

Athens International Airport
Eleftherios Venizelos

Annual & Sustainability Report 2017



**Athens International Airport
Eleftherios Venizelos**

Annual & Sustainability Report 2017

Contents

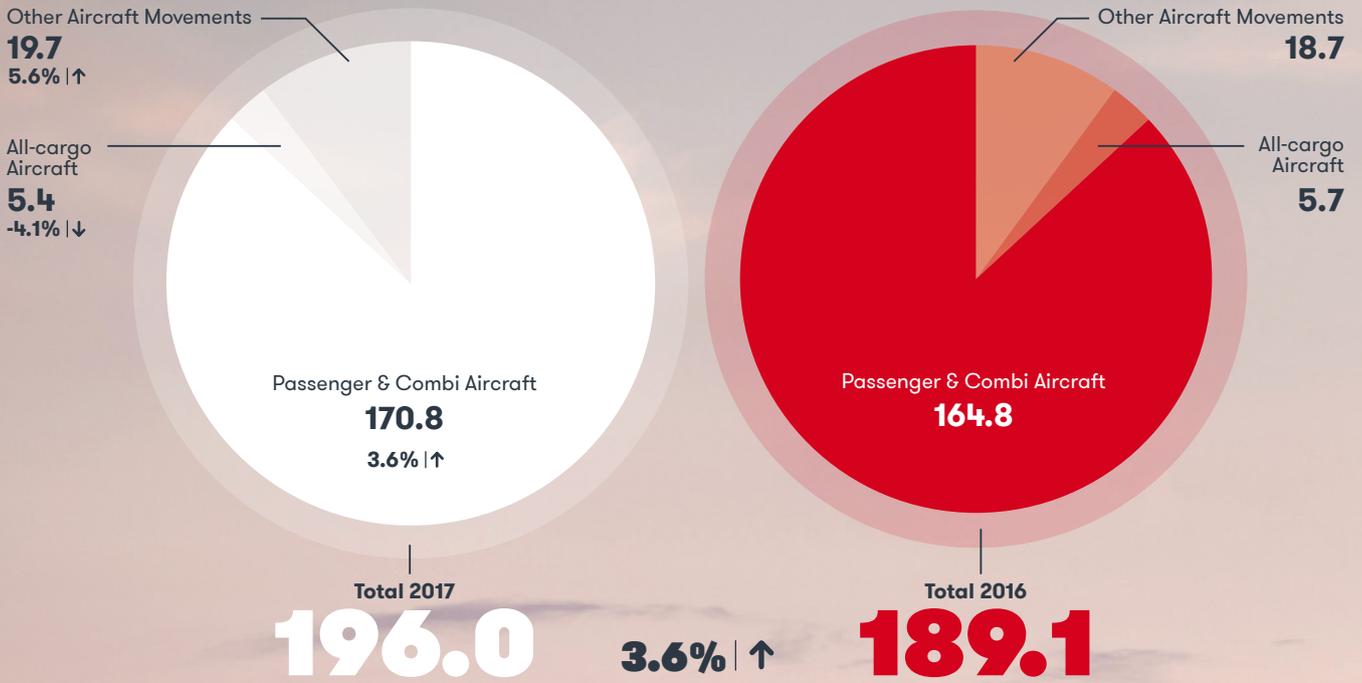
Highlights of 2017	06
1. Joint Address by the Chairman and the CEO	08
2. Company Identity	14
3. Aviation Market Development	26
4. Financial Performance	36
5. Business Performance	42
6. Environmental Performance	60
7. Social Performance	70
8. Future Prospects	84
Annex I: Reporting by the BoD to the AGM	88 (1)
Annex II: Financial Statements	102 (1)
Appendix: Sustainability Indices	154
Airport Moments	168

Traffic Highlights

● 2017 ● 2016

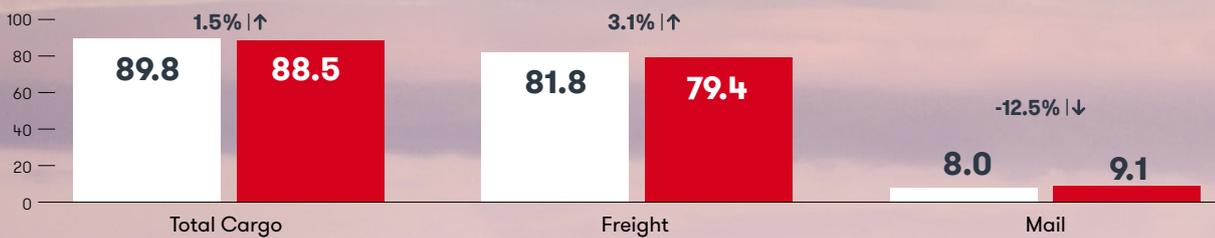
Aircraft Movements

Total Aircraft Movements (thousand)



Cargo

Total Cargo Uplift (thousand tonnes)



Passenger Traffic

Business Passengers



Connecting Passengers



Total Number of Passengers (million)



● 2017 IFRS ● 2016 IFRS € MILLION

Financial Highlights

Profit before Tax

199.8 5.7% | ↑
189.1

Operating Revenues & ADF

454.9 5.2% | ↑
432.2

Revenues from Airport Charges & ADF

290.9

275.5 5.6% | ↑

Operating Revenues & ADF per pax (€)

20.9

21.6 -3.1% | ↓

Operating Expenses

149.0

134.8 10.6% | ↑

Cash & Cash Equivalents at the end of the Year*

466.8

373.4 25% | ↑

AVA**

119.6

111.9 6.9% | ↑

Total Assets 5.4% | ↑

1,246.7 **1,182.3**

- ADF: Airport Development Fund
 - Cash equivalents for 2016 results include €87.5 million of Euro Securities
- AVA: Added Value on Assets = Net Operating Profit after Tax - (Cost of Capital x Net Asset Value)

Joint Address by the Chairman and the CEO

Year 2017 was a good one for the global aviation industry, characterised by competitive oil prices, efficiency of aircraft capacity utilisation and fleet growth. The combination of the above resulted in a very prosperous year for the airlines' profitability, with attractive fares, which in turn supported a strong growth of passenger traffic. On a global level, in 2017 airlines achieved healthy profitability with net profit margins estimated at 4.6%, according to IATA. Passenger traffic across the European network posted an average growth of 8.5%, while non-EU airports lead the way of passenger traffic growth (+11.4%), with EU airports also achieving strong increase (+7.7%) compared to the previous year.

In line with the global and European aviation trends, 2017 was another record-breaking year for Athens International Airport (AIA) in terms of passenger growth, reaching 21.74 million passengers

and exceeding prior-year levels by 1.7 million, which stands for a significant 8.6% increase. The number of flights amounted to 196 thousand surpassing the respective 2016 levels by 3.6%. The increase in passenger traffic was mainly driven by the strong growth of the international market (+1.5 million, +12%), whereas the domestic market increased only by 2%. This growth was driven by both Greek residents' strong increase by 13%, as well as foreign residents' healthy growth by 5% in total. The dynamic development of the O&D passengers by an increase of 12% should also be highlighted, demonstrating the continuous upsurge of Athens as an attractive destination, assisted by the joint and coordinated strategic actions undertaken by the Airport Company, the Municipality of Athens and stakeholders from the tourism industry. In terms of passenger demand evolution, it is important to note that the demand for air travel has been resilient to

the volatility of the macroeconomic environment while it remained unaffected by the European and regional geopolitical risks.

Our airline network in 2017

In this framework, the airport's route network was significantly enhanced in 2017: four new airlines launched operations to/from Athens and fifteen new international routes were established, while at the same time, 17 Low Cost Carriers (LCCs) offered services to 56 airports worldwide. Overall, in 2017, Athens was directly connected with scheduled services to 137 destinations (103 of which international) in 53 countries, operated by a total of 59 carriers. The launch of the new long-haul services of Emirates to New York, of Scoot to Singapore and of Air China's non-stop flight to Beijing should be highlighted as they have largely contributed to the respective regions' successful evolution. It is important to note that all regions enjoyed a sharp growth, supported by the airport's significantly enhanced route network coupled with the favourable evolution of passenger demand.

Our Financial performance and Business model

2017 was also a record year in terms of financial performance: overall, the Airport Company presented healthy results and recorded Profit Before Tax of €199.8 million, increased by €10.8 million compared to 2016. Growth in operating performance more than offsets the additional cost requirement following increased traffic and the increase of the variable element of Grant of Rights Fee recorded in the Operating Expenses. In view of the company's expected obligation to pay the Consideration for the extension of its concession period (upon the effectiveness of the ADA Extension Agreement), no dividend to the shareholders is proposed.

The company's business model is based on a dynamic marketing strategy and incentives policy. AIA's aeronautical marketing strategy encompasses comprehensive developmental and targeted programmes for airlines including incentives and marketing support packages and constitutes a cornerstone of AIA's aeronautical strategy for healthy financial growth. In 2017, all airport charges remained unchanged for the ninth consecutive year which was announced during the annual consultations with the airport users held in January 2017, as per the Airport Charges Directives (2009/12/EC) transposed to the Greek legislation by the PD 52/12.

With regards to incentives offered to airlines by AIA, 13 different developmental and targeted incentives, both for developing new markets, as well as for reinforcing existing ones, were in effect during 2017. Applied in a fully transparent and non-discriminatory manner, they were widely used by operating carriers since the majority of the latter made use of at least one targeted or developmental incentive and many received marketing support.

Our Business

Airport operations were delivered efficiently and smoothly throughout the year. The Athens Airport remained a slot non-coordinated airport even in the summer period of strong demand for aircraft arrival and parking. This demand was adequately addressed through ad-hoc operational arrangements, while specific projects were carried out to enhance capacity, i.e. the operational upgrade of the Satellite Terminal Building – Phase I and the installation of Advanced Visual Docking Guidance System at all terminal contact stands. Moreover, discussions with Hellenic Civil Aviation Authority (HCAA) Air Traffic Control continued in order to fully exploit the Airport's available capacity of two runways. As part of the continuous

Operational Compliance and Development process, all required preventive and corrective measures were taken for maintaining emergency planning and AIA's preparedness for adversities at high level, thus establishing a safe and resilient operating environment.

A significant highlight of the year was AIA's Aerodrome Certification by EASA as one of the first European airports in accordance with the stipulations of the relevant Commission Regulations (EC216/2008, EC1108/2009 and EU139/2014). The thorough and time-consuming certification process involved extensive inspections and checks by the HCAA for an eight-month period.

In terms of investments, AIA completed in April 2017 a large-scale redevelopment project that commenced in September 2016, namely the Intra-Schengen Project (ISP), covering the entirety of the Schengen area and a significant part of All-Users Departures areas. ISP followed the same design principles and approach as the ones of the successful Extra-Schengen Project (ESP) that was completed in 2015. This extensive refurbishment resulted to a remarkable net commercial space increase of 1,500 m², expanding AIA's total commercial space to more than 11,200 m².

The full renovation and upgrade of the Schengen (15,000 m²) and non-Schengen (9,000 m²) areas, including passenger security screening centralisation, focusing on functionality, comfort and modern aesthetics responded to the latest trends in the travelling process and experience and offers passengers redesigned areas, enhanced comfort and plenty of options. With a significantly expanded Retail and Food & Beverage selection, the robust sales performance of the new stores and concepts led to an increase in the Shopping Centre's revenues of 10.6% compared to

the previous year, an increase that surpassed the respective passenger traffic annual increase by 2%.

Acknowledging and rewarding our investment programme for the total aesthetic, functional and commercial upgrade in the terminal areas, the passengers rated Athens International Airport at the top position in Europe among airports in the category 15-25 million passengers, in terms of customer services' quality, in the framework of ACI World's globally established Airport Service Quality (ASQ) Awards.

Since the airport's opening, we measure customer satisfaction systematically and have always scored very high among our European counterparts. However, we value very highly this year's award and, aiming at always improving customer experience, we shall continue, during 2018-2019, our investment programme with additional works and services for the travellers using our airport.

In this same light, in 2017 a new large Duty-Free outlet commenced operations together with three "last-minute" gate shops; 28 new specialty shops opened and seven more were substantially renovated; 11 new F&B concepts were added to the Terminal Commercial Area and one (1) F&B unit was totally renovated and expanded.

AIA's property business activities, including the Airport Hotel, Exhibition Centre, Retail Park and space leases, demonstrated a stable performance in the past year. AIA's IT&T project portfolio was further enriched with new business-to-business and business-to-consumer services based on innovative technology, aiming to enhance operational excellence and customer experience.

Loyal to constantly exploring innovation and digital initiatives, in 2017 AIA successfully concluded the second round of "THE DIGITAL



Dr. Dimitrios Dimitriou / Chairman

GATE", the Airport's unique competition for innovation and youth entrepreneurship. Organised in cooperation with the Athens Centre for Entrepreneurship and Innovation of the Athens University of Economics and Business, 170 teams had the opportunity to present their proposals. The teams finally selected were able to present their Minimum Viable Products, which were developed with the guidance of Airport professionals and were assessed in a real airport environment.

In this context, AIA received the significant international award "Value Winners" of the WITSA Global Excellence Awards 2017 in the category of Digital Opportunity. The WITSA Global

Excellence Award is dedicated to highlighting companies operating in the IT and communications industry worldwide. The airport was awarded in the category of Best Use of Social Media and also received a special award in the category of Key Performance Indicators for its innovative service «ATH Messenger bot via Facebook messenger».

Major corporate projects and developments

On the issue of AIA's Concession Extension, further to the discussions initiated in 2016 between AIA and the Hellenic Republic Asset Development Fund (HRADF), in May 2017 the draft ADA Extension Agreement was



Dr. Ioannis N. Paraschis / CEO

approved by the HRADF BoD and AIA was invited to submit its financial offer on the Concession Extension. The offer was eventually approved by the BoD of HRADF on 30th May 2017 and affirmed by the Extraordinary General Meeting of AIA's shareholders.

Following the approval of the draft ADA Extension Agreement by the Inter-Ministerial Committee of Assets Restructuring and Privatisations of the Hellenic Republic published in the Government Gazette and the publication of a voluntary ex ante transparency notice in the official journal of the European Union, the ADA Extension Agreement was signed on 30th September 2017 between AIA, HRADF and

the Greek State. The Agreement foresees an extension of the ADA term until 11th June 2046 under the terms and conditions prescribed therein, including the payment by AIA of a financial consideration to HRADF. The Agreement will become effective upon the completion of the necessary approvals by the European Authorities, European Investment Bank (EIB) and the ratification by the Hellenic Parliament. The latter processes commenced in 2017 and are still ongoing.

In 2017, AIA also started preparing to meet the substantial and formal deadlines of the General Data Protection Regulation (GDPR) (EU Regulation 679/2016). The

regulation introduces a new "architecture" to be applied horizontally throughout all legal entities requiring, among others, the protection of personal data "by design" in all data processes and records and the adoption and implementation of such Information Security tools and practices that safeguard confidentiality, integrity, availability and safeguarding of personal data. Our actions towards GDPR compliance are ongoing in 2018.

AIA participates in business projects, exporting its know-how in order not only to generate revenue but also to create non tangible value for the company and its employees. In 2017 the highlights of AIA' external business activities included consulting & training services to Oman Airports Management Company and two EU funded R&D projects.

Our sustainability framework

AIA approaches sustainability in an integrated manner, across all aspects of its operation and development, implemented as a structured governance system and embedding international best practices with respect to planning, implementing, measuring and transparently reporting its non-financial performance. AIA acknowledges its role as a responsible company, for creating sustainable value for its stakeholders and for balancing its objectives across the perspectives of operational responsibility, environmental responsibility, corporate citizenship, employer's responsibility and sustainability governance.

AIA's approach to sustainability is reflected in the related Corporate Responsibility Policy, which was revised in 2017 and implemented as a cross-departmental effort through a contemporary three-level governance structure: Strategy, Integration and Implementation across the Company. Related practices are continuously updated

in line with emerging requirements and global standards.

AIA continuously progresses its Materiality Analysis process for identifying and prioritising issues of significant impact for the company and its stakeholders. It is an essential strategic element that identifies sustainability priorities, structures the related action plan, determines the content of sustainability reporting and sets the focus of the independent Sustainability Assurance process. The Materiality Analysis incorporates the input from airport community stakeholders with respect to their perceived influence of material issues.

The Company adopts and upholds the United Nations' Global Compact principles for Human Rights, Labour Relations, Environmental Impact and Anti-Corruption. Furthermore, AIA acknowledges the United Nations' Sustainability Development Goals (SDGs) and the Agenda 2030, contributing to the collective global effort for addressing the most pressing social, economic and environmental challenges. Furthermore, AIA acknowledges the importance of its role towards the attainment of the SDGs and ensures that its operations do not hinder this agenda by addressing its social and environmental impacts in a coordinated and effective manner.

Steadily committed to balancing sound financial performance with a sustainable approach to business, in 2017 the Airport Company recorded a valuation of Corporate Responsibility activities at 2.17% of the total operating expense, while the total valuation of AIA's Sustainability Value yield was significantly increased versus 2016, reaching €179.2 million.

In 2017 AIA held strong to its commitment to operate the Airport in a sustainable manner with a focus on environmental protection. By heavily investing in

energy efficient technology over the past decade, AIA has managed to reduce its carbon footprint more than 40%. AIA's environmental profile is further bolstered by the production of clean electricity by its 8.05 MWp Photovoltaic (PV) Park, saving more than 12,000 tonnes of CO₂ per year. AIA became the first Greek Airport certifying its Energy Management System (EnMS) in accordance with the ISO 50001 standard, thus successfully integrating energy management into AIA's overall efforts to improve quality and environmental management. It is worth noting that, preparing for the challenges of tomorrow, preliminary work was conducted for a Climate Change Adaptation study for the airport in 2018.

Always keen to have a cultural impact, in 2017 numerous art projects were in display at our dedicated temporary exhibition areas in addition to the ongoing permanent exhibitions. Through the "Fly me to the Moon" programme, AIA has provided passengers and visitors with a distinct entertainment and cultural experience within the Airport with prominent artists and musical ensembles for the fourth consecutive year.

AIA, a significant driver of economic development in the region, implements a series of targeted investments in social, educational, cultural, athletic, environmental and other causes that go well beyond the scope of any legal obligations and help establish AIA as a good neighbour.

Our responsible commitment to growth: Destination Athens

For the last six years, not only has AIA implemented innovative marketing initiatives and activities for its airline partners, business partners and consumers, but has also extended its endeavours to actively support Athens as a destination. Actions to reinforce Athens' attractiveness as a tourism

destination have significantly contributed to the recovery and enhancement of the city's image and the increase in foreign tourists' arrivals to our city. AIA has designed and implemented a series of destination marketing targeted actions and initiatives by forging strong relations and strategic co-operations and synergies with tourism organisations and associations (Association of Tourism Enterprises, Greek National Tourism Organisation, Ministry of Tourism, Marketing Greece, etc.).

Within this context and as a part of the destination marketing initiatives undertaken for the promotion of Athens, AIA entered into strategic partnership with the Municipality of Athens and Aegean Airlines. The Athens Tourism Partnership (ATP) was first presented in December 2016 and was launched in January 2017. The first stage resulted in a unique digital campaign for Athens, named "One City, Never Ending Stories", which targeted, in 2017, the German and French markets and was awarded with two top distinctions within the framework of the Ermis Advertising Awards. The fact that foreign visitors with Athens as their final destination significantly increased during the last years denotes the effectiveness of such strategic synergies and highlights the necessity for all tourism industry organisations and bodies to continue cooperating with the long-term strategic aim to establish Athens as one of the most attractive tourist destinations worldwide.

The Airport Company contributed to the International Civil Aviation Organisation (ICAO) Global Aviation Corporation Symposium (GACS II), that took place in Athens in October 2017 and was co-organised with HCAA. More than 400 delegates and representatives from the aviation industry attended the Symposium, promoting intellectual and state

of the art case studies on that topic. Additionally, AIA organised once more the 5th Airport Chief Executives' Symposium (ACES-Athens) in December 2017. This Airport Company's initiative which takes place in Athens on an annual basis, has evolved, throughout the years, into an internationally acknowledged gathering of top level professionals and international leaders in the aviation and tourism sectors. The aim of the symposium is on the one hand, to focus on the externalities of the aviation sector and to highlight the interdependence between the air transport industry and airports and the development of the destinations they serve and on the other, to introduce initiatives for the strengthening of Athens as a tourism destination.

Our consistent commitment to sustainability reporting

AIA's 2017 Annual & Sustainability Report combines, for the first time, the Airport Company's financial and non-financial disclosures in a unified report. The Report is AIA's 15th consecutive annual edition on sustainability and corporate responsibility. Our reporting supports our corporate reputation of a prudent and responsible operator that secures loyalty towards business partners, mitigates environmental impact, respects diversity, nurtures employee loyalty and drives public confidence.

This Report abides by the most recent Global Reporting Initiative (GRI) Standards and contains the Communication on Progress (CoP) report in line with our sustaining commitment to the UN Global Compact. This Report also links to the UN Sustainable Development Goals, aligning the performance accounts of our operations to their impact towards addressing global challenges.

AIA has engaged in independent assurance of non-financial disclosures abiding by the principles

of accuracy, completeness and adherence to applicable standards. This Report contains the outcome of the assurance process.

2018 Outlook

2018 is expected to be the fifth consecutive year of traffic growth, marked, however, by a number of challenges and developments in aviation business:

- Airline capacity additions in domestic routes will be limited, international traffic is expected to grow further, since additional capacity will be added in the Athens market by home and visiting carriers. These positive airline decisions are aided by the favourable environment regarding competitive fuel prices, improved fleet capacity and utilisation and high airline profitability.
- Traffic growth and regulatory compliance drive two considerable investments that the Airport Company plans to undertake:
 - o Firstly, as a result of the EU Regulation 458/2017 requiring the reinforcement of passport control checks at external borders, leading to a more diligent passport control process for all arriving and departing non-Schengen passengers, AIA plans to expand its immigration and emigration facilities. The construction of this project is expected to begin in mid 2018 and the necessary infrastructural and operational amendments are planned to be in place on time for the effectiveness of the new regulation in April 2019.
 - o Secondly, as a result of EU Regulation 1087/2011 regarding the implementation of common standards for baggage explosive detection systems, which requires all bags to be screened with

“Standard 3” equipment, a complex project affecting AIA's baggage handling system will commence and is expected to be complete in 2022.

Further to regulatory compliance, these two projects are expected to increase terminal capacity and efficiency in the affected processes and to improve AIA's value for money offering towards passengers and airlines.

- Furthermore, AIA continues to invest in order to maintain and even further improve its service quality, ensuring safe, secure and efficient operations. The company is closely monitoring future trends related to disruptions from digital developments and online shopping which could affect our B2B and B2C strategic positioning.

At the moment, the ADA Extension Agreement, signed between the Greek State, HRADF and AIA on 30th September 2017, is still undergoing the scrutiny of the EU authorities, a necessary condition for its effectiveness. Year 2018 is expected to be a milestone for the completion of this endeavour. A successful completion will mark the beginning of a new era for the Airport Company and will lead to an improved potential for one of the most successful Public-Private-Partnerships in Europe, from which Airport users, employees, shareholders and of course the state and the wider society will benefit. AIA pledges to continue to add value to all stakeholders, to act as a responsible operator and employer and to be an exemplary company in all its activities.

Dr. Dimitrios Dimitriou
Chairman

Dr. Ioannis N. Paraschis
CEO

Company Identity

Corporate Profile

Athens International Airport S.A. ("AIA" or the "Company") was established in 1996 as a public-private partnership with a 30-year concession agreement, the Airport Development Agreement (ADA).

Ratified by Greek Law 2338/95, the concession agreement grants the Company the exclusive right and privilege of the 'design, financing, construction, completion, commissioning, maintenance, operation, management and

development' of the new Athens International Airport.

The Company's registered office is situated in the Municipality of Spata, at East Attica region, Greece. AIA is a privately managed company with the Greek State holding 55% of shares (25% held by the Greek State and 30% by the Hellenic Republic Asset Development Fund-HRADF), while private shareholders collectively hold 45%.

Shareholder structure

Shareholder structure of Athens International Airport, according to the relevant Books of Shares and Shareholders, is:

Shareholder	Number of Shares	%
Hellenic Republic Asset Development Fund (HRADF)	9,000,000	30%
AviAlliance GmbH	8,000,004	26.667%
Greek State	7,500,000	25%
AviAlliance Capital GmbH & Co. KGaA	4,000,002	13.333%
Copelouzos Dimitrios	599,997	2%
Copelouzou Kiriaki	299,999	1%
Copelouzos Christos	299,999	1%
Copelouzou Eleni-Asimina	299,999	1%
Total	30,000,000	100%

About the Airport

Athens International Airport “Eleftherios Venizelos” (the “Airport”) extends in an area of approximately 16,000km² and has two runways in compliance with ICAO Aerodrome Reference Code “4E”, (03L/21R: 3,800x60m

and 03R/21L: 4,000x60m - incl. shoulders on both sides with a width of 7.5m).

The Airport features a 168,000m² Main Terminal Building and a 34,000m² Satellite Terminal

Building with a total of 24 Contact Bridges and 75 active remote aircraft parking positions. The Airport is certified for all known types of currently operating aircraft, including the Boeing 747-8 and the Airbus A380.

The Airport extends in an area of approximately

16,000km²

Main Terminal Building

168,000m²

Satellite Terminal Building

34,000m²

Contact Bridges

24

AIA is internationally considered a pioneer public-private partnership, being a major greenfield airport with the participation of the private sector. The cost for the development of the airport was mainly financed from bank loans, the European Investment Bank being the major lender, while the remaining funding was provided through private shareholders equity and EU and Greek State grants.

With a corporate goal to create sustainable value to all stakeholders by offering

value-for-money services, AIA has implemented a successful development strategy in both its aeronautical and non-aeronautical sectors. Offering one of the most advanced incentives and marketing support schemes, AIA ensures the sustainability and development of domestic, regional and international traffic, working closely with home carriers and international carriers, legacy airlines and Low Cost Carriers (LCC).

In the non-aeronautical sector AIA undertakes advanced

and extensive development initiatives ranging from IT & Telecommunications systems and business activities to high-quality consumer-related products offered at its commercial terminals and business activities related to its real estate assets.

The Company operates in a socially and environmentally responsible way providing stakeholders an operating and working environment that meets increasing demands on service quality, safety and security.

AIA's Stakeholders

AIA engages stakeholders in a balanced and respectful manner, always including their requirements and expectations in developing and implementing its strategy. The Company has established mechanisms to elicit stakeholders' feedback which the management evaluates and actively responds to.

AIA's operational success heavily relies on its cooperation with its stakeholders. Cooperation with customers and business partners is facilitated through a structure of engagement

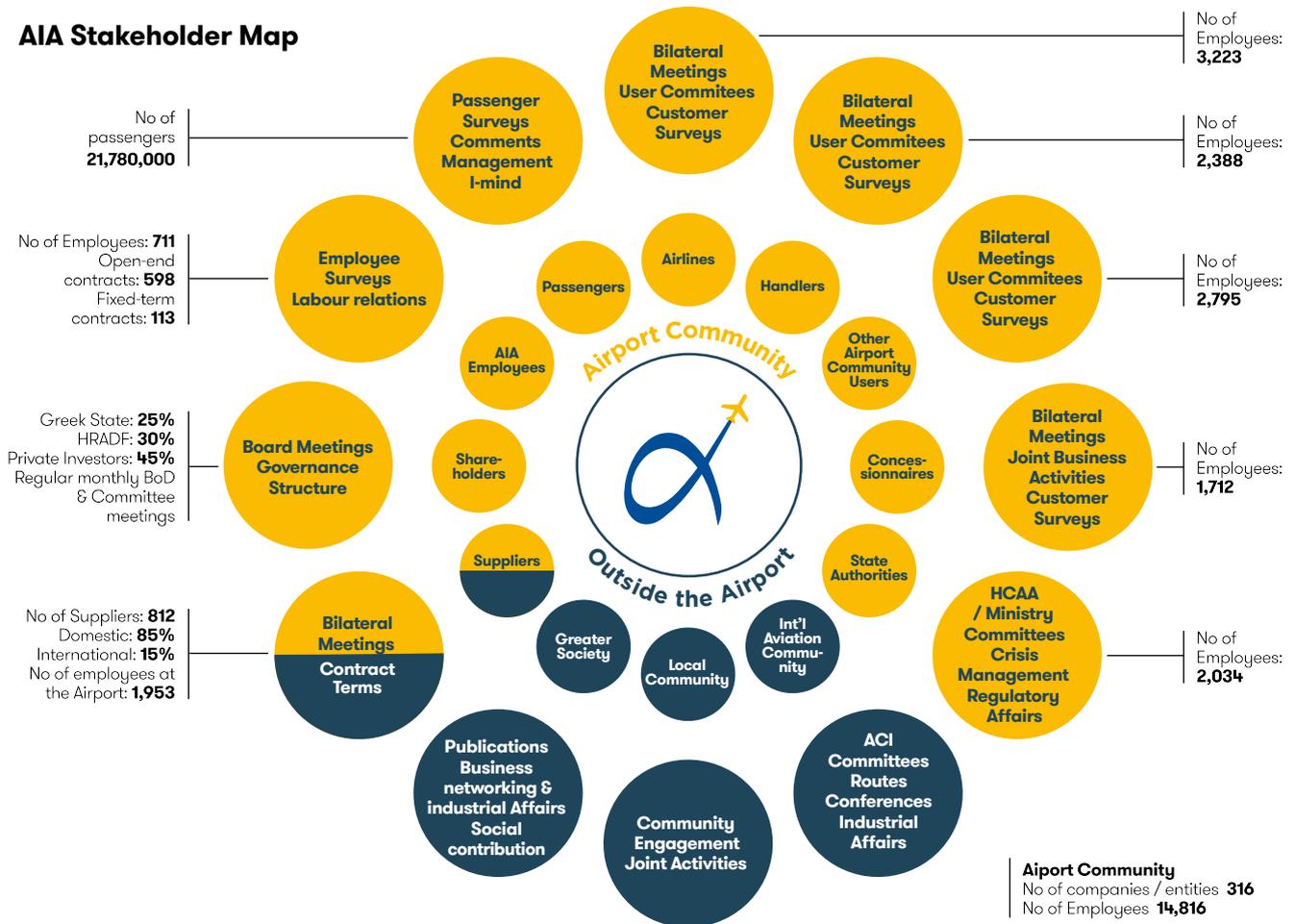
practices (committees, exercises, workshops, joint activities, etc.) further to the day-to-day interface.

On a community engagement level, continuous interaction with authorities and their representatives, facilitates identification of material sustainability issues and prioritisation of challenges and opportunities through a perspective of mutual trust and understanding. Feedback mechanisms from local society include a noise complaint line.

On a wider society level, AIA engages passengers and other consumers through various feedback mechanisms (satisfaction surveys, complaint management, etc.) aiming to compile evaluation data used for planning actions for improvement.

The stakeholder map reflects the diversity of the Airport Company's stakeholders based on the effect of AIA's operational and business activities both within and outside the boundaries of the airport community.

AIA Stakeholder Map



The Airport Company

Corporate Governance

Governance Structure

The corporate governance framework established at AIA abides by the provisions of the Company's constitutional documents, i.e. the Articles of Association, the provisions of the Airport Development Agreement and Law 2338/1995 - Government Gazette A' 202/14.9.1995 and includes a number of specific processes and procedures which aim at forging a robust governance structure and approach in line with the principles set forth in the Law 2190/1920, article 41 of the 8th European Company Law Directive as well as the OECD Principles of Corporate Governance.

The nine-member Board of Directors elected by the General Meeting of Shareholders with a two-year term of office bears the responsibility for the management and administration of all corporate matters and affairs and has in this respect delegated specific authorities to the Chief Executive Officer and members of the management respectively. The Greek State advises the Company for the appointment of four members (also appointing the Chairman), while shareholders who represent the majority of the ordinary shares other than those held by the Greek State, appoint four directors and propose the Vice Chairman. The ninth director is appointed either following an

agreement between the Greek State and the shareholders holding the majority of the ordinary shares or in case of non-achievement of such an agreement, by the Chairman of the European Investment Bank. The CEO is responsible for the day to day management and operation of the Company's activities, is proposed by the private shareholders and participates in all Board of Directors meetings with no voting right. Board meetings are held monthly and are supported by a competent, qualified and experienced Company Secretary who consults Board members to ensure that statutory and regulatory requirements are met and also instructs senior management on Board matters.

The schedule of matters reserved for the decision of the Board and its Committees include without limitation: (a) approval of the overall long-term strategy, corporate goals and official Business Plan, (b) approval of annual operating and capital budgets, (c) ensuring the integrity of the Company's accounts and financial reporting systems, (d) approval of major pricing policies, (e) approval of major contract awards, and (f) delegation of powers related to administration, management and representation of

the Company. In order to allow an effective discharge of its duties, the Board has established four Board Committees, namely the Audit, Personnel, Finance and Investment Committees, with an advisory capacity. Having specialised knowledge, Board committees discuss in depth issues in their remit and make recommendations to the Board.

The Annual Ordinary General Meeting of the Shareholders approves actions and decisions of the Board of Directors during

the previous corporate fiscal year and releases the Board of Directors from any liability from that year in accordance with the Law 2190/1920 and the Company's Articles of Association. The Company is structured around four Business Units serving the relevant activity sectors (Aviation, Consumers, Property and IT & Telecommunications), which hold a combined responsibility for operational excellence and business development. Business Units are supported by various corporate functions.

Board of directors

Dr. Dimitrios Dimitriou

Chairman of the Board of Directors

- Elected Chairman of AIA's Board of Directors in September 2016
- Elected Member of AIA's Board of Directors in May 2015
- Assistant Professor, Planning-Management & Economics in Transport, Department of Economics, Democritus University of Thrace (DUTH)

Holger Linkweiler

Vice-Chairman of the Board of Directors

- Elected Vice-Chairman of AIA's Board of Directors in May 2012
- Elected Member of AIA's Board of Directors in June 2011
- Managing Director of AviAlliance GmbH and AviAlliance Capital GmbH & Co. KGaA
- Member of the Supervisory Board of Flughafen Düsseldorf GmbH
- Member of the Operating Board of Aerostar Airport Holdings, LLC (San Juan Airport, Puerto Rico)

Dr. Jacques F. Poos

Member of the Board of Directors

- Elected Member of AIA's Board of Directors in June 2005
- Former Member of the College of Quaestors of the European Parliament
- Former Deputy Prime Minister and Foreign Minister of Luxembourg

Sven Erler

Member of the Board of Directors

- Elected Member of AIA's Board of Directors in June 2017
- Director Asset Management AviAlliance GmbH
- Managing Director of Airport Holding Kft. and Airport Hungary Kft.
- Managing Director of HAP Hamburg Airport Partners Verwaltungs GmbH

Spyridon Papakonstantinou

Member of the Board of Directors

- Elected Member of AIA's Board of Directors in June 2017
- Economist

Professor Charalampos Pampoukis

Member of the Board of Directors

- Elected Member of AIA's Board of Directors in June 2016
- Professor, Private International Law, Law School, University of Athens
- Former Minister of State to the Prime Minister
- Former Alternate Minister of Development, Competitiveness and Mercantile
- Commandeur de la Légion d'Honneur
- Member of the National Citizenship Committee
- Former Secretary General at the Ministry of Foreign Affairs
- Lawyer before the Supreme Court

Panagotis C. Pavlopoulos

Member of the Board of Directors

- Elected Member of AIA's Board of Directors in November 2016
- Economist

Nikolaos Protonotarios

Member of the Board of Directors

- Elected Member of AIA's Board of Directors in May 2015
- Electrical Engineer

Gerhard Schroeder

Member of the Board of Directors

- Elected Member of AIA's Board of Directors in May 2012
- Managing Director of AviAlliance GmbH
- Chairman of the Board of Directors of Budapest Airport Zrt.
- Member of the Supervisory Board of Flughafen Düsseldorf GmbH
- Vice-Chairman of the Supervisory Board of Flughafen Hamburg GmbH

Charalampos Kakavas

Former Member of the Board of Directors

- Member of AIA's Board of Directors between May 2015 and May 2017

Dr. Evangelos Peter Pougias

Former Member of the Board of Directors

- Member of AIA's Board of Directors between May 2015 and May 2017



Seating from left to right: Dr. J. Poos, Ms E. Papathanasopoulou (Secretary to the BoD), Dr. D. Dimitriou, Mr. H. Linkweiler, Mr. S. Papakonstantinou
Standing from left to right: Prof. Ch. Pampoukis, Mr. G. Schroeder, Dr I. N. Paraschis (CEO), Mr. N. Protonotarios, Mr. P. Pavlopoulos, Mr. S. Erler

Board committees

Board Committees' composition as per the decision of the Board of Directors on 29th June 2017.

Audit Committee:

N. Protonotarios (Chairman)
G. Schroeder (Member)
P. Tampourlos (Member)

H. Linkweiler (Member)

Dr. J. Poos (Member)
P. Pavlopoulos (Member)
Dr. D. Dimitriou (Member)

S. Papakonstantinou (Member)

G. Schroeder (Member)

Finance Committee:

G. Schroeder (Chairman)

Investment Committee:

H. Linkweiler (Chairman)

Personnel Committee:

Dr. J. Poos (Chairman)
Dr. D. Dimitriou (Member)
H. Linkweiler (Member)



From left to right: Mr. George P. Eleftherakos, Mr. Alexandros M. Aravanis, Dr Ioannis N. Paraschis, Mr. Panagiotis K. Michalarogiannis

Chief officers

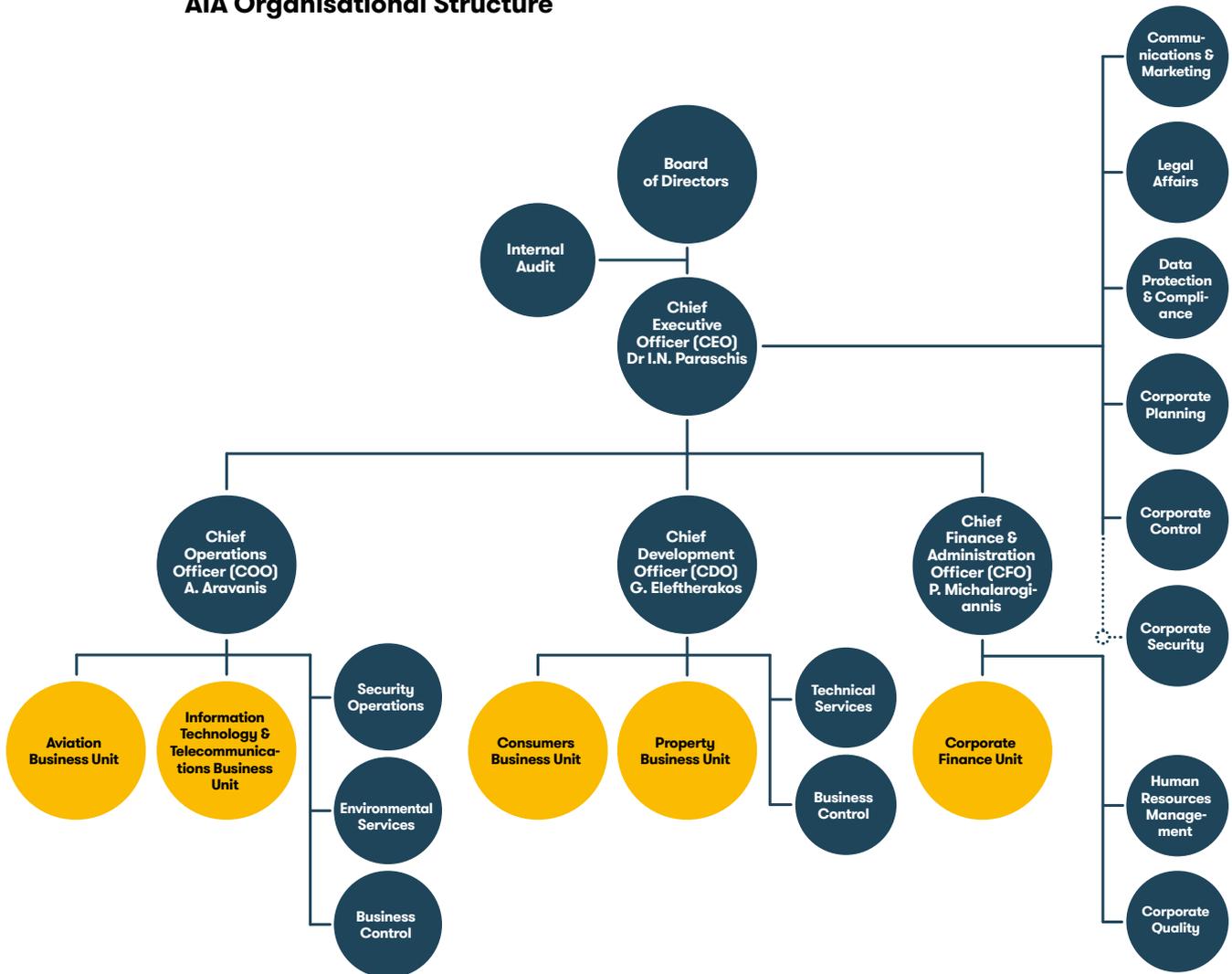
Dr Ioannis N. Paraschis
Chief Executive Officer

Mr George P. Eleftherakos
Chief Development Officer

Mr Alexandros M. Aravanis
Chief Operations Officer

Mr Panagiotis K. Michalarogiannis
Chief Finance & Administration Officer

AIA Organisational Structure



System of Internal Controls and Risk Management

Both the Board and the Management are committed to maintain a sound system of internal controls to safeguard the Company's assets and ensure that significant risks are identified and adequately managed. For this purpose, AIA has adopted the most contemporary risk management practice, often referred to as enterprise risk management (ERM), and aims to deal with risks from a broader scope, depth and perspective, including strategic,

operational and financial risks; such approach undoubtedly constitutes an advancement as compared to the "traditional" risk transfer approach of managing the insurance portfolio and resolving claims to protect the Company's value. In addition to the requirements of the ERM, AIA has implemented the organisational arrangements recommended by the Institute of Internal Auditors (IIA). Such arrangements include:

- The role of operational managers who design, implement and supervise the

execution of procedures that serve controls.

- The role of the Corporate Control function, assigned with Risk Management responsibilities, providing assistance to management in developing processes and controls to manage risks and monitoring the timely remediation of potential deficiencies. Its scope also includes operational business continuity planning, as described in Ch.5 of this Report.

- The management's integrated and coordinated approach to risk is also accomplished through the activities of the Finance function that monitors financial risks and financial reporting issues, the Security/Safety departments which monitor the respective risks and hazards and the Regulatory and Legal Compliance Coordination function which in turn monitors specific risks such as non-compliance with applicable laws and regulations. This systematic and disciplined approach enhances and optimises the company's strategic decision-making capability.
- The Internal Audit function provides shareholders with assurance on the adequacy of the Company's overall risk management processes. The Statutory Auditor provides assurance on adequacy of controls impacting accuracy of the financial statements. It is important to note that this function is only accountable to the Audit Committee, thus securing its independence.

Since Risk Management and Internal Audit activities are complementary and supplementary in nature, the two functions closely collaborate and operate within a common risk definition and framework.

Legal and Regulatory Compliance

Through its Audit Committee the Board is committed to operating a strict policy of compliance with all applicable laws and regulations. For this purpose, the Company's Legal Director has assumed increased responsibility through its role as Legal and Regulatory Compliance coordinator, aiming to bring together required activities of all departments, especially in the areas of aerodrome operations, Ground Handling Services, Environment, Security, Information Technology,

Accounting & Tax, Procurement, Labour, Fire Safety and Design & Construction and Airport Charges Policy.

Process Management

The Company maintains and continuously updates a system of policies and procedures ensuring that management directives are adopted and corporate objectives are achieved. A corporate Process Management system is established for ensuring effective interfaces, proper authorisation and version control of procedural documentation.

The Company invests in management systems that enhance controls and serve its commitment for providing high-quality, state-of-the-art services. Where necessary, these systems are certified in accordance with prevailing standards.

In this respect, AIA maintains certification against the ISO9001:2015 standard for Quality Management and the ISO20000-1:2011 standard for IT Service Management for its IT&T Business Unit. Furthermore, AIA's Environmental Management System was certified according to the latest version of the ISO 14001:2015 standard.

In 2017, AIA's Energy Management System (EnMS) was certified in accordance with the ISO 50001:2011 standard, becoming the first airport in Greece to do so. This certification showcases our efforts to use energy more efficiently, conserve resources and contribute to the fight against climate change and ensures compliance with the relevant energy legislation. Some recent projects include the use of LED technology to light the apron and other areas of the Airport, replacement of older company vehicles with newer models with lower fuel consumption and emissions as well as investment in more efficient air conditioning

equipment. This certification is the first one that does not apply only to a specific function but to the whole Airport Company.

Information

On an annual basis, AIA issues and publicly discloses a number of reports that cover all aspects of activities and performance. Furthermore, AIA has developed a reporting system, which not only supports the management in its strategic decision-making, but also fosters effective communication within the Company as well as with external parties.

Publicly available information regarding AIA is available in the relevant section of the Company's website (www.aia.gr/company-and-business/the-company)

Monitoring

AIA practises continuous monitoring in order to provide assurance that controls and other planned actions are carried out properly and to identify key exceptions requiring quick and effective review and management action. Scheduled periodic audits performed both by external auditors and the Company's Internal Audit department aim to further assure adequacy of the internal control environment. Furthermore, enhanced IT solutions that AIA has developed, such as data measurement techniques applied to the compilation of indicators for corporate use, facilitate the continuous monitoring process.

Steadily reinforcing the Business Units' role, AIA's Value Based Management (VBM) methodology measures performance against predefined targets on both financial and non-financial metrics and parameters (e.g. systems' efficiency, quality of services, safety of operations, environmental responsibility, personnel safety, training, etc.).

Business Conduct

AIA aims at being acknowledged as an exemplary responsible Company within the markets it operates while influencing others in their effort to follow a path of sustainability. Our corporate values (Accountability, Team Spirit, Respect, Effectiveness, Customer Focus) are embedded in all aspects of our operation and development.

