of adjusted (for taking into account vessels' market value) net assets value of each subsidiary.

4.3. Other financial assets and liabilities carried at fair value

On 30.6.2018 the Group has issued a convertible bond loan which in its entirety (and the element of the loan and the embedded derivative in the form of the conversion right) is a financial liability which is measured at fair value through profit or loss.

The following table presents financial assets and liabilities carried at fair value as at 30/6/2018:

| | GROUP | | | |
|---|---|---|---|---|
| **Measurement of financial instruments at fair value** | **Measurement at fair value as at 30/06/2018** | | | |
| | 30/6/2018 | Level 1 | Level 2 | Level 3 |
| Investments in subsidiaries | - | - | - | - |
| Financial assets / liabilities | -78,159 | - | -78,159 | - |
| Derivatives | 10,100 | - | 10,100 | - |
| Total | -68,059 | - | -68,059 | - |

| | COMPANY | | | |
|---|---|---|---|---|
| **Measurement of financial instruments at fair value** | **Measurement at fair value as at 30/06/2018** | | | |
| | 30/6/2018 | Level 1 | Level 2 | Level 3 |
| Investments in subsidiaries | - | - | - | 586,054 |
| Financial assets / liabilities | - | - | - | - |
| Derivatives | - | - | - | - |
| Total | - | - | - | 586,054 |

## 5. Consolidation - Joint venture revenue agreement

### 5.1. Consolidation of the subsidiaries of Attica Holdings S.A.

The parent company participated 100% in its subsidiaries. The only exemption is the subsidiary company Hellenic Seaways Maritime S.A. where the Group's participation is 98.83%. The nature of relationship is "Direct" with the exception of Superfast Dodeka (Hellas) INC.& CO Joint Venture, Blue Star Ferries Joint Venture and Blue Star Ferries Maritime S.A. & CO Joint Venture where the nature of relationship is "Under Common Management".

All the companies are consolidated using the full consolidation method.

| Subsidiary | Carrying amount | Direct Shareholding % | Country | Unaudited fiscal years* | Audited fiscal years** |
|---|---|---|---|---|---|
| | 30/6/2018 | | | | |
| NORDIA MC. | 8,390 | 100.00% | GREECE | 2010-2017 | - |
| SUPERFAST FERRIES S.A. | 0 | 100.00% | LIBERIA | 2010-2017 | - |
| SUPERFAST ENDEKA INC.*** | 32,304 | 100.00% | LIBERIA | 2010-2011 / 2017 | 2012-2016 |
| BLUE STAR FERRIES MARITIME S.A. | 180,907 | 100.00% | GREECE | 2010 / 2017 | 2011-2016 |
| SUPERFAST ONE INC*** | 58,991 | 100.00% | LIBERIA | 2010-2011 / 2017 | 2012-2016 |
| SUPERFAST TWO INC*** | 61,261 | 100.00% | LIBERIA | 2010-2011 / 2017 | 2012-2016 |
| ATTICA FERRIES M.C. | 25,784 | 100.00% | GREECE | 2010-2017 | - |
| BLUE STAR FERRIES MARITIME S.A. & CO JOINT VENTURE | 0 | 0.00% | GREECE | 2009-2017 | - |
| ATTICA FERRIES MARITIME S.A. | 67,418 | 100.00% | GREECE | 2017 | 2011-2016 |
| BLUE STAR M.C. | 10,064 | 100.00% | GREECE | 2010-2017 | - |
| HELLENIC SEAWAYS MARITIME S.A. | 142,911 | 98.83% | GREECE | 2017 | 2012-2016 |
| **Inactive companies** | | | | | |
| SUPERFAST EPTA MC. | 48 | 100.00% | GREECE | 2010-2017 | - |
| SUPERFAST OKTO MC. | 30 | 100.00% | GREECE | 2010-2017 | - |
| SUPERFAST ENNEA MC. | 15 | 100.00% | GREECE | 2010-2017 | - |
| SUPERFAST DEKA MC. | 47 | 100.00% | GREECE | 2010-2017 | - |
| MARIN MC. | 2,282 | 100.00% | GREECE | 2010-2017 | - |
| ATTICA CHALLENGE LTD | 0 | 100.00% | MALTA | - | - |
| ATTICA SHIELD LTD | 2 | 100.00% | MALTA | - | - |
| ATTICA PREMIUM S.A. | 0 | 100.00% | GREECE | 2011-2017 | - |
| SUPERFAST DODEKA (HELLAS) INC.& CO JOINT VENTURE | | 0.00% | GREECE | 2009-2017 | - |
| SUPERFAST PENTE INC.*** | 0 | 100.00% | LIBERIA | 2010-2011 / 2014-2017 | 2012-2013 |
| SUPERFAST EXI INC.*** | 470 | 100.00% | LIBERIA | 2010-2011 / 2014-2017 | 2012-2013 |
| SUPERFAST DODEKA INC.*** | 0 | 100.00% | LIBERIA | 2010-2011 / 2014-2017 | 2012-2013 |
| BLUE STAR FERRIES JOINT VENTURE | | 0.00% | GREECE | 2009-2017 | - |
| BLUE STAR FERRIES S.A. | 0 | 100.00% | LIBERIA | 2010-2014 | - |
| WATERFRONT NAVIGATION COMPANY | 1 | 100.00% | LIBERIA | - | - |
| THELMO MARINE S.A. | 77 | 100.00% | LIBERIA | - | - |
| BLUE ISLAND SHIPPING INC. | 29 | 100.00% | PANAMA | - | - |
| STRINTZIS LINES SHIPPING LTD. | 22 | 100.00% | CYPRUS | - | - |
| BLUE STAR FERRIES M.C. | 0 | 100.00% | GREECE | 2010-2017 | - |
| HELLENIC SEAWAYS CARGO M.C. | 0 | 98.83% | GREECE | 2013-2017 | |
| HELLENIC SEAWAYS MANAGEMENT S.A | 0 | 98.83% | LIBERIA | 2010-2017 | |
| WORLD CRUISES HOLDINGS LTD | 0 | 98.83% | LIBERIA | - | - |
| HELCAT LINES S.A | 0 | 98.83% | MARSHALL ISLANDS | - | - |