AIA applies a Code of Business Conduct, developed in line with global best practices, which urges employees to conduct business activities in accordance with corporate values, thus aiming to preserve the Company's good reputation, maintain public trust and bolster stakeholders' confidence. The Code is a management tool that safeguards an all-embracing work environment where no discrimination, victimisation and harassment may occur. The Code provides a framework that allows employees to express their concerns on possible violations in good faith while protecting them from any retaliation. It promotes management responsibility with respect to corporate standards of conduct through an annual reconfirmation process. Essential to the Code of Business Conduct, the Code of Relations with Business Partners ensures that all business partners are treated with fairness and integrity and that employees interfacing with them abide by a strict framework of principles and rules.

A Code Acceptance & Reconfirmation process is

integrated in the relevant online awareness programme and is being revisited on an annual basis.

Anti-Fraud

Prevention of fraud is a crucial element of AIA's Policies and strict compliance to the relevant rules must be secured by involved employees, management members and members of the Board of Directors.

Both management and employees are expected to behave in an honest and fair way, in line with the provisions of AIA's Code of Business Conduct for compliance, integrity and avoidance of conflict of interest, thus promoting fraud avoidance.

AIA aims to protect its employees, financial interests, clients, providers and the people who live and operate at the airport community by carrying out a fair and balanced policy that develops and maintains an anti-fraud culture. AIA is committed to deter, prevent and investigate fraud and corruption and to apply appropriate corrective and/or disciplinary measures as required working in a collaborative way to seek remedy wherever possible.

AIA has established an Anti-Fraud Policy, that is, a system of internal controls securing adequate containment of fraud risk; an internal framework is provided for all employees to report suspected acts of fraud or other similar irregularities; and a mechanism is in place for undertaking formal investigation of such irregularities and

designing specific actions to rectify identified control gaps.

Regular Review of Controls by the Board

The Board regularly reviews the main risks to the business and the effectiveness of the system of Internal Controls in managing these risks including financial, operational and compliance controls as well as the Risk Management Process. For this purpose, the Board, as represented by the Audit Committee, receives regular reports from the Company's Internal Auditor and Statutory Auditor on the adequacy of the internal control system.

The aforementioned committee is also responsible for supervising and monitoring the performance and independence of the Internal Audit department as well as the selection, performance, objectivity and independence of the Statutory Auditor. It oversees business ethics and anti-fraud controls and also monitors if the Company adequately complies with all Legal and Regulatory requirements.

With respect to Corporate Responsibility governance, related issues, namely environmental, safety and human resources issues, are regularly brought to the attention of the Board of Directors by the management. In the same context, the Audit Committee, in its capacity to monitor adequacy of internal and external controls, reviews the independence and the quality of the parties that the management engages to provide CR Assurance services.

Sustainability Context**Corporate Responsibility Policy**

AIA approaches Corporate Responsibility (CR) in an integrated way aiming at

promoting sustainability of all aspects of its operation and development. AIA acknowledges its role as a responsible Company for creating sustainable value for

its stakeholders and for balancing its objectives across the following perspectives:

Airport Operator's Responsibility	Environmental Responsibility	Corporate Citizenship	Employer's Responsibility	Corporate Responsibility Governance
<p>Running the airport efficiently, in compliance with applicable legal and regulatory framework and in line with international best practice and acting on public interest with respect to safety and service quality. Fostering an airport community culture through cooperation and by acting fairly and with integrity towards third parties.</p>	<p>Undertaking initiatives and commitments to minimise environmental impact from airport operation, implementing efficient energy management practices, as well as communicating and raising awareness on environmental issues.</p>	<p>Engaging communities based on mutual respect, advancing social partnership and prosperity in the region, promoting Athens as a travel destination, promoting the culture and heritage of Greece, supporting humanitarian causes for society at large and respecting human rights.</p>	<p>Developing, compensating and engaging our human capital while maintaining a committed workforce in a safe, productive and fair work environment.</p>	<p>Aligning with the provisions of contemporary sustainability standards and guidelines, performing Materiality Analysis of the issues which are significant for AIA and its Stakeholders, planning actions for material issues, reporting performance transparently and promoting sustainability principles across our markets.</p>

AIA's approach to Corporate Responsibility is reflected in the related CR Policy, revised anew in 2017, and deployed as a cross-departmental effort through a contemporary 3-level CR governance structure:

CR Strategy for Materiality Analysis and CR Action Plan, **CR Integration** for alignment with standards and reporting, **CR Implementation** for embedding across AIA Units & Departments. The revised Policy acknowledges the UN Agenda 2030 and AIA's commitment to contribute to the attainment of the SDGs.

AIA's Corporate Responsibility approach abides by the Global Reporting Initiative Standards (released 2016) and aligns with the AA1000 Accountability Principles Standard (released 2008) - specifically the principles of Inclusivity, Materiality and Responsiveness.

CR Strategy

The CR Strategy is developed in line with the corporate mission, objectives and targets and following the assessment of current conditions (namely, market trends, economic status, social needs, environmental challenges, etc), best practices and prevailing standards, findings and recommendations arising from the CR assurance process and/or any other input from benchmarking exercises.

CR Strategy is reflected upon the annual Materiality Analysis and the resulting CR Action Plan, which is approved by AIA's senior management and communicated through this Annual & Sustainability Report.

The CR Committee, consisting of members of the management, is primarily responsible for developing and reviewing the CR Policy and CR Strategy as an output of the annual Materiality Analysis and CR Action Plan.

Materiality Analysis

Development and continuous update of AIA's CR Strategy is based on frequent redefinition and prioritisation of the material issues, i.e. those of significant impact on the Company and Sustainable Development and of significant influence to its stakeholders. The identification of these issues is essential as it sets priority areas for the CR Action Plan and defines the content for this Report.

The Materiality Analysis was reviewed for 2017 containing a total of 23 sustainability issues, of which 13 are evaluated as Material. The correlation of the material issues with the GRI Standards and which GRI disclosures have received external assurance are described in the GRI index in the Appendix of this Report.

In line with the provisions of the GRI Standards and the

related Airport Operators Sector Supplement (GRI-G4 AOSS) evaluation of materiality is based on two parameters: “Impact” (Significance of Impact) and “Influence” (Influence on Stakeholders’ Assessment). The elaborated description of these

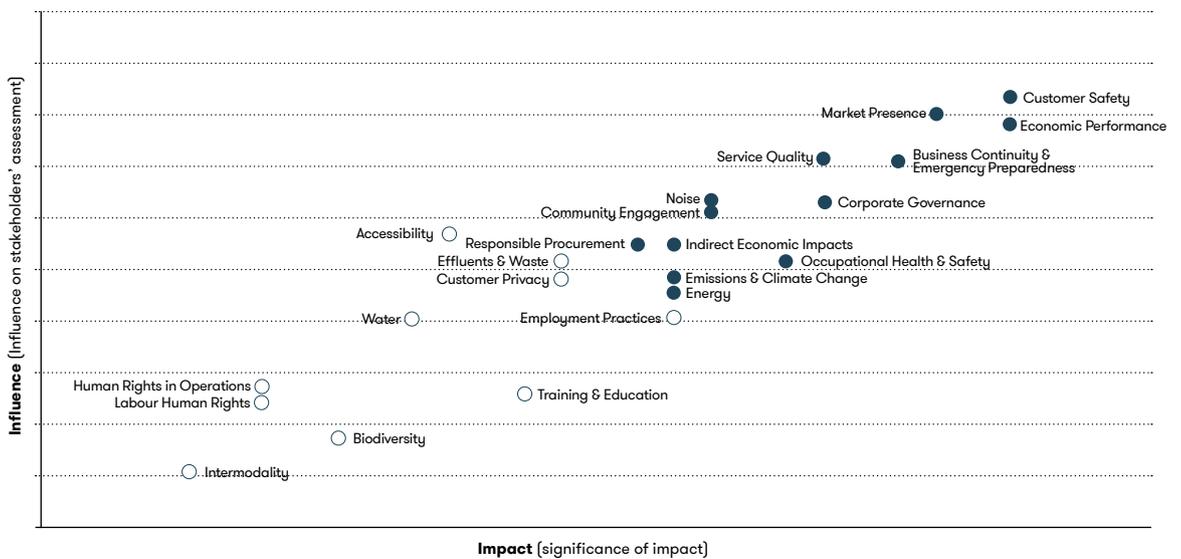
two parameters is included in the “Materiality Evaluation Model” in the Appendix of this Report.

Identification of aspect boundaries took the unique characteristics of an airport environment into consideration.

Specific boundaries were defined and evaluated for “Scale of Impact” and particularly relating to Global, National and Airport Community-level impact.

The outcome of the materiality analysis is shown in the Map below:

AIA’s Materiality Map



Emphasis is placed on the aspects identified as “material”; consequently, the CR Assurance Engagement process focuses on those issues. Material issues through the chapters of this Report are marked with this symbol:



Linking AIA’s business objectives with the Sustainable Development Goals

In line with the Company’s sustaining commitment to the United Nations Global Compact,

AIA adopts and upholds the related sustainability principles for Human Rights, Labour Relations, Environmental Impact and Anti-Corruption. Furthermore, the Company acknowledges the United Nations’ Sustainability Development Goals (SDGs) and the Agenda 2030, contributing to the global sustainability effort.

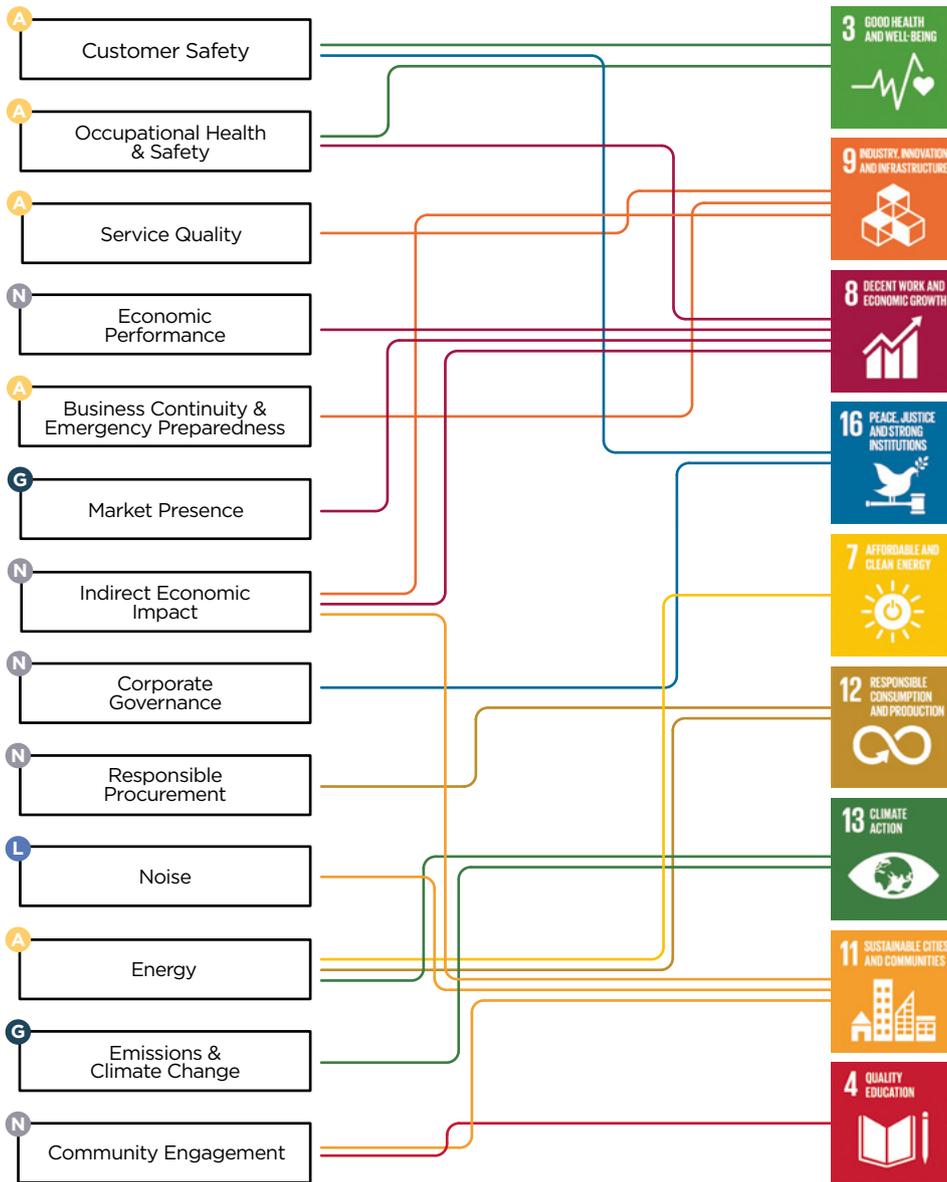


Regardless of size and industry, all companies can contribute to the attainment of the SDGs by carrying out business in a

responsible manner while pursuing opportunities to address societal challenges through innovation and collaboration. Global challenges – ranging from climate, water and food crises, to poverty, conflict and inequality – drive the transformation of business models and the embedding of globally acknowledged values in everyday business.

Hence, the 17 Sustainable Development Goals can be directly correlated with business activities. This is also the case for AIA, as the company’s sustainability issues have a direct impact on most of the Goals. Specifically, for the Material Issues, the correlation is as following:

AIA's Material Issues and correlation with the Global Sustainable Development Goals



Scale of Impact

- G Global
- N National
- A Airport Community
- L Local

Other SDGs are also contributed to by AIA operations to a lesser extent. The table in Appendix of this report shows the connection of all AIA's sustainability issues with the Goals.

The Annual & Sustainability Report

For 2017, AIA has changed the corporate reporting structure and instead of producing two editions, i.e. the Annual Report and the Corporate Responsibility Report, proceeds with a merged publication in English that combines information from both, to present the full spectrum of its activities in a sole report.

This 2017 Annual & Sustainability Report covers information across the full spectrum of AIA's activities and performance, structured across seven chapters: Ch. 2 Company identity, Ch. 3 Aviation Market Development, Ch. 4 Financial Performance, Ch. 5 Business Performance, Ch. 6 Environmental Performance, Ch. 7 Social Performance and Ch. 8 Future Prospects.

The 2017 Annual & Sustainability Report is the fifteenth consecutive annual edition on sustainability. In order to maximise the added value of the CR reporting process, AIA engages in external assurance of its disclosures for accuracy, completeness and adherence to applicable guidelines and standards through the engagement of an independent audit firm. The outcome of this process is included as a separate Assurance Statement in Appendix II of this Report.

Through the Annual & Sustainability Report, AIA enhances transparency and disclosure practices related to governance, environmental, social and employee related initiatives.

The 2017 Annual & Sustainability Report is distributed to a large audience consisting of AIA

employees, members of the airport community, business partners and various other stakeholders while it also available to all interested parties on the corporate website. This Report is complemented with the other corporate publications, the Aerostat publication on airport statistics (English), a Sustainability outlook report (Greek), the "Care for the Environment" publication (Greek -English) and the 2Board quarterly, free-press magazine (Greek-English) publication.

Managing non-financial performance

The Airport Company develops and implements appropriate responses to sustainability challenges considering stakeholder views. In 2017, our annual corporate scorecard included sustainability-related objectives for measuring the company's performance. The attainment of these objectives is linked to the evaluation of AIA Management's and employees' performance. In particular, the areas in which non-financial performance objectives were set on a corporate level, as part of the Operational Scorecard were:

- Efficiency of critical systems (expressed as system availability for critical systems, namely: Baggage Handling, Medium Voltage, Passenger Boarding Bridges, Airfield Lighting and IT&T systems)
- Efficiency of critical systems (expressed as maximum duration of single-event-failures for: Baggage Handling, Medium Voltage, Airfield Lighting and IT&T systems)
- Aviation safety (expressed as occurring incidents / events)
- Airport Service Quality (expressed as the "overall satisfaction" from AIA's Passenger Survey)
- Climate Change Action Plan (expressed as actions complete)
- Community Engagement Action

plan (expressed as actions complete)

- Human Resources development (expressed as training hours per FTE)

Charts and tables with performance specifics for all above are found in the following chapters of this report, along with specific mentions regarding the attainment of corporate targets.

Industrial Affairs and Sustainability

Our active membership in business associations and our presence in various sustainability networking events enable us to demonstrate our practices and share expertise. Athens International Airport is a member of the Board of CSR Hellas, the Board of the local UN Global Compact Network and chairs the CSR Committee of the Hellenic-American Chamber of Commerce which in 2017 organised its 15th Annual CSR Conference, sponsored by AIA, under the title "Inclusive Cities & Engaged Citizens: Rebuilding our Society Sustainably".

Furthermore, AIA is a member of the Greek Business Council for Sustainable Development (under the auspices of the Greek Federation of Industries) and the ACI-Europe Environmental Strategy Committee.

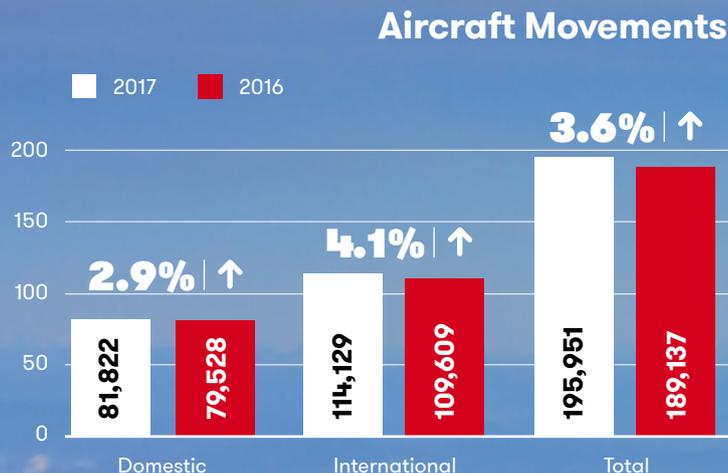
In 2017, AIA sponsored a major conference on Sustainable Developments Goals, organised jointly by CSR Hellas and the Greek Business Council for Sustainable Development, focusing on the 17th Goal "Partnership for the Goals".

Planning Ahead

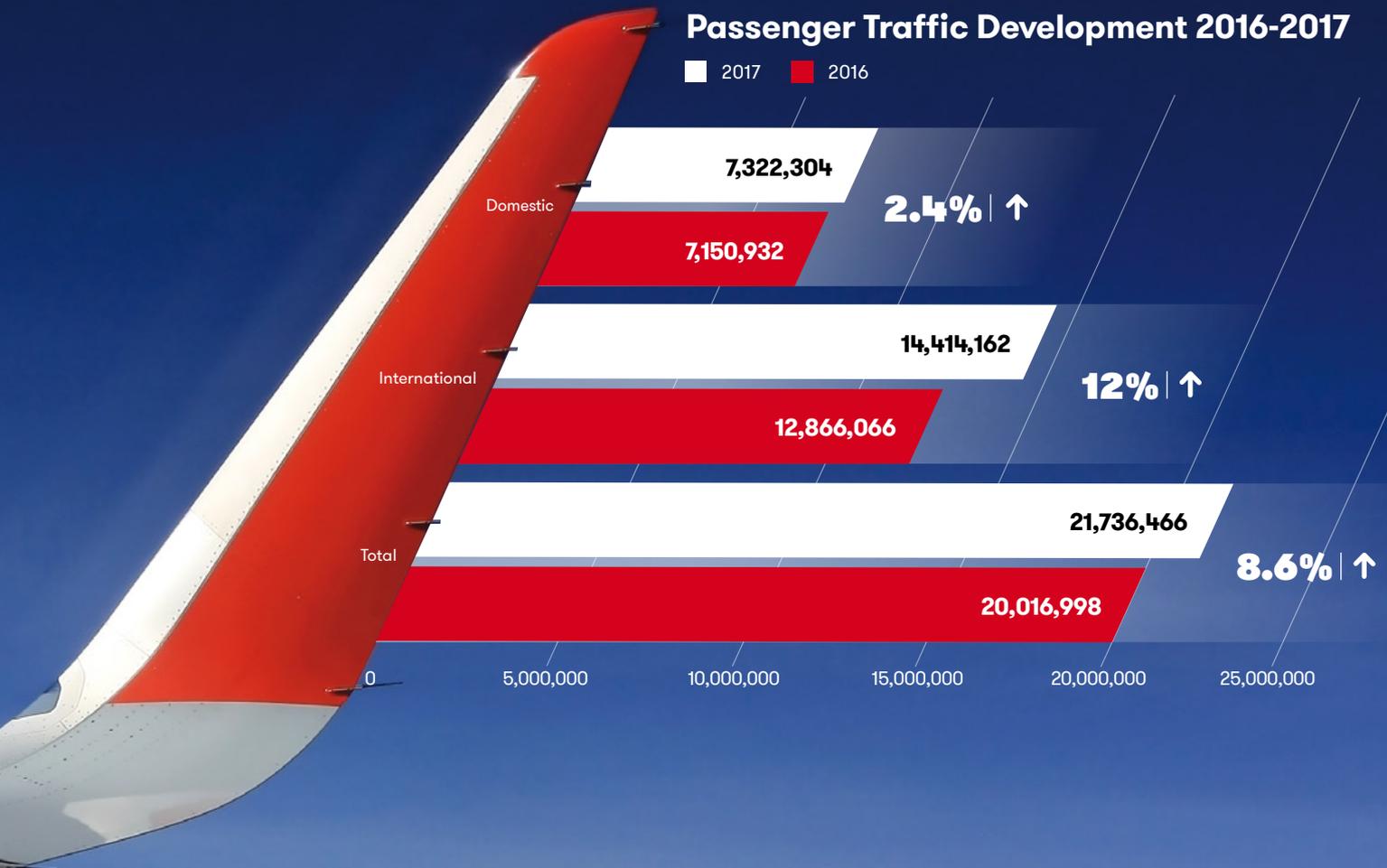
Connected with the Materiality Map, the CR Action Plan 2017 - included in Chapter 8 "Future Prospects" - offers an indication of activities that AIA plans to undertake versus each of the Material Issues.

Aviation Market Development

Aircraft Movements



Passenger Traffic Development



Key Developments 2017

In line with the global and European aviation trends, Athens International Airport achieved considerable passenger growth during 2017 which proved to be another record-breaking year for the Airport. AIA reached 21.74 million passengers exceeding prior-year levels by 1.7 million, a significant increase of 8.6%. International traffic proved to be the main growth driver (+12%), whereas domestic traffic also grew but at lower rates (+2%), impacted by capacity reductions mainly in the winter periods. In terms of passenger demand evolution, it is important to note that the demand for air travel

has been resilient to the volatility of the trading environment while it remained unaffected from the European and regional geopolitical risks. Greek travellers' behaviour led to considerable increase of their air travelling both in 2016 and 2017, influenced by competitive air ticket prices and macroeconomic stability. Foreign visitors also presented a healthy increase in the period under review. The number of flights amounted to 196 thousand surpassing the respective 2016 levels by 3.6%.

During 2017, four new airlines launched operations to/

from Athens and fifteen new international routes were established, further enhancing the airport's route network. At the same time, 17 LCCs offered services to 56 airports worldwide. Overall in 2017 the airport's number of flights amounted to 196 thousand and demonstrated a rise of 3.6% compared to prior year levels. Both domestic and international flights grew by 2.9% and 4.1%, respectively. Lastly, in 2017 Athens was directly connected with scheduled services with 137 destinations (103 of which international) in 53 countries, operated by a total of 59 carriers.

Passenger Traffic

Total number of passengers (mio) (including transit passengers)

	2017	2016	var%
Domestic	7.3	7.1	2.4%
International	14.4	12.9	12.0%
Total	21.7	20.0	8.6%

Variation calculated on the primary figures prior to conversion to mios.

2017 Total number of arriving and departing passengers (mio) (not including transit passengers)

	Arriving	Departing	Total
Domestic	3,745,260	3,560,810	7,306,070
International	7,144,766	7,221,288	14,366,054
Total	10,890,026	10,782,098	21,672,124

2017 Total number of passengers by airport use (in million)

	Origin & Destination Passengers (O&D)	Transfer Passengers	Terminal Passengers	Transit	Total
2017 Total number of passengers by airport use	17,146,985	4,525,139	21,672,124	64,342	21,736,466

Note: The breakdown in O&D and transfer passenger is an estimation based on the results of 2017 AIA's Passenger Survey. The breakdown of terminal passenger is an estimation of O&D passenger and transfer passengers.

Aircraft Movements

Aircraft Movements (thousands, take-offs and landings)

	2017	2016	var%
Domestic	81.8	79.5	2.9%
International	114.1	109.6	4.1%
Total	196.0	189.1	3.6%

Variation calculated on the primary figures prior to conversion to thousands.

Aircraft Movements 2017 (Flight categories, incl. helicopters)

	Scheduled passenger (incl. combi)	Charter passenger (incl. combi)	Cargo	General Aviation	Military & State Aviation	Other*	Total Movements (incl. Helicopters)
Domestic	73,646	81	1,794	3,694	315	2,292	81,822
International	95,944	1,101	3,647	10,099	1677	1661	195,951

The day/night segregation is not applicable in our airport, because the airport operates 24/7 and there is no night curfew (night flight restrictions). *Other: Special (FAA/Government), State Police/Fire/Diplomatic, Military, Ambulance, Training, Technical Test, Technical Stop, Positioning/Ferry.

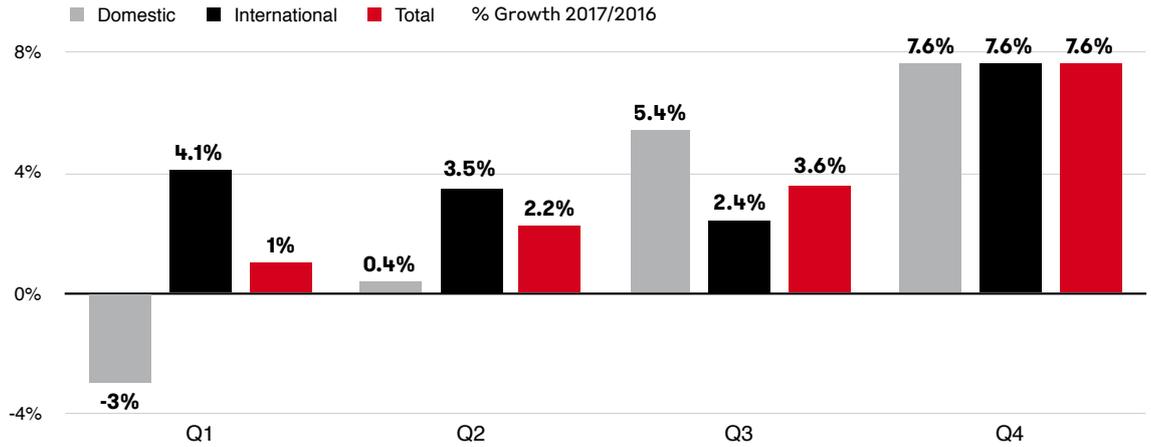
Aircraft Movements

With respect to the development of aircraft movements, it is interesting to note that domestic

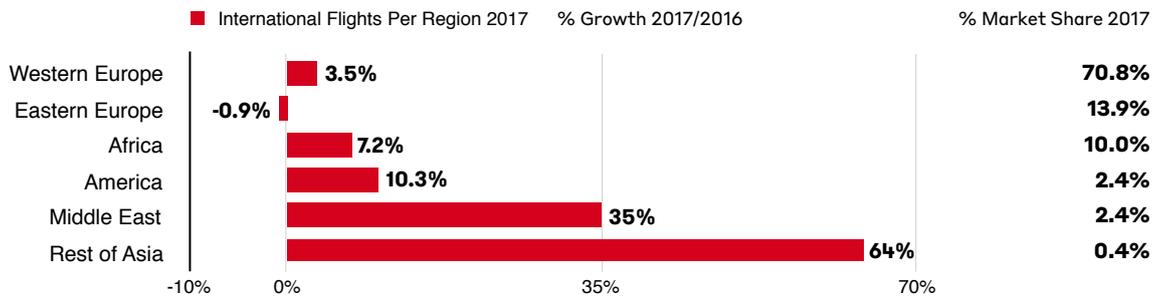
flights presented a gradual upward trend while international services showed a robust rise throughout

the year. In addition, the strong rise of services outside Europe should be highlighted.

Quarterly Aircraft Movements Development 2017



Development of International Flights



Passenger Traffic

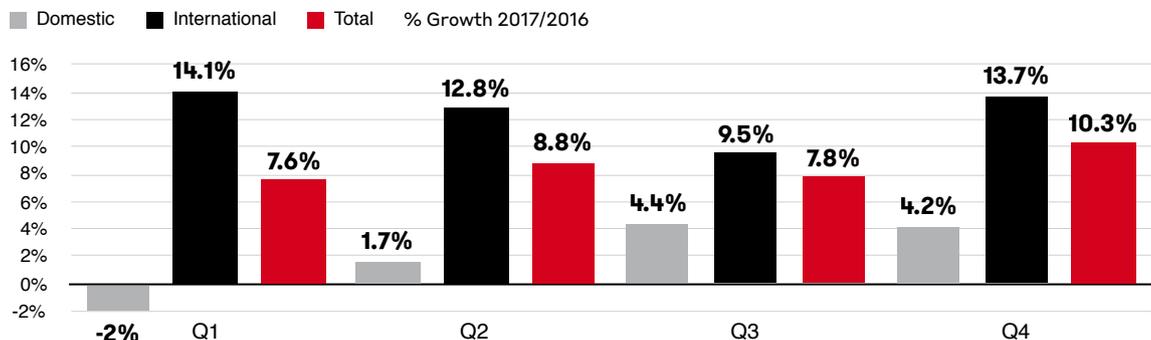
A closer look to the overall passenger traffic throughout the year reveals a robust development in all quarters through the consistently high growth rates in the international sector and a gradual amelioration of the domestic passenger traffic

development are both worth noting.

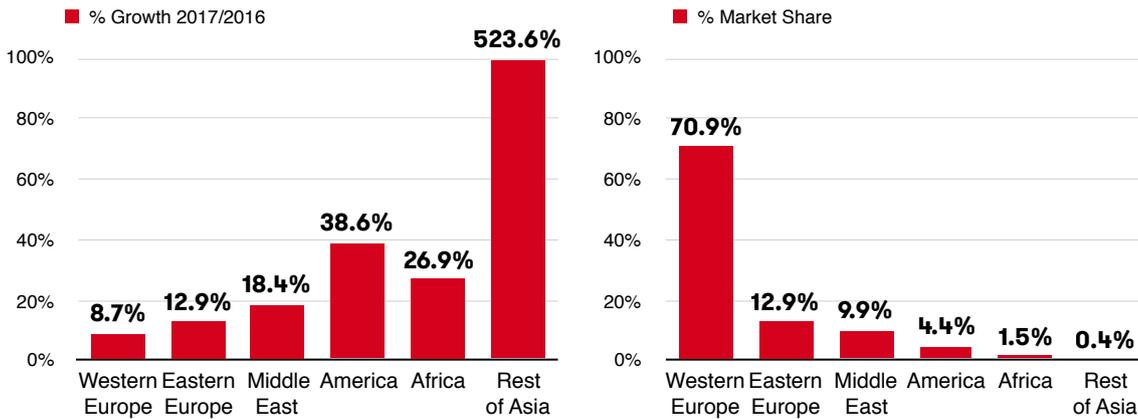
As far as international passenger traffic per region is concerned, it is important to note the sharp growth of all regions, supported by the significantly enhanced airport's route network coupled with the

favourable evolution of passenger demand. The launch of the new long-haul services of Emirates to New York and Scoot to Singapore, and Air China's non-stop flight to Beijing should be highlighted as they have largely contributed to the rise of the region.

Quarterly Passenger Traffic Development 2017



International Passenger Traffic Development per Region 2017

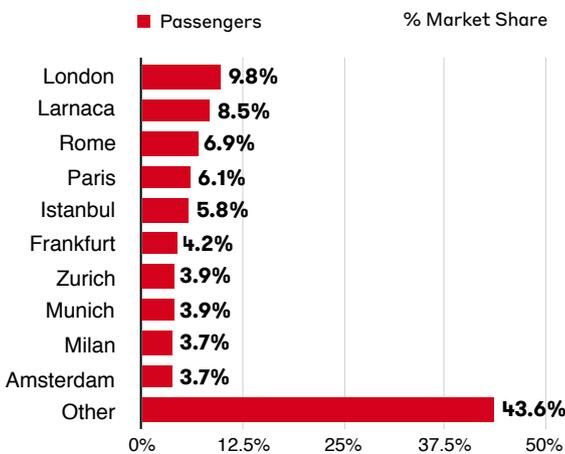


Despite a small decline, London consistently retains the title of the busiest European destination for 2017, with fast growing Larnaca following closely in the second place. Rapid growth was also achieved by Istanbul and Amsterdam that managed to significantly increase their market share in the Athens market.

Strong passenger increase was achieved on intercontinental operations, with the non-European scheduled destinations witnessing a staggering 27% growth in 2017. With the exception of Abu Dhabi that experienced a small decline, all other major non-European destinations witnessed double-

digit growth. Diverse levels of growth resulted in a reshuffling of the top ten positions, with Tel Aviv ranking 1st from 2nd in 2016, followed by New York that climbed up two positions. Despite the fact that Doha did grow, it still climbed down from 1st to 4th position.

Top 10 European Scheduled Destinations

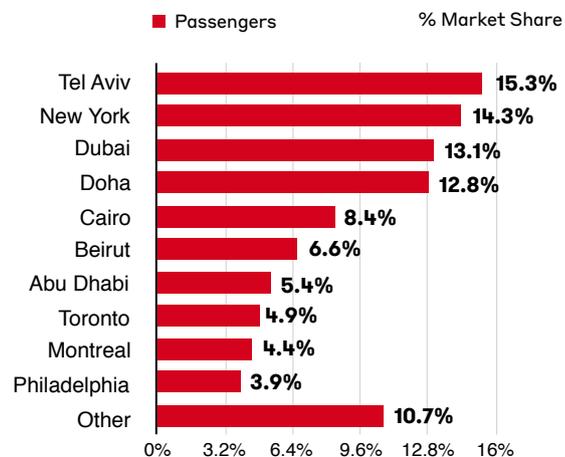


With respect to airlines' ranking, the two home-base carriers, Aegean Airlines/Olympic Air and Ryanair, predictably hold the top two places in terms of passenger traffic. Ryanair's reduction/suspension of specific domestic services, especially in the winter period, resulted in a reduced market share. It should also be mentioned that Emirates climbed

up from 10th to 6th position largely due to the New York service, while the entry of Sky Express in the top ten following the expansion of its domestic services is also an impressive development.

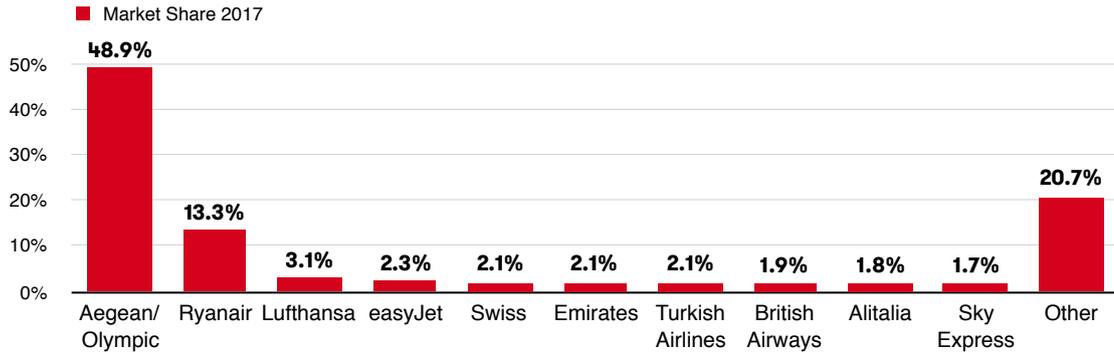
Passenger traffic carried with low-cost carriers constitutes an important part of the Airport's

Top 10 Non-European International Scheduled Destinations

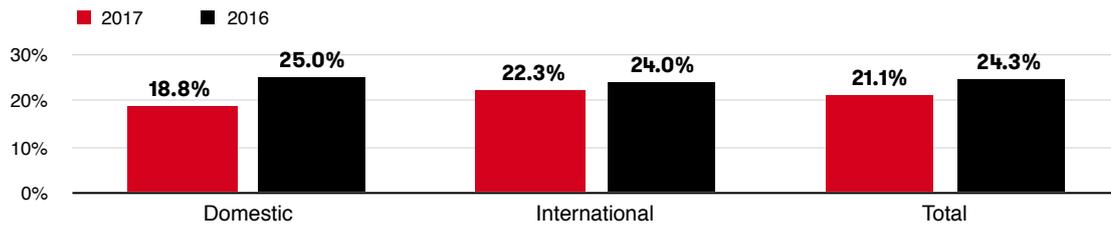


traffic. Although in 2017 the share of low-cost carriers was reduced, mainly due to the domestic capacity reduction by Ryanair and certain carriers' consolidation of international services, a number of low-cost carriers achieved growth in 2017, expanded their services and increased their passenger base.

Top 10 Airlines According to Total Passenger Traffic



Low-cost carriers' share in passenger traffic



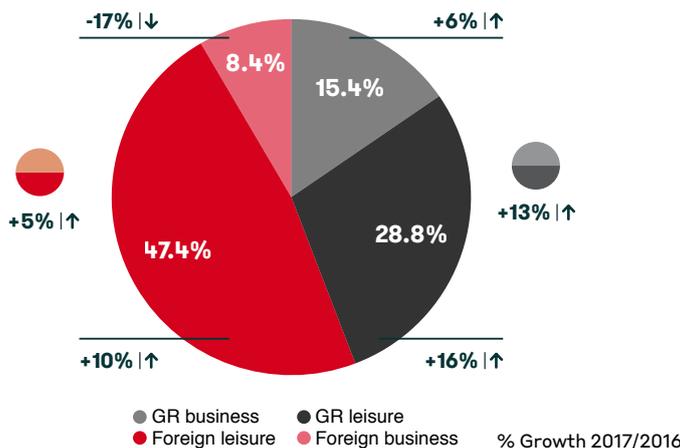
Passenger Travelling Behaviour

The substantial increase of passenger traffic was an outcome of the strong performance of both Greek and foreign residents. Foreign residents grew overall by 5%, but it is important to note that the leisure segment, which is the largest, grew by a significant 10%, suggesting that incoming tourism had another successful

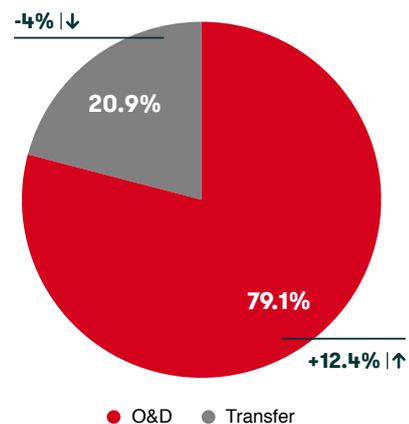
year. Greek residents grew by a considerable 13%, with the leisure market being once more the segment showing stronger growth than the business one. Extensive airline offers consisting of attractive discounts played a decisive role in the growth of Greek residents' travelling.

The dynamic growth of the Origin and Destination passengers (O&D) by 12% should also be emphasised, since it denotes the consistent emergence of Athens as an attractive destination, assisted by the joint and coordinated pertinent actions of the Airport Company with stakeholders from the tourism industry.

Greek and Foreign Residents



O&D and Transfer



Airline Development and Marketing

Airline Awards 2017

Category	Winner	Highly Commended
Best of the Top 10 Performance	Sky Express	
Domestic	Sky Express	Olympic Air
Western Europe	Pegasus Airlines	Austrian Airlines
Fastest Growing Eastern Europe	Ryanair	Aeroflot
Airline per Middle East	Middle East Airlines	Emirates
Geographical Africa	Aegean Airlines	EgyptAir
Region Asia	Air China	
America	Emirates	Air Canada
Overall	Aegean Airlines	
Fastest Growing Airline - Seasonal Route	Croatia Airlines	Air Baltic
Best New Entrant Performance	Cobalt	
Fastest Growing Airline - Thin Route	Royal Jordanian	
Favourite Airline among European passengers	Aegean Airlines	
Favourite Airline among non-European passengers	Emirates	

Market Presence



As an infrastructure provider, the Airport's main role, to safely and efficiently accommodate aircraft landings and take-offs, is self-evident. In addition, growth of air traffic is material for Athens International Airport as it is the main revenue stream.

For this purpose, AIA works closely with home and international carriers, legacy airlines and LCCs, in order to sustain and further develop domestic, regional and international traffic by offering one of the most advanced incentive and marketing support schemes, consistent to its aeronautical strategy. This strategy, dynamically continued in 2017, encompasses comprehensive developmental and targeted programmes for airlines including incentives and marketing support packages and constitutes a cornerstone of AIA's healthy financial growth.

During the annual consultations with the airport users, held

in January 2017 (as per the Airport Charges Directives 2009/12/EC, as transposed to the Greek legislation PD 52/12), AIA announced that for the ninth consecutive year all airport charges would remain unchanged without any increase. This freezing of charges was complemented by the continuous development and fine-tuning of our incentives' scheme and comprised growth incentives and a number of targeted incentives for airlines.

In total, thirteen different developmental and targeted incentives, both for developing new markets, as well as for reinforcing existing ones, were in effect during 2017 and as always, applied in a fully transparent and non-discriminatory manner. The majority of the operating carriers made use of one or more of them, while many also further benefited by receiving marketing support.

AIA's customised approach to

airlines was also reflected in the 2017 campaign under the slogan "See the big picture in Aviation Marketing", denoting AIA's willingness and its efforts to approach the actual needs of each of its airline partners in an innovative and integrated manner, and to employ the latest advertising means and tools, in order to design and implement a complete marketing strategy.

For the 18th consecutive year, AIA acknowledged the contribution of airlines to its annual performance by rewarding the highest growth in passenger traffic during 2017.

In addition to devoting its marketing efforts to its airline and business partners and to consumers, AIA has also vigorously promoted Athens as a Destination. Its innovative approach and effective actions have reinforced Athens' attractiveness as a tourism destination and have significantly contributed to the recovery of

the city's image and an increase in the arrivals of foreign tourists. A series of targeted destination marketing initiatives have been undertaken as a result of the strategic co-operation and synergies that AIA has developed with tourism organisations and associations (Association of Tourism Enterprises, Greek National Tourism Organisation, Ministry of Tourism, Marketing Greece, etc). The partnership between AIA, the Municipality of Athens and Aegean Airlines, named Athens Tourism Partnership (ATP), which was announced in a press conference in December 2016 and was launched the following month, is the epitome of this co-operation. Managed by Marketing Greece, ATP launched an innovative digital campaign to promote Athens in the German and French markets, which ended in June 2017.

Growth of Athens International Airports' air traffic followed the global and European

industry trends, but was also largely determined by all the aforementioned initiatives. Year 2017 was another record-breaking one for the Airport, with the airport's traffic reaching 21.74 million passengers, exceeding prior-year levels by 1.7 million, a significant increase of 8.6%. International traffic was the main growth driver (+12%), whereas domestic traffic also grew but at lower rates (+2%), impacted by capacity reductions which occurred mainly in the winter periods. In terms of passenger demand, it is important to note that demand for air travel a) was disconnected from the macroeconomic trends, since despite the country's fragile situation, Greek travellers increased their air travel both in 2016 and 2017 to a considerable extent, supported by competitive air ticket prices, and b) was resilient to the volatility of the trading environment and the continuing geopolitical risks (including Brexit and terrorist attacks in Europe), since foreign

visitors also presented a healthy increase in the period under review.

This growth was driven by both Greek residents' strong rise by 13%, as well as foreign residents' robust increase by 5%. The dynamic growth of the O&D passengers by 12% should also be highlighted since it demonstrates the consistent emergence of Athens as an attractive destination, assisted by the joint and coordinated actions of the Airport Company with stakeholders from the tourism industry towards this direction. The fact that foreign visitors with Athens as their final destination significantly increased during the last year denotes the effectiveness of such strategic synergies and highlights the necessity for all stakeholders' industry organisations to continue their cooperation with the long-term aim to establish Athens as one of the most appealing tourist destinations worldwide.

Cargo Community Culture

AIA manages all cargo business activities at the airport by developing the necessary infrastructure, coordinating the cargo community and facilitating new endeavours that may help expand the market. All cargo stakeholders participate in each offering, thus clients are ultimately presented with an integrated solution.

This collaborative approach has led to the following developments in 2017:

- The launch of a new certification programme offered by IATA, by six members of the airport supply chain (the three third-party handlers, two forwarding companies and a trucking company) that will help improve

handling and transportation of pharmaceuticals and therefore ensure integrity and quality of transported medicines. The initiative was presented to an expert audience at IATA's World Cargo Symposium organised in Abu Dhabi in March 2017.

- Showcasing AIA and the wider Greek logistics community through the participation of a national cluster of companies of the industry at the biennial Transportmesse Muenchen: inspired by AIA's community approach, the German-Hellenic Chamber of Industry and Commerce coordinated the joint participation of 15 Greek transport and logistics enterprises at this global event. In this context, AIA and

its cargo community partners had the chance to demonstrate the Airport's competitive advantages and explore opportunities for new business development.

- The joint participation of AIA and PCDC, a logistics operator in Piraeus Free Trade Zone, in the 6th International Supply Chain & Logistics Expo, during which their collaboration in combined transport with a new solution to be offered in 2018 was announced.
- Three Airport visits of approximately 150 young students familiarised them with aviation logistics while also enhanced the business experience of the forwarders.

Cargo Uplift

In contrast to the global air cargo's excellent performance during 2017 (+9% compared to 2016), Athens cargo traffic had a rather volatile course with peaks and valleys throughout 2017 resulting in a final year-on-year increase of 1.5% and reaching 89.770 tonnes. Once more, it became evident that local demand is relatively inconsistent with the

global or European pattern and follows different norms. Although cargo volumes increased for the fourth consecutive year, yet the market seems not to have been stabilised.

Although cargo business has been severely affected by the Greek crisis of the last seven years, a slight increase in airport

cargo was recorded for the fourth consecutive year. The international freight sector is the one that contributed to the positive results posting an overall 4.7% increase compared to 2016, which however was counterbalanced by the considerable decrease of the domestic traffic by a total of 17.1% compared to last year.

International Cargo Uplift 2016 - 2017

Total International Cargo

82,817
3.4% | ↑ **80,085**

■ 2017 ■ 2016 Tonnes

36,567
35,055
4.3% | ↑

39,367
37,459
5.1% | ↑

3,608
4,247
-15% | ↓

Freight in

Freight out

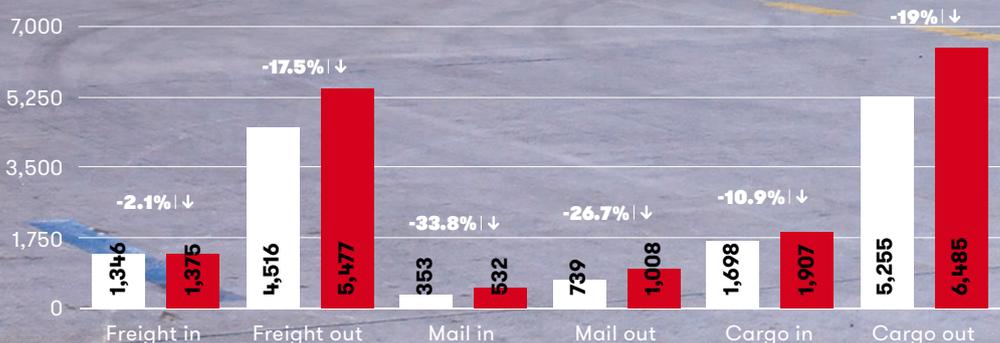
Mail in

Domestic Cargo Uplift 2016 - 2017

Total Domestic Cargo

6,953
-17.1% | ↓ **8,392**

■ 2017 ■ 2016 Tonnes



We consider as key developments during the year:

- the constant increase of international outbound volumes which once more reached an all-time high of 39,367 tonnes and posted a 5.1% growth against 2016;
- the further improvement of international inbound volumes which grew by 4.3% on average;
- the launch of a second cargo flight to Larnaca by Swiftair Spain as a result of an increased demand mainly for courier traffic. The other cargo flight to Larnaca is operated by TNT.

Finally, freighter operators built up their volumes by 4.2% improving their market share, which grew to 37.3% (versus 36.3% in 2016) at the expense of passenger carriers' market share. At the same time, integrators' (DHL, Fedex, TNT and UPS) traffic rose by a further 6% contributing to a marginal increase in their market share (0.5%).



Cargo Traffic (in/out, thousand tonnes)

	Inbound Cargo 2017	Outbound Cargo 2017	Total 2017
Cargo Aircraft	20.74	12.71	33.46
Passenger Aircraft	21.13	35.18	56.31

Cargo Traffic (domestic/international, thousand tonnes)

	2017	2016	Var%
Domestic	6.95	8.39	-17.1%
International	82.82	80.09	3.4%
Total	89.77	88.48	1.5%

Financial Performance

Financial performance is one of the major pillars for the accomplishment of AIA's

corporate mission, namely to create sustainable value for its stakeholders.



Economic Performance

Throughout its operation, AIA has allocated people, tools, methodologies, processes and resources for the management of financial performance. These financial performance tools have proliferated over the years and have reached a level of maturity. More specifically, in addition to legal requirements for financial recording and monitoring, AIA has put in place various levels of controls through systems (e.g. our Corporate Business Information System with its numerous modules), central and de-central financial monitoring and control in the AIA organisation (Accounting, Procurement, Corporate Finance, Treasury, Business and Corporate Controllers, Internal Audit), effective procedural controls (processes, procedures, etc.), business performance tools (e.g. Value Based Management), etc. Finally, a corporate financial performance cycle which includes financial planning (business plan, budget) and financial reporting (monthly, quarterly and annual results), ensures proper monitoring and adjustment (e.g. through quarterly latest estimates) of our

financial performance.

Given the importance of financial performance not only from a legal and compliance perspective, but also from a business point of view, the company's view is to continuously enhance the financial performance mechanisms.

2017 was another successful year for Athens International Airport, witnessing an all-time high traffic performance (21.74 million passengers or 8.6% more than those of the previous year) and healthy financial results and financial position. Growth in operating performance more than offsets the additional cost requirements that derive from increased traffic and the increase of the variable element of Grant of Rights Fee recorded in the Operating Expenses. Overall, 2017 financial results demonstrate growing profitability with Profit Before Tax of € 199.8 million, i.e. higher than previous year by € 10.8 million. The following section provides an overview of the company's financial performance in 2017.

Operating Revenues & ADF

For 2017, AIA's revenues inclusive of the company's share from the Airport Development Fund (ADF) showed an increase of 5.2%, from €432.2 million in 2016 to €454.9 million.

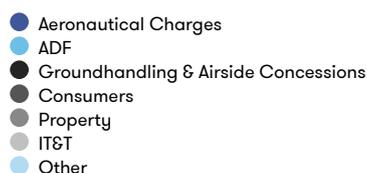
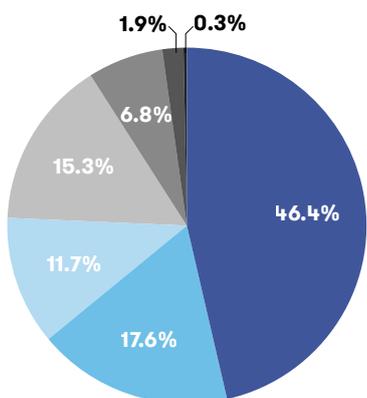
Aeronautical Revenues, inclusive of AIA's share from the Airport Development Fund, amounted to €290.9 million, representing around 64% of the total income. Revenues from airport charges increased by 9.8% compared to the previous year. AIA maintained all charges unchanged without any increase for the ninth consecutive year. The freezing of charges was complemented by the continuous development and fine-tuning of the incentives' scheme comprising growth incentives and a number of targeted ones for airlines. AIA's share from Airport Development Fund (ADF) reached €79.9 million,

reduced by 4.2% compared to the previous year. The latter shortfall is mainly the effect of the decrease of the ADF charge for non-EU passengers from €22 to €12 per departing passenger from 11 April 2017 onwards in accordance with law 4465/2017.

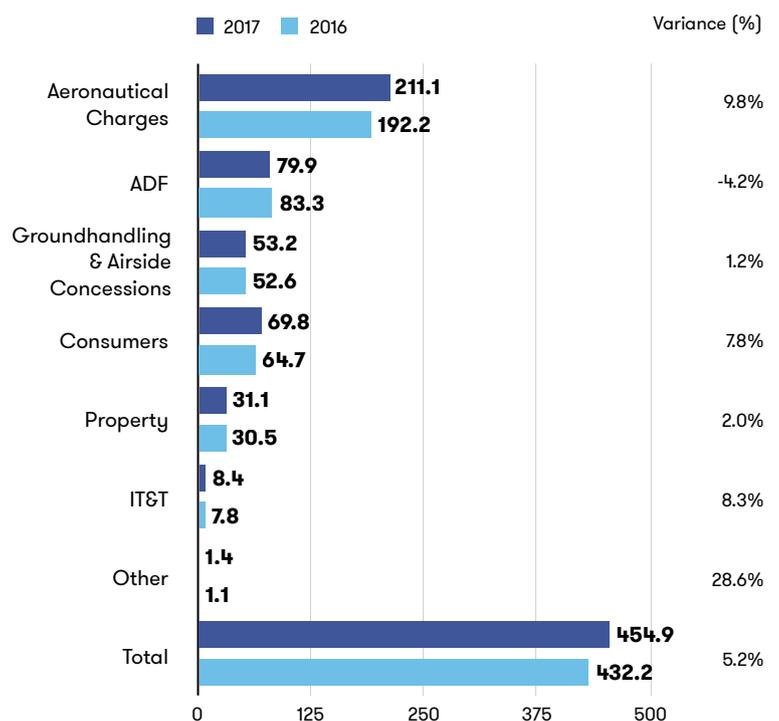
Revenues from non-aeronautical segments reached €164.0 million, higher than the previous year's by 4.6%. Specifically, revenues from Ground Handling and Airside Concessions stood at € 53.2 million and increased by only 1.2%, hence diverging from traffic performance mainly due to a 27% reduction of charges for PRM (persons with reduced mobility) on July 2017. Revenues from Commercial activities which stood at € 69.8 million, increased by 7.8%, with terminal retail showing a very satisfactory performance,

benefiting from the renovated Intra Schengen retail area, while car parking revenues were similar to previous year, affected by unfavorable conditions in the relevant market. Furthermore, Property business (€31.1 million) demonstrated a stable performance, i.e. a 2% increase compared to 2016, with the airport Hotel and the Exhibition Centre recording considerable growth, the Retail Park achieving a marginal increase, and Space Leases sustaining the business at the same 2016 levels. Finally, IT&T revenues (€ 8.4 million) increased by 8.3%, mainly driven by external business projects and traffic performance, while Other Revenues (€1.4 million) also increased by 28.6%. The following chart depicts AIA's 2017 income streams vs. those of 2016.

2017 Revenues Structure



Operating Revenues Breakdown



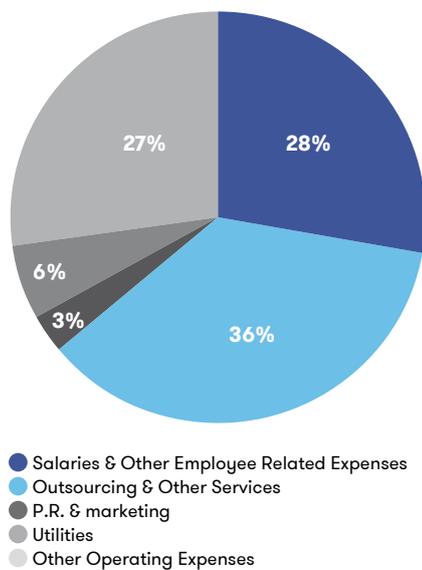
Operating Expenses

Operating expenses for 2017 amounted to € 149.0 million, € 14.3 million higher than 2016. This divergence is driven by the additional cost requirements following the increased traffic and an once -off expense regarding consulting, legal and similar expenses for the effectiveness of the

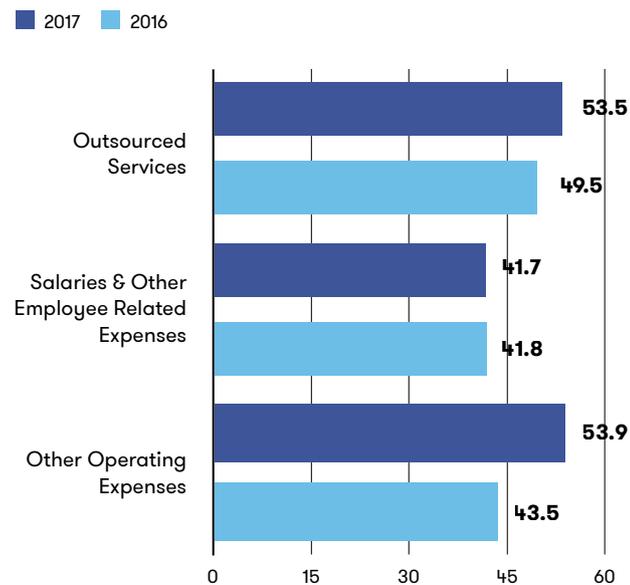
concession extension, as well as due to the full year effect of the variable element of the Grant of Rights Fee.

The 2017 operating expenses breakdown and comparison against 2016 is illustrated below.

2017 Operating Expenses Structure



2017 vs. 2016 Operating Expenses



Highlights of the 2017-2016 Profit & Loss Statement

Financial results	2017	2016
	(€million)	(€million)
Operating Revenues & ADF	454.9	432.2
Operating Expenses	(149.0)	(134.8)
EBITDA including ADF	305.9	297.5
Amortization & Depreciation	(76.6)	(74.2)
Financial Expenses	(29.5)	(34.2)
Profit (Loss) before Tax	199.8	189.1
Total Corporate Taxation	(59.8)	(56.7)
Profit after Tax	140.0	132.4

Profitability

EBITDA, inclusive of AIA's share from ADF, reached €305.9 million compared to €297.5 million in 2016, higher by €8.4 million. Depreciation charges were higher by €2.4 million due to additional investments in capital expenditure within the year. Financial expenses were lower by €4.7 million mainly due to the gradual reduction of the outstanding balance of the AIA's debt. Profit before Tax was recorded at €199.8 million, reflecting an increase of 5.7% or €10.8 million compared to previous year. Corporate taxation for 2017 Profits reached €59.8 million, based on the effective income tax rate. Profit after Tax for 2017 reached the level of €140.0 million.

In a challenging environment and despite structural changes on the cost side, the Airport Company continued to present remarkable financial performance, with consistently strong key performance indicators.

Taking into consideration the 2017 financial results after tax, the statutory and other reserves of €7.0 million and the previous year's retained earnings of €85.4 million, there remains a distributable profit of €218.4 million. In view of the company's potential high financial obligations in the year 2018 for the payment for the concession extension right, no dividend distribution to the shareholders is proposed by the Board of Directors.

2017 vs. 2016 Key Performance Indicators

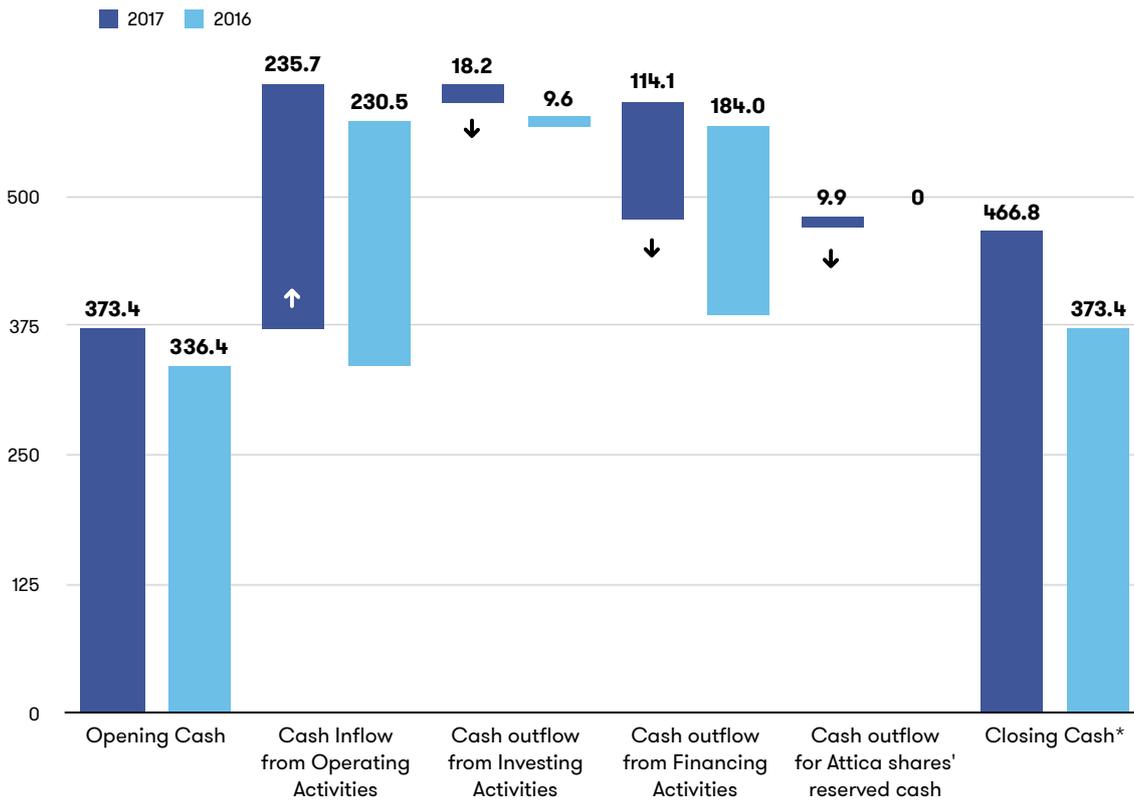
Performance indicators	2017	2016	Change	In
Revenues & ADF / pax (€) ¹	20.9	21.6	-3.1	%
Revenues & ADF / FTE ('000€) ²	636.9	627.5	1.5	%
Revenues & ADF / Net Asset Value (%) ³	71.5%	62.2%	9.2	pp
Operating cost / pax (€)	6.9	6.7	1.8	%
PBT margin (%) ⁴	43.9%	43.7%	0.2	pp
ROCE (%) ⁵	40.2%	33.2%	7.0	pp
AVA (million €) ⁶	119.6	111.9	6.9	%
1 Net Turnover plus ADF / Passengers				
2 Net Turnover plus ADF / Full Time Equivalents				
3 Net Turnover plus ADF / Net Asset Value (including Works In Progress)				
4 Profit Before Tax / Net Turnover plus ADF				
5 Operating Profit Before Interest & Tax / Capital Employed				
6 AVA: Added Value on Assets = Net Operating Profit after Tax - (Cost of Capital x Net Asset Value)				

Cash Flow

Within 2017, AIA sustains a healthy cash position. Cash inflow from operating activities reached €235.7 million compared to €230.5 million in 2016, mainly due to improved operating performance and lower income tax payments. The latter derive from a lower dividend distribution compared to the previous year, partly offset by an increased Grant of Rights fee and unfavorable working capital variances. Net cash outflow from investing activities stood at €18.2 million, compared to lower outflow in 2016 (€ 9.6

million) reflecting increased capital expenditure. Net cash outflow from financing activities was recorded at €114.1 million, €69.8 million lower than previous year, mainly due to lower dividend distribution. Finally, a reserve account of € 9.9 million for Attica Bank shares was effected in order to comply with Finance Documents undertakings with EIB. Closing cash position for 2017, inclusive of investments in held-to-maturity financial assets, reached €466.8 million, €93.4 million above previous year's levels.

Cash Position Development 2016-2017



*Cash equivalents for 2016 results include €87.5 million of investments in held-to-maturity financial assets



Indirect Economic Impacts

Airports are increasingly considered as an important driver of socioeconomic growth for both the national economy and the local communities in which they operate. Their contribution is not limited to the direct impacts generated by their operation but instead spans to include much bigger benefits created for local companies, state entities and the wider community, which all have access to the generally high level of services and products developed at international airports.

Athens International Airport exerts a considerable impact that goes beyond the financial value it creates for shareholders and the Greek State in particular. The airport community contributes to a significant

extent to job creation and economic development both at a regional and at a national level. On a recurring basis AIA commissions socio-economic impact studies for identifying the total economic impact (at national and local level), the effect on jobs creation and total added value expressed as percentage of the national GDP.

For the purposes of Annual & Sustainability Report, the Material Issue “Indirect Economic Impacts” is a broad compilation of activities that contribute to indirect socio-economic value creation as defined in the GRI Standards and in relation to corresponding Sustainable Development Goals.

Measuring our Sustainability value

Our achievement to handle substantial traffic increase while sustaining costs at low levels and maintaining high quality of services confirms that AIA is sustainably efficient without compromising its value-for-money strategy. Furthermore, consistent to our commitment of balancing sound financial

performance with a sustainable approach to business, the Airport Company recorded a valuation of our Corporate Responsibility activities that was at 2.17% of the total operating expense, while the total valuation of AIA's Sustainability Value yield reached €179.2 million.

	2017	2016
Sustainability Value (*)	179.2	161.2
Stated in €million Social Product is the total valuation of amounts paid for AIA payroll, contracted services payroll, social security contribution, income/municipality/other tax, corporate responsibility opex, environmental and safety-related capex. Includes provisions		
Corporate Responsibility % OpEx	2.17%	2.78%

* Restated 2016 figure

Business Performance

Introduction

AIA's organisational structure is based on four Business Units, namely Aviation, Consumers, Property and IT & Telecommunications, which share the responsibility for operational excellence and business development. A Value Based Management (VBM) methodology

measures the performance of the Business Units against predefined targets on both financial and non-financial metrics and parameters (e.g. system efficiency, quality of services, safety of operations, environmental responsibility, personnel safety, training, etc.).

AVA per Business Unit

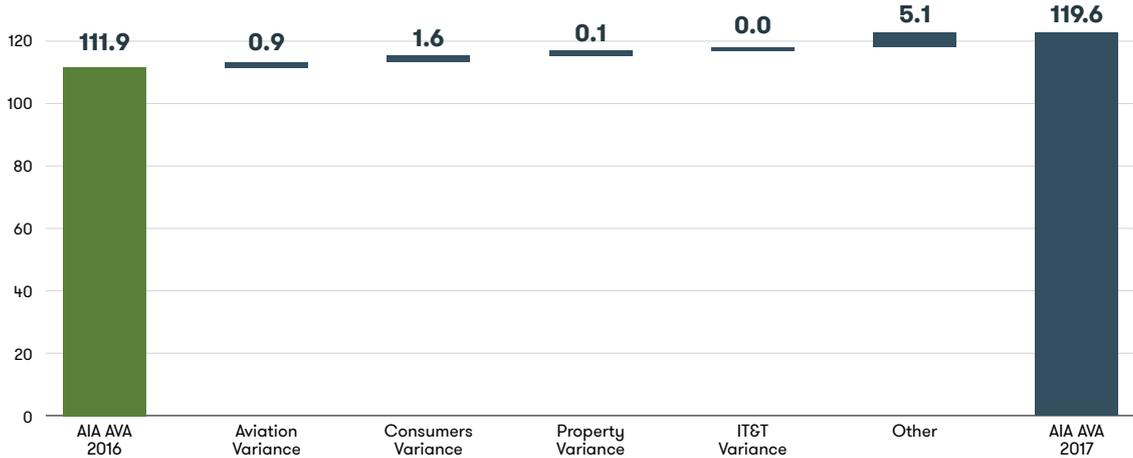
The main metric that has been selected for measuring financial value creation by the four Business Units is AVA (Added Value on Assets). AVA measures the value created from operating revenues and expenses, also taking assets and cost of capital into account, since airports are largely capital-intensive business entities. We have allocated all revenues, costs and assets to the four Business Units and are therefore able to measure how much financial value their individual business activities

create, also taking indirect expenses and asset-related costs into consideration.

The financial performance of each Business Unit in terms of AVA is presented below. In 2017, AVA was significantly increased compared to 2016 (€119.6 million vs €111.9 million). The primary drivers of the AVA improvement are the increase of operating profits due to traffic growth, as well as the increased asset efficiency.

AVA per Business Unit 2017 vs. 2016

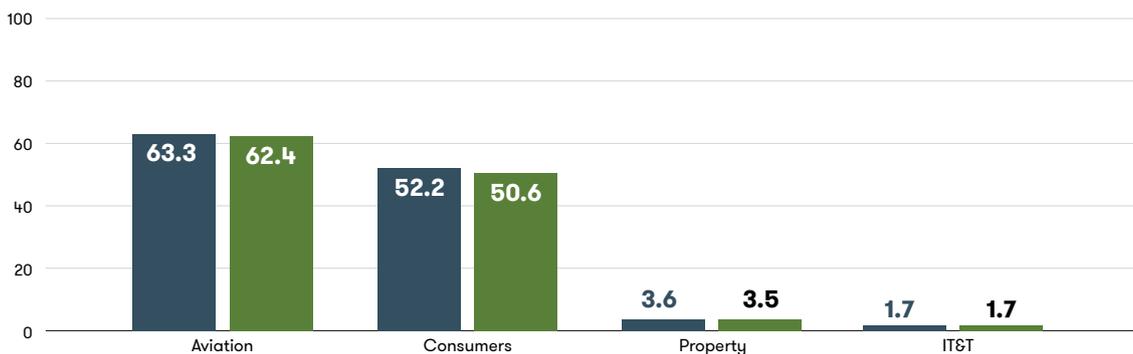
Million €



Note: AVA = Net Operating Profit After Tax - Cost of Capital x Net Assets
Other represents the impairment loss (net of tax) in relation to the fair value of Company's available for sale financial assets

AVA per Business Unit

■ 2017 ■ 2016 Million €



Note: The segmentation of the Business Units is for VBM purposes only and not related to regulatory Air-Non Air Activities segmentation

Aviation Business Unit

General Operational and Capacity Related Developments

Smooth and efficient operations were delivered throughout 2017. Moreover, AIA remained a slot non-coordinated airport even in periods of excessively high demand for aircraft arrival and parking during the summer period. This demand was adequately addressed through ad hoc operational arrangements.

The 2017 summer period, as regards to passenger and aircraft movements, reached its highest peak in July, partly driven by an

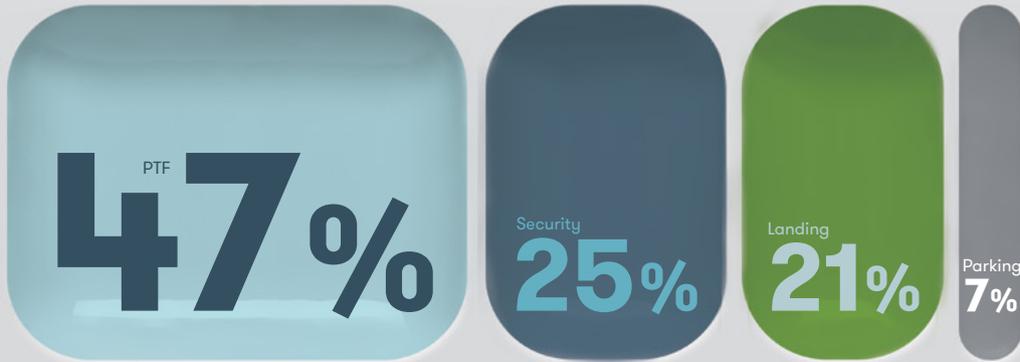
increased demand for ground stay/apron parking by general and business aviation aircraft.

Developments to enhance capacity include:

- Completion of the first phase of the operational upgrade of the Satellite Terminal Building (STB); operations commenced in May and lasted until October 2017. Further enhancements are in progress in order to accommodate additional traffic at the STB in summer 2018.

- Completion of the Advanced Visual Docking Guidance System (A-VDGS) project after installing twenty-four A-VDGS units at all Main Terminal Building (MTB) and STB contact stands to ensure optimum use of the latter.
- Initiation of discussions with HCAA in order to exploit the available capacity of the Airport's two runways to at least 65 movements per hour, as per its original minimum design specifications.

Revenues from Aeronautical Charges



Aeronautical Charges 2017 vs 2016



Compliance issues

As part of the continuous Operational Compliance and Development process, all required preventive and corrective measures were taken for maintaining emergency planning and AIA's preparedness for adversities at a high level, thus establishing a safe and resilient operating environment.

AIA is amongst the first European airports to be granted an EASA Aerodrome Certificate in

accordance with the stipulations of the Commission Regulations (EC) 216/2008, (EC) 1108/2009 and (EU) 139/2014. The thorough and time-consuming certification process involved extensive inspections and checks by the HCAA for a period of eight months. HCAA inspectors have gone through detailed audits and verification processes of the aerodrome airside infrastructure, legitimacy and accuracy of the relevant organisational structure, as well as of all Aviation

Safety and Operations related procedures, training Syllabuses and Manuals. Having been found in full compliance, AIA becomes the first Hellenic airport and amongst the few European ones to have completed on time its license/certificate conversion into an EASA one.

Ten major emergency exercises were organised at the airport, including the Annual Partial Scale Emergency Exercise "Aircraft Accident on Airport".

Provision of Ground Handling Services

PRM Assistance Services	2017	2016
Total PRM Passengers	159,840	145,564
Pre-notified PRM Passengers	46%	39%
Non Pre-notified PRM Passengers	54%	61%

AIA is committed to ensure the reliable supply of quality ground handling services. Bearing the role of the Airport Operator, AIA sets the quality standards and monitors the operational performance regarding the provision of the ground handling services, while treating both aircraft operators and ground handlers as partners towards the common objective of safe operations and ultimately customer satisfaction.

In order to achieve this, AIA conducts the tendering, selection and appointment processes required for the award of Airport Ground Handling Rights, as defined in the existing legal framework, resulting in agreements with the respective companies. AIA also closely monitors ground handling services provision through contract management activities and in collaboration with all involved entities.

In this light, AIA's interaction with AIA's Users Committee (AIAUC) and its cooperation with State Authorities and Airline Operators Committee (AOC) safeguards the efficient and smooth ground handling services provision at the Airport.

This is attained through the daily operated ramp monitoring system, frequent audits and recurrent and evolving training of all participants.

Furthermore, daily interaction with the operating ground handling companies since the beginning of the airport's operation, has materialised in an Airport Ground Handling Action Group where operational issues, concerns and developments are coordinated with relevant AIA departments.

In specific, there has been a voluntary development of Service Level Agreements in co-operation with the operating ground handling companies as to continuously monitor and adjust the performance of all main ground handling activities, systematically reviewed through monthly reports.

This approach which promotes sharing of operational knowledge has rendered communication between the operational teams on duty more effective but has also generated innovative ideas for further improvement. Partnership between AIA and the operating ground handling remains strong in the interest of the mutual end-customer: the passenger.

Other Highlights and Distinctions

In cooperation with the Rescue Fire Fighting Services (RFFS), an AIA team of experts provided training services to the Greek Regional Airports Fire Fighters.

The aging airfield "follow-me" fleet, in continuous operation since 2004, was replaced with ten new vehicles.

In recognition to its adherence to smart technologies and continuous dedication to enhance passenger experience, AIA has been awarded the Fast Travel 'Gold Status' by the International Air Transport Association (IATA), as a result of its fast-developing smart infrastructure and automation in the areas of self-check-in, bags ready-to-go, document check, flight re-booking, self-boarding, and bag recovery.

For the fifth time in a row, AIA and all members of the Athens airport aviation fuel supply chain were awarded a Gold distinction by the Joint Inspection Group (JIG), while OFC/Athens airport remains the only airport fuel facility worldwide which has been awarded ten consecutive JIG Certificates of Excellence (2008-2017).

Business Continuity and Emergency Preparedness



As part of the Corporate risk management process, Corporate Control identifies possible operational risks that would adversely impact business operations. The system identifies those airport systems and

services which are considered important and establishes a course of action to adequately mitigate the risk of them being interrupted. In this respect, the following principal actions are undertaken: (a) contingency

plans are developed to secure the continuity of those systems and services, in accordance with agreed operational targets in the form of pre-defined timeframes, (b) recovery plans are prepared aiming to bring these services

back to normal operations, (c) resources needed, either provided in-house or outsourced, are equally arranged, (d) required procedures are developed summarising the established actions in relation to each specific operational risk, and finally (e) exercises aimed at assuring that all aforementioned arrangements will work as anticipated when required and will be able to provide response and recovery within the agreed timeframes are designed and implemented.

The importance of this system is threefold:

- (a) it makes certain that efforts of everyone involved aim to safeguard the uninterrupted provision of high-quality services, as per the Airport Company's strategy;
- (b) it ensures that associated resources (processes, people, infrastructure/systems and outsourcing contracts) and the resulting cost are reasonable and optimised to the maximum possible extent; and lastly
- (c) it creates a competitive edge for the Airport, projecting an image of a well-prepared company that can successfully address any disruptive event and strengthening its great

reputation and marketplace credibility.

The entire process is driven by the top management. The Corporate Control defines its structure and oversees its implementation.

In 2017, AIA actively worked on its Business Continuity Plan (BCP) and developed response plans to ensure continuity of services at all times. In particular, AIA's management has established an enterprise-wide business continuity plan to enhance its operational resilience in the event of a terrorist attack or a serious natural disaster rendering the Main Terminal Building (MTB) non-operational. BCP aims to enable AIA to temporarily continue its operations shortly after the disruptive event, even with a short-term reduction of its normal capacity, but without compromising security and safety and avoiding airport closure.

Additional BCP plans were prepared following the enhancement of the Airport's infrastructure:

- A new state-of-the-art digital Advanced Visual Docking Guidance System has been installed, replacing the old type analogue docking guidance system.

- A new advanced automated boarding pass control was deployed to improve passenger processing at the gates.

In addition, existing plans were significantly modified in order to improve systems' resilience and ensure continuity of operations. For this purpose, the redundancy of the system responsible for the Check-in and Boarding process in AIA was further enhanced in terms of both geographical location and network connectivity. The Baggage Handling System (BHS) was configured anew to essentially enhance the automated baggage sortation process. Lastly, since effectiveness and security of IT systems are key in providing uninterrupted, high-quality service, the IT internal firewall infrastructure has been upgraded to High Availability deployment.

As part of the annual BCP exercise programme, AIA conducted several tests of increased scope and complexity. Various components of IT and electromechanical systems were tested in order to gauge the overall response and readiness of the airport company to situations that may affect its ability to provide the agreed services. Actions deriving from these tests were identified and their implementation is currently under development.

Critical Systems Availability

Critical Systems Availability	2017	2016
Baggage Handling System	99.80 %	99.80%
Medium Voltage	100%	100%
Airfiled Lighting	100%	100%
Passenger Boarding Bridges	99.97%	99.97%
Average of UFIS/FIDS, CUTE, Voice & Data Networks	99.99%	99.99%

Calculated based on the failures down time of these systems



Customer Safety (Aviation)

Seldom is the importance of aviation safety knowingly recognised by the average air traveller with safety aspects being usually considered only when accidents occur. However, pertinent regulations and practices ensure the safety of countless passengers on literally thousands of passenger and cargo flights every day.

To this end, AIA engages all operational stakeholders in the implementation of every preventive measure that minimises the risk of an aviation accident.

European Aviation Safety Agency (EASA) Aerodrome Certification

On the 20th of December 2017, AIA was granted an EASA Aerodrome Certificate in accordance with the stipulations of the Commission Regulations (EC) 216/2008, (EC) 1108/2009 and (EU) 139/2014. The certification process has involved

extensive inspections and checks by the HCAA for a period of eight months. HCAA inspectors have gone through detailed audits and verification processes to the aerodrome airside infrastructure, the lawfulness and accuracy of the relevant organisational structure, as well as of all Aviation Safety and Operations related procedures, training Syllabus and Manuals. AIA was found in full compliance thus becoming the first Hellenic Airport and amongst the few European airports having converted their license certificate into an EASA one on time.

Aviation Safety Services Office

Under the spectrum of the EASA and ICAO's Safety Management System requirements the 6th annual meeting of the AIA's Safety Review Committee (SRC) took place on the 9th of March 2017, chaired by the CEO as the Accountable Manager. During the meeting, the progress on

the development of an enhanced Safety Management System (SMS) as well as the AIA's certification conversion process in line with the new EASA regulatory framework (Regulation [EU] 139/2014) were discussed, while particular attention was paid to the resulting training requirements and "EASA Training Plan 2017-2018". Moreover, the SRC Members reviewed all activities undertaken in the context of the Safety Action Plan for 2016 and approved the Safety Action Plan for 2017.

Safety Performance /Safety statistics

Aviation safety performance is of utmost importance for AIA. The aviation safety Key Performance Indicator (KPI) for 2017 was 33.68 serious incidents per 100,000 aircraft movements, versus a corporate target of ≤ 34 serious incidents for outstanding safety performance, with a total number of 195,951 aircraft movements.

Aviation Safety (Key Performance Indicator)

	2017	2016
Serious incidents / 100,000 aircraft/helicopter movements	33.68	33.83

1. 2017 total number of aircraft movements: 195,951

2. This performance fulfills the related corporate target for 2017, at the "outstanding" level.

On the 7th of December the second AIA "Aviation Safety Day", an annual one-day conference dedicated to aviation safety, took place on the occasion of the International Civil Aviation Day. This year's event focused on the contribution of the academic research to aviation safety.

Scientific presentations were delivered, and panel discussions took place with the participation of distinguished academics and aviation experts who provided new insights and information to more than 150 participants. The event also featured an award ceremony for commending stakeholders'

personnel for their aviation safety awareness and preventive safety actions during 2016 and 2017. The Aviation Safety Management System & Crisis Planning function provided SMS trainings both to Ground Handling companies (under the Article 22 of HCAA's Basic Ground Handling

Regulation), and AIA staff (under the stipulations of the Commission Reg. EU 139/2014 and in accordance with the company's EASA Training Plan 2017-2018".

Crisis Planning (CRP)

During 2017, Crisis Planning (CRP) took all required preventive and corrective measures regarding the emergency planning and preparedness for developing and maintaining a safe and resilient operating environment, establishing a collaborative framework with the active participation of all stakeholders for mitigating and controlling all impacting factors of operational adversities.

As regards drills and practical training, ten major emergency exercises were organised and

successfully performed during 2017 including the annual Partial Scale Emergency Exercise "Aircraft Accident on Airport".

Under the frame of Airport emergency preparedness, CRP was actively involved in the planning and execution of emergency preparedness scenarios at the Airport, in close collaboration with other AIA's involved departments and Stakeholders' - State Entities' staff.

CRP also contributed to the training of firefighters at the Greek regional airports on a contract basis with the Hellenic Fire Corps and Fraport Greece. With the aim to help regional airport firefighters acquire the necessary skills and knowledge to perform their tasks, in late 2016

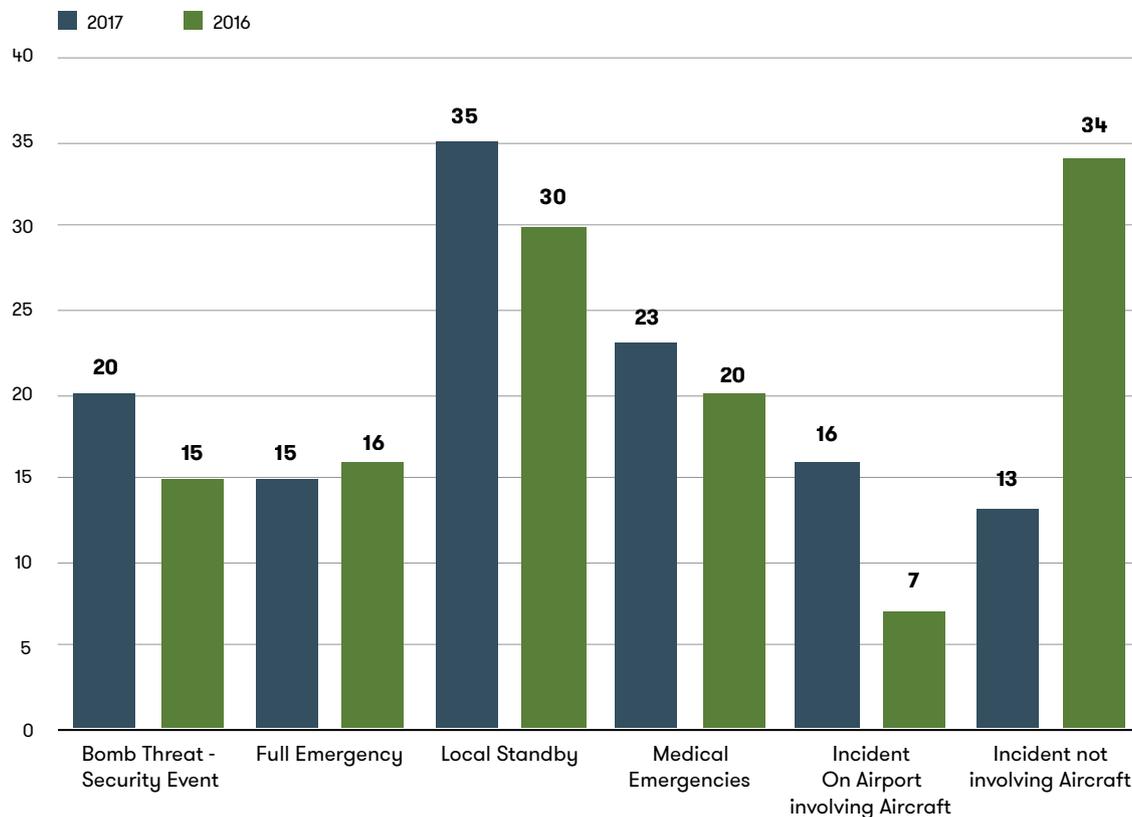
until early 2017 AIA provided the initial training to 372 firefighters at the AIA RFFS premises.

Subject areas were covered by qualified RFF instructors of the Hellenic Fire Corps at AIA and AIA ABU qualified trainers. Furthermore, CRP successfully participated in the provision of training regarding crisis planning both to ground handling companies and AIA's staff in compliance with related EU & National regulations and in accordance with AIA's concept: "EASA Training Plan 2017-2018".

Finally, following a relevant invitation, CRP staff participated as an observer in the Annual Full-Scale Emergency Exercise of the Budapest Airport, sharing and mutually exchanging valuable experience and knowledge with their counterparts.

Emergency Response System (Breakdown of incidents)

AIA's emergency response system responded to 122 incidents



Performance Statistics / Emergency Events

2017 Mobilization of Airport Hellenic Fire Corps	
A/c emergencies	14%
Fire Alarms	77%
Traffic accidents	1%
Fuel/Gas Leaks	3%
Other (i.e. fire on cars, animal rescue)	5%

2017 Mobilisation of Airport Services Emergency Medical Care (ASEMC)*

	2017	2016
Arrived alone	1,718	1,689
Arrived with ambulance	848	813
Transportation in hospitals	118	127
Treated in house	2,449	2,375
Passengers	951	933
Personnel / visitors / guests	1,616	1,570

* (per 100,000 aircraft movements)

Customer and Public Health Safety and Hygiene

AIA and its stakeholders identify customer and public health as a top material issue, due to moral, social, legal, and economic reasons but also for the crucial impact it exerts on corporate responsibility and the Airport's public profile. Since employees are also among AIA's stakeholders, it is needless to say that public safety is of utmost concern for each and every person occupied at the Airport premises.

AIA's target is to ensure health, safety and welfare of the public as far as it is reasonably practicable.

AIA ensures compliance with all applicable health and safety regulations that fall under its responsibility and undertakes all necessary measures to identify, evaluate and minimise every public safety or health-related hazard.

Airport public areas are well maintained both proactively and correctively, precautionary signage is installed and related equipment is kept in sound condition, while certifications are obtained for hazardous equipment. All technical and construction activities are thoroughly monitored and permits are required for several serious works; hazardous activities are only undertaken by licensed and highly trained professionals as to avoid public exposure to any related hazard.

Especially for construction works, AIA ensures that all preventive measures and precautions are in place before the commencement of works in order to avoid public exposure to hazards and to prevent unauthorised entry to construction sites while frequent floor and pavement checks are carried out as to eliminate slip, trip and fall hazards.

AIA's project of the renovation of MTB/Intra Schengen departing area which included the construction of new stores was the most demanding and complex project of 2017 in terms of health and safety, mainly due to the fact that the project involved a multitude of contractors and works were carried out in public areas. AIA intensively reviewed all required documentation while also continuously monitored construction activities to ensure compliance with regulatory and corporate health & safety rules.

All public and working areas were daily inspected by our Corporate Health & Safety function as to ensure that not only our personnel but also that of every stakeholder and contractor operated in accordance with AIA's standards. During 2017 those inspections resulted in the issuance of 146 health & safety improvement

notices; recommendations for corrective actions were communicated to pertinent departments and monitored for implementation. Preventive or corrective actions have been taken or initiated for every issued notice.

Moreover, AIA carries the responsibility to coordinate all health & safety issues among stakeholders in the common areas. Committed to ensuring that associated regulations are properly observed, AIA incorporates pertinent clauses

in all contract agreements with third parties, who in addition are required to submit their health & safety management plans for review and audit by AIA.

In 2017, 324 health and safety plans and six safety management systems of third parties were reviewed. Furthermore, 27 audits in security, maintenance, ground handling, cargo and retail companies were performed, confirming compliance level.

Potable water is also a major

element of public health & safety due to its direct and broad impact on public health. The quality of the Potable Water is continuously monitored in accordance to requirements of the Potable Water Safety Plan, which is based on the World Hygiene Organisation's "Guide to Hygiene and Sanitation in Aviation"; water samples are submitted to accredited laboratories for examination against microbiological, chemical and pesticides contamination.

Airport Fire Life Safety

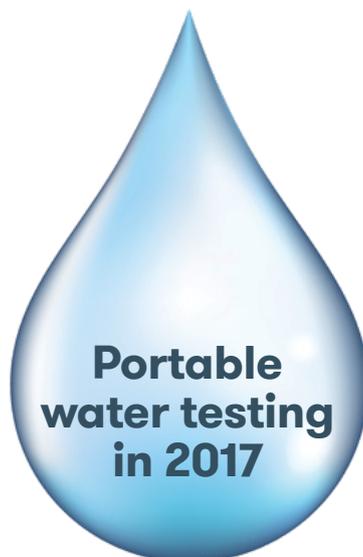
Fire life safety is a critical part of the Airport operation.

Since AIA is committed to always protect human life, business continuity, the environment and all of its assets, it has classified fire life safety as one of the principal areas of compliance and implements a thorough Fire Life Safety Programme. The Programme not only ensures compliance of all Airport infrastructures with up-to-date technical codes and standards but also entails fire drills and fire safety training sessions within the Airport community. AIA's Fire Life Safety Programme is audited both internally and externally by the Airport's insurers.

Furthermore, AIA conducts scheduled and surprise audits annually so as to ensure compliance and enhance awareness. During 2017, a two-day survey was carried out by the Airport's insurers on its buildings and infrastructure elements, with Fire Safety being a key risk assessment factor, yet producing positive results.

Our Airport infrastructure and operations comply with strict Fire Safety regulations. In this

context, we follow our corporate fire safety procedures which are subject to systematic monitoring for adherence. In regards to the technical facilities operations, compliance with regulations and the proper employee training level are duly audited on a semi-annual/annual basis.



- Daily free chlorine tests from **10** different sampling points
- **102** microbiological tests from **29** sampling points
- **5** chemical measurements from **3** sampling points and
- **176** checks at water fountains for cadmium, copper and iron.

Airport Security

Security Audits

In 2017, the European Commission inspected and tested all functions of AIA's Security System. For a whole week in October, a team of six security inspectors of the European Commission, also accompanied by three observers from the Transportation Security Administration, U.S.A. - TSA, conducted a General Security

Audit and Tests at AIA. Passenger and Hand Baggage Screening methods and processes, the Hold Baggage Screening Operation, Access Control and Vehicle examination procedures and the screening of persons other than passengers at the AIA premises, were all thoroughly examined. The chain process

regarding security operation of the Regulated In-Flight Suppliers, as well as the complex issue of the security function of the Known Airport Suppliers were also inspected. Audit findings were very positive for the Airport's Security Operations and confirmed compliance with the International Aviation Security Standards.

Consumer Business Unit

Retail services

Within the context of constantly improving passenger experience at the airport, the large-scale commercial redevelopment project that commenced in September 2016, namely Intra-Schengen Project (ISP), covering the entirety of Intra – Schengen (IS) area and a large part of All-Users Departures area, was completed in April 2017, delivering to the passenger audience a new IS commercial area of contemporary commercial and aesthetical design, with a significantly expanded Retail and Food & Beverage (F&B) selection. The robust sales performance of the new stores and concepts led to an increase in the Shopping Centre's revenues of 10.6% compared to the previous year, an increase that surpassed the respective passenger traffic annual increase by 2%.