* By tax authorities. It should be noted that on 31.12.2017 the fiscal years until 31.12.2011 were canceled in accordance with paragraph 1 of Article 36 N.4174 / 2013.
** Tax Compliance Report by Certified Auditors.
*** liberian companies which have a branch in Greece and the tax audit concerns the branches.

For all the companies of the Group, there are no changes of the method of consolidation.

There are no companies which have been consolidated in the present period while they have not been consolidated either in the previous period or in the same period of the fiscal year 2017. The only exemption to the above is the 98.83% subsidiary company Hellenic Seaways Maritime S.A. which has been consolidated for the first time on June of 2018.

There are no companies which have not been consolidated in the present period while they have been consolidated either in the previous period or in the same period of the fiscal year 2017.

There are no companies of the Group which have not been consolidated in the consolidated financial statements.

The tax audit for the fiscal year 2017 for companies that have been subject to tax audit by statutory auditors is in progress and the relevant tax certificates planned to be granted after the publication of the interim financial statements of the first half 2018 (see note 8.1).

For the subsidiaries registered outside the European Union, which do not have an establishment in Greece, are not obligated to taxation audit.

5.2. Business Combinations

5.2.1. Acquisition of controlling stake in Hellenic Seaways Maritime S.A. by Attica group

On 25.4.2018 the Hellenic Competition Commission by power of its decision 658/2018 approved the acquisition by Attica Group of sole control over (HSW).

The clearance of the Hellenic Competition Commission (HCC) was granted following certain commitments made by the Group, which according to the HCC's assessment are adequate, sufficient and appropriate to ensure effective competition in the Greek Domestic Ferry sector. The commitments are described in detail in the relevant Press Release issued by the HCC.

In May 2018, the Group completed the acquisition of a majority stake in HELLENIC SEAWAYS MARITIME COMPANY S.A. ("HSW"), within the framework of the implementation of the agreement dated 11.08.2017, with Piraeus Bank and another minority shareholders of HSW for the acquisition of a total of 39,039,833 shares of HSW for a total consideration of Euro 64.4mln. Part of the consideration (Euro 30.61mln) was paid in cash through Attica Group's own funds, while the remaining amount due to the sellers was agreed to be paid through issuance and delivery of 24,145,523 new shares of Attica Group.

On 26.06.2018, the Annual General Meeting of Shareholders approved the share capital increase of Attica Holdings S.A. amounting to Euro 7,243,656.90 through the issue of 24,145,523 common registered shares of nominal value Euro 0.30 each, at an issue price of Euro 1.80 each by capitalization of respective receivables of "Piraeus Bank S.A." and another minority shareholder of HSW and the abolition of the relevant pre-emptive rights. The new shares were listed on the Athens Stock Exchange on July 31, 2018.

Through the acquisition of control over HSW, Attica Group will achieve the critical size needed to compete successfully with the major European companies in the industry. The Group establishes the basis for its long-term viability and the attraction of capital needed for new investments, the development of activities and the strengthening of its capital structure.

The goodwill arising from the above acquisition included in the balance sheet item of the consolidated Statement of Financial Position was determined based on the book values of the acquired company as at 31.05.2018 and is temporary.

The procedures of determining the fair value of assets, liabilities and contingent liabilities of the acquiree, the Purchase Price Allocation in accordance with the provisions of IFRS 3 "Business Combinations" and the consequent definitive determination of the relevant Goodwill are in progress as the Group has made use of the capability provided by the above Standard to finalize these amounts within 12 months of the acquisition date.

The net assets and the temporary goodwill arising from the full consolidation of HSW at the date of the initial acquisition, ie 31.05.2018 are presented in the table below:

| *Amounts in € '000* | **Accounting amount at the acquisition date** |
|---|---|
| **ASSETS** | |
| Tangible assets | 226,983 |
| Intangible assets | 88 |
| Other non-current assets | 1,155 |
| Inventory | 1,392 |
| Trade and other receivables | 10,227 |
| Other current assets | 20,871 |
| Derivatives | 1,030 |
| Cash and Cash equivalents | 7,338 |
| Accrued pension and retirement obligations | -960 |
| Long-term borrowings | -131,601 |
| Long term provisions | -117 |
| Trade and other payables | -25,217 |
| Short-term borrowings | -10,993 |
| Other short-term liabilities | -24,477 |
| **Total Equity** | **75,719** |
| Acquisition percentage | 50.30% |
| **Net Assets acquired** | **38,086** |

| | |
|---|---|
| **Acquisition Consideration** | |
| Amount in cash | 30,607 |
| Fair value of shares issued | 33,804 |
| **Fair value of the consideration transferred** | **64,411** |
| Less: Value of the net assets at the control acquisition date | -38,086 |
| **Total temporary goodwill** | **26,325** |

| | |
|---|---|
| **Cash outflow at control acquisition date:** | |
| Cash flow from the transfer of consideration | 30,607 |
| Less: Cash and cash equivalents acquired | -7,338 |
| **Total cash outflow at control acquisition date** | **23,629** |