ISP was implemented following the same design principles and approach with the successful Extra-Schengen Project (ESP) that was completed in 2015. This large-scale refurbishment resulted in a remarkable net commercial space increase of 1,500 sq.m., expanding AIA's total commercial space to more than 11,200 sq.m.

In the frame of redesigning AIA's commercial offering to better address the constantly evolving passenger needs, in 2017 a new large Duty-Free outlet commenced operations together with three "last-minute" gate shops; 28 new specialty shops opened and seven more were substantially renovated; 11 new F&B concepts were added to the Airport Shopping Centre's and one F&B unit was totally renovated and expanded.

Further to the above, AIA launched a series of targeted marketing and co-promotional sales activities in close cooperation with the concessionaires, including amongst others several happenings to celebrate the launch of the new IS area that were also communicated through a radio campaign, a special discount programme for Perfumes & Cosmetics and a Fashion Bazaar, all achieving remarkable results both in terms of enhancing customer experience but also in terms of generating sales.

Landside services

The airport's car parking revenues recorded a marginal decrease during 2017 by 0.3% compared to the previous year. The propensity of Greeks to spend, together with the presence

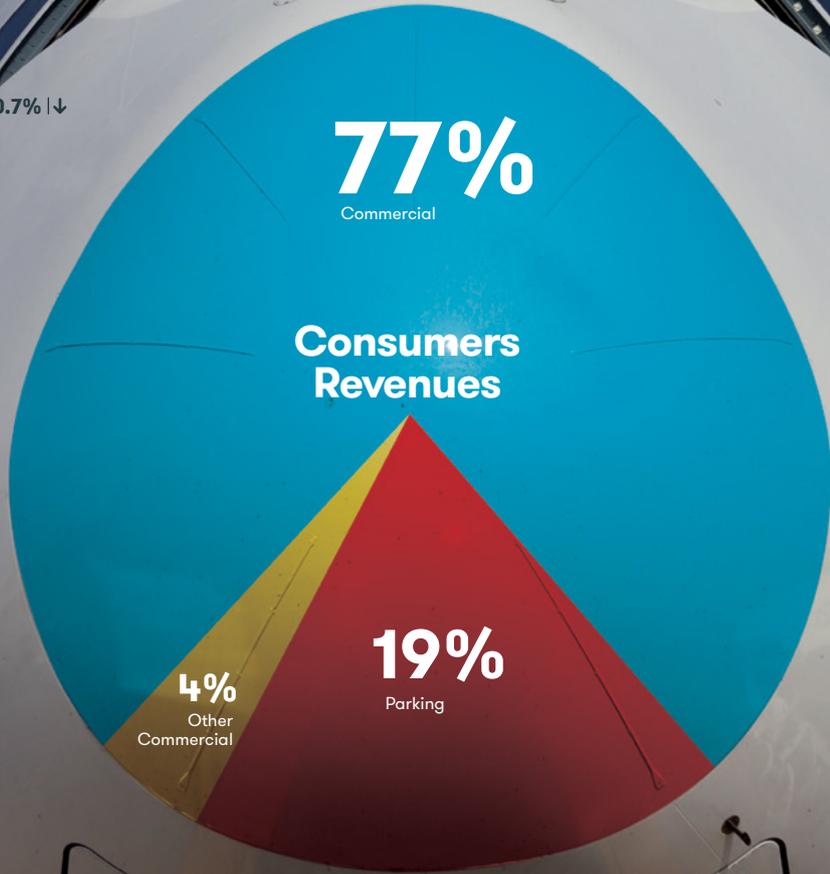
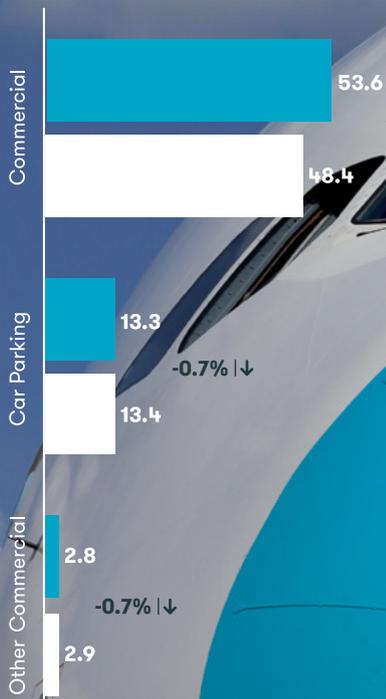
of ultralow-cost carriers and competition, negatively affect the parking business by mainly altering the mix of Greek O&D passengers who constitute the car parking primary users, in favour of public transport and car drop-off means.

Online booking has been strategically placed for one more year in the centre of parking marketing communication so as to address ongoing business challenges, support sales and further enhance the offered service against alternative airport access options. In 2017 e-parking tickets increased by an impressive 30%, with the e-parking service being highly supported by the new parking website that was launched in April and the well-accepted initiation of the parking loyalty scheme "PARK€WIN" that has already enlisted more than 30,000 members.

Aiming to address current parking competition in the vicinity of the airport, the "always on" marketing campaign remained active for another year providing strong communication of the AIA parking offers through radio spots and monthly newsletters, while supporting awareness of the new aggressive price policy. The effectiveness of the above is also

Consumers Revenues 2017 vs. 2016

Million € ■ 2017 ■ 2016



mirrored in passenger surveys where the price acceptance among parking users has been improved by 13%. Furthermore, an important part of the parking strategy comprised several new partnerships with AIA's Shopping Centre and Retail Park concessionaires and with Attiki Odos.

Terminal Services

Gates for automated passport

control were introduced for the first time in our Airport, both in the Departures and Arrivals areas with three units per area. The e-gates expedite European passport holders with biometric travel documents. Airport staff were present to inform travellers, manage queues and assist transfer passengers with short connections.

"Fast Lane" at the Intra-Schengen

Screening Point was thoroughly revamped, well-defined by the introduction of an exclusive entrance for business and priority passengers.

Finally, in our effort to continuously improve information provision and passenger service, a new Airport Information Counter was placed in the Intra-Schengen Arrivals Corridor.

Service Quality



Committed to always create a positive passenger experience and provide quality service, the Terminal Services Department ensures that its staff is available on a 24/7 basis to assist passengers, visitors or airport users through the Call Centre, e-mail account (airport_info@aia.gr) or in person, either from a mobile agent or at one of the Information Counters located centrally on the Departures and Arrivals Concourses. Airport Information Services Supervisors support the Press Office in providing timely and accurate information on our Facebook and Twitter accounts.

With the increased passenger traffic in 2017, interaction between the Terminal Services staff and the public also increased with more than 2.5 million airport users requesting and receiving personal assistance or airport information. The Airport Call Centre handled approximately 430,000 enquiries with a service rate of almost 95% of calls being answered within 20 seconds, while more than 4,300 e-mail queries were dealt with with a commitment for a first response within 24 hours.

Flight activity at the General Aviation Facility also increased in 2017 with over 15,000 flights and almost 30,000 travellers using the dedicated terminal.

A new Airport Information Counter was introduced for those passengers travelling in the Intra-Schengen area of the Main Terminal Building. Strategically located in the Intra-Schengen Arrivals Corridor, it facilitates both arriving and departing passengers and especially those in need of transfer assistance.

“Fast Lane” at the Intra-Schengen Screening Point was revamped to offer efficient and exclusive service to business or priority passengers departing from gates B01-B31. A Terminal Services agent, aided by automated boarding pass reader and the segregated screening unit branded with the “Fast Lane” branding, helps passengers who are expedited at the Security Screening point.

Service in the Extra-Schengen area was also upgraded with the introduction of new “e-gates” for automated passport control.

In co-operation with IT&T, Flight Information Monitors were modified to indicate the message “Gate to be Announced” prior to the specific gate being operated by the airline or their handling agent. Information monitors, located strategically after Security Screening at both the Extra and Intra-Schengen areas, were modified to also indicate “Time to Gate” information for each departing flight thus allowing passengers to manage their dwell time for a pleasant and stress-free use of terminal facilities and services.

Passenger Service Parameters

	2017	2016
Call Center Service Level (% calls answered in under 60 sec)	98.52%	96.71
Call Center Efficiency (% calls answered / total calls received)	99.50%	98.92
Avg Waiting Time for Check-in (min)	7	3.3
Avg Waiting Time for Security Screening (min)	1.5	1.1
Avg Response Time to Passenger Comments (days)	3.5	4.6
Baggage Handling - Shortshipped Bags (per mio bags handled)	19	12
Baggage Handling - Average time for First Bag reclaim (min:sec)	15:20	14:16

Passenger Complaints Analysis 2017

	2017	2016
Customization rate of Responses (custom / total responses)	91.75%	90.1%
Distribution of Complaints		
People with reduced mobility (PRM)	0.99%	1.46%
Way finding / signage	1.26%	1.66%
Security services	10.50%	8.64%
Seating / rest facilities	1.76%	2.27%
Retail & services	4.70%	3.62%
Parking services	7.56%	5.86%
IT public systems	3.78%	5.65%
Information services	2.67	3.90%
Information screens	0.57%	1.44%
Food & beverage	5.08%	4.74%
Facility maintenance	2.18%	1.55%
Cleaning services	5.15%	3.33%
Baggage trolleys	0.42%	0.80%
Aviation services	27.80%	27.84%

Note: the above table covers categories of complaints that are being monitored on a continuous basis for comparison reasons. There are also other categories related to facility-related complaints that are excluded from this table.

Measuring Passenger Satisfaction

AIA continuously monitors passenger satisfaction through a number of channels ranging from structured surveys to spontaneous feedback communication. Results are forwarded to involved departments through the monthly notification process; they are also compiled and annually presented to the management who heads the continuous improvement

process. To appreciate passenger perception, AIA also carries out a daily monitoring called Passenger Survey which obtains feedback on Airport performance from more than 40,000 passengers annually. Last year's results (4.35 on a 5-point scale) were significantly improved compared to the previous one, a very positive performance considering the significant traffic increase and

the relevant disruption caused by infrastructure works at the terminal.

Furthermore, AIA's dedication and commitment to passenger service excellence were mirrored in an exceptional accomplishment that brought the Airport at the top position of all European airports. After the ASQ Survey undertaken by ACI, Athens Airport

was awarded as the "Best Airport by Size and Region: 15-25 million passengers annually, Europe", with a score of 4.14 and a continuous Improvement versus previous years.

As of 2016, the direct rating mechanism "PrivateReview" is available at more than 50 units installed in the Main Terminal, allowing for several thousand responses to be analysed in relation to the time of the day for multiple locations. By way of illustration, 845,510 ratings were collected for washrooms in 2017,

with an average score of 3.93 out of 5 for arrivals and 3.87 out of 5 for departures.

For more in-depth analysis AIA also undertakes a Quality Monitor Survey that monitors performance satisfaction trends for specific service categories. A similar analysis is carried out on passenger comments elicited from the complaints and comments leaflet "Your Opinion Counts", available at various places of the Terminal and on AIA's website; this analysis also incorporates comments received

through our Facebook page and Twitter account.

The i-mind programme

Passenger satisfaction is at the focus of every AIA employee, as witnessed by the innovative "i-mind" programme: in 2017 more than 600 "virtual passenger" walkthroughs were realised, which are the equivalent to more than 70,000 inspections. Maintaining the commitment to courteous service provision, the Company handled and responded to more than 4,500 comments received from 2,400 passengers.

Customer Data Privacy

IT&T Information Security

AIA endeavours to create an environment where individuals may have access to trustworthy sources of technological means and a policy environment that fosters innovation and empowers individuals to be able to protect and safeguard their information assets and securely utilise technology.

AIA's IT&T Information Security follows international best practices in order to safeguard

confidentiality, integrity and availability of its assets and to tackle any emerging cyberthreats, thus safeguarding Airport's critical internet facing systems and their operational effectiveness against internal and external threats.

AIA complies with the applicable national legislation, European and international regulations with reference to human rights. As a result, AIA officially informs the Hellenic Data Protection

Authority (HDP) of customers' messages in the Airport Call Centre's voice recording system on a regular basis.

Additionally, AIA is regulated regarding airport customer data collection through telephone or the internet which are subject to audits by the Hellenic Authority for Communication Security and Privacy (ADAPE), evidencing AIA's commitment to abiding by the law, human rights and all ethical standards.

The General Data Protection Regulation (EU Regulation 2016/679, or "GDPR")

The GDPR (EU Regulation 679/2016) introduces a new "architecture" to be applied horizontally throughout all legal entities, requiring, among others, the protection of personal data "by design" in all data processes and records, as well as the adoption and implementation of such Information Security tools

and practices that safeguard confidentiality, integrity, availability and safekeeping of personal data. Responding to the challenge, in 2017 AIA started preparing its organisation to meet the substantial and formal deadlines of May 2018, set by the Regulation. Such actions include a GDPR familiarisation

exercise, personal data mapping throughout all corporate and operational functions and the establishment of a competent department and Data Protection Officer. Further actions towards GDPR compliance are ongoing in 2018.

Property Business Unit

In 2017, AIA's property business activities demonstrated a firm performance. The Airport Hotel and the Exhibition Centre recorded considerable growth, the Retail Park achieved a marginal increase, while Space Leases managed to sustain business at 2016 levels.

The documented turnover of the Airport Hotel (Sofitel), showed an annual increase of 11.7%, a record performance since its opening, although there was a marginal drop in the occupancy rate by 1.5%. Year's highlights include a major renovation programme addressing the operational and aesthetic upgrade of the hotel's facilities initiated during 2017, which is scheduled for completion early in 2018.

The Metropolitan Exhibition & Conference Centre recorded a considerably improved turnover by 8.5% compared to 2016, mainly attributed to the "XENIA" trade show targeting the hospitality industry, which was successfully relaunched in 2017 and scheduled to take place annually.

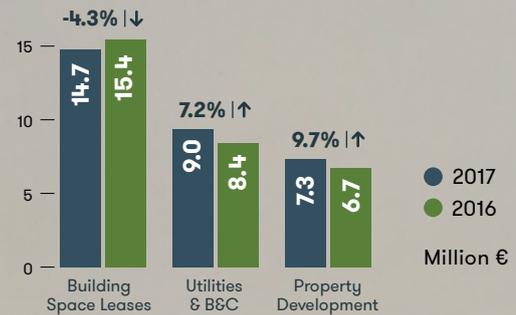
Despite the continuing unstable environment of the domestic retail sector, the Retail Park showed a marginal sales growth of 0.5% compared to 2016. The operation of the Retail Park on Sundays from mid-July until October, following the new law for shop opening on Sundays in tourist areas, was a positive development.

Building and Space Leases mainly

Property Revenues 2017



Property Revenues 2017 vs. 2016

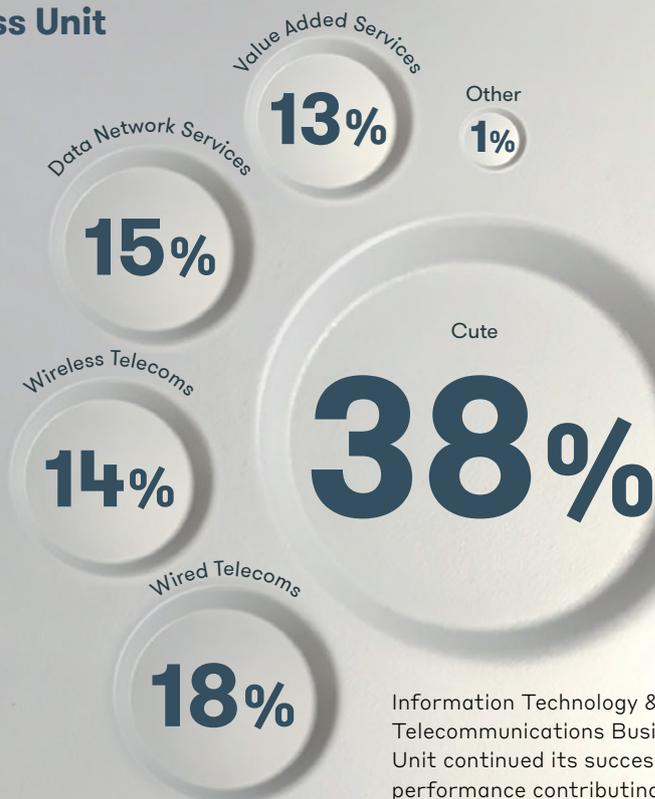


serving the Airport community (i.e. airlines, ground handlers, concessionaires) sustained their occupancy rates close to the 2016 levels.

With the aim to further improve passenger travel experience, Extra Schengen CIP lounges were enhanced with the addition of a brand-new lounge operated by Aegean Airlines.

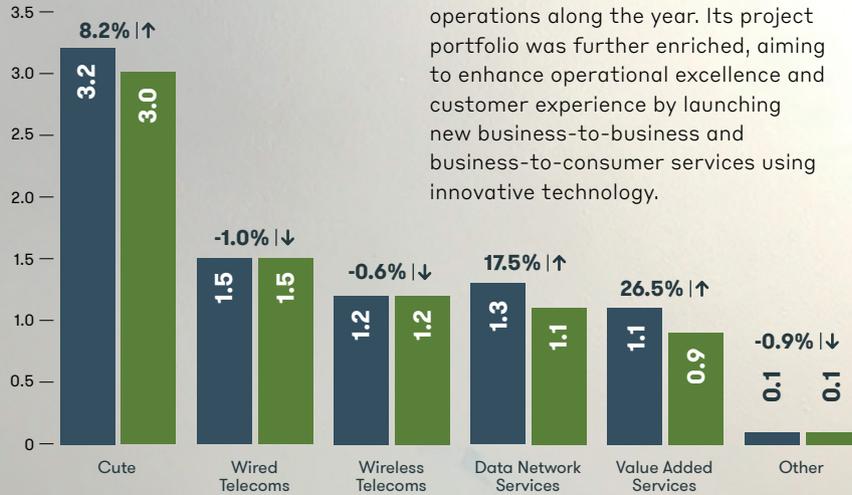
IT&T Business Unit

IT&T Revenues 2017



IT&T Revenues 2017 vs. 2016

● 2017
● 2016
Million €



Information Technology & Telecommunications Business Unit continued its successful performance contributing to AIA's and its stakeholders' unobstructed operations along the year. Its project portfolio was further enriched, aiming to enhance operational excellence and customer experience by launching new business-to-business and business-to-consumer services using innovative technology.

Operational Resilience and Cyber security

As part of our systems' improvement with regards to Information Security, Internal Firewalls were replaced. These firewalls control communications between Airport Operational Systems, such as the Universal Flight Information System (UFIS), Baggage Handling System (BHS), Common Use Terminal Equipment (CUTE), Building Automation System (BAS) and more.

The annual IT&T Disaster Recovery exercise was performed jointly with the involved users. The redundancy mechanisms, referring to 40 IT&T systems, including critical systems, virtualisation infrastructure, networking services and external connectivity were tested successfully, within a timeframe of eight hours.

IT&T ISO 20000 and ISO 9001 certificates were renewed successfully by TÜV HELLAS.

Cyber security remains at the top of our attention. In order to further enhance AIA's defence against cyber risks, Anti-Distribution Denial of Service (DDOS) mechanisms, both software and hardware, have been installed to protect communication lines and the internet website. Moreover, modifications have been accomplished in coordination with Hellenic Telecommunications Organisation - OTE in the architecture of the telecommunication system infrastructure, to reassure the uninterrupted provision of voice and data services within the airport premises.

The renewal of AIA's Data Network and Telephony infrastructure through introduction of the "New Generation Networks" technology progressed significantly; IT&T has successfully completed the upgrade of its Data Network and Telephony Backbone.

Other Projects and Developments

In the context of the new AIA Extranet Project, IT&T launched "Airportal", a new website addressed exclusively to the airport community. The portal offers an updated version of the "Flight Information Pages", an e-phone book service with additional information and access to e-books such as the Aerodrome Operations Manual (AOM).

The new Governance Risk & Compliance (GRC) system for enhancing Internal Audit department's (IAD) processes and automation was introduced.

IT&T commissioned and acquired a new Learning Management System (LMS). The new platform, integrated with the Human Resources Information System (HRIS), is the sole learning tool for both AIA employees and those of third parties within the airport community. It allows the Human Resources department to easily manage all training records as well as to efficiently administer training resources, whilst at the same time it supports AIA's compliance requirements.

Awards

AIA received the significant international award "Value Winners" of the WITSA Global Excellence Awards 2017 in the category of Digital Opportunity. The awards are dedicated to highlighting companies operating in the IT and communications industry worldwide. At the "Corporate Affairs Excellence Awards 2017" AIA was awarded in the category of Best Use of Social Media and also received a special award in the category of Key Performance Indicators for its «ATH Messenger bot via Facebook messenger».

At the Impact Bite Awards of Boussias Communications, AIA's IT&T BU was presented with two golden awards, namely in the category "BUSINESS

CONTINUITY", and in the category "ALIGNMENT OF ENTREPRENEURSHIP & ICT STRATEGY".

Digital Initiatives

The Airport Company's digital information to passengers can be provided through the FLIO global airport application which is considered one of the main global digital marketplaces for airports, airlines, retailers and brands. FLIO carries valuable airport information for over 1,500 airports worldwide, all in one mobile application.

The second round of "THE DIGITAL GATE" was concluded. This competition for innovation and youth entrepreneurship, organised in cooperation with the Athens Centre for Entrepreneurship and Innovation of the Athens University of Economics and Business, aims to drive young entrepreneurship by awarding the best innovative proposals and applications for new digital services and business activities with implementation potential in a real airport environment.

In 2017, 162 participants with 58 different proposals for innovative digital services for the Airport and the wider Airport community responded to AIA's challenge. Through the three stages of the competition, eight teams (<https://thedigitalgate.gr/dgiipilots/>) were selected, with business ideas related to airport operational support, passenger/visitor facilitation, and innovative services for tourists. It is worth noting that with the substantial guidance of experienced Airport managers during the final stage of the process, teams had the opportunity to test and assess their product or service in a real environment.



The eight finalist teams presented their Minimum Viable Products and four teams were awarded. The winning teams

will each receive €3,000, the possibility of extending their pilot's duration in the Airport environment for an additional

year, as well as advisory guidance and support in their funding pursuit.

Responsible Procurement



AIA promotes its corporate values to everyone in its supply chain falling in its sphere of influence, namely providers of materials, services and works. AIA's corporate procurement values are conveyed both through written agreements and by cooperating with third parties that share the common goal of service excellence. We award contracts which integrate green procurement guidelines, receive energy efficient supplies and implement projects combating climate change and improving AIA's CO₂ emissions footprint.

Our suppliers are required to comply with all applicable laws and regulations, conform to the highest standards of ethical conduct, respect and support human rights, operate in an environmentally responsible and effective manner and abide by all health and safety rules. Committed to acting fairly and with integrity towards its stakeholders AIA pursues mutually beneficial relations with third parties who share our dedication to sustainable practices.

Procurement and Efficiency

Procurement is an integral part of AIA's professional efficiency. Materials, services and work suppliers are part of AIA's service chain leading to delivering

services to the end customer. As a company that heavily relies on outsourcing for facility and systems management and maintenance, AIA places strong focus on the selection of business partners and their operation in line with airport rules and regulations. Related agreements bear all necessary provisions as to ensure that the required service level is adequately defined, quantified and in line with required performance thresholds. AIA applies contract management best practices that include performance monitoring mechanisms that ensure the attainment of high service level for the benefit of the airport community and end customers. Through a corporate-wide methodology and in-house developed monitoring tools, AIA monitors contractor performance with predetermined critical service parameters. This methodology promotes mutually beneficial partnerships with the awarded service contractors; it applies to a significant number of contractual agreements related to Airport critical infrastructure, technical, facility and environmental management systems. Also, an annual evaluation process of all suppliers ensures the best possible performance. AIA aims to develop long-term relationships with suppliers, providing added

benefits associated thereto. In 2017, AIA cooperated with 812 different suppliers, of which 85% were domestic and 15% foreign, ensuring beneficial partnerships in all purchasing areas concerning airport technical works, services and supplies. The percentage of products and services purchased locally in 2017 amounts to 93.86% of the total cost.

Procurement Ethics

We promote fairness, transparency, equal treatment, non-discrimination and proportionality at every phase of the procurement process, in compliance with our corporate Procurement Policy and Framework and with our Code of Relations with Business Partners and by following international best practices. Likewise, all internal needs and goals are addressed according to the principles of European and national procurement law. Through this Policy, developed in 2016, AIA ensures adequate publicity and objective selection and award criteria for its tender procedures, in line with the prevailing framework. AIA also applies electronic procurement practices (e-auction) as to ensure the best possible purchasing terms and the highest level of compliance.

Environmental Performance

Environmental Management & Compliance

Environmental protection is a top priority for the Airport Company. We aim to responsibly and effectively monitor all environmental aspects and to minimise or prevent, where possible, the airport's environmental impact through initiatives that exceed regulatory requirements. Our corporate Environmental Policy focuses on our commitment to continuously improve our environmental performance and undertake initiatives to reduce emissions from airport operations, while maximising energy efficiency in our infrastructure. Principles of sustainable development are incorporated in our corporate procedures.

In accordance with our corporate Compliance Policy we are committed to ensuring that all aspects of our activities are in full compliance with the current legal and regulatory framework [International Civil Aviation Organization (ICAO) Annex 16, relevant European and national

legislation, our Airport Development Agreement (ADA) and Article 8 of the Ratifying Law 2338/1995]. All relevant compliance risks are identified and efficiently addressed while corrective actions are performed in a prompt and effective manner when necessary. We provide regular and accurate information on our level of compliance and our efforts for excellence to the Audit Committee of the Board of Directors.

The Environmental Services Department reports to AIA's Chief Operations Officer who has the responsibility to ensure that the Company adapts to all current legal and regulatory requirements, proactively responds to possible corporate environmental risks and implements remedial actions whenever required.

Fostering environmental awareness amongst employees, members of the Airport community and local municipalities is a key driver for the successful implementation of all our

action plans. Furthermore, sharing information with employees, business partners, state authorities and the public in general is strongly encouraged. We regularly review and update our environmental objectives and targets while our performance and achievements are regularly disclosed to the public.

During 2017 no legal action against AIA was taken nor was any fine or monetary sanction related to environmental aspects imposed.

Our efforts to effectively address all significant environmental challenges take place within the context of our Environmental Management System (EMS) which has been certified according to the international standard ISO 14001 since 2000. In 2017 AIA's Environmental Management System (EMS) was successfully re-certified in accordance with the latest version (2015) of

the ISO 14001 standard by an independent certification body. Our certification is valid until January 2019. In addition, at the end of 2017 AIA became the first Greek Airport which certified its Energy Management System (EnMS) in accordance with the ISO 50001 standard. This specific ISO standard helps organizations adopt and implement the appropriate policies, procedures, and tools to systematically track, analyse and improve energy efficiency.

All contractual agreements with third parties operating at the airport contain strict environmental requirements. For example, all major third parties must establish an EMS and certify it in accordance with ISO 14001 and/or the Eco-Management and Audit Scheme (EMAS) regulation. To date, forty-seven (47) companies within the Airport community have been certified.

Furthermore, environmental audits of third parties operating at the Airport are conducted on a regular basis in order to assess compliance with the applicable national and European environmental legislation, Airport guidelines and regulations as well as their approved Environmental Management Plans. The 8th Environmental Workshop for third parties was held in December 2017 with the participation of 49 representatives from 33 companies operating at the Airport and focused on the issue of Sustainability. In addition, we introduced AIA's first ever Third Party Environmental Excellence Award which for 2017 was received by OFC Aviation Fueling Services S.A. in recognition of their exceptional record and cooperation to ensure that their critical but sensitive operations do not negatively impact the environment.

Energy



Efficient energy (electricity & natural gas) management is critical for both aeronautical and non-aeronautical activities performed at the Airport. In recent years, AIA has implemented a series of intensive energy-saving actions and projects without compromising Airport operations, promoting such efforts within the Airport community and lessening impacts

for all stakeholders including local communities.

The total energy figure (Electricity & Natural Gas) for 2017 was increased mainly due to the significant growth in the Passenger and Aircraft Traffic, paired with the year's weather conditions. Consequently, the "Consumption per Pax" KPI has improved and demonstrates

the Airport's continued strong performance in energy efficiency.

During 2017, AIA's Photovoltaic Park produced 13,642 MWh of renewable energy, higher by almost 3% than the previous year, mainly due to the favourable weather conditions. The energy produced was equivalent to 13% of the Airport's total electricity consumption or 25% of AIA's own electricity needs.

Emissions and Climate Change



Protecting the environment is a central element of our sustainability strategy and central to obtaining our license to grow. While improving the quality of life and driving the global and national economies, air travel can also significant impact both the local and the global environment.

As part of a new sustainable development agenda, the United Nations has established Climate Change as one of its 17 goals. Although the majority of emissions occur during the flight, airports still have a role to play in reducing aviation's carbon footprint. Increasing demands are being

placed on both airlines and airports to report on these issues. In addition to measuring and managing greenhouse gas emissions under our direct control, a commitment clearly stated in our Environmental Policy, we also aim to influence our partners within the Airport community to do the same.

Electricity Consumption

	2017	2016	var%
Total Airport (MWh) (Refers to the entire airport community)	104,715.8	104,058.6	0.6%
AIA only (MWh) (Refers to the Company only)	54,407.2	52,582.7	3.5%
Total Airport consumption per passenger (kWh/pax)	4.82	5.20	-7.4%

Natural Gas Consumption

	2017	2016	var%
Total Airport (Nm ³ / 1000) (Refers to the entire airport community)	2,285.5	2,143.5	6.2%
AIA only (Nm ³ / 1000) (Refers to the Company only)	1,068.3	1,096.1	-2.6%
Total Airport consumption per passenger (Nm³/pax)	0.105	0.11	-4.6%

PV Plant Operation

	2017	2016	var%
Total Energy Production (MWh)	13,641.8	13,280.6	2.7%
Total PVP CO₂ emissions savings equivalent (tonnes)	7,939.5	9,097,500	-12.7%

Climate Change Corporate Action Plan

Every year, a Climate Change Corporate Action Plan (CCCAP) is developed following an internal process involving all AIA departments in introducing (or suggesting) measures to reduce carbon emissions and maximise energy efficiency. The CCCAP is approved by the senior management and included in our Operational Scorecard under the Stakeholder Perspective. In 2017, its 10th year of implementation, our Climate Change Corporate Action Plan had the following results:

- Upgrade of AIA's aircraft docking infrastructure with Advanced Visual Docking Guidance Systems (A-VDGS)
- Certification of AIA's Energy Management System according to the ISO 50001 standard.
- Additional reduction in the number of servers and other equipment in AIA's Data Centres.
- Replacement of all apron lights in the area of the Main Terminal Building with LED products.
- Centralised control of heating and cooling demand across the Airport premises.
- Further replacement of physical servers with virtual ones.
- Engagement of members of the Airport Community in the development of new initiatives to reduce carbon emissions
- Further replacement of vehicles of AIA's fleet based on operational, financial and environmental criteria.
- Upgrade of telephone and data networks as part of the Airport-wide Next Generation Network (NGN) project.
- Continued conversion of corporate paper-based forms to electronic format.

Furthermore, for the ninth consecutive year we continued to actively participate in the global initiative "Earth Hour" by closing one of the Airport's two runways and switching off its lighting as well as reducing lighting in all buildings, staff parking areas and other Airport sites for an hour on 25th March 2017, actions that were in addition communicated to the general public.

Lastly, we organised a Workshop titled "Climate Change Adaptation and AIA" during which renowned speakers from the academic community and state authorities presented issues on climate change and its potential impact on AIA to participants, members of AIA and third-party staff. AIA intends to commission a relevant study in 2018.

Airport Carbon Accreditation

AIA participates in *Airport Carbon Accreditation*, a voluntary initiative launched by the European region of Airports Council International (ACI Europe), aimed at helping airports map and manage greenhouse gas emissions under their control which eventually evolved into a global programme following the induction of all other ACI regions.

To date, we have achieved to reduce our carbon footprint more than 40% compared to our 2005 baseline, which corresponds to a reduction of approximately 32,000 tons of CO₂. In 2017, AIA maintained its carbon neutral status by zeroing out its residual carbon emissions. This was accomplished by purchasing Guarantees of Origin from its local electricity supplier through the Greenpass program

(PPC) that ensure that all electricity consumed by AIA was produced by renewable energy sources, and by purchasing verified carbon offsets for AIA's other remaining emissions (e.g. its vehicle fleet) that ensure that these emissions were neutralised by clean energy produced in other parts of the world. As a result, AIA was re-accredited in the last – and final – level of the programme, Neutrality.

Natural Gas Consumption

		2017	CO ₂ Emissions (tonnes)
Scope 1	Natural Gas	1,068,297 Nm ³	2,254
	Vehicle Fleet	53,130 lt of petrol	121
		398,338 lt of diesel	1,066
		1,820 lt of LPG	3
	Stationary Sources	13,604 lt of diesel	36
		11,495 lt of heating oil	29
Scope 1 TOTAL			3,509
Scope 2	Grid Electricity	54,407,221 kWh	31,665
	Scope 2 TOTAL (Location-based)		31,665
	Scope 2 TOTAL (Market-based)		0.0
Total (Scope 1 and 2)			35,174

Emission Factors used:

- For all fuels except for heating oil: EFs from GHG protocol i.e.
 - Motor Gasoline: 2.2717926 kg CO₂/lt
 - Gas/Diesel oil: 2.676492 kg CO₂/lt
 - LPG: 1.6117002 kg CO₂/lt
- For heating oil: emission factor of 2.51973 kg CO₂/lt issued by the United Kingdom's Department for Environment, Food and Rural Affairs (DEFRA) found in documentation of the ClimateNeutral Company (<http://www.ukconversionfactorscarbonsmart.co.uk/>) since there is no EF for heating oil in the GHG.

- For natural gas: emission factor (55.74 tonnes CO₂/tJoule) for natural gas provided in the National Inventory for Greece (2017), p.114 (http://unfccc.int/national_reports/annex_i_ghg_inventories/national_inventories_submissions/items/8812.php) - Methodology suggested by external verifier
- For electricity: emission factor (0.582 kg CO₂/kWh) for grid electricity (IEA, 2017, Greece, p.83,87) for the location-based method.



Air Quality

In addition to CO₂, aircraft engines, ground handling equipment and other aviation sources emit pollutants that can negatively impact local air quality at and around the Airport. National and international legal and regulatory provisions apply to a wide range of industries, including aviation. For example, the International Civil Aviation Organisation has set international standards for aircraft engine emissions that must be met by manufacturers.

AIA continuously monitors air quality and meteorological

conditions both within the Airport fence and in the adjacent communities. In addition, emissions of air pollutants from all relevant Airport sources are assessed while measures are taken to reduce these emissions where possible. AIA's monitoring equipment includes an Air Quality Monitoring Network (AQMN), a Differential Optical Absorption Spectroscopy system (DOAS), a SONic Detection and Ranging system (SODAR), a Radio Acoustic Sounding System (RASS) and a Meteorological Station.

The AQMN, which consists of five permanent monitoring stations installed in the neighbouring areas of Glyka Nera, Koropi, Markopoulo, Pallini and Spata and one mobile station, has been in operation since 1998, well before the airport commenced operations in 2001. Ground-level concentrations of the major pollutants (NO_x, O₃, PM₁₀, PM_{2.5}, SO₂, CO and HCs), as well as basic meteorological parameters (wind speed and direction, temperature, relative humidity, precipitation, total solar radiation and atmospheric pressure), are measured.

Mean Concentrations of Monitored Pollutants at the AQMN Stations

	NO ₂ (µg/m ³)		O ₃ (µg/m ³)		PM ₁₀ (µg/m ³)		PM _{2.5} (µg/m ³)		SO ₂ (µg/m ³)		CO (mg/m ³)		HCs (ppm)	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Glyka Nera	13.1	15.2	84.8	83.1	23.1	28.1	n/m	n/m	5.1	7.1	0.3	0.3	n/m	n/m
Koropi	10.5	11.4	81.9	79.8	n/m	n/m	21.8	21.7	n/m	n/m	n/m	n/m	2.1	2.3
Markopoulo	14.5	15.6	81.7	78.5	27.4	35.2	n/m	n/m	n/m	n/m	0.4	0.3	n/m	n/m
Pallini	7.7	10.4	87.8	87.6	n/m	n/m	14.0	13.1	5.8	5.7	0.2	0.2	n/m	n/m
Spata	14.2	16.1	78.0	75.1	31.2	30.9	n/m	n/m	4.0	4.6	0.3	0.3	2.4	2.4

AQMN:

Air Quality Monitoring Network

Mean concentrations are calculated through MIS

n/m: Pollutant is not measured in the specific station

Noise



Aircraft noise is one of the main environmental challenges associated with airport operations. AIA recognises noise as a material issue given that it has an effect on the quality of life of neighbouring communities.

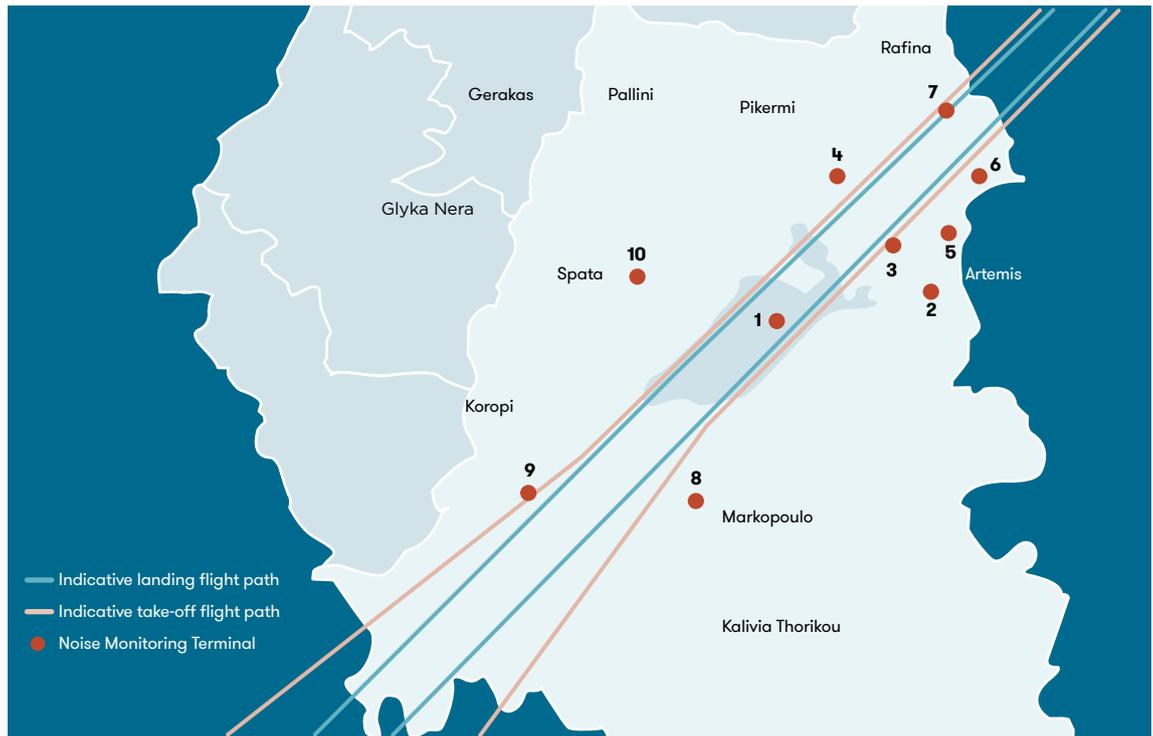
Noise arises from different sources, primarily the aircraft's engines but also airflow around aircraft and since airports are the face of aviation on the

ground, they are the primary recipients of complaints from local citizens. The Airport Company addresses noise issues responsibly by taking measures aiming at reducing annoyance to our neighbors. As such, Noise Abatement Procedures have been in place since the Airport started operating and are implemented in collaboration with the Hellenic Civil Aviation Authority (HCAA) and airlines in order to reduce

noise levels in the residential areas in the vicinity of the Airport and underneath flight paths.

In 2017 the Strategic Noise Map (SNM) for AIA was updated with 2016 traffic data and the relevant Noise Action Plan was re-examined. The public consultation phase for the Noise Action Plan was initiated at the end of the year.

Map of Flight Paths and NMTs



Average Noise Level per Noise Monitoring Terminal (NMT)

NMT	2017		2016	
	Lden dB(A)	Ln _{night} dB(A)	Lden dB(A)	Ln _{night} dB(A)
2	39.5	25.8	39.9	26.6
3	61.2	45.0	60.4	44.5
4	57.6	49.9	60.1	51.5
5	54.9	40.5	54.3	38.2
6	50.9	39.1	51.2	37.5
7	53.2	45.7	53.3	45.7
8	46.8	35.7	47.8	37.1
9	55.6	42.1	54.9	41.3
10	31.7	21.2	33.1	19.7

Legend: Lden and Ln_{night} are calculated as defined in Ministerial Decision 13586/724 (GGG 384B, 28/3/2006).

Noise levels are measured in dB(A), a unit that represents the human ear's response to sound. Since 2015, the data presented refers to noise levels generated from flights only, as per the requirements of Joint Ministerial Decision 210474/2012, while prior to 2015 the total noise level was presented.

Preferential Runway Use System Results

	Runway	2017	2016
Take-offs			
Percentage of take-offs to the north from 23:00 to 07:00 hrs.	03R	6%	6%
Percentage of take-offs to the north from 15:00 to 18:00 hrs.	03R	4%	3%
Landings			
Percentage of landings to the south from 23:00 to 07:00 hrs.	21L	9%	7%
Percentage of landings to the south from 15:00 to 18:00 hrs.	21L	3%	1%

We have installed a NOise Monitoring System (NOMOS) consisting of 1 mobile and 10 permanent Noise Monitoring Terminals (NMTs) which provide a detailed profile of aircraft noise in the residential areas near flight paths. This system is connected with HCAA's radar so that correlations can be made based on actual flight track information.

In 2017 we completely refurbished our Noise Monitoring Terminals (NMTs), which have been operating continuously since 2001.

Since noise exposure is one of the primary environmental aspects impacting residents in the vicinity of the Airport, there is frequent communication with representatives of local authorities

and citizen groups. Furthermore, concerned citizens may also call us on the dedicated telephone line called "We Listen" we operate around the clock or fill in a special form on our corporate website to register their complaints or request clarifications on noise related issues. In 2017 a total of twenty-nine complaints were handled.

Noise Complaints

Number of citizen complaints received	broken down by origin (Neighboring communities)	
	2017	2016
Artemis	20	13
Koropi	1	0
Ag. Kiriaki	1	1
Other areas	7	8
Total	29	22

Comparative Noise Levels

	dB(A)
Pain Limit	130
Night Club	115
Car horn	110
Bus	82.5
Boeing 737-400 in NMT 3	80
Normal conversation	75
Car in residential area	75
Boeing 737-400 in NMT 5	74
Boeing 737-400 in NMT 2	73
Propeller Aircraft in NMT 2 & 3	72.5
Propeller Aircraft in NMT 5	70
Quiet residential area	50
Whisper	30

Water

We systematically monitor water consumption (potable and irrigation), as well as the quality of surface and groundwater. The water supply network is closely monitored so that possible leaks may be detected and promptly addressed. In addition, we apply a number of water-saving measures, such as the use of treated wastewater from our own Sewage Treatment Plant (STP) for irrigation of non-public green areas at the airport. An Industrial Wastewater Treatment Facility (IWTF) operating on site receives wastewater primarily

from the aircraft maintenance activities but also from other sources (wastewater from runway derubberisation, oil/water separators, etc). In order to raise awareness, AIA encourages all airport users to limit their water consumption when using restrooms and kitchen facilities.

The quality of surface water is monitored regularly through ad hoc sampling and analyses following rain events as well as on a continuous basis by an Online Water Monitoring System (OWMS) installed preceding the

Airport's main off-site discharging point. Possible hydrocarbon spillages are immediately managed using bioremediating substances and appropriate sweeping vehicles. An approved Spillage Response Plan is in place and is implemented each time a spillage occurs. Due to the local climate, aircraft/helicopter and runway anti/de-icing operations are limited. Nevertheless, relevant procedures have been established for the ground handling companies which have the responsibility for the provision of de-icing services in accordance with ICAO and IATA

standards and based on our Local Ground Handling Regulation and the respective concession agreements with airlines and

ground handling companies. The total amount of aircraft and pavement de/anti-icing material used in 2017 was 122.656 m³.

During 2017, no water treatment actions were required as per the criteria defined in our Corporate Procedures.

Water Consumption

	2017	2016	var%
Total Airport (m ³ x 1000) (Refers to the entire airport community)	615	602	2.2%
AIA only (m ³ x 1000) (Refers to the Company only)	408	398	2.5%
Total Airport consumption per passenger (m³/pax)	0.028	0.030	-6.7%

* based on pax numbers

Wastewater Treatment (Refers to the entire airport community)

	2017	2016	var%
Processed through Sewage Treatment Plant (m ³ x 1000)	377	352	7%
Processed through Industrial Water Treatment Facility (m ³ x 1000)	2.1	1.7	19%

Refers to AIA & Airport community. The treated effluent from the Airport's STP, which treats all sewage generated onsite, is used exclusively to irrigate non-public green areas at the Airport.

Effluents & Waste

In accordance with our commitment to comply with environmental regulations, standards and best practices, we have developed a comprehensive waste management system based on "The Polluter Pays" principle that promotes separation at source and recycling. Solid Non-Hazardous Waste, Hazardous Waste and Medical/Clinical Waste are the major types of waste generated at the Airport. In 2017 the amount of food waste from international flights was 1,850 tonnes. Since 2005 we have

enlisted cooperation with the Alternative Management Systems for final disposal of hazardous waste. In 2017 they received 22% of the hazardous waste produced onsite with the remaining 78% having been transferred to other licensed management facilities. Moreover, all industrial wastewater produced at the airport is treated onsite at its Industrial Wastewater Treatment Facility (IWTF).

Our commitment to recycling is complemented by our use of recycled materials for daily

administrative tasks (e.g. recycled paper for stationery use and corporate correspondence). In parallel, various corporate tasks (contract review, expense claims, annual leave forms, etc.) are administered electronically. Our efforts to encourage Airport employees to recycle resulted to the collection of 6.9 tons of recyclable materials at our Recycling Centre in 2017. Furthermore, we encourage our partners to develop similar environmentally-friendly business practices.