The fair value of 24,145,523 shares to be issued and included in the calculation of the consideration was calculated based on the price prevailing on the Athens Stock Exchange at the date of acquisition.

**Measurement of non-controlling interest**

Measurement of non-controlling interest as at 31/05/2018 was based on the proportional share of the current property rights over the recognized amounts of the net assets of the acquired company.

**Contribution to the Group's financial results**

Acquisition of HSW resulted in an increase in the Group's assets and liabilities by Euro 254,537 thousand (28.6% of the total assets of the Group) and Euro 178,035 thousand (36.9% of total liabilities of the Group) respectively. HSW's profits after tax and non-controlling interest for the period from 01.06.2018 to 30.06.2018 amounted to Euro 913 thousand and were included in the Consolidated Income Statement of the Group.

If the acquisition had taken place from 01.01.2018, then the consolidated turnover would have increased by Euro 31,976 thousand, while the consolidated profits before taxes would have decreased by Euro 13,468 thousand. The effect should not be considered as an indication of the results achieved by the Group in the future on a consolidated basis.

5.2.2. Acquisition of additional stake in of HSW

Within June 2018, the Group completed the acquisition of an additional stake of 48.53% of the share capital of HSW, implementing the agreement dated on 26.10.2017 with "Minoan Lines M.S.A." for the acquisition of 37,667,504 shares of HSW for a cash consideration of Euro 78.5mln.

As per the same agreement, Attica Group sold and delivered SUPERFAST XII to a Grimaldi Group company for a cash consideration of Euro 74.5mln, and HSW sold and delivered HIGHSPEED 7 to Minoan Lines for a cash consideration of Euro 25mln.

Following the above transaction, the Group holds 98.83% of the total share capital of HSW.

The previously mentioned transaction is a change in non-controlling interests without altering the control in HSW and was accounted for in compliance with the provisions of IFRS 10.

5.3. Consolidation of the associates/ Joint ventures

On 28.10.2016 Attica Group, through its subsidiary company Nordia M.C., acquired the 49% of the Moroccan company AFRICA MOROCCO LINKS (“AML). AML is consolidated with the equity method in the financial statement of Attica Group and is established in Tanger (Morocco). AML operates in Tangier Med (Morocco) - Algeciras (Spain) route.

Furthermore Attica Group participated through its 100% subsidiary company Nordia M.C, in the share capital increase of Africa Morocco Links with the cash amount of Euro 8,290 thousand.

5.4. Agreement between Attica Holdings S.A. and Anek

The Group is in a joint service agreement with ANEK S.A. with regard to the Joint Venture company “Anek S.A. – Superfast Endeka (Hellas) Inc” for the joint service of vessels of the two companies in the international routes Patras – Igoumenitsa – Ancona, Patras – Igoumenitsa – Bari and Patras – Igoumenitsa – Venice as well as the domestic routes Piraeus – Herakleion and Piraeus – Chania, Crete.

The joint service agreement with ANEK S.A. extends until 31/5/2020 and the distinctive title is “Adriatic and Cretan Lines”.

## 6. Related party disclosures

6.1. Intercompany transactions between Attica Holdings S.A. and other companies of Attica Group

The 100% subsidiary company Blue Star Ferries Maritime S.A. returned part of its share capital to the parent company Attica Holdings S.A. due to its share capital decrease. The capital return amounts Euro 50,137 thousand.

The 100% subsidiary companies Attica Ferries M.C. and Blue Star M.C. returned part of their share capital to the parent company Attica Holdings S.A. due to their share capital decrease. The capital return amounts Euro 20,465 thousand and Euro 24,389 thousand respectively.

The parent company participated in the share capital increases of its 100% subsidiaries companies Nordia M.C. and Superfast Endeka INC with the amount of Euro 8,390 thousand and Euro 2,000 thousand respectively.

Furthermore, the parent company has an amount of Euro 3,110 thousand as receivable dividend arising from its 100% subsidiary company Attica Ferries Maritime S.A. Also, Attica Holding S.A. received from the above company the amount of Euro 1,110 thousand as dividend.

The intercompany transactions between Attica Group and Africa Morocco Links have as follows:

- Receivables stood at Euro 11,579 thousand; and
- Payables stood at Euro 274 thousand.

The intercompany balances are set-off in the consolidated accounts of Attica Group.

6.1.1. Intercompany transactions between Attica Holdings S.A. and the companies of Marfin Investment Group and the companies of Piraeus Bank

| | 30/06/2018 | | | |
|---|---|---|---|---|
| | MARFIN INVESTMENT GROUP | | PIRAEUS BANK GROUP | |
| | GROUP | COMPANY | GROUP | COMPANY |
| Sales | 5,359 | - | 8 | - |
| Purchases | 1,680 | - | 1,050 | 137 |
| Receivables | 10,506 | - | 17,798 | 638 |
| Payables | 844 | - | 89,452 | 38 |

6.2. Guarantees

The parent company has guaranteed the repayment of loans of the Group's vessels amounting Euro 221,112 thousand.

6.3. Board of Directors and Executive Directors' Fees

| Key management compensation | 30/6/2018 | 30/6/2017 |
|---|---|---|
| Short-term management compensation | 1,219 | 1,139 |
| Post employment benefits | 351 | - |
| **Total** | **1,570** | **1,139** |
| Number of key management personnel | **9** | **7** |

Short-term management compensation include salaries, fees, employers' compensation and other related expenses.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

## 7. Information for the Financial Statements for the period 1-1 to 30-06-2018

7.1. Operating Sector - Geographical Segment Report

The Group applies IFRS 8 "Operating Segments". The IFRS 8 requires the definition of operating segments to be based on the "management approach".

In addition, financial information is required to be reported on the same basis as is used internally. The Board of Directors is the main decision maker of the Group's business decisions.

For the purposes of presentation of operating sectors should be noted that the Group operates in passenger shipping in different geographical areas.

The Group has decided to provide information based on the geographical segmentation of its operations.

The Group operates in the Greek Domestic Routes and in Adriatic Sea. The Group's vessels provide transportation services to passengers, private vehicles and freight.

The Group's sales are highly seasonal. The highest traffic for passengers and vehicles is observed during the months July, August and September while the lowest traffic for passengers and vehicles is observed between November and February. On the other hand, freight sales are not affected significantly by seasonality.

In the interim financial statements of the first semester 2018 of Attica Group, the financial figures of HSW are consolidated for the first time and for a period of one month (1.6.2018 - 30.6.2018). Due to the above, the consolidated results and other information per segment are not comparable with the corresponding period of 2017.

Following the above clarification the consolidated results and other information per segment for the period 1/1 – 30/6/2018 are as follows:

**GROUP**

| | 1/1-30/06/2018 | | | |
|---|---|---|---|---|
| Geographical Segment | Domestic Routes | Adriatic Sea | Other | Total |
| Fares | 90,818 | 35,377 | - | 126,195 |
| On-board Sales | 3,453 | 2,032 | - | 5,485 |
| Total Revenue | 94,271 | 37,409 | - | 131,680 |
| Operating Expenses | -80,423 | -35,391 | - | -115,814 |
| Management & Distribution Expenses | -14,600 | -5,263 | -440 | -20,303 |
| Other revenue / expenses | 131 | 76 | - | 207 |
| Earnings before taxes, investing and financial results | -621 | -3,169 | -440 | -4,230 |
| Financial results | -3,908 | -396 | -68 | -4,372 |
| (Profit) loss on sale of assets | 16,955 | - | - | 16,955 |
| Share in net profit (loss) of companies accounted for by the equity method. | - | - | 263 | 263 |
| Earnings before taxes, investing and financial results, depreciation and amortization | 8,844 | 402 | -441 | 8,805 |
| Profit/Loss before Taxes | 12,427 | -3,565 | -245 | 8,616 |
| Income taxes | -66 | -32 | - | -98 |
| Profit/Loss after Taxes | 12,360 | -3,597 | -245 | 8,518 |
| Customer geographic distribution | | | | |
| Greece | 121,722 | | | |
| Europe | 9,141 | | | |
| Third countries | 817 | | | |
| Total Fares | 131,680 | | | |

| | 30/6/2018 | | | |
|---|---|---|---|---|
| Geographical Segment | Domestic Routes | Adriatic Sea | Other * | Total |
| **Assets and liabilities figures** | | | | |
| Vessels' Book Value at 01/01 | 356,495 | 168,662 | - | 525,157 |
| Additions | 383 | 12 | - | 394 |
| Additions from purchase of subsidiaries | 195,472 | 36,001 | - | 231,472 |
| Profits from reversal of impairment of assets | - | - | - | - |
| Disposals | -124,367 | - | - | -124,367 |
| Depreciation of disposals | 46,863 | - | - | 46,863 |
| Depreciation for the Period | -9,209 | -3,385 | - | -12,594 |
| Accumulated depreciation of through business combinations before consolidation | -4,185 | -828 | - | -5,013 |
| Net Book Value of vessels at 30/06 | 461,451 | 200,461 | - | 661,912 |
| Other tangible Assets | - | - | 2,789 | 2,789 |
| Total Net Fixed Assets | 461,451 | 200,461 | 2,789 | 664,701 |
| Long-term and Short-term liabilities | 282,289 | 74,310 | - | 356,598 |

* Includes the parent company as well as elements that can not be distributed.