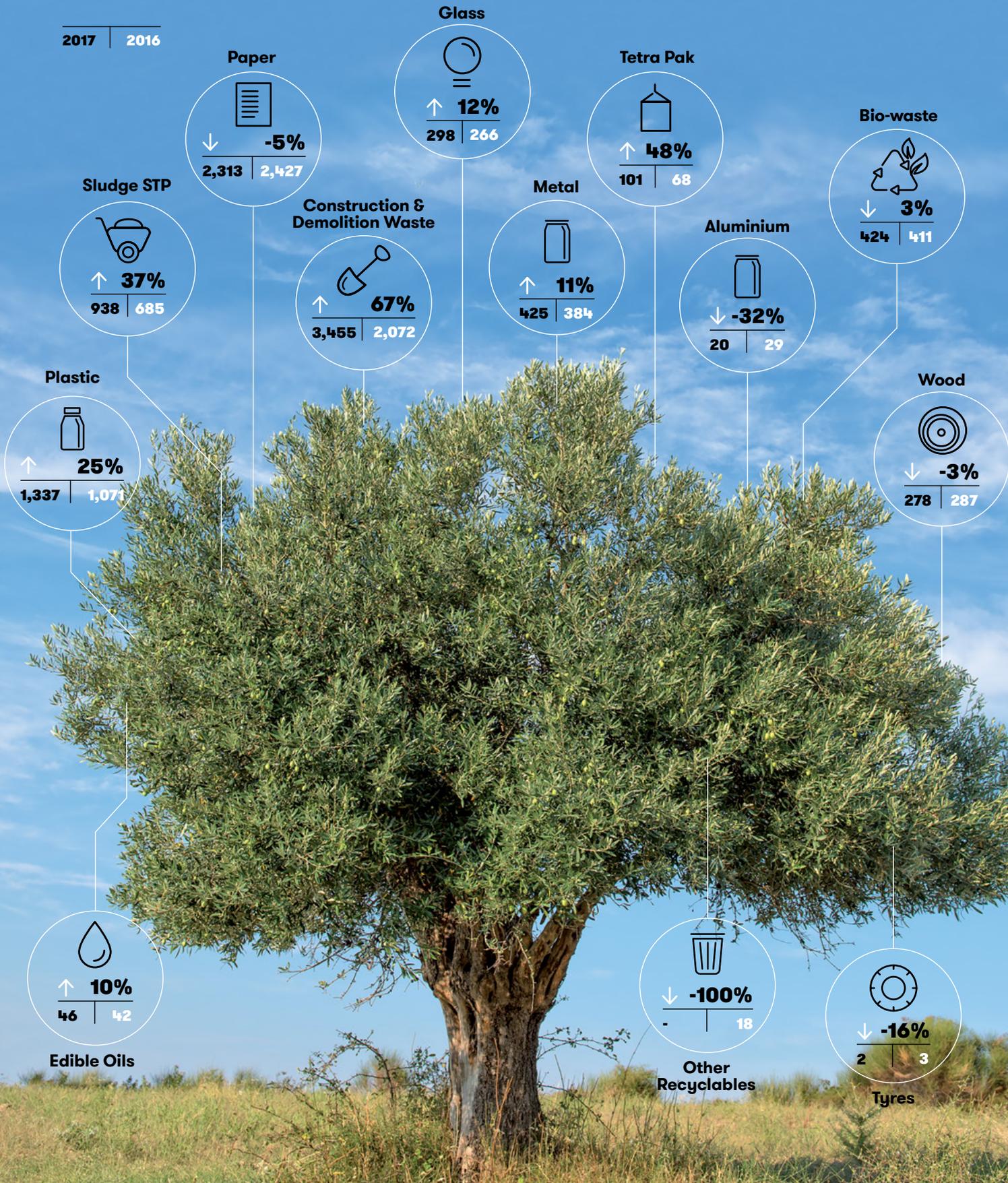
Hazardous Waste Produced 2017

	2017	2016
Managed by Alternative Management Practices	22%	25%
Transferred to licensed Management Facilities	78%	75%

Breakdown of Solid Non-Hazardous Waste 2017 (tonnes)

	2017	2016
Municipal Waste	6,054	5,691
Recyclables	9,638	7,761
Special Waste	0	9
Total	15,692	13,461

2017 | 2016



Recycling Breakdown of Non-Hazardous Waste in 2017

Total
↑ 24%
9,638 | 7,761

Recycling Breakdown of Non-Hazardous Waste in 2017

	2017	2016	var%
Paper	2,313	2,427	-5
Metal	425	384	11
Glass	298	266	12
Plastic	1,337	1,071	25
Wood	278	287	-3
Tetra Pak	101	68	48
Aluminium	20	29	-32
Tyres	2	3	-16
Edible Oils	46	42	10
Bio-waste	424	411	3
Sludge STP	938	685	37
Construction & Demolition Waste	3,455	2,072	67
Other Recyclables	-	18	-100
Total	9,638	7,761	24

Biodiversity

We implement a comprehensive bio-monitoring programme in the vicinity of the Airport aimed at protecting the region's biodiversity by applying international best practices. The number of bird species spotted at the airport has risen in recent years and serves as an indicator of the overall health of the local ecosystem.

In addition, a team of specialists monitors and records wildlife activity at the airport and takes measures to control and reduce wildlife hazards for aircraft where

necessary. The programme of trapping and relocating raptors launched in 2009 continues to bear positive results. More than 100 individuals were trapped and relocated during 2017.

We continue our successful partnership with the Hellenic Ornithological Society to protect and promote the Vravrona Wetland, a local site of unique ecological and archaeological value included in Natura 2000 European network of protected areas, identified as a Site

of Community Importance (SCI). Since 2015, the project has been extended to include initiatives at the Alyki Wetland in Artemis, where more than 140 bird species have been recorded.

According to data collected so far, the biodiversity of the Vravrona Wetland includes 100 plant taxa, 210 bird taxa, 27 taxa of other terrestrial vertebrates, 1 very rare species of freshwater fish, as well as 15 habitat types as defined within the relevant EU legislation.

Vravrona Wetland



Social Performance

AIA is committed on performing responsibly and setting a role model for both aspects of its social impact:

- **Internal Social Impact:**

AIA develops, compensates and engages its human capital while ensuring a safe, productive and fair work environment.

- **External Social Impact:**

AIA engages communities respectfully, advancing social partnership and prosperity in the region. On a wider scale, AIA promotes Athens as a travel destination, contributing to growth while sheltering and advancing the cultural heritage of Greece and supporting humanitarian causes for the benefit of society at large.

Employer's Responsibility

The people of AIA are the Company's most valuable asset. AIA continuously strives to be an employer of choice, developing, engaging and rewarding human capital and maintaining a committed workforce in a safe, productive and fair work environment. We offer a healthy work environment that promotes diversity and is in line with applicable legislation and best practices.

We have a long-standing commitment creating a culture that encourages the development

and the best use of our people's knowledge and skills. We incorporate human resources systems that effectively support this aim, such as workforce planning, equal opportunity policies, employee competency measurement and employee performance management with emphasis placed on improving target-setting at individual level. Furthermore, the annual Training Plan is designed to equip our people with the knowledge, skills and competencies required to succeed in their jobs and to further improve.

Presenting our Team

At the end of 2017 our headcount was 598 people under open-ended contracts and 113 under fixed-term contracts. All AIA employees are employed on a full-time basis. The average age of our employees is 45.9 years old with a considerable educational background. A high percentage of 31% of our personnel residing at the local communities reflects our close relationship with the Mesogeia community. The entire management team resides in the Attica region.

Turnover ratio, excluding seasonal

staff, was at 1,5% for 2017.

Having a diverse workforce means that the company offers a wide range of ideas, skills, sources and holds an important competitive edge. Diversified workplaces have proved to increase productivity and constitute an element of a desirable employer, in this way attracting talented employees. It is for this reason that AIA favours equal treatment and equal opportunities therefore supports and offers job prospects without discrimination. However, due to the nature of

such a specialised business - and particularly the nature of most technical jobs - the ratio of women to men is relatively low. Thus, in 2017 35% of all employees were female while women made up 16.3% of management.

Considerable importance is given to the educational level of our workforce and our aim is to attract, develop and retain capable and competent employees. Our workforce is highly educated and a significant proportion of them hold post-graduate degrees.

Employment by Gender

	2017	2016
Number of employees	711	684
Men	65%	66%
Women	35%	34%

Age Average

	2017
Age Average	45.9

Employment by Type of Contract

	Men	Women	Total
Open-end contracts	399	199	598
Seasonally employed	64	49	113

Female managers

	2017	2016
Diversity in Management as % of total Management	16.3%	12.5%

Educational Status (open-end contract employees)

	PHD	Master's	University	TEI	College	Lyceum	Basic	Total
Men	4	61	69	53	119	83	10	399
Women	1	33	64	16	49	36	0	199
Total	5	94	133	69	168	119	10	598

Employee Benefits

One of the most important components of a successful business is keeping employees contented and providing incentives to maximise their productivity. Being a responsible employer, AIA offers tangible benefits to its employees over and above what is legally required, to help meet their own and their dependents' needs. Below is the main list of benefits AIA provides:

Group Insurance Programme

AIA provides a group insurance programme with medical coverage for employees and their dependent members (1.910 persons in total including eligible dependents). Furthermore, the programme provides life and disability insurance for all employees.

Pension Plan programme

The Pension Plan programme, established in 2003, is based on the philosophy of matching contribution (a shared responsibility approach) with the aim to reduce the gap between the State Pension and the salary before retirement. All open-ended employees are offered a pension programme of whom 95.1% have selected to participate with own contribution.

Transportation

Each year AIA employees are given

the option to choose the way in which they will commute to the Airport and benefit accordingly (travel on the company's staff bus, obtaining an e-pass, getting a free Athens Public Transport multi-trip card or get a fuel subsidy). Among all eligible employees, 44% have selected the e-pass, 33% the Athens Public Transport card, 17% a fuel allowance and 6% take the company bus.

Nursery Allowance - MET

Acknowledging financial difficulties that most people in the country encounter these days, in 2017 the company continued to support employees with children and arranged for a lump sum to 104 employees that met specific income and family criteria to partially subsidise pre-school child care.

Reward of Distinguished Students

Since AIA recognises every effort for great performance especially from young people, each year we reward our employee's children for their dedication to excel at school. Therefore, students in Upper School delivering a distinctive performance are awarded at a ceremony organised by HRE with 300 euros for high school and 400 euros for lyceum students.

Aviation and Flight Academy

AIA is always keen to offer

opportunities to young people especially those eager to acquire theoretical or practical knowledge on the aviation industry. In this light, for the second consecutive year our company cooperated with the Hellenic-American University and organised the 2nd Aviation and Flight Academy.

The intention was to give young people the chance to attend a short summer course which included not only theoretical knowledge but also practical implementation at the Athens International Airport and at the airport of Megara, as well as experiencing a virtual flight through a sophisticated simulator.

The programme was open to employees' children of age 14 to 16 and 15 children enrolled. For almost a month, from 26th June till 14th July 2017, participants were taught the principles of aviation by experienced executives and scholars of the aviation industry who gave them the chance not only to experience something new but also to have a first glimpse of the highly exciting and promising business aviation industry. All students were awarded certifications for participating

This pioneering initiative aims to become an annual educational activity in the industry and in our country.

Work Life Balance

Work life balance is about creating and maintaining a supportive and healthy work environment. At AIA, we recognise this important aspect by offering our employees the opportunity to work in a consistently balanced time frame thus supporting balance between work and personal life.

Corporate Events

For the second consecutive year

with the support of DHL Express AIA hosted the **Plane Pull**, a truly remarkable event of the airport community, in favour of "The Smile of the Child" association. At the event, held on 28th April 2017 on a properly prepared airfield area, 13 groups of 25 people each pulled the AIRBUS 300-600, weighing 100 tons, which DHL Express lent for the event, for 10 metres each. The aim was to raise money to

financially support the activities of the association which in 2017 helped nationwide 26.298 children facing health challenges and their families.

AIA considers such activities particularly important not only for their contribution per se but also because they foster solidarity and a team spirit among participants who strive for a common goal

while living a truly memorable experience.

Family Events

During this year AIA organised a variety of activities for employees and families, supporting an engaging climate that promotes team bonding.

AIA organised a number of events for employees and their families, including an experiential wine harvest event to welcome autumn and the school opening, a guided tour at the Acropolis museum and an educational programme during a day visit at the Pentelis Institute of Astronomy.

The annual festive event for employees and their families took place at Cultural Centre with Christmas-themed festivities for children, a digital projection for elder children and a live music band for all. Children from the

age of 0 to 14 years old were all offered presents.

Children from “The Ark of the World” charitable association were also invited to spend some nice time together with our employees’ children and receive presents.

Blood Donation

Blood donation is an act of humanity, an action of social solidarity, compassion and kindness. In 2017, AIA continued its cooperation with the Blood Transfusion Centre of Aglaia Kyriakou Children Hospital which hosts AIA’s blood bank for the needs of children, AIA’s employees, their families or close relatives. Employees voluntarily participated in the blood donation activity and 33 units of blood were donated.

Sports

AIA encourages and eagerly supports our employees sporting

activities. In November 2017, 44 employees participated in the Athens Authentic Marathon Race in all routes. Nine of them ran the full 42 km route and all of them successfully finished the race.

For the 11th consecutive year AIA’s basketball team participated in the “Nikos Galis” European corporate championship, the oldest and largest corporate sport event, in which 115 teams and 1,150 athletes compete.

AIA football team completed the 2016-2017 season with another great success, winning second place in the Leontario Soccer Club corporate league in which 24 business companies participate. The team also gained international experience by participating for the first time in the “Aviation Football Cup-World Series” 7x7 tournament in Vienna.

Occupational Health & Safety



AIA recognises the importance of employees’ overall wellness, thus particular care is taken to provide a contemporary, healthy and safe working environment by keeping risks to a minimum. AIA aims to comply with all applicable national and international regulations and adopt related standards.

Within the framework of our accident prevention programme, employees are encouraged to report all incidents regardless of their severity (including first-aid incidents, near misses and property damages) while we have developed procedures and e-tools to facilitate and improve process

efficiency and effectiveness. Especially, first-aid and near-misses records are considered important for assessing the effectiveness of existing controls to identify whether new trends are developing and to implement new procedures in order to avoid future serious incidents.

Occupational Accidents

	2017	2016	var%
Total Accidents (excluding to/from work accidents)	9	9	0.0%
Accident Frequency Rate	0.28	0.14	100%

Frequency Rate: Number of lost work day cases x 200,000 / total workhours

Breakdown of Accidents

	2017	2016	var%
Lost workday cases	2	1	100%
First Aid Cases	7	8	-12.5%
Accidents to / from work	5	7	-28.6%
Fatal accidents	0	0	-

The Airport Company has established good occupational safety standards, not only as a legal requirement but also as a result of the company's responsibility towards employees.

The Airport Company takes the necessary preventive measures and precautions to ensure a safe place of work (including access and egress), safe plant and equipment and safe systems related to work. Similarly, it places great importance in helping all employees acquire a certain level of competence for supervision, information, instruction and training.

AIA's corporate safety policy which reflects all national and international regulatory provisions is key in this system. Additionally, monitoring best practices and the Corporate Health & Safety Manual both determine the relevant strategy and framework. The Airport Company takes the necessary actions in order to:

- provide and maintain workplaces, machinery and equipment and use work methods which are as safe and without risk to health as is reasonably practicable,

- give necessary instruction and training taking into account diversity of employees' functions and capabilities,
- provide adequate supervision of work practices ensuring that proper use of relevant occupational health and safety measures is made,
- institute suitable occupational health and safety management arrangements appropriate to the working environment, the size of the undertaking and the nature of its activities and
- provide adequate protective clothing and equipment which are reasonably necessary when workplace hazards cannot otherwise be prevented or controlled, without any cost to the employee.

Occupational Health and Safety is practiced through a system of procedures, inspections and workplace measurements, in line with legal requirements, international best practices and methods developed within AIA.

Special emphasis is on employees occupied in hazardous tasks or at hazardous areas and specific training sessions for risks

pertaining to their activities in order to increase awareness level are organised. In 2017, the Health & Safety Team took a step further and enriched AIA's portfolio of e-learning courses with some that serve to raise awareness on hazards that office employees may encounter during their everyday activities and on the safe use of chemicals in workplace. The online interactive course "Office Safety" was delivered to all AIA's employees while a "Chemical Substances Safety" course is scheduled for 2018.

Establishing common health and safety measures is the fundamental preventive action in the effort to eliminate hazards and when this is impossible or impractical to reduce the risk. As a last resort, for risks that cannot be otherwise eliminated appropriate Personal Protective Equipment is provided.

AIA's management holds regular meetings with the joint management-employees' Health and Safety Committee (elected by and representing all employees). During those meetings working conditions are evaluated and suggestions for improvement are raised.

Protecting Employees Health

The Airport Company does not limit itself to protecting its people from occupational hazards; over and above, AIA fosters the adoption of health-defending conduct by means of information programs through the Intranet and information provided directly to groups of employees.

As per relevant legal

requirements, AIA cooperates with the occupational doctor who keeps all employees' medical records in order to ensure that AIA staff is in good health to perform their job. This process is periodical and bound by confidentiality.

An infirmary staffed with an Occupational Doctor, a Health

Visitor and a Medical Doctor from the Social Security Institution (IKA) (facilitating the fast and easy access of employees) is available for the employees daily. In 2017, AIA employees visited the Occupational Doctor to have their medical files updated (bound by the medical confidentiality). Those found eligible received an anti-flu vaccination.

Training and Development: Building on Organizational Capabilities

Aviation is an industry where training is critical for addressing compliance requirements in a highly regulated environment and employee development is

key for deploying competitive business strategies and achieving ambitious goals. AIA is continuously investing in training and development that aims at

encouraging competence and growth of AIA's employees, as well as of those of the Airport community and other Airport operators.

AIA's Training Plan

AIA's Training Plan is based on business and organisational needs, regulatory mandates, latest market trends in training and development solutions and technologies. Thus, we

ensure that we meet training demands, while introducing novel and creative development opportunities for our employees and partners.

Year 2017 has been one with a wide variety of training and development initiatives, during which training hours (absolute and per FTE) were significantly increased versus 2016.

AIA's Training Plan in 2017



	Training Hours	Learning Coverage	Hours/FTE
2017	25,070	100%	35.1
2016	18,383	100%	26.5

Training Categories

	Compliance	Job Related	Developmental	Corporate	Conferences
Training Hours	12,475	7,201	3,631	1,078.5	685
Percentage to Total Hours	50%	29%	14%	4%	3%

Airport Community Training

As the Airport operator, AIA provides training either directly or indirectly to employees of

companies operating within the Airport community. In 2017 our Airport community training also increased and reached a total

of 12,460 hours with more than 3,000 participants.

Airport Community Training

	Training hours 2017	Training hours 2016
Ground Handling Training	816	574
Security Awareness Training	9,932	7,768
Airside Safety Training	1,579	853
Environmental Awareness Training	133	95

Aviation Industry Training

• AIA is an Accredited Training Centre of Airport Council International (ACI) since 2007, and we are hosting annually global ACI programmes for airport professionals worldwide. In 2017 we organised four training programmes with the participation of 27 AIA employees and 29 aviation professionals from the international airport community, as follows. The programme's duration is typically five days.



- Airport Business Analytics
- **GSN 6:** Aerodrome Auditing and Compliance
- Human Factors for Airport Managers
- **GSN 5:** Advanced Safety Management Systems

• Furthermore, in 2017 AIA offered on-the-job training to airport professionals from Muscat International Airport of Oman. These training services were part of a consulting project delivered by AIA's Corporate Planning department where 73 participants were practically trained in various airport operation roles in aviation operations, technical services, environmental services, terminal services and facilities services.

• At AIA we actively support the development of young airport professionals through our long-lived partnership with Munich International Airport. This year we received eight participants who were placed in various AIA Units, i.e. Security Services, Human Resources Occupational Health & Safety, Communications & Marketing, Information Technology & Telecommunications, according to their education and former professional experience. The programme involves a group

Airport orientation and individual role assignments for a period of two weeks, during which trainees have the chance to gain diverse experience in airport operations in the beginning of their career.

EASA Compliance: Training Programme

EASA's new regulatory framework determines necessary rules, regulations and practices for the certification of European aerodromes.

AIA conforms to EASA/AMC1 ADR.OR.D.017 for the provision of aerodrome training and the relevant compliance training programme is a product of a cross-departmental cooperation. Internal trainers were certified by the NCFE- Northern Council for Further Education, UK, while training courses addressing aviation safety have been developed internally according to EASA regulations for relevant professional aviation roles, including the Airport Hellenic Fire Corps.

The EASA compliance training programme has been successfully delivered in Q3 and Q4 2017 with 327 participants and a total of 5.036 training hours.

AIA's training policy and systems have been revised to include and support the deployment of the EASA compliance training programme for AIA and the Airport community. In 2017 we introduced the i-learn platform to support airport development and collaboration on compliance training.

"i-learn": Gateway to learning



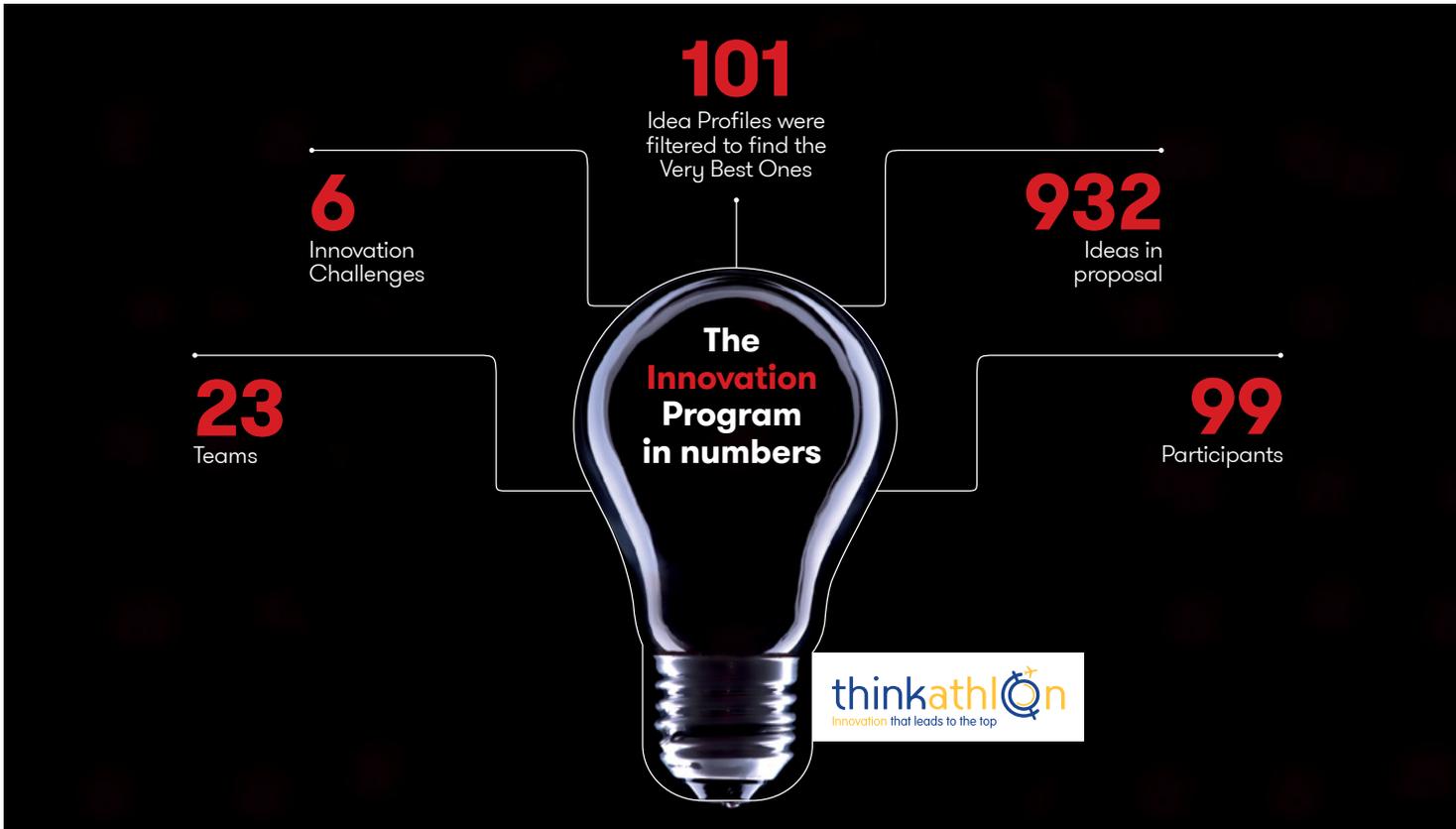
In our continuous efforts to support employee development and provide more training opportunities, we introduced a training collaboration platform, i-learn, to reinforce a common culture for compliance and development in our airport community. It is a point of

entry for AIA and AIA community employees, enhancing Airport development and collaboration. Through the new platform we support the need to train, assess, document and maintain records for regulatory training while enabling the use of new technologies in training. The "i-learn" platform provides easily accessible education taking in training's constant evolution. It allows AIA, on one hand, to enrich its e-learning offering and trainees, on the other, to complete training at their own pace and to access supportive material when needed. Benefits of digitalising training include increased efficiency, a shorter time to upskill the workforce, dissemination of good practices, direct response to new generations' ways of learning and a further reduction of our environmental footprint.

Developing a Culture of Positivity & Innovation

A positive mindset helps us cope successfully with life and work challenges. 'Positivity Day', an interactive session for all AIA employees, focuses on how we can embrace a positive attitude and positive feelings every day through a series of exercises and several tips that everyone can apply daily. Participation and engagement among employees has been very high with a series of Positivity Days being introduced in the organization.

Our Innovation program address all AIA employees who are eager to share new and creative ideas on specific challenges and subsequently turn them into feasible solutions. In 2017 there were five challenges set by the organization and employees engaged in "Thinkathlons" for generating new ideas which were turned into projects and winning teams were awarded for their effort and contribution. The aim of our Innovation program is to continue developing a culture of innovation and enhancing the collaboration and creation of ideas in our organization.



Community Engagement



The Airport Company recognises that it is part of a community that extends beyond the airport fence.

We recognise that our operations may impact our neighbours, such as annoyance due to aircraft noise, thus our goal is to limit, if not eliminate, this impact to the extent possible.

At the same time, the Airport is a significant driver of economic development in the region. This is complemented by targeted investments in social, educational,

cultural, athletic, environmental and other causes that go well beyond the scope of any legal obligations and help establish the Airport as a good neighbour.

Therefore, AIA has developed a corporate Community Engagement Plan (CEP), incorporated in our annual Operational Scorecard. Key to its successful implementation are:

- a) continuous cooperation and constructive dialogue with all local stakeholders to understand their needs and expectations,
- b) prioritisation of the large – due to the country's ongoing recession – number of requests for support received from local entities with a focus on emerging social needs, and
- c) incorporation of AIA's own initiatives which aim to improve the quality of life over time.

In 2017, a total of 189 meetings were held with representatives from local authorities, associations, schools and individuals.

Engaging Local Entities

(breakdown of meetings)	2017	2016
Municipalities	96	90
Associations	43	58
Schools	35	58
Individuals	15	10

Local Community Investment

	2017	2016
Education	59.6	270.9
Culture & Athletics	29.0	32.4
Society	38.8	155.6
Environment	7.9	33.2
Transportation	-	40.0
Other Community Activities	-	30.0
Total	135.3	(*) 562.1

(*) In 2016 an additional provision of €316.540 was made in order to implement new community projects requested in the coming years.

Community Investment

The major actions and projects implemented in 2017 are described below:

Education

- All 28 public schools in the municipality of Spata-Artemis were rewarded for participating in our recycling programme, which has been running since 2005.
- For the seventh consecutive year, financial rewards were offered to 36 high school students in Spata-Artemis, Koropi, Markopoulo & Rafina-Pikermi, who excelled academically and were admitted to higher educational institutions.
- Two scholarships were awarded to postgraduate students studying environmental science at the University of the Aegean, an initiative that AIA has supported since 2003.
- For the third consecutive year, we implemented an environmental awareness programme in cooperation with NGO Mediterranean SOS at local elementary schools in order to increase student awareness on water management issues. Overall, 519 students from 10 primary schools of Spata-Artemis, Koropi, and Rafina-Pikermi participated and were educated on the principles of sustainable management of

this precious natural resource. Additionally, an informative leaflet was distributed to the students following the presentations.

- In addition, and within the framework of our continuous efforts to raise environmental awareness and maximise environmental benefits in the Mesogaia area, we performed ten environmental awareness presentations to 429 high school students from surrounding municipalities, which included Airport site tours.
- Finally, electronic equipment and household appliances were provided to schools in the neighbouring communities as well as Christmas presents to all Spata-Artemis kindergartners.

Culture and Athletics

- Financial support was offered to major local cultural associations for their annual cultural events and to major athletic associations for their athletic events.
- For the tenth consecutive year, support was provided to the Vravra Museum for the maintenance and repair of several critical systems as well as for the purchase of materials and equipment necessary for the smooth operation and security of the Museum.

Society

- A colour ultrasound machine was donated to the Spata Health Centre to help improve primary care services provided to citizens of the region.
- Playground equipment was purchased and installed in the playground in the city centre of Artemis, with the aim of improving the quality of life of its residents.
- Supermarket vouchers were distributed to more than 900 individuals and families in need during Easter and Christmas in collaboration with social services of Spata-Artemis Municipality. Moreover, supermarket vouchers were provided to a local philanthropic association for the preparation of meals for those in need and to the local social supermarket.
- Upon initiation of the new school year 2017-2018, we purchased school supplies for the Spata-Artemis social supermarkets we have done during the last several years.
- Medicines and pharmaceutical supplies were provided to support health services of Spata-Artemis municipality.
- Local animal welfare associations were supported for the protection and care of stray animals.

Environment

- The Vravrona Wetland Protection and Promotion Programme carries on in collaboration with the Hellenic Ornithological Society (HOS) and municipality of Markopoulo, also covering the 'Alikí' Wetland in Artemis.
- The area of 'Prasinos Lofos' in Artemis was cleaned up for the

tenth consecutive year as a fire prevention measure.

- Financial support was provided to the Association for the Protection and Welfare of Wildlife (ANIMA) within the framework of our cooperation for the treatment of injured wildlife and its subsequent release back to the wild.

Additional actions in favour of Public Organisations

- Members of the Airport community were supported in their efforts to maintain a smooth operational environment and to deliver enhanced levels of service. In addition, fire stations in the local communities were provided with financial assistance in order to ensure their operational readiness.

Corporate Citizenship

Promoting the City of Athens

Athens Tourism Partnership (ATP) is a collaboration between the City of Athens, Aegean and Athens International Airport for the promotion of Athens, established in 2016. It aims to promote Athens as a contemporary cultural centre and an attractive, year-round tourist destination. The launch of a dynamic digital campaign titled «One City. Never Ending Stories», financed by the members of the partnership, was designed to showcase the Athenian experience and run until June 2017. The campaign's central video illustrated all facets of Athens in a modern and exuberant way. Aiming to penetrate city travellers and having collected valuable information about their behavioural patterns and trends, next steps of the campaign were designed in 2017 with a view to be launched in early 2018: a tactical campaign to run in February and March 2018 capitalising on the «One City. Never Ending Stories» message and targeting the German market in order to fully exploit the spring travelling peak and the relevant momentum. In addition, a new more vivid, inspiring and influential campaign is being designed with the aim to further boost and establish Athens as a destination throughout the year, to be aired in the last quarter of 2018.

'DiscoverGreece.com', the e-platform of state-owned Marketing Greece S.A., launched

«WanderlustGreece.com», a digital travel show that sets the stage for various presenters to showcase Greece to the world. Presenters travelled around the country and broadcasted live across all Discover Greece's social media channels. With the support of Athens International Airport, Wanderlust Greece dedicated its second season to Athens. The guest presenter's journey in Athens continued until mid-January 2018 allowing viewers from all around the world 'travel' to the heart of a city of never-ending stories and discover its people, neighbourhoods and architecture that make Athens one of the most exciting city break destinations in the world.

5th Airport Chief Executive's Symposium (ACES-Athens)

The annual Airport Chief Executives' Symposium «ACES – Athens», an initiative launched in 2013 by Athens International Airport, took place for the 5th consecutive year, at the Stavros Niarchos Foundation Cultural Centre, the new landmark of the city of Athens.

While consistently aiming at highlighting the importance of constructive dialogue, «ACES – Athens» highlights the interdependence between airports and the destinations they serve, as well as the overall contribution of the aviation industry and airports to the economic development of their destinations.

During this year's «ACES-Athens», AIA presented an overview of the years 2013-2017 and the related evolution that took place in tourism and aviation as reflected in the Athens market; furthermore, light was shed on the characteristics and the cluster of initiatives, synergies and partnerships among the tourism and aviation industry players, that contributed to Athens' resurgence as a prime tourist destination.

This year's «ACES-Athens» was held under the title «Western Threats and Eastern Promises» and focused on the following issues:

- Brexit: The way forward and the wider repercussions for aviation and tourism,
- China - Europe: The current situation and the perspectives for tourism and air transport,
- the re-emergence of Athens among the most attractive international tourist destinations, thanks to the joint effort, efficient partnerships and innovative programmes initiated by the tourism and aviation stakeholders.

Prominent executives from the global aviation industry, tourism, and travel & trade services, as well as the Mayor of Athens honoured this year's Symposium with their presence and addresses.



Art & Culture

Athens International Airport has become a cultural hub for travellers and visitors and an active member of Athens' cultural life. More than 250,000 visitors per year visit the permanent Airport exhibitions, namely the exhibition of Archaeological Findings, the "Acropolis Museum – A Classic Destination" exhibition and the interactive exhibition dedicated to the eminent politician Eleftherios Venizelos after whom the Airport was named.

In 2017, in addition to the above exhibitions, AIA launched numerous art collaborations in its two temporary art exhibition areas. Specifically: the exhibition titled "Greek Forests, Green Destination"

at the Art & Environment area in cooperation with the Goulandris National History Museum/Greek Biotope-Wetland Centre (EKBY) aiming, through photos and video, at promoting the forests of Greece to recreation destinations of great value and high standards, while familiarising airport travellers with the forest wealth of Greece and inviting them in a fascinating tour trip in the Greek nature.

For the second consecutive year, three dynamic entities with significant presence, the Benaki Museum, Costa Navarino and Athens International Airport joined forces for culture and presented the exhibition titled: "Under The Spell of Greek Costume:

contemporary creations animate The Benaki Museum Collections". It was a collective exhibition that brought together 15 world renowned fashion designers and talented artists who love Greece and embrace the Greek element in their work.

Athens International Airport continued its collaboration with the Athens Digital Arts Festival (ADAF) and hosted a multimedia exhibition under the title: "#PostFuture Journey- Flying Beyond Digital Reaching The #PostFuture". The exhibition included installations as well as video art and animation screenings of both Greek and foreign artists.



After a successful collaboration earlier in 2011 that included three exhibitions, the Museum of Cycladic Art, once again, collaborated with Athens International Airport and organised the exhibition “A Journey Through The Culture of Cycladic Islands”. It constituted a concise presentation of the large-scale exhibition “Cycladic Society, 5,000 Years Ago” organised last year by the museum on the occasion of its 30th anniversary and curated by its Director, Professor Nikolaos Stampolidis.

Lastly, together with NGO “The Smile of the Child”, AIA presented the exhibition “Travelling around the world with a Smile” which is based on the feedback of families from

around the world who have visited AIA’s children’s play area during the last 15 years and have left their comments in the guest book.

The multi-awarded “Fly me to the Moon” initiative which started in 2013 is a joint collaboration with «εculture» platform of contemporary art.

This year’s successful multidimensional entertainment programme included concerts, dance shows and other cultural events that inspired popular artists to showcase their work at the airport premises contributing to passengers’ and visitors’ airport experience. In 2017, we hosted live performances of Monika

Christodoulou, one of the most popular young singers & composers with her famous band, Encardia, performing world music tunes and tarantella rhythms of South Italy; the musical ensemble Bracera performing traditional songs from all over Greece; and the Tango Fix and QuickStep dance schools, who “travelled” passengers and visitors at the airport with their dynamic Milonga choreographies. Furthermore, for the third consecutive year, our cooperation with the Alternative Stage of the Greek National Opera continued; and we welcomed the Young Peoples’ Stage of the National Theatre of Greece which presented extracts from the musical “Momo”.

AIA also provided support to major Greek cultural entities such as the Greek National Theatre, the National Research Foundation "Eleftherios K. Venizelos", the Megaron Athens Concert Hall platform, the "A jewel made in Greece" serving, the Greek National Opera, the Museum of Cycladic Art, the Greek Festival, the Onassis Cultural Centre,

the Herakleidon Museum, the Multitrab Productions, and the Cyprus Theatre Association.

Furthermore, AIA cooperated with the Hotel Association of Athens, Attica & the Argosaronic for the cultural campaign "Stones Speak", a unique project where the great writers of antiquity came to life at selected

archaeological sites and monuments of Athens through theatrical performances offered by young talented actors. In addition, AIA launched its cooperation with the "Diazoma" Association for the protection, restoration and promotion of Greek monuments and ancient theatres.

Art and Cultural Investment / Sponsorship Program 2017

Art and Cultural Investment	2017	2016
Cultural Sponsorships	25,785	27,753
Art Exhibitions / Events	88,672	78,810
Total	114,457	106,563

Sponsorship Program 2017	2017	2016
Sports	5,500	2,500
Business-General	59,700	51,269
Business-Aviation Sector	25,066	19,060
Social-Various Humanitarian	4,850	8,934
Social-Children/Youth	49,562	15,430
Science	29,294	28,817
Total	173,972	126,010
Grand Total	288,429	232,573

A welcoming Airport for Children

Airport Visitors Service - We host field trips at the airport premises to help pupils and students broaden their horizons through visiting airport facilities and learning about operational procedures. These visits last 2½ hours and include a presentation of the Main Terminal Building, the Airport's Museum, the cultural exhibitions, the baggage reclaim area and a visit to the airport fire station where the impressive PANTHER fire trucks are kept. In 2017 we welcomed in total 1,200 visitors from kindergartens, elementary schools, high schools,

state and private vocational schools, the University of Athens, the University of Piraeus, the State University of NY, the Airlines Services Training (AST), the Wirral Metropolitan College and specialised educational institutions.

In the framework of our Visitors Service Programme we also hosted, in collaboration with the Benaki - Mentis Museum, an educational visit from the 12th Elementary School of Chalkida at the exhibition "Under The Spell of Greek Costume: Contemporary

creations animate the Benaki Museum Collections".

Airport Children's Play Area - in collaboration with NGO "The Smile of the Child" Athens International Airport operates a Children's Play Area for families travelling with children. It is located in the public area of the Main Terminal Building in order to accommodate both Intra & Extra Schengen passengers. The facility is carefully designed to adhere to all pertinent safety guidelines and the staff provides activities for different age groups in a safe and secure environment.

During 2017 the Children's Play Area welcomed **5,886** young visitors in a total of **77,190** since its opening in 2002. Average time spent is **an hour**, the most common age group is **4-7 years old**, **89%** of the families travel to European destinations and visitors very often offer **highly positive reviews** at our social media.

Enhancing Social Commitment

An important pillar of our corporate responsibility's strategy is to support children and social groups in need. In 2017 we continued our multi-dimensional social programme which entails contributions to national and international non-governmental humanitarian endeavours such as the promotion of the "Travelling Greece in Comfort and Safety" campaign of I.O.A.S. (Panos Mylonas Institute for Road and Safety), the Environmental Association of Attica "Time for Action" for the promotion of the campaign for volunteers "Let's do it Greece", the CSR – Hellas network, the Greek Paralympics Committee for the preparation games of the athletes, the Hellenic Athletic Federation of the Deaf for organising several national championships, the Athletic Association "ATLAS", the Association of Greek Gymnastic Athletic Societies (SEGAS) for the 35th Authentic Marathon of Athens, the "Make-A-Wish" organisation, "The Smile of the Child" organisation, the "Agoni-Grammi-Gonimi" association by supporting their actions for pupils of elementary schools of the PSO (Public Service Obligation) routes of the Greek Islands, the "FRONTIDA" Association for the support of people with cerebral palsy, mental retardation and the down syndrome, the NGO "Anoichti Agalia" (Open Arms), the MEDASSET Hellas, the "Medecins du Monde" organisation, the "Kivotos tou Kosmou" (World's Arc)", the AMIMONI Panhellenic Association of persons with problems of vision and additional disabilities, the ActionAid for large-scale humanitarian crisis projects, the ELEPAP "Little

Robinsons" travelling educational project, the National Special Kindergarten and UNICEF.

Furthermore, for the second consecutive year, we continued our cooperation with the Institute of Preventive Medicine Environmental & Occupation Health "Prolepsis" in order to cover part of the cost of the Public Health Programme for pupils of the Mesogaia area schools and the broader Attica vicinity.

We also actively participate in the "Amber Alert", "Silver Alert" and "Omnibus" programmes, a volunteer partnership between law enforcement agencies, broadcasters, transportation related parties and the wireless industry which notifies the public on child abduction or missing persons' cases.

On the education front we supported the University of Piraeus for their Fellowship programme of the department of Banking & Financial Management as well as for organising a Science Conference on "Insularity and the Blue Economy: Pillow of Development, Innovation & Entrepreneurship", the American University Aviation Academy for their aviation programme, the New Wrinkle Association for their educational programme "Shared Future Labs" under the auspices of UNESCO, the ALBA Graduate Business College for the financial support of the Graduate's Fund and the Law Digest Organisation for the organization of the Greek Law Digest Conference.

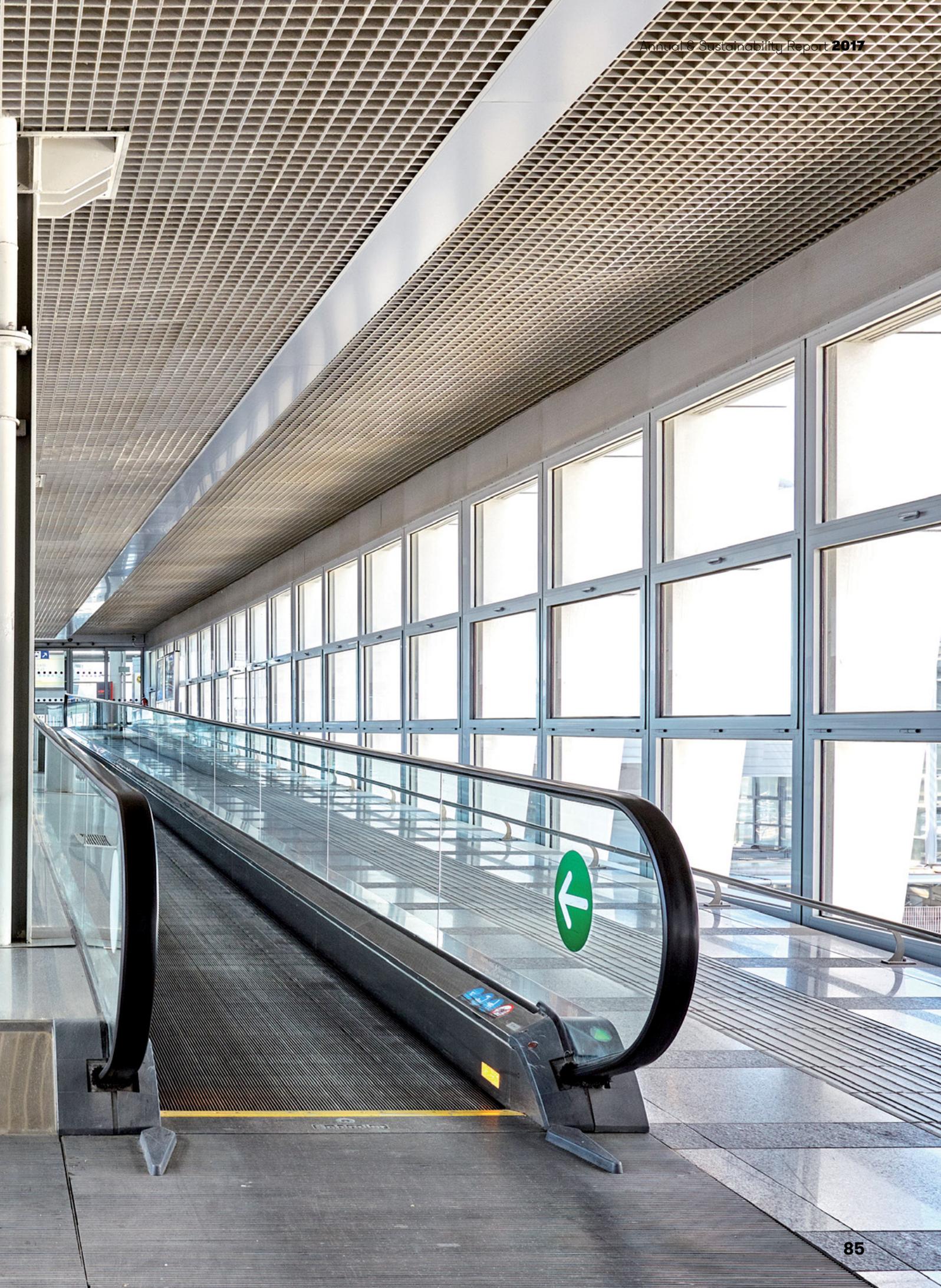
Furthermore, for the 9th consecutive year, we participated in the International Fellowship Programme of the MBA International of the Athens University of Economics and Business. We continued to support initiatives related to the education of unemployed young people. Under this pillar of our corporate citizenship commitment, for the fifth consecutive year, we supported the "Entrepreneurship & Career Panorama 2017" organised by the Research Centre of Strategic Business Management of the Athens University of Economics and Business, focusing on business start-up seminars for unemployed young people.

AIA Initiative against Human Trafficking

In 2017, AIA cooperated with the Hellenic Police and particularly the Athens Airport Police Division for raising awareness among Airport community staff on the sensitive issue of human trafficking. The "Train the Trainer" event intended to disseminate information across the Airport was attended by officers of the Airport Police Department, AIA employees, employees of security companies as well as employees of airlines and ground handling companies. It focused on recognising signs of potential trafficking victims and passing the information to police authorities in a discreet and secure manner. Also, AIA contributed to a public discussion on the same issue by participating in the 2017 Break the Chain Festival.