Agreements sheet of Assets and Liabilities at 30/06/2018

| | | |
|---|---|---|
| Net Book Value of Tangible Assets | Euro | 664,701 |
| Unallocated Assets | Euro | 224,528 |
| Total Assets | Euro | 889,229 |
| | | |
| Long-term and Short-term liabilities | Euro | 356,598 |
| Unallocated Liabilities | Euro | 126,201 |
| Total Liabilities | Euro | 482,799 |

The consolidated results and other information per segment for the period 1/1 – 30/6/2017 are as follows:

**GROUP**

| | 1/1-30/06/2017 | | | |
|---|---|---|---|---|
| Geographical Segment | Domestic Routes | Adriatic Sea | Other * | Total |
| Fares | 73,028 | 34,276 | - | 107,304 |
| On-board Sales | 2,937 | 1,797 | - | 4,734 |
| Total Revenue | 75,965 | 36,073 | - | 112,038 |
| Operating Expenses | -65,366 | -36,447 | - | -101,813 |
| Management & Distribution Expenses | -12,449 | -4,792 | -513 | -17,754 |
| Other revenue / expenses | 2,190 | 55 | - | 2,245 |
| Earnings before taxes, investing and financial results | 340 | -5,111 | -513 | -5,284 |
| Financial results | -9,536 | -4,021 | -2 | -13,559 |
| Share in net profit (loss) of companies accounted for by the equity method | - | - | -3,358 | -3,358 |
| Earnings before taxes, investing and financial results, depreciation and amortization | 8,806 | -1,225 | -512 | 7,069 |
| Profit/Loss before Taxes | -9,196 | -9,131 | -3,873 | -22,201 |
| Income taxes | -45 | -13 | - | -58 |
| Profit/Loss after Taxes | -9,241 | -9,144 | -3,873 | -22,259 |

| Customer geographic distribution | |
|---|---|
| Greece | 101,640 |
| Europe | 7,030 |
| Third countries | 3,368 |
| Total Fares | 112,038 |

| | 1/1-31/12/2017 | | | |
|---|---|---|---|---|
| Geographical Segment | Domestic Routes | Adriatic Sea | Other | Total |
| **Assets and liabilities figures** | | | | |
| Vessels' Book Value at 01/01 | 371,459 | 174,192 | - | 545,651 |
| Additions | 445 | 155 | - | 600 |
| Vessels' Disposals | - | - | - | - |
| Vessel impairments in the present period | - | - | - | - |
| Reversal of impairment of assets | 2,035 | 762 | - | 2,797 |
| Depreciation for the Period | -17,445 | -6,446 | - | -23,891 |
| Net Book Value of vessels at 31/12 | 356,494 | 168,662 | - | 525,157 |
| Other tangible Assets | - | - | 1,916 | 1,916 |
| Total Net Fixed Assets | 356,494 | 168,662 | 1,916 | 527,073 |
| Long-term and Short-term liabilities | 183,091 | 55,642 | - | 238,733 |

* The column "Other" includes the parent company.

Agreements sheet of Assets and Liabilities at 31/12/2017

| | | |
|---|---|---|
| Net Book Value of Tangible Assets | Euro | 527,073 |
| Unallocated Assets | Euro | 152,279 |
| Total Assets | Euro | 679,352 |
| | | |
| Long-term and Short-term liabilities | Euro | 238,733 |
| Unallocated Liabilities | Euro | 37,704 |
| Total Liabilities | Euro | 276,437 |

7.2. Cost of sales

Cost of sales increased compared to the previous period mainly due to the fuel oil increase and the full consolidation of Hellenic Seaways Maritime S.A.

7.3. Administrative and Distribution expenses

Administrative and Distribution expenses are not comparable with the corresponding period of 2017 due to the full consolidation of the company Hellenic Seaways Maritime S.A.

7.4. Other financial results

Other financial results include mainly a profit of Euro 3,203 thousand from fuel oil price hedging against fuel oil price fluctuations.

7.5. Financial expenses

Financial expenses increased compared to the previous period due to the change of the fair value of the convertible bond loan of Blue Star Ferries Maritime S.A. exchangeable into Attica shares. It is noted that this expense results from the accounting treatment of Blue Star Ferries Maritime S.A convertible bond loan, which in the consolidated financial statements is a complex financial instrument and is measured at fair value.

7.6. Share in net profit (loss) of companies accounted for by the equity method

Under the account "Share in net profit (loss) of companies accounted for by the equity method" a profit of Euro 263 thousand has been incorporated and refers to Attica Group's share in Africa Morocco Links (AML) results.

7.7. Profit/ (loss) from sale of assets

The account "Profit/ (loss) from sale of assets" refers to the sold vessels Superfast XIII and Highspeed 7.

7.8. Earnings per share – Basic / Diluted

Earnings per share – basic are calculated by dividing the profit or loss attributable to shareholders of the parent company, by the weighted average number of ordinary shares in issue during the year.

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 1/1-30/6/2018 | 1/1-30/6/2017 | 1/1-30/6/2018 | 1/1-30/6/2017 |
| Profit / (loss) attributable to shareholders of the parent company | 8,518 | -22,259 | 2,602 | 2,598 |
| The weighted average number of ordinary shares | 191,660,320 | 191,660,320 | 191,660,320 | 191,660,320 |
| **Earnings Per Share - basic (in euro)** | **0.0444** | **-0.1161** | **0.0136** | **0.0136** |
| **Diluted earnings per share (in Euro)*** | **-0.0139** | **-0.4442** | **-0.0715** | **-0.4402** |

* Due to the Convertible Bond Loan issued during the fiscal year 2014 potential securities of the above loan are a class of securities that could reduce earnings per share.

The diluted earnings per share for the period 01.01 – 30.06.2018 and the corresponding comparative period were calculated as follows:

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 1/1-30/6/2018 | 1/1-30/6/2017 | 1/1-30/6/2018 | 1/1-30/6/2017 |
| **a) Diluted earning per share** | | | | |
| Profit / (loss) attributable to shareholders of the parent company | 8,518 | -22,259 | 2,602 | 2,598 |
| Effect of profit / (loss) arising from the conversion | -12,374 | -101,349 | -22,508 | -125,070 |
| Total profit / (loss) | **-3,856** | **-123,608** | **-19,906** | **-122,472** |
| **b) Number of shares** | | | | |
| Number of shares which have been used for the calculation of the earning per share - basic | 191,660,320 | 191,660,320 | 191,660,320 | 191,660,320 |
| Plus: Number of shares' increace from a potential exercise of bonds conversion rights | 86,580,087 | 86,580,087 | 86,580,087 | 86,580,087 |
| Number of shares which have been used for the calculation of the diluted earning per share | 278,240,407 | 278,240,407 | 278,240,407 | 278,240,407 |

## 7.9. Income from dividends

Income from dividends refers to the amount of Euro 3,110 thousand that the parent company has as receivable dividend arising from its 100% subsidiary company Attica Ferries Maritime S.A. The above dividend is set-off in the consolidated accounts of Attica Group.

## 7.10. Tangible assets

Tangible assets increased compared to 31.12.2017 due to the full consolidation of the company Hellenic Seaways Maritime S.A. The Group, in implementation of the agreement with Minoan Lines S.A. for the acquisition of shares of Hellenic Seaways Maritime S.A., sold the vessels Superfast XII and Highspeed 7 within the first half of 2018.

## 7.11. Trade and other receivables

Trade and other receivables increased compared to 31.12.2017 due to seasonality and due to the full consolidation of the company Hellenic Seaways Maritime S.A.

## 7.12. Other current assets

Other current assets increased compared to 31.12.2017 mainly due the full consolidation of the company Hellenic Seaways Maritime S.A.

## 7.13. Derivatives

The Group has hedged partially its risk against Fuel Oil price fluctuation, which is measured at fair value.

7.14. Cash and cash equivalents

Cash and cash equivalents increased compared to 31.12.2017 mainly due to the full consolidation of the company Hellenic Seaways Maritime S.A.

The Group paid the amount of Euro 8,557 thousand for its long-term loans and Euro 25.607 thousand for the acquisition of 50.3% of Hellenic Seaways Maritime S.A. Moreover, the Group paid fully the long-term loans of the sold vessels Superfast XII and Highspeed 7 and proceeded with the acquisition of 48.53% of Hellenic Seaways Maritime S.A. from Minoan Lines M.S.A. Furthermore the Group paid the amount of Euro 568 thousand for the financial leasing of the vessel Blue Galaxy and participated in the share capital increases of the affiliated company AFRICA MOROCCO LINKS with the amount of Euro 8,290 thousand.

7.15. Share capital – Share premium – Total comprehensive income

The share capital amounts to Euro 57,498 thousand and is divided in 191,660,320 common registered voting shares with a nominal value of Euro 0.30 each.

| GROUP | Number of Shares | Nominal value | Value of common | Share premium |
|---|---|---|---|---|
| **Balance as of 01/01/2018** | **191,660,320** | **0.30** | **57,498** | **290,256** |
| Share issue | | | | |
| - Common | - | - | - | - |
| - Preference | - | - | - | - |
| **Balance as of 30/06/2018** | **191,660,320** | **0.30** | **57,498** | **290,256** |

| COMPANY | Number of Shares | Nominal value | Value of common shares | Share premium |
|---|---|---|---|---|
| **Balance as of 01/01/2018** | **191,660,320** | **0.30** | **57,498** | **290,256** |
| Share issue | | | | |
| - Common | - | - | - | - |
| - Preference | - | - | - | - |
| **Balance as of 30/06/2018** | **191,660,320** | **0.30** | **57,498** | **290,256** |

7.16. Borrowings

Borrowings analysis:

| **Long-term borrowings** | **30/6/2018** | **31/12/2017** |
|---|---|---|
| Obligations under finance lease | 2,646 | 3,214 |
| Secured Loans | 51,545 | 69,014 |
| Bonds | 217,193 | 90,077 |
| Convertible Bonds | 78,159 | 76,428 |
| Less: Long-term loans payable in next financial year | -66,389 | -24,303 |
| **Total of long-term loans** | **283,154** | **214,430** |

| **Short-term dept** | **30/6/2018** | **31/12/2017** |
|---|---|---|
| Secured Loans | 7,055 | - |
| More: Long-term loans payable in next financial year | 66,389 | 24,303 |
| **Total of short-term loans** | **73,444** | **24,303** |

| Borrowings as of 30/6/2018 | Within 1year | After 1year but not more than 5 years | More than five years | Total |
|---|---|---|---|---|
| Obligations under finance lease | 1,214 | 1,432 | - | **2,646** |
| Secured Loans | 24,900 | 22,704 | 10,996 | **58,600** |
| Bonds | 47,330 | 169,863 | - | **217,193** |
| Convertible Bonds | - | 78,159 | - | **78,159** |
| Borrowings | **73,444** | **272,158** | **10,996** | **356,598** |