Future Prospects





Our expectation for 2018 is that it will be the fifth consecutive year of traffic growth. However, following a cumulative traffic growth since 2013 of over 73%, it is reasonable to expect a slow-down in the growth rate. 2018 will be marked by a number of challenges and developments in aviation business:

- Airline capacity in domestic routes is not expected to show substantial change overall, international traffic is expected to grow further, since additional capacity will be placed in the Athens market by home and visiting carriers. These positive airline decisions are aided by the favorable environment regarding competitive fuel prices, improved fleet capacity and utilisation and high airline profitability. Also, tourism demand is supported by the improved Athens value proposition in contrast with the geopolitical situation which continues to trouble some of our competitive markets.
- Traffic growth and regulatory compliance drive two considerable investments that the Airport Company plans to undertake:
 - o Firstly, as a result of the EU Regulation (EU 458/2017) requiring the reinforcement

of passport control checks at external borders, leading to a lengthier passport control process for all arriving and departing non-Schengen passengers, AIA plans to expand its immigration and emigration facilities. The construction of this project is expected to kick-off in mid- '18 and the necessary infrastructural and operational amendments are planned to be in place on time for the effectiveness of the new regulation (April 2019).

- o Secondly, as a result of EU Regulation 1087/2011 regarding the implementation of common standards for baggage explosive detection systems, which requires all bags to be screened with “Standard 3” equipment, a complex project affecting AIA’s baggage handling system will commence for the compliance to the said regulation, with expected completion in 2022.

Further to regulatory compliance, these two projects are expected to increase terminal capacity and efficiency in the affected processes and to improve AIA’s value for money offering towards passengers and airlines.

- Furthermore, AIA continues to invest in order to maintain and even further improve its service quality, ensuring safe, secure and efficient operations. Moreover, AIA will carry on with investments that make business sense in commercial activities and is closely monitoring future trends related to disruptions from digital developments and on-line shopping which could affect our B2B and B2C strategic positioning.

As these lines are being written, the ADA Extension Agreement, signed between the Greek State, HRADF and AIA on 30 September 2017, is still undergoing the scrutiny of the EU authorities- a condition necessary for its effectiveness. We trust that 2018 will be the milestone year of the completion of this endeavor. Its completion will mark the beginning of a new era for the Airport Company and will lead to improved potential for airport users, employees, shareholders and of course the state and the wider society from the operation of one of the most successful Public-Private-Partnerships in Europe. AIA pledges to continue to add value to all stakeholders, to act as a responsible operator and employer and to be an exemplary company in all its activities.

Planning Ahead for Sustainability

Connected with the Materiality Analysis, the Sustainability Action Plan below gives an indication

of activities carried out by AIA in 2017 and planned to be undertaken in 2018, in relation to

each of the non-financial Material Issues.

Material Issue	Actual Activities 2017	Planned Activities 2018
Customer Safety (Aviation)	<ul style="list-style-type: none"> AIA was granted an EASA Aerodrome Certificate in accordance with the stipulations of the respective Commission Regulations. The certification process involved extensive inspections and checks by the HCAA for an eight-month period. Aviation Safety Training development and implementation for recurrent courses. Regular inspections for all public and technical areas. In 2017, 324 health and safety plans and 6 safety management systems of third parties were reviewed. Furthermore, 27 audits were carried out to various airport community stakeholders. 	<ul style="list-style-type: none"> Aviation Safety Training Courses development (initial courses). Safety promotion initiatives, Hazard Identification and Risk Assessments, Health & Safety inspections in public areas.
Market Presence (Traffic development)	<ul style="list-style-type: none"> Strong growth of the international market (+12%), whereas the domestic market presented a slight increase (+2%). Overall connections in 2017: 137 destinations (103 of which international) in 53 countries, operated by a total of 59 carriers. 13 different incentives (both for developing new markets as well as for reinforcing existing ones), were in effect during 2017. 	<ul style="list-style-type: none"> Incentives Plan (Developmental & Targeted Incentives) Route Development / Marketing Support Policies
Business Continuity & Emergency Preparedness	<ul style="list-style-type: none"> Critical Systems Efficiency targets of the Corporate Scorecard 2017 were attained. Ten major emergency exercises were organised at the airport, including the Annual Partial Scale Emergency Exercise "Aircraft Accident on Airport". 	<ul style="list-style-type: none"> Emergency Crisis Planning training / workshops / exercises plan Action to attain availability targets for Critical Systems
Corporate Governance	<ul style="list-style-type: none"> In 2017 AIA started preparing its organisation to meet the deadlines of May 2018, set by the GDPR Regulation. Actions included personal data mapping throughout all corporate and operational functions and the establishment of a competent department and Data Protection Officer. 	<ul style="list-style-type: none"> GDPR-related preparation actions including Policies, Manuals, Procedures and related controls. Risk Management & Business Continuity activities Code of Conduct e-training
Service Quality	<ul style="list-style-type: none"> ACI World – ASQ Award: 2017 AIA best airport in Europe for customer experience Airport Service Quality target of the Corporate Scorecard 2017 was attained. Satisfaction rating of our passengers at 4.35 / 5 Completion of Intra-Schengen Project (operation, aesthetic & commercial improvement) More than 600 AIA employees participated in "i-mind" walkthroughs (corresponding to 70,000 inspections) ISO9001 and ISO20000 certifications (IT&T Business Unit) retained 	<ul style="list-style-type: none"> Commencement of the MTB South Wing Expansion (SWE) project STB Refurbishment project WC Refurbishment project Airport Service Quality / Passenger Satisfaction Surveys/ Quality Monitor Surveys Passenger Comments Management / i-mind programme/ service measurements Air Smiles programme
Indirect Economic Impact	<ul style="list-style-type: none"> Athens Tourism Partnership Project in cooperation with Aegean Airlines, Marketing Greece & the Municipality of Athens Digital Gate 2017 programme for innovation Internal Innovation Programme (thinkathon) 	<ul style="list-style-type: none"> Destination Marketing activities Art & Culture programme
Responsible Procurement	<ul style="list-style-type: none"> Implementation of the new Procurement Policy and related procedures, in line with international best practice Rollout of the new Contract Performance Management system (Contract) 	<ul style="list-style-type: none"> Implementation of new Procurement Policy & Procedure
Energy	<ul style="list-style-type: none"> Energy management system targeting conservation and exploitation of renewable energy ISO50001 certification for Energy Management 	<ul style="list-style-type: none"> Energy conservation projects: <ul style="list-style-type: none"> LED lighting for Apron Upgrade of Preconditioned Air plants
Emissions & Climate Change	<ul style="list-style-type: none"> Climate Change Corporate Action Plan target of the Corporate Scorecard 2017 was attained. Carbon footprint reduction by nearly 50% compared to our 2005 baseline, corresponding to a reduction of approximately 32,000 tons of CO₂ In 2017, AIA maintained its carbon neutral status by zeroing out its residual carbon emissions 	<ul style="list-style-type: none"> Climate Change Corporate Action Plan 2018 Maintain Neutrality level for Airport Carbon Accreditation Investigation of biofuel option for aircraft and electrification of groundhandling vehicles (in cooperation with airport community stakeholders)
Noise	<ul style="list-style-type: none"> Noise Abatement Procedures in collaboration with HCAA, the Ministry of Environment and the airlines Complaint management: 29 noise complaints received and handled in 2017 	<ul style="list-style-type: none"> Noise Abatement Procedures in collaboration with involved parties Noise Complaint management
Occupational Health & safety	<ul style="list-style-type: none"> Steady Occupational Health & Safety indicators in 2017, maintaining the low number of Total Accidents (excluding to/from work accidents) 	<ul style="list-style-type: none"> Health & Safety training / awareness sessions and Risk Assessments Fire Life Safety e-training E-training for office safety and chemical safety
Community Engagement	<ul style="list-style-type: none"> Community Engagement target of the Corporate Scorecard 2017 was attained with 19 distinct actions completed. 	<ul style="list-style-type: none"> Multidimensional Community Engagement Action Plan 2018

Annex I: Reporting by the Board of Directors to the Annual General Meeting of the Shareholders for the Financial year ended 31 December 2017

Dear Sirs and Mesdames,

According to article 43a, paragraph 3 of Codified Law (C.L.) 2190/1920, as applicable, we submit herewith to your General Assembly the Company's Financial Statements for its 22nd financial period. The present report refers to these statements as well as to any supplementary information necessary or useful for the statements' appreciation and approval by the General Assembly, according to the proposal of the Board of Directors.

Year 2017 was one of strong momentum for the global aviation industry, characterised by low oil prices, efficiency of aircraft capacity utilisation and fleet growth. The combination of the above resulted in a very prosperous year for the airlines' profitability, with attractive fares, which in turn supported a strong growth of passenger traffic. On a global level, airlines achieved healthy profitability with net profit margins in 2017 estimated at the level of 4.6%, according to IATA (source: IATA-Economic-Performance-of-the-Industry-end-year-2017-report). In addition, consumers benefited from lower travel costs and more routes offered and Revenue Passenger Kilometres (RPKs) increased overall by 7.5%. ACI also reports strong traffic rise on the global scale at 6.4% (source: ACI World Press Release Feb 2018), however with a slow-down from September onwards. Passenger traffic across the European network posted an average growth of 8.5% (source: ACI Europe Press Release Feb 2018). Non-EU airports lead the way of passenger traffic growth (+11.4%), with EU airports also achieving strong increase (+7.7%), although impacted from specific airline-caused disruptions (Air Berlin and Monarch cease of operations, Ryanair growth slowdown in winter period).

In line with the global and European aviation trends, 2017 was another record-breaking year for Athens International Airport (AIA, Airport Company) in terms of passenger annual growth, reaching 21.74 million passengers exceeding prior-year levels by 1.7 million, a significant increase of 8.6%. The number of flights amounted to 196 thousand surpassing the respective 2016 levels by 3.6%. International traffic proved to be the main growth driver (+12%), whereas domestic traffic also grew but at lower rates (+2%), impacted by airlines' capacity reductions mainly in the winter periods. In terms of passenger demand evolution, it is important to note that the demand for air travel has been resilient to the volatility of the trading and economic environment since it remained unaffected from the European and regional geopolitical risks. The behaviour of the Greek travellers led to a considerable increase of their air travel both in 2016 and 2017 influenced by competitive air ticket prices and macroeconomic stability. Foreign visitors also presented a healthy increase in the period under review.

In 2017 the Airport Company presented healthy results and recorded Profit Before Tax of €199.8 million, increased by €10.8 million compared to 2016. Growth in operating performance more than offsets the additional cost requirement following increased traffic and the increase of the variable element of Grant of Rights Fee recorded in the Operating Expenses. In view of the Company's expected obligation to pay the Consideration for the extension of its concession period (upon the effectiveness of the ADA Extension Agreement), no dividend to the shareholders is proposed.

1. Traffic Highlights

With 21.74 million passengers in 2017, AIA delivered an all-time high performance, surpassing previous year traffic by 1.7 million (+8.6%). This outcome was mainly driven by a strong growth of the international market (+1.5 million or +12%), whereas the domestic market presented a slow rise of 2% due to a capacity reduction in the winter periods. Greek residents presented a strong rise of 13%, while foreign residents showed a robust increase by 5% in total, formulating the overall level of growth. The dynamic growth of the O&D passengers by 12% should also be highlighted, demonstrating the consistent ascent of Athens as an

attractive destination, assisted by the joint and coordinated pertinent actions of the Airport Company with stakeholders from the tourism industry. Transfer passengers presented a small decline of 4% in the course of 2017, mainly attributed to the reduction of self-connecting passengers.

Focusing on the international passenger traffic developments per region, it is important to note that all regions enjoyed a sharp growth, supported by the significantly enhanced airport's route network coupled with the favourable evolution of passenger demand. The launch of the new long-haul services of Emirates to New York and Scoot to Singapore and Air China's non-stop flight to Beijing should be highlighted as they have largely contributed to the respective regions' successful evolution.

During 2017, four (4) new airlines launched operations to/from Athens and fifteen (15) new international routes were established (6 of which were intercontinental), further enhancing the airport's route network. At the same time, 17 LCCs offered services to 56 airports worldwide (compared to 59 airports in 2016). Overall in 2017 the airport's number of flights amounted to 196 thousand and demonstrated a rise of 3.6% compared to prior year levels. Both domestic and international flights demonstrated growth at 2.9% and 4.1%, respectively. Lastly, in 2017 Athens was directly connected with scheduled services with 137 destinations, 103 of which international (including 23 non-European) in 53 countries, operated by a total of 59 carriers. Although cargo business has been severely affected by the Greek crisis of the last seven years, a slight increase in airport cargo was recorded for the fourth consecutive year, posting an overall annual increase of 1.5% over the previous year, reaching 89,770 tonnes of freight and mail.

2. Business Highlights

AIA's business highlights for the year 2017 are presented hereunder:

2.1 Airport Operations

Smooth and efficient operations were delivered throughout 2017. Moreover, the airport remained a slot non-coordinated airport even in periods of excessively high demand for aircraft arrival and parking during the summer period. This demand was adequately addressed through ad-hoc operational arrangements. The 2017 summer period, as regards to passenger and aircraft movements, reached its highest peak in July, partly driven by an increased demand for ground stay/apron parking by general and business aviation aircraft.

Capacity Related Developments

In terms of capacity related enhancements, the following developments took place:

- The first phase of the operational upgrade of the Satellite Terminal Building (STB) was completed successfully and operations commenced in May and lasted until October 2017. Further enhancements are in progress in order to accommodate additional traffic at the STB in summer 2018.
- The Advanced Visual Docking Guidance System (A-VDGS) project was successfully completed with the installation of twenty-four A-VDGS units at all Main Terminal Building (MTB) and STB contact stands, ensuring optimum use of the stands.
- Airport Company has commenced discussions with HCAA (Hellenic Civil Aviation Authority) in order to take full advantage of the Airport's two runways' available capacity to at least 65 movements per/hour as per its original minimum design specifications.

Compliance Issues

As part of the continuous Operational Compliance and Development process, all required preventive and corrective measures were taken for maintaining emergency planning and AIA's preparedness for adversities at a high level, thus establishing a safe and resilient operating environment.

Following a strict, proactive and efficiently planned schedule, AIA is amongst the first European airports to be granted an EASA Aerodrome Certificate in accordance with the stipulations of the Commission Regulations (EC) 216/2008, (EC) 1108/2009 and (EU) 139/2014. Having been found in full compliance, AIA becomes the first Hellenic airport and amongst the few European ones to have completed on time its license/certificate conversion into an

EASA one. The thorough and time-consuming certification process involved extensive inspections and checks by the HCAA for a period of eight months. HCAA inspectors have gone through detailed audits and verification processes of the aerodrome airside infrastructure, legitimacy and accuracy of the relevant organisational structure, as well as of all Aviation Safety and Operations related procedures, training Syllabuses and Manuals.

It is noteworthy that ten (10) emergency exercises were organised at the airport, including the Annual Partial Scale Emergency Exercise “Aircraft Accident on Airport”.

Highlights and Distinctions

In recognition of its adherence to smart applications' technologies taking into consideration a continuous dedicated approach to enhance passenger experience, AIA has been awarded, in September 2017, the Fast Travel 'Gold Status' by the International Air Transport Association (IATA), as a result of its fast-developing smart infrastructure and automation in the areas of self-check-in, bags ready-to-go, document check, flight re-booking, self-boarding, and bag recovery.

The Airport Company's team of experts in cooperation with the Rescue Fire Fighting Services (RFFS) provided training services to the Greek Regional Airports Fire Fighters.

The aging airfield “follow-me” fleet, in continuous operation since 2004, has been replaced with ten (10) new vehicles.

For the fifth time in a row, Airport Company and all members of the Athens airport aviation fuel supply chain were awarded a Gold distinction by the Joint Inspection Group (JIG), while OFC/Athens airport remains the only airport fuel facility worldwide which has been awarded ten consecutive JIG Certificates of Excellence (2008-2017).

2.2 Pricing and Airport Marketing

During 2017 Airport Company continued its dynamic marketing strategy and incentives policy. AIA's aeronautical marketing strategy encompasses comprehensive developmental and targeted programmes for airlines including incentives and marketing support packages and constitutes a cornerstone of Airport Company's aeronautical strategy for healthy financial growth.

During the annual consultations with the airport users, which were held in January 2017, as per the Airport Charges Directives (2009/12/EC) as transposed to the Greek legislation (PD 52/12), Airport Company announced that all airport charges remain unchanged without any increase for the ninth consecutive year. The freezing of charges was complemented by the continuous development and fine-tuning of our incentives' scheme comprising growth incentives and a number of targeted incentives for airlines.

In total, thirteen (13) different developmental and targeted incentives, both for developing new markets, as well as for reinforcing existing ones, were in effect during 2017. Incentives are applied in a fully transparent and non-discriminatory manner. The majority of the operating carriers made use of one or more targeted or developmental incentives, many of which benefited further by receiving marketing support actions.

The 2017 campaign under the slogan “See the big picture in Aviation Marketing” reflected AIA's individual approach of each airline partner, its will and efforts to address actual needs of each airline partner in an innovative and holistic manner and to employ the latest advertising means and tools, in order to design and ultimately implement a complete marketing strategy.

Airlines' contribution to the airport's performance in 2017 was acknowledged by Airport Company for the 18th consecutive year by rewarding them for the most successful passenger traffic development during that year.

For the last six years, AIA has not only devoted innovative marketing efforts to its airline, business partners and consumers but has also extended its endeavours to actively support Athens as a destination. Actions to reinforce Athens' attractiveness as a tourism destination have significantly contributed to the recovery and enhancement of the city's image and the increase in foreign tourists' arrivals to our city. In particular, Airport Company has implemented a series of destination marketing targeted actions and initiatives by forging strong relations and strategic co-operations and synergies with tourism organisations and associations (Association of Tourism Enterprises, Greek National Tourism Organisation, Ministry of Tourism, Marketing Greece, etc.).

Within this context and as a part of the destination marketing initiatives undertaken for the promotion of Athens, Airport Company entered into strategic partnership with the Municipality of Athens and Aegean Airlines. The partnership named Athens Tourism Partnership (ATP) was presented in a press conference in December 2016 and was launched in January 2017. It is a unique digital campaign for Athens, which was managed by Marketing Greece, and targeted the German and French market until June 2017.

The fact that foreign visitors with Athens as their final destination significantly increased during last year denotes the effectiveness of such strategic synergies and highlights the necessity for all tourism industry organisations and bodies to continue co-operating with the long-term strategic aim to establish Athens as one of the most appealing tourist destinations worldwide.

Establishing knowhow and disseminating long-stand experience in airport and aviation industry, AIA organises international events, promoting the company's high level of expertise and Athens as a tourist and knowledge destination. Airport Company contributed to International Civil Aviation Organisation (ICAO) Global Aviation Corporation Symposium (GACS II), that took place in Athens in October 2017 and was co-organised with HCAA, attended by more than 400 delegates and representatives from the aviation industry, promoting intellectual and state of the art case studies on that topic. Also, AIA organised once more the 5th Airport Chief Executives' Symposium (ACES-Athens) in December 2017. This Airport Company's initiative which takes place in Athens on an annual basis aims on the one hand to highlight the interdependence between the air transport industry and airports and the development of the destinations they serve and on the other to introduce initiatives for the strengthening of Athens as a tourism destination. This year's event focused on the evaluation of the Chinese market and the Brexit case and their possible consequences in the aviation market was presented and discussed. The symposium was attended by more than 100 top executives from the air transport, the cruise business and tourism industry, as well as from the financial sector.

2.3 Consumers

Retail services

Within the context of constantly improving passenger experience at the airport, the large-scale commercial redevelopment project that commenced in September 2016, namely Intra-Schengen Project (ISP), covering the entirety of Intra – Schengen (IS) area and a large part of All-Users Departures area, was completed in April 2017, delivering to the passenger audience a new IS commercial area of contemporary commercial and aesthetical design, with a significantly expanded Retail and Food & Beverage (F&B) selection. The robust sales performance of the new stores and concepts led to an increase in the Shopping Centre's revenues of 10.6% compared to the previous year, an increase that surpassed the respective passenger traffic annual increase by 2%.

ISP was implemented following the same design principles and approach with the successful Extra-Schengen Project (ESP) that was completed in 2015. This large-scale refurbishment resulted in a remarkable net commercial space increase of 1,500 sq.m. expanding AIA's total commercial space to more than 11,200 sq.m.

In the frame of redesigning Airport Company's commercial offering to better address the constantly evolving passenger needs, in 2017 a new large Duty-Free outlet commenced operations together with three "last-minute" gate shops; 28 new specialty shops opened and seven more were substantially renovated; 11 new F&B concepts were added to the Airport Shopping Centre's and one F&B unit was totally renovated and expanded.

Further to the above, AIA launched a series of targeted marketing and co-promotional sales activities in close cooperation with the concessionaires, including amongst others several happenings to celebrate the launch of the new IS area that were also communicated through a radio campaign, a special discount programme for Perfumes & Cosmetics and a Fashion Bazaar, all achieving remarkable results both in terms of enhancing customer experience but also in terms of generating sales.

Landside services

The Airport Company's car parking revenues recorded a marginal decrease during 2017, by 0.3% compared to the previous year.

The propensity of Greeks to spend together with the presence of ultralow-cost carriers and competition, negatively affect the parking business by mainly altering the mix of Greek O&D passengers, who constitute the car parking primary users, in favour of public transport and car drop-off means.

Online booking has been strategically placed for one more year in the centre of parking marketing communication so as to address ongoing business challenges, support sales and further enhance the offered service against alternative airport access options. In 2017 e-parking tickets increased by an impressive 30%, with the e-parking service been highly supported by the new parking website that was launched in April and the well-accepted initiation of the parking loyalty scheme "PARK€WIN" that has already enlisted more than 30,000 members.

Aiming to address current parking competition in the vicinity of the airport, the "always on" marketing campaign remained active for another year providing strong communication of the AIA parking offers through radio spots and monthly newsletters, while supporting awareness of the new aggressive price policy. The effectiveness of the above is also mirrored in passenger surveys where the price acceptance among parking users has been improved by 13%. Furthermore, an important part of the parking strategy comprised several new partnerships with AIA's Shopping Centre and Retail Park concessionaires and with Attiki Odos (Athens ring-motorway).

Terminal Services

In a year marked by major construction projects within the terminals, Airport Company was able to offer personal assistance and information to more than 2.5 million passengers and visitors. The Airport Call Centre handled approximately 430,000 telephone inquiries with almost 95% of callers being served within 20 seconds. In addition, more than 4,400 inquiries received electronically via the "airport info" service were processed.

Gates for automated passport control were introduced for the first time in our airport, both in the Departures and Arrivals areas with three units per area. The e-gates expedite European passport holders with biometric travel documents. Airport staff were present to inform travelers, manage queues and assist transfer passengers with short connections.

"Fast Lane" at the Intra-Schengen Screening Point was thoroughly revamped, well-defined by the introduction of an exclusive entrance for business and priority passengers.

Finally, in our effort to continuously improve information provision and passenger service, a new Airport Information Counter was placed in the Intra-Schengen Arrivals Corridor.

2.4 Property Business Unit

In 2017, Airport Company's property business activities demonstrated a firm performance. The airport Hotel and the Exhibition Centre recorded considerable growth, the Retail Park achieved a marginal increase, and space leases activity managed to sustain business at 2016 levels.

The documented turnover of the airport Hotel (Sofitel), showed an annual increase of 11.7%, a record performance since its opening, despite the slight drop in the occupancy rate by 1.5%. Year's highlights include a major renovation programme, the first phase of which is planned to be completed in 2018.

The Metropolitan Exhibition & Conference Centre recorded a considerably improved turnover by 8.5% compared to 2016. Growth is mainly attributed to the hosting of the "XENIA" trade show, which was successfully relaunched in 2017 and henceforth is scheduled to take place annually, targeting the hotel and the wider hospitality sector.

Amidst the overall environment in the domestic retail sector, the Retail Park showed a marginal sales growth of 0.5% compared to 2016. Operation of the Retail Park on Sundays from mid-July until October, as per the new law for shop opening on Sundays in tourist areas, contributed towards this improvement.

Building and space leases mainly serving the airport community (i.e. airlines, ground handlers, concessionaires) sustained their occupancy rates close to the 2016 levels.

In the context of improving passenger travel experience, Extra Schengen lounges for Commercial Important Persons (CIP) were enhanced with the addition of a brand-new lounge operated by Aegean Airlines.

Finally, the Photovoltaic Park increased production by approximately 3% in 2017 and reached a level of 13,642 MWh annually, largely due to the favourable weather conditions.

2.5 Information Technology & Telecommunications

Information Technology & Telecommunications Business Unit continued its successful performance contributing to Airport Company's and its stakeholders' unobstructed operations along the year. Its project portfolio was further enriched, aiming to enhance operational excellence and customer experience by launching new business-to-business and business-to-consumer services using innovative technology.

Operational Resilience and Cyber security

As part of our systems' improvement with regards to Information Security, Internal Firewalls were replaced. These firewalls control communications between Airport Operational Systems, such as the Universal Flight Information System (UFIS), BHS, Common Use Terminal Equipment (CUTE), Building Automation System (BAS) and more.

The annual IT&T Disaster Recovery exercise was performed jointly with the involved users. The redundancy mechanisms, referring to 40 IT&T systems, including critical systems, virtualisation infrastructure, networking services and external connectivity were tested successfully, within a timeframe of eight hours.

TÜV HELLAS renewed the IT&T ISO 20000 and ISO 9001 certifications without any findings.

Cyber security remains at the top of our attention. In order to further enhance Airport Company's defence against cyber risks, Anti-Distribution Denial of Service (DDOS) mechanisms, both software and hardware, have been installed to protect communication lines and the internet website. Moreover, modifications have been accomplished in coordination with Hellenic Telecommunications Organisation - OTE in the architecture of the telecommunication system infrastructure, to reassure the uninterrupted provision of voice and data services within the airport premises.

The renewal of AIA's Data Network and Telephony infrastructure through the introduction of the "New Generation Networks" technology progressed significantly; IT&T has successfully completed the upgrade of its Data Network and Telephony Backbone.

Innovation & Digital Initiatives

The Airport Company's digital information to passengers is provided also through FLIO global airport application which is considered one of the main global digital marketplaces for airports, airlines, retailers and brands. FLIO carries valuable airport information for over 1,500 airports worldwide, all in one mobile application.

The second round of "THE DIGITAL GATE", the competition for innovation and youth entrepreneurship, was concluded. "THE DIGITAL GATE" is organised in cooperation with the Athens Centre for Entrepreneurship and Innovation of the Athens University of Economics and Business. In 2017, eight teams presented their Minimum Viable Products which were developed with the guidance of airport professionals and were assessed in a real airport environment. The ranking results and the winners were announced during a special event in February 2018.

In the context of the new AIA Extranet Project, IT&T launched "Airportal", a new website addressed exclusively to the airport community. The portal offers an updated version of the "Flight Information Pages", an e-phone book service with additional information and access to e-books such as the Aerodrome Operations Manual (AOM).

The new Governance Risk & Compliance (GRC) system for enhancing Internal Audit department's (IAD) processes and automation was introduced.

IT&T commissioned and acquired a new Learning Management System (LMS). The new platform, integrated with the Human Resources Information System (HRIS), is the sole learning tool for both AIA employees and those of Third Parties within the airport community. It allows Human Resources department to easily manage all training records as well as to efficiently administer training resources, whilst at the same time it supports AIA's compliance requirements.

Awards

Airport Company received the significant international award “Value Winners” of the WITSA Global Excellence Awards 2017 in the category of Digital Opportunity. The WITSA Global Excellence Award is dedicated to highlighting companies operating in the IT and communications industry worldwide. At the “Corporate Affairs Excellence Awards 2017” Airport Company was awarded in the category of Best Use of Social Media and received also a special award in the category of Key Performance Indicators for its «ATH Messenger bot via Facebook messenger».

At the Impact Bite Awards of Boussias Communications, Airport Company’s IT & T BU was awarded two (2) golden awards, namely in the category “BUSINESS CONTINUITY”, and in the category “ALIGNMENT OF ENTREPRENEURSHIP & ICT STRATEGY”.

2.6 Major Corporate Projects and developments

Concession Extension

Further to the discussions since 2016, between Airport Company and the Hellenic Republic Asset Development Fund (HRADF) as prescribed in Article 4.2 of the ADA and the relevant exchange of information between the two parties and their advisors, in May 2017 the BoD of HRADF approved the draft ADA Extension Agreement and invited Airport Company to submit its financial offer on the Concession Extension. Airport Company’s financial offer was finally approved by the BoD of HRADF on 30 May 2017 and the offer was affirmed by the Extraordinary General Meeting of AIA’s shareholders on 1 June 2017. Following the approval of the draft ADA Extension Agreement by the Inter-Ministerial Committee of Assets Restructuring and Privatisations of the Hellenic Republic published in the Government Gazette (FEK B’ 3294/19.09.2017) and the publication of a voluntary ex ante transparency notice in the official journal of the European Union, the ADA Extension Agreement was signed on 30 September 2017 between AIA, HRADF and the Greek State. The Agreement foresees an extension of the ADA term until 11 June 2046 under the terms and conditions prescribed therein, including the payment by AIA of a financial consideration to HRADF. The Agreement will become effective upon the completion of the necessary approvals by the European Authorities, EIB and the ratification by the Hellenic Parliament. The latter processes commenced in 2017 and are still ongoing.

External International Business Activities

Airport Company participates in business projects, exporting its know-how in order not only to generate revenue but also to create non-tangible value-added to the company and its employees. In 2017 the highlights of Airport Company’ external business activities were:

- Consulting & training services to Oman Airports Management Company: Airport Company was entrusted with the training of its Muscat and Salalah airports personnel. Within a series of intensive full week on-the-job training programmes covering a broad spectrum of airport functions, seventy-six (76) Omani professionals have until now concluded their training.
- Research & Development – European projects: Airport Company’s IT&T has been awarded funding by the EU for two R&D projects. The “ICARUS” project, which aims to bring together the Aerospace, Tourism, Health, Security, Transport, Retail, Weather and Public sectors, in order to accelerate their data-driven collaboration that can produce novel industry applications which add social and commercial value. The “CHARIOT” project, which focuses on the Privacy, Security and Safety of the Internet of Things Systems under a unified approach through a cognitive computing platform.

General Data Protection Regulation (GDPR)

The GDPR (EU Regulation 679/2016) introduces a new “architecture” to be applied horizontally throughout all legal entities requiring, among others, the protection of personal data “by design” in all data processes and records, as well as the adoption and implementation of such Information Security tools and practices that safeguard confidentiality, integrity, availability and safekeeping of personal data. Responding to the challenge, Airport Company in 2017 started preparing its organisation to meet the substantial and formal deadlines of May 2018, set by the Regulation. Such actions include a GDPR familiarisation exercise, personal data mapping throughout all corporate and operational functions and the establishment of a competent department and Data Protection Officer. Further actions towards GDPR compliance are ongoing in 2018.

3. Corporate Responsibility

Airport Company approaches Corporate Responsibility (CR) in an integrated manner, aiming at promoting the sustainability of all aspects of its operation and development. AIA acknowledges its role as a responsible company, for creating sustainable value for its stakeholders and for balancing its objectives across the perspectives of operational responsibility, environmental responsibility, corporate citizenship, employer's responsibility and sustainability governance.

Airport Company's approach to Corporate Responsibility is reflected in the related CR Policy, which was revised in 2017 and implemented as a cross-departmental effort through a contemporary three-level CR governance structure: Strategy, Integration and Implementation across AIA structural units and departments. Related practices are continuously updated in line with emerging requirements and global standards. The Company engages in independent Sustainability Assurance for the verification of disclosures accuracy, completeness and abidance to applicable standards.

Airport Company's sustainability reporting abides by the Global Reporting Initiative (GRI) Standards of 2016 and is in line with the company's sustained commitment to the United Nations Global Compact, the acknowledgement of the United Nations' Sustainability

Development Goals (SDGs) and the Agenda 2030, contributing to the global sustainability effort.

3.1 Operational Responsibility

Operational responsibility is the cornerstone of Airport Company's commitments. The Company ensures safe, secure, efficient and value-adding services for the benefit of a well-coordinated airport community and for delivering an exceptional experience to the travelling public.

In 2017, the Airport Company was certified for compliance with the EASA Aerodrome Rules for aviation safety practices. During the year, 14 aviation safety audits were conducted to third parties.

Ensuring the health & safety of the travelling public, all public and technical areas are regularly inspected, in order to ensure that airport facilities personnel comply with legal provisions and Airport Company's corporate rules and procedures. In 2017, 21 health and safety audits were conducted towards various airport community stakeholders.

Operational readiness and availability performance of critical systems was maintained at exceptional levels. At the same time, satisfaction rating from passengers was considerably improved and maintained at high levels (4.35 on a 5-point scale compared to 4.26 of the previous year), an outstanding performance mainly reflecting the impressive functional and aesthetic changes of public and retail areas at the terminal.

It is worth to be noted that in 2017, 9.81% more Passengers with Reduced Mobility (PRM) made use of assistance services compared to 2016.

Passenger satisfaction is at the focus of every AIA employee, as more than 600 "virtual passenger" walkthroughs were conducted in 2017 as part of the innovative "i-mind" programme, corresponding to over 70,000 inspections. Committed to providing quality services, the company handled and responded to more than 4,500 comments received from 2,400 passengers.

3.2 Environmental Responsibility

In 2017 Airport Company held strong to its commitment to operate the airport in a sustainable manner with a focus on environmental protection. AIA refurbished its Noise Monitoring Terminals, which had been continuously operating since 2001, updated its Strategic Noise Map to incorporate 2016 traffic data and re-examined the relevant Noise Action Plan. In addition, according to best practices, preliminary work was conducted for a Climate Change Adaptation study for the airport in 2018. By heavily investing in energy-efficient technology over the past decade, AIA has managed to reduce its carbon footprint more than 40%. Airport Company's environmental profile is further bolstered by the production of clean electricity by its 8.05 MWp Photovoltaic (PV) Park, saving more than 12,000 tonnes of CO₂ per year.

Application of the "Polluter Pays" concept to waste management at the airport continues to produce

remarkable results: for the first time ever, the Recycling Rate exceeded 60% for Solid Non-Hazardous Waste (9,638 tonnes of the total of 15,541 tonnes). In addition, 285 tonnes of Hazardous Waste and 185 kg of medical/clinical waste were collected and transferred to licensed facilities. Also, airport employees recycled seven tonnes of hazardous and non-hazardous waste at AIA's dedicated Recycling Centre.

In 2017, Airport Company certified its Energy Management System (EnMS) in accordance with the ISO 50001 standard, becoming the first airport in Greece to do so. This certification (valid until 04/12/2020) recognises our efforts to use energy more efficiently, conserve resources and contribute to the fight against climate change and ensures compliance with the relevant energy legislation. Some recent projects include the use of LED technology to light the apron and other areas of the Airport, replacement of older company vehicles with newer models with lower fuel consumption and emissions as well as investment in more efficient air conditioning equipment. This certification is the first one that does not apply only to a specific function but to the whole Airport Company.

Furthermore, AIA's Environmental Management System was upgraded to the latest version of the ISO 14001 standard. The current certification is valid until 12/01/2019.

3.3 Employer's Responsibility

The people of AIA is the Company's most valuable asset. At the end of 2017, our headcount was 711 persons (598 persons under open-ended contracts and 113 persons on a fixed-term contract basis) versus 684 persons in 2016 (604 persons under open-ended contracts and 80 persons on a fixed-term contract), holding a high level educational background. Thirty-one (31%) percent of our personnel reside in the local communities, reflecting our close relationship with the Mesogeia community.

In October 2017, a Collective Labour Agreement (CLA) was signed, as each year since 2000, between Airport Company's Management and the Employees' Union under mutual consensus of the two parties in order to meet and satisfy employees' requests. The signing of the CLA is an important factor for maintaining labour peace in a well-coordinated company, which has not changed the salaries despite the downtrend of the market for one more year. Our business strategy is closely linked with the development of our people's skills and capabilities. Continuous professional and personal training of our employees is of vital importance, therefore we allocate significant resources towards these activities.

The 2017 Training Plan resulted in a total of 25,070 training hours, with 100% of the employees attending at least one training session and receiving the equivalent of 35.1 hours per FTE. Relating to EASA Compliance Training, there were 3,283 training hours of recurrent courses attended by 137 participants and 1,753 training hours of externally provided courses attended by 191 participants.

In 2017 Airport Company continued the "Praxis" programme initiated in 2016, which aims to contribute to youth employability in Greece by offering paid working experience to 28 young people who are aged between 19 and 29 years. Upon completion of the programme, a consultant facilitates the trainees to access the labour market.

3.4 Corporate Citizenship

For the 2nd consecutive year in 2017 Airport Company, the Benaki Museum and Costa Navarino joined forces and presented an ambitious cultural exhibition titled "Under the Spell of Greek Costume: Contemporary Creations Animate the Benaki Museum Collections". This group exhibition brought together 15 world-renowned fashion designers and artists who were inspired by Greek costumes of the period 16th to 20th century, as pictured in the collection of imprints donated to the Benaki Museum by J.D. Koilalous. Airport Company collaborated once again with the Museum of Cycladic Art for the exhibition "A journey through the culture of Cycladic islands". It constitutes a concise presentation of the large-scale exhibition "Cycladic Society, 5.000 years ago", organised by the museum on the occasion of its 30th anniversary. In collaboration with the Athens Digital Arts Festival (ADAF), Airport Company hosted the multimedia exhibition titled: "#PostFuture Journey-Flying beyond digital reaching the #Post Future" with major video art and animation installations. In collaboration with the Goulandris Natural History Museum / Greek Biotope-Wetland Centre, AIA hosted the exhibition "Greek Forest, Green Destinations" which aims to promote Greek forests as high-quality recreation destinations.

Through the “Fly me to the Moon” programme, Airport Company has provided passengers and visitors with a distinct entertainment and cultural experience within the Airport with prominent artists and musical ensembles for the fourth consecutive year. The Airport is a significant driver of economic development in the region. This is complemented by targeted investment in social, educational, cultural, athletic, environmental and other causes that go well beyond the scope of any legal obligations and help establish AIA as a good neighbour. The Company’s ties with local society remained intact through its annual Community Engagement Plan implementation.

Highlight initiatives for 2017 include the provision of financial rewards to local schools for their participation in Airport Company’s Recycling Programme and to top students from local high schools admitted to Greek Universities; a programme for raising awareness on water conservation issues that was implemented to ten local elementary schools and attended by 519 students; the continuation of the Environmental Management Programme which aims to raise awareness on the airport’s environmental protection measures in the Mesogaia area and includes a presentation and an Airport site tour, this year delivered to 429 high school students; and financial assistance to local cultural and athletic associations, charity groceries and families in need.

In 2017, a colour ultrasound machine was donated to the Spata Health Centre in order to upgrade and improve the primary care services provided to the citizens of the region. Playground equipment was purchased and installed in the playground in the city centre of Artemis, thus improving the quality of life of its residents. The area of ‘Prasinos Lofos’ in Artemis was cleaned up for the tenth consecutive year as a fire prevention measure. Also for the tenth consecutive year, Airport Company continued to support the Vravrona Archaeological Museum and the conservation and promotion of the Vravrona Wetland.

4. Financial Statements’ Highlights

The Financial Statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the Accounting Policies approved by the Board of Directors of the Airport Company. Operating revenues of AIA reached the amount of €433.5 million, higher by 6.61% (or €26.9 million) compared to the previous financial year, mainly attributed to the increase of passenger traffic and the improved performance of the retail revenues.

In total, AIA’s participation in the Airport Development Fund (ADF) reached the amount of €79.9 million, lower by €3.5 million or 4.18% in comparison to the prior financial year, as a result of the decrease of the ADF levy for non-EU passengers from €22 to €12 per departing passenger from 11 Apr 2017 onwards in accordance with law 4465/2017. Part of the ADF receipts covered interest expenses, i.e. €21.4 million (2016: €25.6 million) and were recorded as subsidies related to financial expenses, while the remaining €58.5 million (2016: €57.8 million) covered part of the instalments of the loan received for the construction of the airport and was transferred to other revenues.

In 2017 operating expenses increased by €14.3 million or 10.58% mainly due to additional cost requirements following the increased traffic and the once-off consulting, legal and other related expenses for the effectiveness of the concession extension (€5.9 million) as well as due to the full year effect of the variable element of the Grant of Rights Fee (€8.4 million).

Overall earnings before interest, tax, depreciation & amortisation (EBITDA) in 2017 were increased by €12.6 million or 4.64% compared to the previous year, reaching the level of €284.5 million.

Depreciation charge was €76.6 million in 2017, slightly higher by €2.4 million to the corresponding charge in 2016 of €74.2 million due to additional investments in capital expenditure within the year.

Net financial expenses stood at €29.5 million presenting a decrease of €4.7 million or 13.8% versus 2016 mainly due to the gradual reduction of the outstanding balance of the Airport Company’s debt.

Profit before Tax reached the amount of €199.8 million. After accounting for the aggregate charge for income tax of €59.8 million, the statutory and other reserves of €7.0 million and the prior year’s retained earnings of €85.4 million, there remains a distributable profit of €218.4 million. Given the short-term financial obligations for the Airport Company arising from the ADA Extension Agreement, no dividend distribution to the shareholders is proposed by the Board.

The Statement of Financial Position of 31 December 2017 reflects total Assets of €1.2 billion. The value of Airport Company's Non-Current Assets (€0.65 billion) represents 52% of Total Assets, indicating that Airport Company still remains a capital-intensive company.

AIA continued to present healthy financial performance, with consistently strong key performance indicators. More specifically, Net Turnover & ADF per passenger stands at €20.9 (2016: €21.6), while Operating Costs per Passengers remain at low levels, i.e. €6.9 per passenger (2016: €6.7 per passenger). Moreover, Airport Company uses a metric, i.e. AVA (Added Value on Assets) to measure the value created from operating revenues and expenses, also taking into account assets and cost of capital since airports are largely capital-intensive business entities. In specific increased value has been generated in 2017, i.e. AVA (Net Operating Profit After Tax minus Cost of Capital x Net Assets) was €119.6 million (2016: €111.9 million).

All Fixed Assets are recorded in the Fixed Assets Register and are free of any encumbrances apart from the conditional assignment of the Usufruct extended since 1996 in favour of the Lenders. Fixed Assets were depreciated at rates reflecting their estimated useful lives and the legal limits on their use as provided by the ADA. The value of the Usufruct of the Land that was assigned by the Greek State for the development and operation of the Airport, the present value of the fixed component Grant of Rights Fee and the value of the Intangible Assets are equally depreciated over the operation of the 25-year concession period. Investment in Associates consists of €3.25 million and represents the carrying amount of AIA's participation in the equity of Athens airport Fuel Pipeline Company S.A.

AIA's Closing Cash position is €466.8 million. AIA is exposed to financial risks such as cash flow and fair value interest rate risk, price, credit and liquidity and to concentration risks. The Company invests its cash and cash equivalents in short-term deposits and held-to-maturity highly liquid financial assets minimising its exposure to interest rates volatility. As regards the borrowings, these are with fixed interest rates eliminating any potential adverse impact on company's financial performance from the fluctuation of interest rates.

In particular, the weighted average fixed interest rate of EIB Loan is 6.12%, whereas the current outstanding balance amounts to € 295.6 million out of the initial withdrawn amount of € 997 million. The repayment of EIB Loan is effected through semi-annually installments which started in June 2004 and will be completed in June 2021.

In order to cover the credit risk, the company obtains adequate securities from customers, as per the applied Credit Policy. The liquidity risk is managed through efficient cash management involving cash forecasting and investments strategy that ensures the sufficient level of available cash to meet operational needs, to cover the debt service obligations and to finance investments, complying with the debt covenants in terms of creditability and maturity of investments. The nature of the risks, as well as the scope and the company policies for managing financial risks, are presented in Section 3 of the Notes to the Financial Statements. Other risks and uncertainties related to tax disputes with the Greek State and disputes on municipal charges with two of the surrounding municipalities are analytically referred to in note 5.28 of the Notes to the Financial Statements.

Regarding events that occurred after the balance sheet date a reference is made in note 5.31 of the Financial Statements.

5. 2018 Outlook

Our expectation for 2018 is that it will be the fifth consecutive year of traffic growth. However, following a cumulative traffic growth since 2013 of over 73%, it is reasonable to expect a slow-down in the growth rate. Year 2018 will be marked by a number of challenges and developments:

- The Greek economy shows clear signs of improvement, following one of the lengthiest and more severe recessions in modern history. Nevertheless, the macroeconomic environment remains fragile, affecting the Greeks' spending propensity.
- Whereas airline capacity in domestic routes will be reduced, international traffic is expected to grow further, since additional capacity will be placed in the Athens market by home and visiting carriers. These positive airline decisions are aided by the favourable environment regarding low fuel prices, improved fleet capacity and utilisation and high airline profitability. Also, tourism demand is supported by the improved Athens value proposition in contrast with the geopolitical situation which continues to trouble some of our competitive markets.

- Traffic growth and regulatory compliance drive two considerable investments that the Airport Company plans to undertake:
 - Firstly, as a result of the EU Regulation (EU 458/2017) requiring the reinforcement of passport control checks at external borders, leading to a lengthier passport control process for all arriving and departing non-Schengen passengers, AIA plans to expand its immigration and emigration facilities. The construction of this project is expected to kick-off in mid-2018 and the necessary infrastructural and operational amendments are planned to be in place on time for the effectiveness of the new regulation (April 2019).
 - Secondly, as a result of EU Regulation 1087/2011 regarding the implementation of common standards for baggage explosive detection systems, which requires all bags to be screened with "Standard 3" equipment, a complex project affecting AIA's baggage handling system will commence for the compliance to the said regulation, with expected completion in 2022.

Further to regulatory compliance, these two projects are expected to increase terminal capacity and efficiency in the affected processes and to improve AIA's value for money offering towards passengers and airlines.

- Furthermore, AIA continues to invest in order to maintain and even further improve its service quality, ensuring safe, secure and efficient operations. Moreover, AIA will carry on with investments that make business sense in commercial activities and is closely monitoring future trends related to disruptions from digital developments and on-line shopping which could affect our B2B and B2C strategic positioning.