| Borrowings as of 31/12/2017 | Within 1year | After 1year but not more than 5 years | More than five years | Total |
|---|---|---|---|---|
| Obligations under finance lease | 1,168 | 2,046 | - | **3,214** |
| Secured Loans | 12,295 | 42,847 | 13,872 | **69,014** |
| Bonds | 10,840 | 79,237 | - | **90,077** |
| Convertible Bonds | - | 76,428 | - | **76,428** |
| Borrowings | **24,303** | **200,558** | **13,872** | **238,733** |

| | **30/6/2018** |
|---|---|
| | **Euro** |
| Long-term borrowings | 5.75% |
| Short-term dept | 5.42% |

| | **31/12/2017** |
|---|---|
| | **Euro** |
| Long-term borrowings | 6.88% |
| Short-term dept | - |

The Group paid the amount of Euro 44,145 thousand for its long-term loans including the long-term loans of the sold vessels Superfast XII and Highspeed 7. Furthermore the Group paid the amount of Euro 568 thousand for the financial leasing of the vessel Blue Galaxy.

In addition the Group concluded a Bond Loan with Piraeus Bank for an amount of Euro 17,500 thousand for a 4-year period and is measured at amortized cost.

Group's total borrowings stood at Euro 356,598 thousand.

## 7.17. Trade and other payables

"Trade and other payables" increased mainly due to the full consolidation of the company Hellenic Seaways Maritime S.A. and due to the vessels' dry dock.

## 7.18. Other current liabilities

"Other current liabilities" increased mainly mainly due to the full consolidation of the company Hellenic Seaways Maritime S.A. and due to the "Deferred income" which refer to passenger tickets issued but not yet travelled until 30/6/2018.

## 8. Other information

### 8.1. Unaudited fiscal years

The parent company has been audited by tax authorities until the fiscal year 2008. For the fiscal years 2011-2016 has been audited by tax authorities and the Certified Auditor issued a Tax Compliance Certificate.

The unaudited fiscal years of the subsidiaries are presented in the table of the paragraph 5.1. “Consolidation of the subsidiaries of Attica Holdings S.A.”.

The subsidiaries of ATTICA HOLDINGS S.A. have already made a tax provision of Euro 148 thousand for the unaudited fiscal years.

The parent company has made a tax provision of Euro 20 thousand. For the subsidiaries registered outside the European Union, which do not have an establishment in Greece, there is no obligation for taxation audit.

Tax Compliance Report

Starting 2011, the Group’s companies which are based in Greece have been audited by an auditor and have received tax certificates without any differences until the FY ended 2016. The tax certificates for 2017 have been issued in the second half of 2018.

For the fiscal years 2011 until 2016, the Company (and the Group’s companies which are based in Greece) were submitted to a special tax audit conducted by Sworn Auditors, in addition to the financial management audit, in order to assure the company’s compliance to article 82 of law 2238/1994 and article 65A of law 4174/2013 and received a Tax Compliance Report without any reservations. It should be noted that according to circular 1006/2016 the companies subjected to the above special tax audit are not excluded from the regular tax audit by the tax authorities. The company’s management judges that, in case of regular tax audits, there will be no additional tax differences affecting significantly the financial statements.

For fiscal year 2017, the tax audit is already being performed by the auditors and is not expected to bring any significant differentiation on the tax liabilities incorporated in the Financial Statements. According to the relevant recent law, the audit and issuance of tax certificates are also valid for the fiscal years starting from 2016 onwards on an optional basis.

In respect of Attica Group companies, domiciled outside European Union, that have no branches in Greece, there is no obligation for taxation audit. Shipping Companies, they are not subject to the aforementioned taxation audit and their tax inspection is conducted as effective by the tax authorities.

### 8.2. Payments of finance and operating leases

The finance leases that have been recognized in the income statement of the period 1/1 - 30/06/2018, amount Euro 629 thousand.

The operating leases that have been recognized in the income statement of the period 1/1 – 30/06/2018, amount Euro 310 thousand.

8.3. Provisions

The Group has made a provision amounting Euro 1,335 which concerns claim for compensation from crew that was employed on board the vessels of the Group.

8.4. Contingent assets and liabilities

a) Liens and Encumbrances

The vessels owned by the Group have been mortgaged as security of secured loans for an amount of Euro 874,811 thousand,

b) Granted guarantees

The following letters of guarantee have been provided to secure liabilities of the Group and the Company and were in force on 30.06.2018:

| | 30/6/2018 |
|---|---|
| **Guarantees** | |
| Performance letters of guarantee | 1,071 |
| Guarantees for the repayment of bank accounts | 221,112 |
| Guarantees for the repayment of trade liabilities | 1,495 |
| Guarantees for the participation in various tenders | 1,574 |
| **Total guarantees** | **225,252** |

c) Undertakings

On 30.06.2018 the Group and the Company have the following liabilities which derive from the operating and finance lease agreements and are payable as follows:

| | GROUP 30/6/2018 | COMPANY 30/6/2018 |
|---|---|---|
| **Finance lease commitments** | | |
| Within one year | 1,214 | - |
| After one year but not more than five years | 1,432 | - |
| More than five years | - | - |
| **Operating lease commitments** | | |
| Within one year | 860 | 47 |
| After one year but not more than five years | 3,159 | 235 |
| More than five years | 557 | 91 |

d) Contingent liabilities

There are no contingent liabilities arising from pending litigation or arbitration involving the Group that could materially affect its financial position apart from the following:

1) In April 2006, former seamen of Group companies filed civil proceedings in Germany and Finland following the sale of Group’s vessels to an Estonian group of companies. As per the definite and final court decisions, the Group was exempted from all liability, while the Estonian group was required to pay the seamen compensations totaling € 3.7m. In 2018, the Estonian group has informed the Company of its intention to claim the said amount from the Company before UK arbitration. The Company has already denied liability towards the buyers and is examining the claims made by the Estonian group under applicable UK law.

2) The companies “HELLENIC SEAWAYS CARGO N.E.” and “HELLENIC SEAWAYS MARITIME S.A.” have filed administrative lawsuits for the annulment of two decisions of the Port Committee of the Korinthia Port Fund, charging the aforementioned companies with the amounts of Euro 755k and Euro 344k respectively. A total of Euro 552k has already been paid against said amounts. The lawsuits were accepted by the Administrative First Instance court of Korinthos, thus annulling the aforementioned decisions of the Port Committee of the Korinthia Port Authority. The Korinthia Port Fund appealed against the above decisions to the Administrative Court of Appeal of Tripoli, and the case was heard on 04.04.2017. The Administrative Court of Appeal of Tripoli accepted the appeals, issuing respective decisions, against which on 13.07.2018 further appeals were filed by the Group companies before the Council of State. Dates of hearing are pending. The appeals stand good chances to be upheld.

3) Three lawsuits have been filed against the company “HELLENIC SEAWAYS MARITIME S.A.” for a total claim of Euro 3.4m pertaining to the alleged ownership of the tickets reservation platform used by the company in 2000-2001. In 2015, the Piraeus Court of Appeal upheld the decision made by the First Instance Court of Piraeus regarding the first lawsuit, according to which the company would have to pay to claimants the amount of Euro 1.3m. plus interest. A further appeal was filed before the Supreme Court, which accepted the appeal and ordered the case to be re-examined at the same court of appeal. Hearing has been scheduled for 21.02.2019. According to the Management’s estimates made based on the legal assessment, the company will ultimately prevail for the reasons stated in its application.

Regarding the second lawsuit claiming compensation of up to Euro 0.5m. plus interest, it is still pending at the Court of Appeal. Hearing has been scheduled for 06.12.2018 when it is expected to be postponed until the settlement of the first lawsuit.

Regarding the third lawsuit against the Company claiming compensation of up to Euro 1.6m. plus interest, the case is pending and has yet to be heard. The Company has not made any provision in respect of the case in question based on the legal assessment that, firstly, the lawsuit has been time-barred and, secondly, it is not lawful.

## 9. Significant events

The Hellenic Competition Commission, with its decision on 25.04.2018, approved the proposed acquisition by Attica Group of sole control over HSW. The clearance of the Hellenic Competition Commission was granted following certain commitments by the Company, which according to the Commission's assessment are adequate, sufficient and appropriate to ensure effective competition in the Greek Ferry sector. The commitments are described in detail in the relevant Press Release issued by the Competition Commission and posted on the Competition Commission’s website at www.epant.gr.

On 25.5.2018 Attica Group announced the completion of the acquisition of a majority stake in HELLENIC SEAWAYS MARITIME COMPANY S.A. (“HSW”), within the framework of the implementation of the agreement dated 11.08.2017, with Piraeus Bank and another minority shareholder of HSW.

On 12.6.2018 Attica Group announced the completion of the acquisition of an additional stake of 48.53% in HSW, in implementation of the agreement with Minoan Lines S.A. ("Minoan Lines") dated 26.10.2017 for the acquisition of a total of 37,667,504 shares of HSW for a cash consideration of Euro 78,5mln.

As per the same agreement, Attica Group sold and delivered SUPERFAST XII to a Grimaldi Group company for a cash consideration of Euro 74.5mln, and HSW sold and delivered HIGHSPEED 7 to Minoan Lines for a cash consideration of Euro 25mln.

Following conclusion of the aforementioned transaction, Attica Group now holds 98.83% of the total share capital of HSW.

## 10. Events after the Balance Sheet date

On 31.7.2018, 24,145,523 new common registered shares were listed, in implementation of the relevant decision of the Ordinary General Meeting of the Company dated 26.6.2018. The share capital amounts to Euro 64,741,752.90 and is divided in 215,805,843 common registered voting shares with a nominal value of Euro 0.30 each.

Kallithea, September 24, 2018

| | | | |
|---|---|---|---|
| CHAIRMAN OF THE B.O.D. | CHIEF EXECUTIVE OFFICER | AUTHORIZED DIRECTOR | FINANCIAL DIRECTOR |
| KYRIAKOS MAGIRAS | SPIROS PASCHALIS | IRAKLIS SIMITSIDELLIS | NIKOLAOS TAPIRIS |
| ID Card No: AK109642 | ID Card No: AB215327 | ID Card No: AM140292 | ID Card No: AN604444<br>LICENSE No 32210-CLASS A |