As these lines are being written, the ADA Extension Agreement, signed between the Greek State, HRADF and AIA on 30 September 2017, is still undergoing the scrutiny of the EU authorities- a condition necessary for its effectiveness. We trust that 2018 will be the milestone year of the completion of this endeavor, which has been the joint effort of numerous stakeholders over the recent years. Its completion will mark the beginning of a new era for the Airport Company and will lead to an improved potential for airport users, employees, shareholders and of course the state and the wider society from the operation of one of the most successful Public-Private-Partnerships in Europe. AIA pledges to continue to add value to all stakeholders, to act as a responsible operator and employer and to be an exemplary company in all its activities.

Spata, 26 April 2018

On behalf of the Board of Directors of Athens International Airport S.A.

Dr. Dimitrios Dimitriou

Chairman of the Board of Directors

Annex II

Financial

Statements

As at 31 December 2017
In accordance with the International
Financial Reporting Standards

Sociétés Anonymes Registration Number: 35925/04/B/96/60
General Commercial (G.E.MI) Registration Number: 2229601000.

The attached Financial Statements are those that were approved by the Board of Directors of ATHENS INTERNATIONAL AIRPORT S.A. on 20 March 2018.

The Financial Statements and the Notes to the Financial Statements, as presented on pages 1 to 48, have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, and have been signed, on behalf of the Board of Directors by:

Dr. Dimitrios Dimitriou

Chairman of the Board of Directors

Holger Linkweiler

Vice Chairman of the Board of Directors

Dr Ioannis N. Paraschis

Chief Executive Officer

Panagiotis Michalarogiannis

Chief Financial Officer

Alexandros Gatsonis

Accounting & Tax Manager

Contents

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017	4
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2017	5
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2017	6
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017	7
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2017	8
NOTES TO THE FINANCIAL STATEMENTS	9
1 Incorporation & activities of the Company	9
2 Significant accounting policies	9
3 Financial risk management	22
4 Critical accounting estimates and judgments	27
5 Notes to the financial statements	28
5.1 Revenues	28
5.2 Depreciation & amortisation charges	29
5.3 Net financial expenses	29
5.4 Subsidies received	29
5.5 Income tax expense	30
5.6 Basic earnings per share	30
5.7 Property plant & equipment-owned assets	31
5.8 Intangible assets	32
5.9 Financial assets	33
5.10 Other non-current assets	34
5.11 Inventories	34
5.12 Construction works in progress	34
5.13 Trade receivables	35
5.14 Other receivables	35
5.15 Cash and cash equivalents	35
5.16 Share capital	36
5.17 Statutory & other reserves	36
5.18 Retained earnings	36
5.19 Bank loans	37
5.20 Employee retirement benefits	38
5.21 Provisions	40
5.22 Income & deferred tax liabilities	40
5.23 Other non-current liabilities	41
5.24 Trade & other payables	42
5.25 Other current liabilities	42
5.26 Operating lease arrangements	43
5.27 Commitments	43
5.28 Contingent liabilities	43
5.29 Related parties transactions	47
5.30 Reclassifications	48
5.31 Events after the balance sheet date	48

Income statement for the year ended 31 December 2017

	Note	2017	2016
Operating revenues	5.1	374,779,380	347,499,533
Other revenues	5.1	58,746,398	59,142,915
Total operating revenues		433,525,777	406,642,448
Operating expenses			
Personnel expenses		41,706,298	41,759,712
Outsourcing expenses		53,459,052	49,503,143
Public relations & marketing expenses		4,244,760	4,658,623
Utility expenses		8,785,755	8,554,580
Insurance premiums		1,677,099	1,829,272
Net provisions and impairment losses		6,636,894	7,922,678
Grant of rights fee - variable fee component		15,987,884	7,599,458
Other operating expenses		16,519,790	12,926,779
Total operating expenses		149,017,533	134,754,245
EBITDA		284,508,245	271,888,203
Depreciation & amortisation charges	5.2	76,559,706	74,209,512
Operating profit		207,948,539	197,678,691
Financial income	5.3	(116,439)	(430,680)
Financial costs	5.3	29,595,004	34,632,429
Net financial expenses	5.3	29,478,565	34,201,749
Subsidies received for borrowing costs	5.4	(21,359,734)	(25,583,924)
Profit before tax		199,829,708	189,060,866
Income tax expense	5.5	(59,780,635)	(56,669,454)
Profit after tax		140,049,073	132,391,412
Basic earnings per share	5.6	4.67	4.41

The notes on pages 9 to 48 are an integral part of these financial statements.

Statement of comprehensive income for the year ended 31 December 2017

	Note	2017	2016
Profit after tax		140,049,073	132,391,412
Other comprehensive income:			
Items that will not be classified to profit or loss			
Actuarial gains/(losses)	5.20	(262,672)	(511,762)
Deferred tax on actuarial gains/(losses)		76,175	148,411
Deferred tax due to change in tax rates		0	0
Items that may be subsequently reclassified to profit or loss			
Change in the fair value of available-for-sale financial assets	5.9	231,000	(8,250,000)
Deferred tax on the change in the fair value of available-for-sale financial assets	5.9	(66,990)	2,392,500
Recycling to profit or loss	5.9	0	8,019,000
Deferred tax on the recycling to profit or loss	5.9	0	(2,325,510)
Total comprehensive income for the year after tax		140,026,586	131,864,051

The notes on pages 9 to 48 are an integral part of these financial statements.

Statement of financial position for the year ended 31 December 2017

ASSETS	Note	2017	2016
Non-current assets			
Property plant & equipment-owned assets	5.7	24,308,333	21,656,909
Intangible assets	5.8	609,737,703	667,697,001
Non-current financial assets	5.9	11,088,000	957,000
Other non-current assets	5.10	3,481,460	3,455,985
Total non-current assets		648,615,496	693,766,896
Current assets			
Inventories	5.11	5,623,024	5,745,316
Construction works in progress	5.12	2,470,539	5,175,040
Trade receivables	5.13	35,396,805	50,568,749
Current financial assets	5.9	0	87,549,512
Other receivables	5.14	87,825,141	53,698,773
Cash & cash equivalents	5.15	466,780,996	285,827,483
Total current assets		598,096,505	488,564,872
TOTAL ASSETS		1,246,712,001	1,182,331,768
EQUITY & LIABILITIES			
Equity			
Share capital	5.16	300,000,000	300,000,000
Statutory & other reserves	5.17	69,031,428	62,058,994
Retained earnings	5.18	218,443,242	125,889,090
Total equity		587,474,670	487,948,084
Non-current liabilities			
Bank loans	5.19	217,431,038	295,632,204
Employee retirement benefits	5.20	10,761,931	10,148,627
Provisions	5.21	19,764,431	17,906,069
Deferred tax liabilities	5.22	114,164,377	101,289,704
Other non-current liabilities	5.23	91,221,691	100,686,282
Total non-current liabilities		453,343,468	525,662,886
Current liabilities			
Bank loans	5.19	78,974,546	74,578,239
Trade & other payables	5.24	60,170,102	64,871,232
Income tax payable	5.22	46,896,777	16,542,254
Other current liabilities	5.25	19,852,438	12,729,074
Total current liabilities		205,893,864	168,720,799
Total liabilities		659,237,332	694,383,684
TOTAL EQUITY & LIABILITIES		1,246,712,001	1,182,331,768

The notes on pages 9 to 48 are an integral part of these financial statements.

Statement of changes in equity for the year ended 31 December 2017

	Share Capital	Reserves	Retained Earnings	Total Equity
Balance as at 31 December 2015	300,000,000	55,966,785	114,717,249	470,684,034
Comprehensive income				
Net profit for the year 2016	0	0	132,391,412	132,391,412
Other comprehensive income	0	(527,361)	0	(527,361)
Total comprehensive income	0	(527,361)	132,391,412	131,864,051
Transactions with owners				
Dividends distributed to the shareholders	0	0	(114,600,000)	(114,600,000)
Total transactions with owners	0	0	(114,600,000)	(114,600,000)
Transfer to statutory reserves	0	6,619,571	(6,619,571)	0
Balance as at 31 December 2016	300,000,000	62,058,994	125,889,090	487,948,084
Comprehensive income				
Net profit for the year 2017	0	0	140,049,073	140,049,073
Other comprehensive income	0	(22,487)	0	(22,487)
Total comprehensive income	0	(22,487)	140,049,073	140,026,586
Transactions with owners				
Dividends distributed to shareholders	0	0	(40,500,000)	(40,500,000)
Total transactions with owners	0	0	(40,500,000)	(40,500,000)
Transfer to statutory and other reserves	0	6,994,921	(6,994,921)	0
Balance as at 31 December 2017	300,000,000	69,031,428	218,443,242	587,474,670

The notes on pages 9 to 48 are an integral part of these financial statements.

Statement of cash flows for the year ended 31 December 2017

	Note	2017	2016
Operating activities			
Profit for the year before tax		199,829,708	189,060,866
Adjustments for:			
Depreciation & amortisation expenses	5.2	76,559,706	74,209,512
Provision for impairment of trade receivables	5.13	(96,804)	(179,579)
Impairment (gain)/ loss on available-for-sale financial assets	5.9	0	8,019,000
Net financial expenses	5.3	29,478,565	34,190,442
(Gain)/loss on PPE disposals		(1,899)	(19,323)
Increase/(decrease) in retirement benefits		350,632	1,007,069
Increase/(decrease) in provisions		1,544,755	728,752
Increase/(decrease) in other assets/liabilities		(14,905,679)	(15,254,655)
Increase/(decrease) in working capital		(15,877,753)	15,334,870
Cash generated from operations		276,881,231	307,096,954
Income tax paid		(16,969,009)	(46,809,451)
Interest paid	5.3	(24,261,939)	(29,745,705)
Net cash flow from operating activities		235,650,284	230,541,798
Investment activities			
Acquisition of intangible assets - PPE		(18,545,431)	(10,520,313)
Interest received	5.3	122,480	446,847
Investments to financial assets	5.9	77,649,512	125,591,501
Dividends received from associate		216,260	451,719
Net cash flow from investment activities		59,442,821	115,969,754
Financial activities			
Dividends paid	5.18	(40,500,000)	(114,600,000)
Repayment of bank loans	5.19	(73,639,592)	(69,354,408)
Net cash flow from financial activities		(114,139,592)	(183,954,408)
Net increase/(decrease) in cash & cash equivalents		180,953,513	162,557,144
Cash & cash equivalents at the beginning of the year		285,827,483	123,270,339
Cash & cash equivalents at the end of the year		466,780,996	285,827,483

The notes on pages 9 to 48 are an integral part of these financial statements.

Notes to the financial statements

1 Incorporation & activities of the Company

Athens International Airport S.A. ("the Company" or "AIA") is active in the financing, construction and operation of civil airports and related activities. As a civil airport operator, the Company manages the AIA at Spata, Greece. The Company is a Societe Anonyme incorporated and domiciled in Greece. The address of its registered office is Spata, Attica 19019, with General Commercial Registry Number 2229601000.

The Company was established on 31 July 1995 by the Greek State & Private Investors for the purpose of the finance, construction, operation and development of the new international airport at Spata Attica. In exchange for the finance, construction, operation and development of the airport the Greek State granted the Company a 30-year's concession commencing on 11 June 1996. At the end of the concession arrangement (11 June 2026), subject to the stipulations of Article 33 of the Airport Development Agreement ("ADA") and without prejudice to all rights and obligations then having accrued to the Greek State and/or the Company, the airport together with all usufruct additions will revert to the Greek State, which will enjoy all rights of ownership over these without payment of any kind and clear of any security, unless the concession arrangement is renewed as provided by the Article 4.2 of the ADA.

Further to the discussions since 2016, between AIA and the Hellenic Republic Asset Development Fund (HRADF) as prescribed in Article 4.2 of the ADA and the relevant exchange of information between the two parties and their advisors, in May 2017 the BoD of HRADF approved the draft ADA Extension Agreement and invited AIA to submit its financial offer on the Concession Extension. AIA's financial offer was finally approved by the BoD of HRADF on 30 May 2017 and the offer was affirmed by the Extraordinary General Meeting of AIA's shareholders on 1 June 2017. Following the approval of the draft ADA Extension Agreement by the Inter-Ministerial Committee of Assets Restructuring and Privatisations of the Hellenic Republic published in the Government Gazette (FEK B' 3294/19.09.2017) and the publication of a voluntary ex ante transparency notice in the official journal of the European Union, the ADA Extension Agreement was signed on 30 September 2017 between AIA, HRADF and the Greek State. The Agreement foresees an extension of the ADA term until 11 June 2046 under the terms and conditions prescribed therein, including the payment by AIA of a financial consideration to HRADF. The Agreement will become effective upon the completion of the necessary approvals by the European Authorities, European Investment Bank ("EIB") and the ratification by the Hellenic Parliament. The latter processes commenced in 2017 and are ongoing.

The Company's return from air activities is capped at 15.0% on the capital allocated to air activities. In the event that the Company's actual compounded cumulative return exceeds 15.0%, in 3 out of any 4 consecutive financial periods, the Company is obliged to pay any excess return to the Greek State.

The terms and conditions of the concession for the AIA are stipulated in the ADA. The ADA and the Company's Articles of Association were ratified and enacted under Law 2338/14.09.1995.

The Company commenced its commercial operations in March 2001 following a construction period of approximately 5 years initiated in September 1996.

The number of open-ended staff employed at year-end was 598 employees, compared to 604 employees at the end of 2016.

The financial statements have been approved by the Board of Directors on 20 March 2018 and are subject to the approval of the Annual General Meeting of the shareholders.

2 Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have consistently been applied to all the years presented.

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union, IFRIC Interpretations and the Law 4308/2013 as applicable to companies reporting under IFRS. The Company's financial statements have been prepared under the historical cost convention, with the exception that the Available-for-sale financial assets are measured at fair value.

2.1.1 Going concern

As a result of the funding activities undertaken and the increased focus on working capital, the Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current financing. Currently net interest expenses are covered by operating profits more than 6 times.

After making enquiries, management has reasonable expectations that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

2.1.2 Changes in accounting policies and disclosures

New standards, amendments to standards and interpretations: Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years. The Company's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

IAS 7 (Amendments) "Disclosure Initiative"

These amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities.

IAS 12 (Amendments) "Recognition of Deferred Tax Assets for Unrealised Losses"

These amendments clarify the accounting for deferred tax assets for unrealised losses on debt instruments measured at fair value.

Standards and Interpretations effective for subsequent periods

IFRS 9 "Financial Instruments" and subsequent amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2018)

IFRS 9 replaces the guidance in IAS 39 which deals with the classification and measurement of financial assets and financial liabilities and it also includes an expected credit losses model that replaces the incurred loss impairment model used today. IFRS 9 establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model in IAS 39. The Company is currently investigating the impact of IFRS 9 and no significant impact on its financial Statements is anticipated.

IFRS 9 (Amendments) "Prepayment Features with Negative Compensation" (effective for annual periods beginning on or after 1 January 2019)

These amendments allow companies 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—instead of at fair value through profit or loss. The amendments have not yet been endorsed by the EU.

IFRS 15 “Revenue from Contracts with Customers” (effective for annual periods beginning on or after 1 January 2018)

IFRS 15 has been issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognised. The underlying principle is that an entity will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The Company is currently investigating the impact of IFRS 15 and no impact on its financial Statements is anticipated.

IFRS 16 “Leases” (effective for annual periods beginning on or after 1 January 2019)

IFRS 16 has been issued in January 2016 and supersedes IAS 17. The objective of the standard is to ensure the lessees and lessors provide relevant information in a manner that faithfully represents those transactions. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. The Company is currently investigating the impact of IFRS 16 and no significant impact on its financial Statements is anticipated.

IFRS 2 (Amendments) “Classification and Measurement of Share-based Payment transactions” (effective for annual periods beginning on or after 1 January 2018)

The amendment clarifies the measurement basis for cash-settled, share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. It also introduces an exception to the principles in IFRS 2 that will require an award to be treated as if it was wholly equity-settled, where an employer is obliged to withhold an amount for the employee’s tax obligation associated with a share-based payment and pay that amount to the tax authority. The amendments have not yet been endorsed by the EU.

IFRS 4 (Amendments) “Applying IFRS 9 Financial Instruments with IFRS 4 Insurance contracts” (effective for annual periods beginning on or after 1 January 2018)

These amendments introduce two approaches. The amended standard will: a) give all companies that issue insurance contracts the option to recognise 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; and b) give companies whose activities are predominantly connected with insurance an optional temporary exemption from applying IFRS 9 until 2021. The entities that defer the application of IFRS 9 will continue to apply the existing financial instruments standard—IAS 39.

IAS 40 (Amendments) “Transfers of Investment Property” (effective for annual periods beginning on or after 1 January 2018)

The amendments clarified that to transfer to, or from, investment properties there must be a change in use. To conclude if a property has changed use there should be an assessment of whether the property meets the definition and the change must be supported by evidence. The amendments have not yet been endorsed by the EU.

IAS 28 (Amendments) “Long Term Interests in Associates and Joint ventures” (effective for annual periods beginning on or after 1 January 2019).

The amendments 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 amendments have not yet been endorsed by the EU.

IFRIC 22 “Foreign currency transactions and advance consideration” (effective for annual periods beginning on or after 1 January 2018)

The interpretation provides guidance on how to determine the date of the transaction when applying the standard on foreign currency transactions, IAS 21. The Interpretation applies where an entity either pays or receives consideration in advance for foreign currency-denominated contracts. The interpretation has not yet been endorsed by the EU.

IFRIC 23 “Uncertainty over income tax treatments” (effective for annual periods beginning on or after 1 January 2019)

The interpretation explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. IFRIC 23 applies to all aspects of income tax accounting where there is such uncertainty, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates. The interpretation has not yet been endorsed by the EU.

Annual Improvements to IFRSs (2014 – 2016 Cycle) (effective for annual periods beginning on or after 1 January 2017)

The amendments set out below describe the key changes to two IFRSs. The amendments have not yet been endorsed by the EU.

IFRS 12 “Disclosures of Interests in Other Entities”

The amendment clarified that the disclosures requirement of IFRS 12 are applicable to interest in entities classified as held for sale except for summarised financial information.

IAS 28 “Investments in associates and Joint ventures”

The amendments clarified that when venture capital organisations, mutual funds, unit trusts and similar entities use the election to measure their investments in associates or joint ventures at fair value through profit or loss (FVTPL), this election should be made separately for each associate or joint venture at initial recognition.

Annual Improvements to IFRSs (2015 – 2017 Cycle) (effective for annual periods beginning on or after 1 January 2019)

The amendments set out below include changes to four IFRS. The amendments have not yet been endorsed by the EU.

IFRS 3 “Business combinations”

The amendments clarify that a company remeasures its previously held interest in a joint operation when it obtains control of the business.

IFRS 11 “Joint arrangements”

The amendments clarify that a company does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.

IAS 12 “Income taxes”

The amendments clarify that a company accounts for all income tax consequences of dividend payments in the same way.

IAS 23 “Borrowing costs”

The amendments clarify a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale.

2.2 Foreign currency translation**2.2.1 Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (‘the functional currency’). The Company’s financial statements are presented in EURO (€), which is the Company’s functional and presentation currency.

2.2.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

2.3 Property, plant and equipment

Property, plant and equipment mainly comprise movable assets, such as vehicles and furniture & fixtures which do not form part of the service concession intangible asset.

The items included under the heading “Property, plant & equipment” in the accompanying statement of financial position are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the cost of the various categories of property, plant and equipment to their residual values over their estimated useful lives, as follows:

Mechanical Equipment	10 years
Vehicles	6-10 years
Fixtures & Equipment	10 years
Hardware	5 years

Land, buildings, installations, fencing, aircraft ground power system, runways, taxiways, aircraft bridges and aprons held under the Service Concession Arrangement constitutes the total infrastructure that has been recognised as an intangible asset (refer to accounting policy 2.4).

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other (losses)/gains – net, in the income statement.

2.4 Intangible assets

2.4.1 Service concession arrangement

The Service Concession Arrangement refers to the ADA which governs the right that has been granted by the Greek State to the Company for the purpose of the finance, construction, operation and development of the AIA. The above right has a finite useful life of approximately 25 years which is equal to the duration of the concession arrangement following the completion of the construction phase.

The Service Concession Arrangement has been accounted under the intangible asset model since the Company, as operator, is paid by the users and the concession grantor has not provided any contractual guarantees with respect to the recoverability of the investment. The intangible asset corresponds to the right granted by the concession grantor to the Company to charge users of the airport services.

The Service Concession Arrangement consists of the fair value of acquiring the service concession which principally includes the cost of the usufruct and the costs incurred to construct the infrastructure (net of government grants received) as well as the present value of the fixed determined future obligations for the grant of rights fee payable to the Greek State as set out in the ADA.

Amortisation is calculated using the straight-line method to allocate the cost of the right over the duration of the Service Concession Arrangement which is approximately 25 years.

Any subsequent costs incurred in maintaining the serviceability of the infrastructure is expensed as incurred unless such cost relate to major upgrades which increase the income generating ability of the infrastructure. These costs are capitalised as part of the service concession intangible asset and are amortised on a straight-line basis over the remaining period of the Service Concession Arrangement.

2.4.2 Grant of rights fee, variable fee component

As set out in the ADA and in respect to the period after the twentieth anniversary of the Agreement Commencement Date and until the end of the Concession Period, the Company shall pay to the Greek State per quarter the higher of: (a) a fixed amount of €3,750,000 and (b) 25.0% of 15.0% of the Consolidated Operating Profits for the Financial Year of the Company ending immediately prior to such Quarter.

Consolidated Operating Profit is specifically defined in the ADA as:

- (a) the operating profit of the Company and its Subsidiaries (before interest, extraordinary and exceptional items, taxation calculated on profits or distributions and similar charges), all as determined on a consolidated basis and excluding amounts attributable to minority interests in Subsidiaries, in respect of a Financial Year as shown by the Audited Accounts in respect of that Financial Year,
- (b) less interest paid during that Financial Year (other than any interest paid on or as a result of a prepayment or acceleration of all or part of the relevant indebtedness) in respect of indebtedness for borrowed money incurred in respect of the provision, acquisition, construction, maintenance, repair, renewal and operation of the assets allocated to Air Activities.

The accounting for the Service Concession Arrangement continues as determined in 2.4.1, with the exception that the variable element of the Grant of Rights Fee is expensed to the income statement in the period in which it relates.

2.4.3 Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are depreciated over their estimated useful lives (5 years).

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the development of identifiable and unique software products controlled by the Company, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Costs include the employee costs incurred as a result of developing software and an appropriate portion of relevant overheads.

Computer software development costs that recognised as assets are depreciated over their estimated useful lives (5 years).

2.5 Impairment of non-financial assets

Assets, such as the service concession intangible asset, that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. If the recoverable amount is lower than the carrying amount, the difference is recognised as an impairment loss in the income statement and the carrying amount of the asset is reduced by the same amount. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.6 Financial assets

2.6.1 Classification

The Company classifies its financial assets depending on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

The Company has three classes of financial assets comprising held-to-maturity investments, loans and receivables and Available-for-sale financial assets. It does not hold any financial assets at fair value through profit and loss.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting date, which are classified as non-current assets. The Company's loans and receivables recognised in the statement of financial position comprise "Trade and other receivables" and "Cash and cash equivalents". Refer to notes 2.8 and 2.9 respectively.

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that company's management has the positive intention and ability to hold to maturity, other than:

- those that the Company upon initial recognition designates at fair value through profit or loss
- those that the Company designates as Available-for-sale
- those that meet the definition of loans and receivables

Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

2.6.2 Recognition and measurement

Regular-way purchases and sales of financial assets are recognised on trade date – the date on which the Company commits to purchase or sell the asset.

Loans and receivables are initially recognised at fair value and are subsequently measured at amortised cost using the effective interest rate method.

Held-to-maturity financial assets are initially recognised at amortised cost and are subsequently measured at amortised cost using the effective interest rate method.

Financial assets are derecognised only when the contractual rights to the cash flows from the financial asset expire or the Company transfers substantially all risks and rewards of ownership.

Available-for-sale financial assets are upon initial measurement recognized at fair value including any transaction cost that has been incurred upon acquisition. Subsequent to initial recognition Available-for-sale financial assets are measured at fair value. All gains and losses arising from changes in fair value are recognized directly in other comprehensive income, except with respect to impairment losses that are recognized in profit or loss.

2.6.3 Impairment

The Company assesses at each end of the reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (a probable 'loss event') and that probable loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. Objective evidence that a financial asset or group of assets is impaired includes observable data that comes to the attention of the Company about the following events:

- Significant financial difficulty of the issuer or debtor;
- A breach of contract, such as a default or delinquency in payments;
- It is becoming probable that the issuer or debtor will enter bankruptcy or other financial reorganisation;
- The disappearance of an active market for that financial asset because of financial difficulties; or
- Observable data indicating that there is a measurable decrease in the estimated future cash flow from a group of financial assets since the initial recognition of those assets, including:
 - adverse changes in the payment status of issuers or debtors; or
 - national or local economic conditions that correlate with defaults on the assets.

If there is objective evidence that an impairment loss has been incurred on trade receivables or held-to-maturity investments carried at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement under provision for impairment. If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as improved credit rating), the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in the income statement.

As regards Available-for-sale financial assets, if there is objective evidence that impairment has been incurred, the amount that has to be recognized as an impairment loss is the difference between the acquisition cost and the current fair value, less any impairment loss previously recognised in the income statement. The impairment loss is transferred from other comprehensive income, where it has been previously recognised, to the income statement. Objective evidence of impairment is, either a significant in terms of fair value, or prolonged in terms of period, decline in the fair value of the financial asset. A decline is considered significant when the difference of the fair value and the cost of the financial asset reach 20.0% and irrespective of percentage difference is considered prolonged if the fair value is below its costs for a period of 6 months. Any subsequent reversals of impairment losses with respect to equity instruments cannot be recognized in profit or loss but have to be reflected as an increase directly in other comprehensive income.

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.8 Trade receivables

Trade receivables are amounts due from customers for aeronautical and other services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

2.9 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

2.10 Share capital

Ordinary shares are classified as equity. Incremental costs associated directly with the issue of new ordinary shares are shown in equity as a reduction, net of tax, from the proceeds.

2.11 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.12 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowing costs are capitalised if they are directly attributable to the acquisition or construction of a qualifying asset.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.13 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions.

Government grants relating to borrowing and other related costs are recognised in the income statement to match them with the costs that they are intended to compensate.

Government grants relating to non-current assets are off-set against the cost of the relevant non-current asset. The grant is recognised as income over the life of the respective depreciable non-current asset by way of a reduction in the depreciation/amortisation charge.

2.14 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of Greek tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the Company's financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit and loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.15 Employee benefits

2.15.1 Pension obligations

The Company has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that typically defines an amount of pension benefits that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The Company's obligations to pay employee retirement benefits under Law 2112/1920 are considered and accounted for as defined benefit plans.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in income statement.

For defined contribution plans, the Company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.15.2 Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the balance sheet date are discounted to present value.

2.15.3 Bonus plans

The Company recognises a liability and an expense for bonuses based on achievement of predefined financial and operational targets. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.16 Provisions

Provisions are recognised when: The Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions include the obligations under the Service Concession Arrangement to maintain the serviceability of major infrastructure components, such as runways, taxiways, aprons, etc. which require major overhauls at regular intervals during the concession period. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.17 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Company's activities. Revenue is shown net of value-added tax, returns, rebates and discounts.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

2.17.1 Sales of services

Revenue from the sale of services is derived from “air activities” and “non-air activities”.

“Air Activities” mean the provision of facilities, services and equipment for the purpose of landing, parking and servicing of aircrafts; the handling of passengers, baggage, cargo or mail on airport premises; and the transfer of passengers, baggage, cargo or mail to and from aircrafts and trains.

“Non-Air Activities” mean the provision, operation, maintenance, repair, renewal staffing and supervision of the following services, facilities and equipment: car parking, general retail shops, restaurants, bars and other refreshment facilities, vehicle rental, porter service, hotels etc.

Airport charges

Revenues related to airport charges are recognised in the income statement when the services are rendered. The criteria for the recognition of income related to airport charges is the aircraft's take off. Each arrival of an aircraft and its subsequent departure is considered as a cycle of movement/flight where all necessary services have been rendered.

Article 14 of ADA, sets the rules for defining the charges levied to the users of the airport with respect of the facilities and services provided at the airport. According to the aforementioned article, the Company is entitled to determine at its discretion the level of airport charges in order to achieve a maximum return of 15.0% per annum on the capital allocated to air activities.

Concession agreements

The Company's business area has at the balance sheet date, a total of 62 concession contracts, concerning the performance of various commercial activities at the airport.

A concession involves granting of rights to a concession holder to operate and manage a commercial activity in a specific location designated by the Company. The concession rights are calculated according to an agreed scale as a percentage of the sales generated by the concession holder subject to an annual minimum guaranteed fee. A separate part of the concession contract is entered into for the space required for warehouses, for which a fixed rent is payable.

Concession revenues are recognised in the income statement on a monthly basis, while the settlement of the annual concession fees is finally recognised by the Company in the income statement, at year-end.

2.17.2 Building space rentals and services

The Company rents properties held under the concession and located within the airport premises under operating leases. Revenue from such leases is recognised in the income statement on a straight-line basis over the lease term.

2.17.3 Parking fees

Revenues related to parking services to vehicles used by passengers and visitors to reach airport are recognized in the income statement when the service is concluded. The criterion for the recognition of revenue related to parking charges is the vehicle's departure. Each arrival of a vehicle and its subsequent departure is considered as a cycle of movement where all services have been rendered.

2.17.4 Interest income

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans and receivables is recognised using the original effective interest rate.

2.17.5 Dividend income

Dividend income is recognised when the right to receive payment is established.

2.18 Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

2.19 Leases

Leases under which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made by the Company under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

The Company does not lease any material property, plant or equipment under finance leases under which it substantially retains all the risks and rewards of ownership.

2.20 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

2.21 Fair value estimation and hierarchy

Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The carrying value of receivables and payables are assumed to approximate their fair values at the balance sheet date. The fair value of financial assets held to maturity and Available-for-sale financial asset is assessed using quoted prices in active market (Level 1). The fair value of loans is estimated by the method of discounting the future contractual cash flows at the current market interest rate swaps for the average duration of the loan which corresponds to the average duration of the relevant debt obligation (Level 2). During the year there were no transfers between Level 1 and Level 2 and no transfers into and out of Level 3 for the measurement of fair value.

2.22 Associates

Associates are all entities over which the Company has significant influence but not control, generally accompanying a shareholding of between 20.0% and 50.0% of the voting rights. Investments in associates are initially recognised at cost and subsequently at cost less any impairment losses. Dividend income is recognised when the right to such income is established.

The Company's investment in its associate amounts to €3.25m as of 31 December 2017 represents less than 1.0% of total assets at that date. This investment has not been accounted for under the equity method of accounting on the basis that it is not considered to be material to the Company's operations and the departure from IAS 28 is unlikely to influence the economic decision of the users of these financial statements.

3 Financial risk management

3.1 Financial risk factors

The Company is exposed to financial risk, such as market risk (fluctuations in exchange rates, interest rates and price risk), credit risk and liquidity risk. The general risk management program of the Company focuses on the unpredictability of the financial markets, and attempts to minimize their potential negative influence on the financial performance of the Company.

The financial risk management of the Company is performed internally by a qualified unit, which operates under specific rules that have been approved by the Board of Directors.

The ongoing developments relating to the macroeconomic and financial environment in Greece have not significantly affected the operations and financial performance of the Company.

Historically, the Company has demonstrated increased resilience in the years of macroeconomic instability, combining financial performance with operational excellence and quality of services and therefore Management does not expect that the operations and financial position of the Company will be significantly affected in the foreseeable future. Despite all adversities, past and future, Management has and will continue to assess the situation and its possible impact, adjusting its operating strategy whenever necessary, in order to deliver financial and non-financial value to shareholders and other stakeholder parties.

3.1.1 Exchange rate risk

Exchange rate risk occurs if future business transactions, recognized assets and liabilities and net investments in activities outside the euro zone are expressed in a currency other than the functional currency of the Company (euro).

The Company's exposure to foreign exchange risk is very limited since its business is substantially transacted in its functional currency.

3.1.2 Cash flow and fair value interest rate risk

The cash flow interest rate risk is the risk of fluctuations in the future cash flows of a financial instrument as a result of fluctuations in the market interest rate.

The Company has interest-bearing assets in the form of cash and cash equivalent (short term time deposits and other highly liquid investments), thus profits and cash flows from investment activities are dependent on market interest rates. During 2017 the Company's cash and cash equivalent (short term time deposits and other liquid investments) did not produce any interest revenues (referring to yield from time deposits and current accounts), thus the effective interest rate amounted to 0.0% (2016: 0.0%). The impact from possible future interest rates on the Company's financial performance, regarding cash and cash equivalents, is presented below:

	2017		2016	
Interest rates fluctuation	+1.0%	0.0%	+1.0%	0.0%
Impact on interest receipts	4,812,690	0	2,877,672	0

The Company is also exposed to interest rate risk arising from its long-term borrowings. Borrowings issued at variable interest rates expose the Company to cash flow interest rate risk while borrowings issued at fixed interest rates expose the Company to fair value interest rate risk.

The Company's borrowings are borrowings with fixed interest rates. Hence the financial performance cannot be affected by fluctuations in interest rates with respect to such loans. The fair value interest rate risk of such loans is presented in note 5.19 "Bank loans".

The fair value interest rate risk is the risk of fluctuations in the value of a financial instrument as a result of fluctuations in the market interest rate. The Company is exposed to fair value interest rate risk as a result of discounting liabilities and receivables of long term settlement. Such liabilities and receivables are discounted using the prevailing pre-tax risk-free rate which is affected by interest rates fluctuations. The impact from possible future interest rates on the Company's financial performance from liabilities of long term settlement is presented below:

	2017		2016	
Interest rates fluctuation	+1.0%	-1.0%	+1.0%	-1.0%
Grant of rights fee payable	400,814	(386,575)	440,745	(440,202)
Interest rates fluctuation	+1.0%	0.0%	+1.0%	-1.0%
Provision for major restoration expenses	(11,338)	7,066	152,288	(153,323)
Total impact on interest expenses	389,476	(379,509)	593,034	(593,525)

3.1.3 Price risk

Price risk is the risk of fluctuations in the value of assets and liabilities as a result of changes in market prices. The Company's exposure to equity securities price risk is limited to the investment in an unlisted entity which represents less than 1.0% of total asset. The Company is not exposed to commodity price risk.

3.1.4 Credit risk

Credit risk arises from cash and cash equivalents held with banks, short term and long term held-to-maturity financial assets and credit exposures from customers.

Cash and cash equivalents – Financial assets

For banks and financial institutions, only independently rated parties with minimum ratings described below, as set out under the Master Facility Agreement between the Company and the European Investment Bank (EIB), are acceptable. The Company could cooperate with banks or financial institutions or proceed with the purchase of financial assets that satisfy the following criteria:

- Long term unsecured and unguaranteed debt should be rated at:
 - a. A3 or higher by Moody's; or
 - b. A- or higher by S&P; or
 - c. A- or higher by Fitch
- The maturity date of an investment should not exceed the period of 2 years from the investment date
- Operates a branch in Greece or such other places as may be agreed between the Company and EIB; and
- Is acceptable by EIB

All cooperation banks are acceptable by EIB.

The analysis of financial assets and bank deposits' balances based on credit ratings is presented in the following table:

	2017		2016	
	AAA to A-	CCC to RD	AAA to A-	CCC to RD
Held-to-maturity financial assets	0	0	87,549,512	0
Available-for-sale financial assets	0	1,188,000	0	957,000
Restricted cash financial assets	9,900,000	0	0	0
Bank deposits' balances	464,375,931	400,361	283,393,903	431,277
Total	474,275,931	1,588,361	370,943,415	1,388,277

The above criteria are satisfied with respect to the Held-to-maturity financial assets and the Bank deposits' balances. As regards the investment in the Available-for-sale financial asset, for which the above criteria are not satisfied, the Company obtained the consent and waiver of EIB on 1/12/2016. Further information is presented in notes 5.9 and 5.19.

Trade receivables

Regarding credit exposure from customers, the Company has an established credit policy and procedures in place aiming to minimise collection losses. Credit control assesses the credit quality of the customers, taking into account independent credit ratings where available, their financial position, past experience in payments and other relevant factors. Cash and other collateral are obtained from customers when considered necessary under the circumstances.

Trade and other receivables are analysed as follows in terms of credit risk:

Trade and other receivables subject to impairment testing	2017	2016
Fully performed	14,601,047	23,570,484
Past due but not impaired	30,517,654	32,974,390
Impaired	2,460,490	3,265,105
Total trade and other receivables subject to impairment testing	47,579,191	59,809,979

Any past due account that is fully covered by guarantees or collaterals given is not tested for impairment. The aging analysis of the past due, but not impaired amount is presented in the following table:

Aging analysis of past due but not impaired receivables	2017	2016
1-30 days	17,912,448	14,094,663
31-60 days	4,916,781	4,843,507
Over 60 days	7,688,425	14,036,220
Total of past due but not impaired receivables	30,517,654	32,974,390

Credit quality of financial assets

The credit quality of the financial assets is quite satisfactory, taking into account the allowance for doubtful debt. The Company has established a credit policy which requires the customers to extend securities for the use of airport's services and facilities. The securities held by the Company are in the form of cash deposits and bank letter of guarantee. The fair value of the collaterals held by the Company as at 31 December 2017 is analysed as follows:

Fair value of collaterals held	2017	2016
Letter of guarantees	63,555,986	61,286,818
Cash deposits	27,559,497	30,731,694
Total fair value of collaterals held	91,115,483	92,018,511

The collaterals above have been received against the outstanding balance of all trade receivable accounts.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to information about counterparty secured amounts:

	2017	2016
Group 1 – Fully secured	8,942,809	17,772,428
Group 2 – Partially secured	5,330,592	5,274,470
Group 3 – Not secured	327,647	523,586
Total	14,601,048	23,570,484

Provision for impairment

As of 31 December 2017, trade receivables of €32,978,144 (2016: €36,239,495) were partially or fully tested for impairment and adequately provided for their unsecured amount. The amount of provision stood at €2,416,675 as of 31 December 2017. The individually impaired receivables mainly relate to customers, who are in unexpectedly difficult economic situations. It was assessed that a portion of the receivables is expected to be recovered. In addition, the provision relating to receivables collected during the year has been reversed. Movements on the provision for impairment of trade receivables are as follows:

	2017	2016
At 1 January	2,513,479	2,693,058
Addition (release) of provision for receivables impairment	(96,804)	(179,579)
At 31 December	2,416,675	2,513,479

The creation and release of provision for impaired receivables have been included in “Net provisions and impairment losses” in the income statement. The other classes within trade receivables do not contain impaired assets. The maximum exposure to credit risk at the reporting date is the value of total provision for impairment of trade receivables.

3.1.5 Concentration of credit risk

The Company is exposed to concentration risk attributed to the concentration of the trade receivables and cash balances and financial assets.

The Company has a high concentration of credit risk with respect to 2 carriers (2016: 2 carriers) which represents higher than 10.0% of its aeronautical revenues.

For bank balances and deposits, there is a significant concentration of credit risk with respect to 2 banks (2016: 2 banks), which hold more than 10.0% of the Company's cash balances and deposits. However, no financial loss is expected based on what has been referred above in note 3.1.4 for cash balances and financial assets.

3.1.6 Liquidity risk

Liquidity risk is the risk that the entity will have difficulty in raising the financial resources required to fulfil its commitments. Liquidity risk is held at low levels through effective cash flow management and availability of adequate cash. Cash flow forecasting is performed internally by rolling forecasts of the Company's liquidity requirements to ensure that it has sufficient cash to meet operational needs, to fund scheduled investments and debt and to comply with loan covenants. As at 31 December 2017 no cash and cash equivalents were subject to capital controls through effective cash management (€ 41.0m in 2016).

The table below analyses the financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Undiscounted cash flows in respect of balances due within 12 months generally equal their carrying amounts in the balance sheet, as the impact of discounting is not significant.

At 31 December 2017	Less than 1 year	Between 1 & 2 years	Between 2 & 5 years	Over 5 years
Borrowings	95,128,776	95,148,992	142,663,610	0
Grant of rights fee payable	15,000,000	15,000,000	45,000,000	51,833,333
Trade and other payables	55,631,818	0	0	0
Total	165,760,594	110,148,992	187,663,610	51,833,333

At 31 December 2016	Less than 1 year	Between 1 & 2 years	Between 2 & 5 years	Over 5 years
Borrowings	95,142,340	95,128,776	237,812,602	0
Grant of rights fee payable	15,000,000	15,000,000	45,000,000	66,833,333
Trade and other payables	60,222,183	0	0	0
Total	170,364,523	110,128,776	282,812,602	66,833,333

Grant of Rights Fee payable relates to the fixed determined future obligations (refer to note 2.4.1).

3.2 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, use excess cash to repay its borrowings (subject to the termination provisions of the respective loan agreements) or sell assets not pledged as security, to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including "Current and non-current borrowings" as shown in the statement of financial position) less cash and cash equivalents and current held-to-maturity financial assets. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

The gearing ratios at 31 December 2017 and 2016 were as follows:

Gearing ratio	2017	2016
Total borrowings	295,632,204	369,271,797
Less: Cash & cash equivalent and current financial assets	(466,780,996)	(373,376,995)
Net debt	(171,148,792)	(4,105,198)
Total capital - (equity plus net debt)	416,325,878	483,842,886
Gearing ratio	-41%	-1%

Current held-to-maturity financial assets are also included in the above calculation, as they are an integral part of the Company's overall cash management strategy.

4 Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition, seldom equal the related actual results. The accounting estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are disclosed below.

4.1.1 Taxes

The internal control procedures for the related tax risks are part of Company's control system. The general tax risk for the Company concerns the timely submission of complete tax returns, the payment of the tax amounts concerned as well as compliance with all tax laws and regulations and reporting rules specifically relating to corporate income tax.

The Company is subject to income tax, VAT and other taxes in Greece. Significant judgment is sometimes required in determining the Company's tax position for such taxes in certain instances due to the particular tax regime, under the ADA, applicable to the Company's operations, which is subject to challenge by the tax authorities on the grounds of ambiguity or different interpretation with tax laws. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will arise or tax losses reduced. Where that final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax, deferred tax and other tax assets and liabilities in the period during which such determination is made.

4.1.2 Provision for restoration cost

Provision for restoration cost includes future expenses for the major overhauls of roads, runways, taxiways and replacement of airfield lighting and baggage handling equipment. Significant estimates are required to determine the level of provision such as the timing of the expenditure, the extension of the works and the amount that it will be expensed in the future. The nominal value of the provision for restoration cost is annually determined by a qualified department within the Company based on international experience and the specific conditions relating to the operations of the airport. The amount of the provision is discounted at balance sheet date by using the risk-free rate for similar time duration.

4.2 Critical judgments in applying the entity's accounting policies

There were no critical judgments necessary in applying the Company's accounting policies.

5 Notes to the financial statements

5.1 Revenues

Analysis of revenues	2017	2016
Air activities		
Airport charges	211,073,759	192,201,771
Centralized infrastructure & handling related revenues	47,803,331	46,427,198
Building and ground rentals & concessions	25,305,860	25,927,829
IT&T and other Services	4,830,709	4,818,020
Other	58,514,509	58,300,638
Total air activity revenues	347,528,168	327,675,456
Non-air activities		
Concession activities	53,723,404	48,246,722
Parking services	13,324,944	13,418,384
Building and ground rentals & concessions	14,838,888	13,571,562
IT&T and other Services	3,878,485	2,888,047
Other	231,888	842,276
Total non-air activity revenues	85,997,609	78,966,992
Total revenues	433,525,777	406,642,448

Operating revenues were measured at the fair value of the consideration received or receivable, taking into account the amount of any trade discounts or tax-volume rebates.

The fair value of the consideration received, or receivable is equal to the invoiced amount, since the Company doesn't formally provide any deferred credit terms to its customers, in the form of interest-free instalments or at below market interest rates.

The Company, in cases where it is likely, based on estimations, that the economic benefits related to a transaction are not expected to flow to the entity, does not recognise the revenue of the specific transaction. As at the balance sheet date, the Company has contracted with tenants for the following minimum non-cancellable operating lease payments:

Analysis of minimum lease payments	2017	2016
Within one year	16,131,252	16,608,000
Between one and five years	57,575,177	60,675,564
More than five years	29,598,107	40,966,139
Total minimum lease payments	103,304,535	118,249,704

Concession fees earned for the year ended 31 December 2017 include turnover linked fees in excess of base concession fees amounting to €6,643,758 (2016: €8,720,116).

5.2 Depreciation & amortisation charges

Analysis of depreciation & amortisation charges	2017	2016
Depreciation of owned assets	4,284,413	3,444,023
Amortisation of intangible assets	87,352,070	85,842,266
Amortisation of cohesion fund related to intangible assets	(15,076,777)	(15,076,777)
Total depreciation & amortisation expenses	76,559,706	74,209,512

5.3 Net financial expenses

Analysis of net financial expenses	2017	2016
Financial expenses		
Interest expenses and related costs on bank loans	21,256,921	25,583,924
Unwinding of discount for long term liabilities	5,488,831	6,702,622
Other financial expenses	2,849,253	2,334,576
Financial expenses	29,595,004	34,621,122
Financial revenues		
Interest income	(116,439)	(430,680)
Financial revenues	(116,439)	(430,680)
Net financial expenses	29,478,565	34,190,442

Interest and related expenses amounting to €24,261,939 (2016: €29,745,705) were paid during the year ended 31 December 2017.

The weighted average interest rate earned by the Company on its cash surplus (investments in time deposits and financial assets) for 2017 was approximately zero (2016: 0.0%). The average maturity of the Company's investments (time deposits and held-to-maturity financial assets) for 2017 was 152 days (2016: 398 days).

Interest income amounting to €122,480 (2016: €446,847) was received during the year ended 31 December 2017.

5.4 Subsidies received

Airport Development Fund (ADF)

In accordance with Law 2065/1992, as amended with Law 2892/2001, the Greek State imposed a levy on passengers older than 5 years old departing from Greek Airports, amounting to €12 for EU passengers and €22 for non-EU passengers, for the purpose of ensuring that passengers share the responsibility for funding the commercial aviation infrastructure within the Hellenic Republic. From 11 April 2017 onwards, in accordance with Law 4465/2017, and until 1 November 2024 the levy is decreased to €12 for non-EU passengers and as of 1 November 2024 to €3 for all passengers.

A passenger fee is collected by the airlines and consequently refunded to the Hellenic Civil Aviation Authority on a monthly basis, through bank accounts opened at the Bank of Greece for each airport, in favour of the Hellenic Civil Aviation Authority.

For the year ended 31 December 2017 the Company was entitled to subsidies under the ADF amounting to €79,860,546 (2016: €83,341,394) as analysed below:

Analysis of subsidies receivable	2017	2016
Receivables meeting interest and related expenses	21,359,734	25,583,924
Excess over borrowing cost	58,500,812	57,757,470
Total subsidies receivable	79,860,546	83,341,394

Any subsidies receivable in excess of qualifying interest and related expenses for the year are shown as other revenues in line with the accounting policy 2.13.

5.5 Income tax expense

Domestic income tax is calculated at 29.0% (2016: 29.0%) on taxable income or, in circumstance where the Company has tax losses carried forward, on gross dividends declared for distribution. (For further information refer to note 5.22).

The total income taxes charged to the income statement are analysed as follows:

Analysis of income tax expense	2017	2016
Current income tax	(46,896,777)	0
Income tax on dividends distributed	0	(16,542,253)
Deferred income tax	(12,883,858)	(40,127,201)
Total income tax expense for the year	(59,780,635)	(56,669,454)

The following is the reconciliation between income taxes as presented in the income statement, with those resulting from the application of the enacted tax rates:

Reconciliation of effective income tax rate	Rate	2017	Rate	2016
Profit before tax for the year		199,829,708		189,060,866
Income tax	29.0%	(57,950,615)	29.0%	(54,827,651)
Expenses not deductible for tax purposes	0.95%	(1,892,735)	1.04%	(1,972,801)
Revenues relieved from income tax	(0.03)%	62,715	(0.07)%	130,998
Total income tax expense for the year	29.92%	(59,780,635)	29.97%	(56,669,454)

Refer to notes 5.22 and 5.28 for further analysis of income and deferred taxes.

5.6 Basic earnings per share

Basic earnings per share are calculated by dividing the Company's net profits after taxes by the weighted average number of shares during the year as follows:

Analysis of earnings per share	2017	2016
Profit of the year attributable to shareholders	140,049,073	132,391,412
Average no of shares during the year	30,000,000	30,000,000
Earnings per share for the year	4.67	4.41

There were no new shares issued or existing shares repurchased during the year. The average number of shares remained unchanged. The Company does not have any potential dilutive instruments.

5.7 Property plant & equipment-owned assets

Property plant & equipment-owned assets						
Acquisition cost	Land & buildings	Plant & equipment	Vehicles	Furniture & fittings	Cohesion fund	Total
Balance as at 1 January 2016	40,000	20,719,326	36,269,694	80,802,424	(17,437,643)	120,393,800
Acquisitions	0	55,315	40,858	449,858	0	546,031
Disposals	0	0	(867,376)	(2,000,094)	0	(2,867,470)
Transfers	0	0	994,717	3,189,082	0	4,183,800
Reclassifications	0	0	0	0	0	0
Balance as at 31 December 2016	40,000	20,774,641	36,437,893	82,441,270	(17,437,643)	122,256,161

Balance as at 1 January 2017	40,000	20,774,641	36,437,893	82,441,270	(17,437,643)	122,256,161
Acquisitions	0	3,025	88,161	569,062	0	660,248
Disposals	0	0	(316,727)	(51,243)	0	(367,970)
Transfers	0	25,746	464,278	5,785,567	0	6,275,590
Reclassifications	0	0	0	0	0	0
Balance as at 31 December 2017	40,000	20,803,412	36,673,605	88,744,656	(17,437,643)	128,824,029

Depreciation of owned property plant & equipment						
Depreciation	Land & buildings	Plant & equipment	Vehicles	Furniture & fittings	Cohesion fund	Total
Balance as at 1 January 2016	0	7,372,342	34,891,499	75,196,471	(17,437,644)	100,022,668
Depreciation charge for the year	0	1,299,839	406,515	1,737,670	0	3,444,024
Disposals	0	0	(867,376)	(2,000,064)	0	(2,867,440)
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Balance as at 31 December 2016	0	8,672,181	34,430,638	74,934,077	(17,437,644)	100,599,252

Balance as at 1 January 2017	0	8,672,181	34,430,638	74,934,077	(17,437,644)	100,599,252
Depreciation charge for the year	0	1,279,766	484,018	2,520,629	0	4,284,413
Disposals	0	0	(316,727)	(51,242)	0	(367,969)
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Balance as at 31 December 2017	0	9,951,947	34,597,929	77,403,464	(17,437,644)	104,515,696

Carrying amount of owned property plant & equipment						
Carrying Amount	Land & buildings	Plant & equipment	Vehicles	Furniture & fittings	Cohesion fund	Total
As at 1 January 2016	40,000	13,346,984	1,378,195	5,605,953	1	20,371,132
As at 31 December 2016	40,000	12,102,460	2,007,255	7,507,193	1	21,656,909
As at 1 January 2017	40,000	12,102,460	2,007,255	7,507,193	1	21,656,909
As at 31 December 2017	40,000	10,851,465	2,075,676	11,341,192	1	24,308,333

5.8 Intangible assets

Intangible assets				
Acquisition cost	Concession assets	Cohesion fund	Software & other	Total
Balance as at 1 January 2016	2,091,657,468	(380,686,471)	17,704,298	1,728,675,294
Acquisitions	170,017	0	86,776	256,793
Disposals	0	0	0	0
Transfers	2,921,326	0	740,377	3,661,703
Reclassifications	0	0	0	0
Balance as at 31 December 2016	2,094,748,811	(380,686,471)	18,531,451	1,732,593,790
Balance as at 1 January 2017	2,094,748,811	(380,686,471)	18,531,451	1,732,593,790
Acquisitions	113,256	0	156,961	270,217
Disposals	0	0	0	0
Transfers	13,085,852	0	959,927	14,045,779
Reclassifications	0	0	0	0
Balance as at 31 December 2017	2,107,947,919	(380,686,471)	19,648,339	1,746,909,786
Depreciation of intangible assets				
Depreciation	Concession assets	Cohesion fund	Software & other	Total
Balance as at 1 January 2016	1,200,923,094	(222,380,259)	15,588,467	994,131,302
Depreciation charge for the year	85,082,235	(15,076,777)	760,030	70,765,488
Impairment losses	0	0	0	0
Disposals	0	0	0	0
Transfers	0	0	0	0
Reclassifications	0	0	0	0
Balance as at 31 December 2016	1,286,005,329	(237,457,036)	16,348,497	1,064,896,790
Balance as at 1 January 2017	1,286,005,329	(237,457,036)	16,348,497	1,064,896,790
Depreciation charge for the year	86,107,983	(15,076,777)	1,244,087	72,275,293
Impairment losses	0	0	0	0
Disposals	0	0	0	0
Transfers	0	0	0	0
Reclassifications	0	0	0	0
Balance as at 31 December 2017	1,372,113,312	(252,533,813)	17,592,584	1,137,172,083
Carrying amounts of intangible assets				
Carrying amount	Concession assets	Cohesion fund	Software & other	Total
As at 1 January 2016	890,734,374	(158,306,212)	2,115,831	734,543,993
As at 31 December 2016	808,743,482	(143,229,435)	2,182,954	667,697,001
As at 1 January 2017	808,743,482	(143,229,435)	2,182,954	667,697,001
As at 31 December 2017	735,834,607	(128,152,658)	2,055,755	609,737,703

The concession assets represent the right granted to the Company by the Greek State for the use and operation of the Athens International Airport under the ADA.

5.9 Financial assets

Held-to-maturity financial assets are analysed as follows:

Analysis of held-to-maturity financial assets	2017	2016
Bonds EIB	0	15,507,687
Bonds EFSF	0	56,174,962
Corporate bonds	0	15,866,863
Total held-to-maturity financial assets	0	87,549,512

Held-to-maturity financial assets are measured at amortized cost. The fair value measurement of the held-to-maturity financial assets was categorised as Level 1. As of balance sheet date the Company held no Held-to-maturity financial assets.

Available-for-sale financial assets are analysed as follows:

Available-for-sale financial assets	2017	2016
Attica Bank shares	1,188,000	957,000
Total available-for-sale financial assets	1,188,000	957,000

Available-for-sale financial assets are measured at fair value. The acquisition cost of the Available-for-sale financial asset amounted to €9,900,000, whereas the fair value as of 31 December 2016 was €957,000. As of Balance Sheet date the fair value of the Available-for-sale financial asset amounted to €1,188,000. A fair value gain of €231,000 was recognized in other comprehensive income. As of post balance sheet date 16 February 2018 the fair value of the Available-for-sale financial asset amounted to €1,079,100.

As explained in notes 3.1.4 and 5.19, the Available-for-sale financial assets acquired are not "Authorised Investments" as defined in the loan agreements entered into between the Company and EIB with respect to the Company's borrowings. In accordance with the provisions of the aforementioned agreements, the Company obtained the consent and waiver of EIB for this investment on 01 December 2016. The waiver imposed the undertaking to the Company to open a new pledged Reserve Account (Attica Sub-Account) with the amount of the acquisition cost of the Available-for-sale financial asset (€9,900,000) that is classified as restricted cash.

Based on their maturity date, these assets are classified as follows:

Analysis of financial assets	2017	2016
Current financial assets		
Current financial assets	0	87,549,512
Total Current financial assets	0	87,549,512
Non-current financial assets		
Non-current financial assets-Available-for-Sale	1,188,000	957,000
Non-current financial assets-Restricted cash	9,900,000	0
Total non-current financial assets	11,088,000	957,000
Total financial assets	11,088,000	88,506,512

With respect to presentation in the Cash Flow Statement line "Investments to financial assets" amounting to €77,649,512, comprises of the disposal of Held to Maturity financial assets of €87,549,512 and transfer of cash of €9,900,000 (Attica Sub-Account).

5.10 Other non-current assets

Other non-current assets are analysed as follows:

Analysis of other non-current assets	2017	2016
Investment in associates	3,245,439	3,245,439
Long term guarantees	236,021	210,546
Total other non current assets	3,481,460	3,455,985

Long term guarantees relate to guarantees given to lessors for operating lease contracts, and were measured at their present value, by discounting future cash flow transactions with the weighted average borrowing rate of the Company.

5.11 Inventories

Inventory items are analysed as follows:

Analysis of inventories per category	2017	2016
Merchandise	582,415	672,509
Consumables	891,258	930,750
Spare parts	4,769,127	4,607,402
Inventory impairment	(619,776)	(465,345)
Total inventories	5,623,024	5,745,316

During 2017, an impairment provision of €154,431 was recognized in the income statement in order to reflect the accumulated provision for certain obsolete and slow-moving items to €619,776.

5.12 Construction works in progress

Analysis of construction works in progress	2017	2016
Construction works in progress	2,470,539	5,175,040
Total construction works in progress	2,470,539	5,175,040

Construction works in progress mainly refer to additions and improvements on the existing infrastructure assets such as technical works, building and facilities, roads etc. These assets will be returned to the Grantor at the end of the Concession Period, together with all other infrastructure assets as described in note 1. Upon the completion of the construction, such assets related to the infrastructure, will increase either the cost of the concession intangible asset or the owned assets.

5.13 Trade receivables

Trade receivable accounts are analysed as follows:

Analysis of trade receivable accounts	2017	2016
Domestic customers	26,954,565	39,916,791
Foreign customers	1,869,942	2,745,244
Greek state & public sector	6,763,459	7,529,254
Accrued revenues	2,225,515	2,890,938
Provision for impairment of trade receivables	(2,416,675)	(2,513,479)
Total trade receivable accounts	35,396,805	50,568,749

All receivables are initially measured at their fair value, which is equivalent to their nominal value, since the Company extends to its customers short-term credit. Should any of the trade receivable accounts exceed the approved credit terms, the Company charges such customers default interest, (that is, interest on overdue accounts) at 6 months Euribor interest rate plus a pre-determined margin, as stipulated in the respective customer agreements. Such interest is only recognised when it is probable that the income will be collected.

During 2017 a provision release of €96,804 was recognized in the income statement, resulting in an impairment provision as at 31 December 2017 of €2,416,675 (2016: €2,513,479).

5.14 Other receivables

Other receivable accounts are analysed as follows:

Analysis of other receivable accounts	2017	2016
Accrued ADF	67,888,957	9,804,466
Other	19,936,184	43,894,307
Total other receivable accounts	87,825,141	53,698,773

Accrued ADF represents the amount of the passengers' airport fee attributable to the Company, which had not been collected by the Company at year-end. Part of the accrued ADF of €16,400,000 was collected on 5 February 2018 and the remaining is estimated to be collected progressively in year 2018.

Other Accounts Receivable mainly consists of payments for taxes and duties carried out by the Company, that relate to various tax disputes, as required by relevant laws in order for the tax disputes to be referred to the competent Courts for resolution. The Company has assessed that these amounts are fully refundable upon the successful resolution of the legal cases. The major tax disputes as referred also in note 5.28 Contingent Liabilities and involve taxes imposed for VAT, Property Taxes, Special Once Off Taxes and Municipal Charges.

5.15 Cash and cash equivalents

Cash and cash equivalents are analysed as follows:

Analysis of cash & cash equivalents	2017	2016
Cash on hand	2,004,704	2,002,303
Current & time deposits	464,776,293	283,825,180
Total cash & cash equivalents	466,780,996	285,827,483

5.16 Share capital

The issued Share Capital of the Company has been fully paid by the shareholders and comprises 30,000,000 ordinary shares of €10 each amounting to €300,000,000.

The Company is jointly controlled by the Greek State (25.0% of the shares), the Hellenic Republic Asset Development Fund (30.0% of the shares), the AviAlliance and other private shareholders (45.0% of the shares).

5.17 Statutory & other reserves

Under Greek Corporate Law it is mandatory to transfer 5.0% of the net after tax annual profits to form the legal reserve, which is used to offset any accumulated losses. The creation of the legal reserve ceases to be compulsory when the balance of the legal reserve reaches 1/3 of the registered share capital.

At 31 December 2017 the Company's legal reserve increased by an amount of €7,002,454 (2016: €6,619,571) and amounted to €68,606,603 (2016: €61,604,149).

In addition, there are a reserve for tax purposes amounting to €352,604 (2016: €360,137), a reserve for actuarial gains/losses recognized due to the adoption of the amended IAS 19, amounting to €(91,789) (2016: €94,708) and a reserve for Available-for-sale financial assets valuation amounting to €164,010 (2016:€0).

Analysis of other reserves	2017	Movement	2016
Statutory reserves	68,606,603	7,002,454	61,604,149
Reserves for tax purposes	352,604	(7,533)	360,137
Actuarial gains/(losses) reserve net of tax	(91,789)	(186,497)	94,708
Available-for-sale financial assets reserve net of tax	164,010	164,010	0
Totals	69,031,428	6,972,434	62,058,994

5.18 Retained earnings

In accordance with Greek Corporate Law, companies are required each year, to declare dividends of at least 35.0% of after tax profits, after allowing for the legal reserve.

In addition, the prevailing bank loan agreements impose specific conditions for the permitted dividend distribution, which have been fulfilled since 2003 when the Company was in the financial position to distribute dividends. The dividends paid in 2017 were €40,500,000 (€1.35 per share). Given the additional short term financial obligations for the Company arising from the "Airport Development Agreement" Extension Agreement, no dividend distribution to the Shareholders is to be proposed at the Annual General Meeting.

5.19 Bank loans

Borrowings are analysed as follows:

Analysis of loans	2017	2016
Long term loans		
EIB loan	217,431,038	295,632,204
Total long term loans	217,431,038	295,632,204
Short term loans		
EIB loan	78,201,166	73,639,593
Accrued interest & related expenses	773,380	938,646
Total short term loans	78,974,546	74,578,239
Total bank loans	296,405,584	370,210,443

The Company and EIB, under a supplemental agreement signed on 19 December 2008 between them, agreed to partial release the Greek State's Guarantee on the outstanding balance of EIB Loan and to modify certain terms of the EIB Master Facility Agreement related to the applicable interest rates. The modified terms are effective from 31 July 2009 and include the consolidation and division of the outstanding balance of the initial loan into two loans, Loan A and Loan B. As of 31 December 2017, Loan A was fully repaid while the outstanding balance of Loan B was €295,632,204.

The weighted average interest rate for all tranches under Loan B is 6.12%.

All the covenants set under the EIB Master Facility Agreement have been fulfilled as of 31 December 2017. As explained in notes 3.1.4 and 5.9, as of 1 December 2016, and following the negotiations with EIB and the Greek State in its capacity as EIB Loan Guarantor, the Company obtained the waiver of EIB for the investment of €9,900,000 in the Available-for-sale financial asset that did not meet the criteria of "Authorised Investments". The waiver imposed the undertaking to the Company to open a new pledged Reserve Account (Attica Sub-Account) with the amount of the acquisition cost of the Available-for-sale financial asset (€9,900,000) and the decrease of the amount available for Dividend distribution to the Company's Shareholders by the balance of the Attica Sub-Account. The relevant Attica Sub-Account opened on 1 December 2016 and the amount of €9,900,000 was deposited on 2 January 2017.

The Company may only transfer amounts out of this bank account in situations where the Company has disposed of some or all of its shares in Attica Bank on market terms. Furthermore, in terms of this remediation agreement, any funds left over once the entire Attica Bank shareholding is disposed of, will be transferred into the Proceeds account.

The amortised cost of the long term financial liabilities at fixed interest rates (i.e. EIB Loan) is determined using the effective interest rate method, by discounting the future contractual cash flows with the effective interest rate applied to those liabilities. The fair value of the financial liabilities at fixed interest rates is determined by discounting the future contractual cash flows with the current mid-swap interest rate for the average loan life period of such liabilities. The fair value measurement of the financial liabilities is categorised as Level 2.

Fair value of the borrowings	2017	2016
Carrying amount	295,632,204	369,271,797
Fair value	330,952,805	424,890,870
Excess of fair value over carrying amount	(35,320,601)	(55,619,073)

All borrowings are denominated in Euro, the functional currency of the Company.

5.20 Employee retirement benefits

In accordance with Greek labour law, employees are entitled to compensation payments in the event of dismissal or retirement with the amount of payment varying depending on the employee's compensation, length of service and manner of termination (dismissal or retirement). Employees who resign or are dismissed with cause are not entitled to termination payments. The amount payable in the event of retirement is equal to 40.0% of the amount which would be payable upon dismissal without cause.

The provision for employees' retirement benefits is reflected in the attached statement of financial position in accordance with IAS 19R and is calculated, as at the balance sheet date (31 December 2017), based on an independent actuarial study performed by Hewitt.

The results of any valuation depend upon the assumptions employed. Thus, as at 31 December 2017:

- If the discount rate used were 1.0% higher, then the DBO would be lower by about €1.58m.
- If the discount rate used were 1.0% lower, then the DBO would be higher by about €1.89m.

The results of the actuarial study for the provision for employee retirement benefits as computed by the actuary are shown below:

Actuarial study analysis	2017	2016
Principal actuarial assumptions at 31 December 2017		
Discount rate	1.63%	1.79%
Range of compensation increase	0%-3.0%	0%-3.0%
Plan duration	16.26	17.38
Present value of obligations	10,761,931	10,148,627
Net liability/(asset) in the balance sheet	10,761,931	10,148,627
Components of income statement charge		
Service cost	272,613	389,994
Interest cost	181,101	207,277
Recognition of past service cost	0	443,201
Settlement/curtailment/termination loss	118,386	113,043
Total income statement charge	572,100	1,153,515
Movements in net liability/(asset) in the balance sheet		
Net liability/(asset) at the beginning of the period	10,148,627	8,629,797
Benefits paid directly	(221,468)	(146,446)
Total expense recognised in the income statement	572,100	1,153,514
Total amount recognized in the OCI	262,672	511,762
Net liability/(asset) in the balance sheet	10,761,931	10,148,627
Reconciliation of benefit obligations		
DBO at start of the period	10,148,627	8,629,797
Service cost	272,613	389,993
Interest cost	181,101	207,277
Benefits paid directly by the Company	(221,468)	(146,446)
Extra payments or expenses/(income)	118,386	113,043
Obligation of past service cost	0	443,201
Actuarial loss/(gain)	262,672	511,762
DBO at the end of the period	10,761,931	10,148,627
Remeasurements		
Liability gain/(loss) due to changes in assumptions	(234,712)	(742,118)
Liability experience gain/(loss) arising during the year	(27,960)	230,356
Total actuarial gain/(loss) recognised in OCI	(262,672)	(511,762)

An actuarial loss (the difference between expected and actual DBO as at the end of 2017) of €262,672 arose during the year due to the following factors:

- Change in financial assumptions: the equivalent discount rate decreased from 1.79% to 1.63%, producing a loss of €280,270. The inflation and salary increase assumptions have both decreased producing a gain of €45,558. Thus, the change in financial assumptions gives rise to an overall actuarial loss of €234,712.
- Experience: loss of €27,960 mainly due to population mobility being higher than expected.

According to IAS19 Revised, the entire actuarial gains or losses that arise in each accounting period are recognized immediately in the Statement of Other Comprehensive Income (OCI). In this case, the loss arising over 2017 (i.e. €262,672) is recognized as a loss in the OCI statement.

5.21 Provisions

Analysis of provisions	As at 1 Jan 2017	Additions	Utilisations	Releases	As at 31 Dec 2017
Restoration expenses	15,000,363	673,221	563,456	0	15,110,128
Net other provisions	2,905,706	1,748,598	0	0	4,654,303
To be settled over 1 year	17,906,069	2,421,819	563,456	0	19,764,431
Total provisions	17,906,069	2,421,819	563,456	0	19,764,431

The provision for restoration expenses relates to the future expenses that result from the Company's contractual obligations to maintain or to restore the infrastructure to a specified condition before it is handed over to the Greek State at the end of the service concession arrangement. It is expected that an aggregate amount of €17.70m will be spent on major restoration activities commencing in year 2018 through to 2025 based on management's current best estimates.

5.22 Income & deferred tax liabilities**Income tax liabilities**

At the balance sheet date, the recognition of the income tax liability amounting to €46,896,777 reflects the income tax payable on taxable income at the rate of 29.0%.

The 2016 amount reflects the income tax payable on the dividends declared for distribution, although the Company was in a tax loss position, in accordance with paragraph 1 of article 47 of Law 4172/2013. The income tax liability amounting to €16,542,254 was determined by applying the following formula:
Dividends declared for distribution * Income Tax Rate / (1- Income Tax Rate)

Deferred tax assets & liabilities

The analysis of deferred tax assets and deferred tax liabilities is as follows:

Deferred tax assets & liabilities	2017	2016
Deferred tax assets:		
Deferred tax assets to be recovered after more than 12 months	(37,326,464)	(41,908,087)
Deferred tax assets to be recovered within 12 months	(5,855,987)	(31,281,798)
Total deferred tax assets	(43,182,451)	(73,189,885)
Deferred tax liabilities:		
Deferred tax liabilities to be settled after more than 12 months	136,519,915	156,789,603
Deferred tax liabilities to be settled within 12 months	20,826,913	17,689,986
Total deferred tax liabilities	157,346,828	174,479,589
Deferred tax liabilities (net)	114,164,377	101,289,704

The gross movement on the deferred income tax account is as follows:

	2017	2016
As at 1 January	101,289,704	61,377,904
Income statement charge	12,883,858	40,127,201
Other comprehensive income	(9,187)	(215,401)
As at 31 December	114,164,377	101,289,704

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred tax liabilities	Accelerated tax depreciation	Grant of rights fee	Usufruct of the site	Total
As at 1 January 2016	182,123,446	7,414,893	205,259	189,743,598
Charged/(credited) to the income statement and other comprehensive income	(14,571,745)	(706,180)	13,916	(15,264,010)
As at 31 December 2016	167,551,701	6,708,712	219,175	174,479,589
Charged/(credited) to the income statement and other comprehensive income	(16,440,497)	(706,180)	13,917	(17,132,760)
As at 31 December 2017	151,111,204	6,002,532	233,092	157,346,828

Deferred tax assets	Tax losses	Provisions	Retirement benefit obligations	Other	Total
As at 1 January 2016	(83,106,002)	(5,427,169)	(2,191,244)	(37,641,279)	(128,365,694)
Charged/(credited) to the income statement and other comprehensive income	57,444,149	(282,361)	(440,462)	(1,545,517)	55,175,809
As at 31 December 2016	(25,661,853)	(5,709,530)	(2,631,706)	(39,186,796)	(73,189,885)
Charged/(credited) to the income statement and other comprehensive income	25,661,853	(548,834)	(177,858)	5,072,272	30,007,433
As at 31 December 2017	0	(6,258,364)	(2,809,564)	(34,114,523)	(43,182,451)

At the balance sheet date, the Company has no unused tax losses available for offset against future taxable profits, thus no deferred tax asset (2016: €25,661,853) has been recognised. According to the provisions of article 25.1.2.(k) of the ADA, (Law 2338/1995) tax losses can be carried forward to relieve future taxable profits without time limit.

Tax losses have primarily arisen from the application of the accelerated depreciation method as provided by paragraph 8 of article 26 of Law 2093/1992. In addition, according to article 25.1.2.(j) of the ADA the accelerated depreciation method provided by Law 2093/1992 refers to tax depreciation and constitutes an allowable deduction for tax purposes even though the depreciation in the annual statutory accounts of the Company may differ from year to year. At the balance sheet date, the Company recognised a deferred tax liability on the outstanding accelerated depreciation, amounting to €151,111,204 (2016: €167,551,701).

5.23 Other non-current liabilities

Other long-term liabilities are analysed as follows:

Analysis of other non-current liabilities	2017	2016
Grant of rights fee payable	89,010,679	98,648,464
Long term securities provided by customers	2,211,012	2,037,818
Total other non-current liabilities	91,221,691	100,686,282

The Company pays a quarterly fee to the Greek State during the concession period for the rights and privileges granted in ADA. The carrying amount of the liability represents the present value of the future payment that concerns the fixed part of the fee at the balance sheet date. In 2017 a finance charge amounting to €5,362,215 has been recorded as unwinding interest of the liability due to the passage of time (2016: €5,818,583). The amount payable within the next 12 months is included in trade & other payables. The present value of total future payments at the time of airport opening has been included in the cost of the intangible concession asset which is amortised over the concession period. An amount of €2,435,104 is included in 2017 amortisation of the intangible concession asset with respect to the grant of rights fee (2016: €2,435,104).

Long term securities relate to performance guarantees provided for by the lessees for long- term lease agreements. Long-term securities are measured at their net present value, by discounting the future cash flow payments with the weighted average borrowing rate, at the balance sheet date. The weighted average borrowing rate for the Company for 2017 was at the rate of 6.12%.

5.24 Trade & other payables

Trade & other payable accounts are analysed as follows:

Analysis of trade & other payable accounts	2017	2016
Suppliers	14,770,622	15,155,794
Advance payments from customers	12,219,988	15,012,996
Beneficiaries of money – guarantees	13,637,982	15,024,519
Value added tax	747,491	866,251
Other taxes payable and payroll withholdings	3,790,793	3,782,798
Grant of rights fee payable	15,000,000	15,000,000
Other payables	3,225	28,874
Total trade & other payable accounts	60,170,102	64,871,232

The amount shown above for suppliers represents the short-term liabilities of the Company towards its trade creditors as at the corresponding year end for the goods bought and the services they had rendered in the respective year.

Advance payments from customers represent mainly the prepayments effected by the airlines which have selected the “Rolling prepayment” method in settling their financial obligations to the Company for the use of the airport facilities.

Beneficiaries of money – guarantees represent the cash guarantees provided by the concessionaires for the prompt fulfilment of their financial liabilities arising from the signed concessions agreements. The cash guarantees are adjusted each year in accordance with the latest estimate of the expected sales forecast of the concessionaires for the subsequent year.

The carrying amount of trade payables closely approximates their fair value at balance sheet date.

5.25 Other current liabilities

Other current liabilities are analysed as follows:

Analysis of other current liabilities	2017	2016
Accrued expenses for services and fees	19,852,438	12,729,074
Total other current liabilities	19,852,438	12,729,074

Current liabilities mainly concern to accrued cost for services rendered by third parties, private or public, which had not been invoiced at year end.

5.26 Operating lease arrangements

The Company as a lessee

Operating lease payments represent rentals payable by the Company for certain of its vehicles. Leases are negotiated for an average term of 5 years and rentals are fixed for the same period.

In the current year, minimum lease payments under operating lease, amounting to €240,807, were recognised in the income statement, while the corresponding amount for the year 2016 was at €242,828. At the balance sheet date, the Company has outstanding commitments under non-cancellable operating leases, which are presented in note 5.27.

The Company as a lessor

Refer to note 5.1.

5.27 Commitments

As at 31 December 2017 the Company has the following significant commitments:

- a. Capital expenditure commitments amounting to approximately €7.8m (2016: €13.4)
- b. Operating service commitments, which are estimated to be approximately to €71.7m (2016: €101.0m) mainly related to security, maintenance, fire protection, transportation, parking and cleaning services, to be settled as follows:

Analysis of operating service commitments	2017	2016
Within 1 year	30,166,462	33,011,377
Between 1 and 5 years	24,841,560	46,063,946
More than 5 years	16,757,114	21,943,455
Total operating service commitments	71,765,136	101,018,778

- c. Operating lease commitments are analysed as follows:

Analysis of operating lease commitments	2017	2016
Within 1 year	223,226	217,397
Between 1 and 5 years	395,961	453,173
Total operating lease commitments	619,187	670,570

- d. Variable fee Component of the Grant of Rights Fee, based on the calculation of 2017 Consolidated Operating Profit as set out in the ADA and as described in the notes 2.4.1 and 2.4.2, is estimated to €15.99m. This amount will be recognised in the income statement within 2018.

5.28 Contingent liabilities

The Company has contingent liabilities comprising the following:

Tax Audits

- a) The Company has not been audited yet by the Tax Authority for the fiscal year 2010. Recent decisions of the Conseil d'Etat set a 5-year limitation period of the State's right to impose taxes and fines, although the limitation period can be extended up to 10, 15 or 20 years, based on applicable provisions. At balance sheet date, the Company has not received any tax audit notification for the subject year.

b) In accordance with Law 2238/1994, Ministerial Decision 1159/2011, Law 4223/2013 and Ministerial Decision 1124/2015, years from 2011 until 2017 are audited by individual Certified Auditors and a “Tax Certificate” is issued upon completion of the tax audit.

Income tax

In accordance with Law 3808/2009 the Greek State imposed a “special once off tax surcharge” on the profits generated by legal entities in fiscal year 2008. The Company was advised by the Tax Authorities that it is liable to pay a special once off tax surcharge amounting to €23.0m, which was higher by €9.0m than the amount that should be paid in accordance with the provisions of the law and the tax privileges, which have been granted by the ADA. Tax Authorities refused to modify the assessment of the once off tax surcharge and Management proceeded with the legal actions to remedy the tax bill referring the issue to the Administrative Court of Appeals on 18 February 2010. The hearing, took place on 17 December 2013 and by virtue of decision no. 2896/2015 notified to the Company on 7 September 2015, the appeal of the Company was rejected. The Company filed on 5 November 2015 respective annulment petition before the Conseil d'Etat for the cassation of the decision of the Administrative Court of Appeals. The hearing initially set for 31 May 2017 has been postponed for 9 May 2018. No provision has been recognised based on Company's and experts' opinion by reference to the specific legislation governing its tax affairs.

Value added tax

With respect to VAT, the Tax Authority questioned the right of the Company to set off the total VAT of all fixed assets acquired and services rendered until 31 December 2015, as stipulated by article 26 paragraph 7 of Law 2093/1992, in conjunction with Articles 25.1.1 & 25.1.2 (g) of the ADA as ratified by Law 2338/1995. The Tax Authority disputed the above right of the Company to set off VAT, which corresponds to activities not subjected to VAT, i.e. property leases, and proceeded to impose VAT –including penalties- for the fiscal years 1998-2012 amounting totally to €168.4m, comprising of €46.0m capital and €122.4m surcharges.

The Company referred the issue, related to years 1998-2009, to the London Court of International Arbitration, in accordance with Article 44 of the ADA. Pursuant to the final award of the London Court of International Arbitration No 101735, which was issued on 27 February 2013, the relating acts of determination had been issued in breach of law.

Alongside, the Company appealed before the competent Administrative Courts of Appeals against all the acts of determination of the Tax Authority to impose VAT on such capital and operating expenses, requesting the annulment of the tax assessments for all years from 1998 to 2012.

The Administrative Court of Appeals by its decisions, regarding the acts of determination for the years 2004-2009 amounting to €12.8m, rejected the appeals of the Company. The Company filed respective annulment petitions before the Conseil d'Etat for the cassation of the decisions of the Administrative Court of Appeals and the Conseil d'Etat by its Decisions, which were notified to the Company on 11 March 2015, accepted the annulment petitions of the Company on the VAT disputes for the fiscal years 2004-2009 and referred-back the cases to the Administrative Court of Appeals. The hearing before the Administrative Court of Appeals took place on 7 October 2015, which by its decisions finally accepted the Company's petitions and the VAT assessments for the fiscal years 2004-2009 were annulled. However, the Greek State on 20 May 2016 filed annulment petitions against the latter aforementioned decisions in favour of the Company before the Conseil d'Etat. The hearing took place on 11 October 2017 and the decision is pending.

Furthermore, regarding the assessments for the years 1998-2003 and 2010-2012, the juridical process before the Administrative Courts of Appeal is as follows:

- For the fiscal years 1998-2003, which corresponds to VAT imposed on non-exempt expenses, such as, entertainment and hospitality expenses amounting to €1.3m, the hearing took place at 7 April 2017, apart for year 2002 where the hearing is set for 16 October 2018. By virtue of decisions 1988/2018, 1930/2018, 1933/2018 and 1983/2018 for the years 1998, 1999, 2000 and 2003 respectively, the Company's appeals were fully upheld. The same Court with its decision 1910/2018 referred the VAT assessment for the fiscal year 2001 to the Administrative Court of Appeals due to lack of competence (refer to note 5.31).
- For the fiscal years 2001-2003, which corresponds to VAT imposed on the acquisition of fixed assets and operating expenses amounting to €150.3m, the hearing is set for 16 October 2018.
- For the fiscal years 2010-2011, which corresponds to VAT imposed on the acquisition of fixed assets and operating expenses amounting to €3.0m, the hearing took place at 10 October 2016 and by virtue of decisions nos. 1665/2017 & 1666/2017 the Company's appeals were fully upheld. The Greek State has filed respective annulment petitions before the Conseil d'Etat the hearing of which is set for 19 September 2018.
- For the fiscal year 2012, which corresponds to VAT imposed on the acquisition of fixed assets and operating expenses amounting to €1.0m, the hearing is set for 8 October 2018.

Based on the Company's experts' opinion by reference to the aforementioned final award of the London Court of International Arbitration No 101735, no provision has been recognised for all above acts of determination.

Property tax

With respect to property tax, the Tax Authority questioned the right of the Company to be exempted from any property tax until 31 December 2015 as provided by paragraph 5 of article 26 of Law 2093/1992, in conjunction with Articles 25.1.1 & 25.1.2 of the ADA. Further to the completion of tax audits on real property, the Tax Authority issued real property tax assessments for the fiscal years 2008-2013, amounting totally to €44.6m, comprising of €28.2m capital and €16.4m surcharges.

The Company referred the issue, to the London Court of International Arbitration, in accordance with Article 44 of the ADA. Based on the final award of the London Court of International Arbitration No 142821, which was issued on 21 January 2016, the Greek State was instructed to indemnify the Company as per Articles 5.2(i) and 32.3 of the ADA against the consequences of the real property tax levied on the Company by the Greek State for the period 2008-2013.

Alongside, the Company appealed before the competent Administrative Courts of Appeals against all the acts of determination of the Tax Authority to impose real property tax, requesting the annulment of the tax assessments for all years from 2008-2013.

Regarding the real property tax assessments, the juridical process before the Administrative Courts of Appeal is as follows:

- For the fiscal years 2008-2009, which corresponds to real property tax imposed amounting to €12.7m, the hearing took place at 19 September 2016 and by virtue of decisions nos. 1048/2017 and 1047/2017 the Company's appeals were fully upheld. The Greek State has filed respective annulment petitions before the Conseil d'Etat the hearing of which is set for 19 September 2018.
- For the fiscal years 2010-2012, which corresponds to real property tax imposed amounting to €15.2m, the hearing took place at 16 January 2017 and by virtue of decisions nos. 5522/2017, 5524/2017 and 5527/2017 the Company's appeals were fully upheld. The Greek State has filed respective annulment petitions before the Conseil d'Etat the hearing of which is not set yet (refer to note 5.31).
- For the fiscal year 2013, which corresponds to real property tax imposed amounting to €16.7m, the hearing took place at 10 October 2016 and by virtue of decisions nos. 804/2017 and 807/2017 the Company's appeals were fully upheld. The Greek State has filed respective annulment petitions before the Conseil d'Etat the hearing of which is set for 19 September 2018.

Based on the Company's experts' opinion by reference to the aforementioned final award of the London Court of International Arbitration, as well as the decisions of the Administrative Court of Appeals, which recognised that the arbitral award is binding for the Greek Administrative courts, no provision has been recognised for all above acts of determination.

Municipal charges

The Municipality of Paiania charged the Company with municipal charges for the provision for waste, landscaping, cleanliness and lighting maintenance for the years 2004-2016 amounting totally to €59.4m, comprising of €40.7m capital and €18.7m surcharges.

Management filed a number of petitions with the Administrative Court of Athens versus the Municipality of Paiania, accompanied by corresponding petitions for the deferment of payments, claiming that in accordance with the provisions of the ADA, the Company has been granted with the exclusive right to provide such services to airport users.

The juridical process is still in progress before the Administrative Courts of Appeals as follows:

- For the fiscal years 2004-2009, which corresponds to municipal charges of €37.4m, deferment of payment has been granted. Furthermore, the Administrative Court of Appeals accepted in substance the petitions of the Company related to the imposition of municipal charges and penalties rendering the respective decisions of the Mayor of Paiania as null and void to that effect. However, the Municipality of Paiania filed annulment petitions against the decisions in favour of the Company before the Conseil d'Etat. The hearing took place at 22 March 2017. By virtue of decisions 390/2018, 391/2018, 392/2018, 393/2018, 394/2018, 395/2018, the Company's appeals were fully upheld (refer to note 5.31).
- For the fiscal years 2010-2013, which corresponds to municipal charges of €12.3m, deferment of payment has been rejected. As per decisions of the Administrative Courts of Appeals, the petitions for the fiscal years 2010-2012 were fully upheld, thus rendering the imposition of municipal charges unlawful. However, the Municipality of Paiania filed annulment petitions against those decisions issued in favour of the Company before the Conseil d'Etat. The hearing took place at 22 March 2017. By virtue of decisions 396/2018, 397/2018 and 398/2018, the Company's appeals were fully upheld (refer to note 5.31). The hearing of the petition for the fiscal year 2013 took place on 1 February 2017 and the decision is still pending. Moreover, the Company filed a lawsuit versus the Municipality of Paiania with the competent Administrative Court of Athens requesting the reimbursement of the municipal charges imposed for the fiscal years 2010-2012 and already paid to the latter, amounting to €8.8m.
- For the fiscal years 2014-2016, which corresponds to municipal charges of €9.7m, deferment of payment has been granted. Pursuant to decisions of the Administrative Courts of Appeals the petitions for the fiscal years 2014-2015 were fully upheld, thus rendering the imposition of municipal charges unlawful. The hearing of the petition for the fiscal year 2016 took place at 2 February 2017 and the decision is still pending.

The Municipality of Spata charged the Company with municipal charges for the provision for waste, landscaping, cleanliness and lighting maintenance for the years 2007-2010 amounting in total to €8.6m. The juridical process is still in progress before the Administrative Courts of Appeals as follows:

- For the fiscal year 2007, the respective imposition of charges has been annulled both by the Administrative Court of Appeals and the General Secretary of Decentralized Administration of Attica.
- For the fiscal years 2008-2010, which corresponds to municipal charges of €6.5m, deferment of payment has been provisionally granted by order of the competent judge of the Administrative Court of Athens until the issuance of a Court Decision on the Company's petition that took place at 6 April 2017. The Court by its decision cancelled the juridical process, pursuant to decision no. 8889/7425/2014 of the General Secretary of Decentralized Administration of Attica, by which the imposition of charges has already been annulled.

Based on the Company's experts' opinion by reference to the aforementioned decisions of the Administrative Court of Appeals, no provision has been recognised for all above acts of determination.

Other

There are a number of pending legal lawsuits against the Company amounting to approximately €2.5m (2016: €4.9m) for which Management, following consultation with its Legal Counsel, believes that there is sufficient ground to successfully defend these claims. No provision for these claims has been recognised in these financial statements on the basis that no material liability is expected to arise.

5.29 Related parties transactions

AIA is a privately managed Company, having as major shareholders the Greek State and AviAlliance Group, each one of them holding more than 20.0% of the shares as at 31 December 2017.

The Company during 2017 had undertaken related party transactions with a company controlled by its current Private Shareholder, by receiving specific services. Furthermore, the Company provides either aeronautical or non-aeronautical services to public sector controlled entities and at the same time, receives services from public entities i.e. fire protection, medical etc. The above goods/services/works are based on corresponding market's terms and conditions. The transactions with the Greek State and the current Private Shareholder have as follows:

a) Sales of services and rental fees

Sales of services	2017	2016
Greek State	11,742,162	13,490,392
AviAlliance Group	0	5,254
Total	11,742,162	13,495,646

b) Purchases of services

Purchases of services	2017	2016
Greek State	5,712,288	5,637,566
AviAlliance Group	30,340	0
Total	5,742,628	5,637,566

c) Year end balances arising from sales/purchases of services and rental fees

Year end balances arising from sales/purchases of services and rental fees	2017	2016
Trade and other receivables:		
Greek State	8,045,622	11,458,543
Trade and other payables:		
AviAlliance Group	0	0
Total	8,045,622	11,458,543

d) Key management compensation

Key management includes personnel authorised by the Board of Directors for planning, directing and controlling the activities of the Company. Compensation paid or payable to key management for employee services rendered is shown below:

Analysis of BoD and key management compensation	2017	2016
Board of directors' fees	499,280	481,700
Short-term employment benefits of key management	1,589,686	1,573,496
Total BoD and key management compensation	2,088,966	2,055,196

5.30 Reclassifications

In the comparative figures of the Income Statement, an amount of €2,088,470 has been reclassified from "Subsidies received for borrowing costs" to "Other revenues", to conform to current period presentation.

5.31 Events after the balance sheet date

a) The decisions of the Administrative Court of Athens 1988/2018, 1930/2018, 1933/2018 and 1983/2018 regarding the VAT assessments for the fiscal years 1998, 1999, 2000 and 2003 respectively have been issued on 31 January 2018, by which the Court accepted the appeals of the Company and ordered the annulment of the VAT of these years. Furthermore, the same Court with its decision 1910/2018 which has been issued on 31 January 2018, refers the VAT assessment for the fiscal year 2001 to the Administrative Court of Appeals due to lack of competence. For more details, refer to note 5.28, item "Value Added Tax".

b) On 28 January 2018, the Greek State filed annulment petitions before the Conseil d'Etat for the cassation of the decisions 5522/2017, 5524/2017 and 5527/2017 of the Administrative Court of Appeals that concern the cases of property tax for the fiscal years 2010, 2011 and 2012 respectively. For more details, refer to note 5.28, item "Property Tax".

c) On 21 February 2018 the decisions of the Conseil d'Etat 390/2018, 391/2018, 392/2018, 393/2018, 394/2018, 395/2018, 396/2018, 397/2018 and 398/2018 regarding the imposition of municipal charges by the Municipality of Paiania for the years 2004–2012, have been issued. With these decisions, all annulment petitions filed by the Municipality of Paiania against the decisions of the Administrative Court of Appeals, issued in the favour of the Company, were rejected. For more details, refer to note 5.28, item "Municipal Charges".

Independent auditor's report

To the Shareholders of "Athens International Airport S.A."

Report on the audit of the financial statements

Our opinion

We have audited the accompanying financial statements of Athens International Airport S.A. (Company) which comprise the statement of financial position as of 31 December 2017, the income statement and the statement of other comprehensive income, the statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects the financial position of the Company as at 31 December 2017, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the statutory requirements of Codified Law 2190/1920.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as they have been transposed into Greek Law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

During our audit we remained independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that has been transposed into Greek Law, and the ethical requirements of Law 4449/2017, that are relevant to the audit of the financial statements in Greece. We have fulfilled our other ethical responsibilities in accordance with Law 4449/2017, and the requirements of the IESBA Code.

Other Information

The members of the Board of Directors are responsible for the Other Information. The Other Information is the Board of Directors Report (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the Other Information and except to the extent otherwise explicitly stated in this section of our Report, we do not express an audit opinion or other form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Board of Directors Report, we considered whether the Board of Directors Report includes the disclosures required by Codified Law 2190/1920.

Based on the work undertaken in the course of our audit, in our opinion:

- The information given in the the Board of Directors' Report for the year ended at 31 December 2017 is consistent with the financial statements,
- The Board of Directors' Report has been prepared in accordance with the legal requirements of article 43a of the Codified Law 2190/1920.

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Board of Directors' Report. We have nothing to report in this respect.

Responsibilities of Board of Directors and those charged with governance for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the requirements of Codified Law 2190/1920, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

"With respect to the Board of Directors Report, the procedures we performed are described in the "Other Information" section of our report".



PricewaterhouseCoopers S.A.
268 Kifissias Avenue
152 32 Halandri
SOEL Reg. No. 113

Athens, 26 April 2018
The Certified Auditor – Accountant

Fotios Smirnis
SOEL Reg. No. 52861

Appendix: Sustainability Indices

AIA follows a structured reporting framework to foster credibility of the disclosed sustainability information.

About this Report

AIA's 2017 Annual & Sustainability Report combines for the first time the Airport Company's financial and non-financial performance in a unified report. It is AIA's 15th consecutive annual edition of non-financial performance, with the previous report printed in June 2017. Our performance supports the Company's reputation for being a prudent and responsible operator that ensures dependability towards business

partners, mitigates environmental impact, respects diversity, nurtures employee loyalty and drives public confidence. In order to enable comparability of the information disclosed, previous Corporate Responsibility Reports are available on the company's website (www.aia.gr), the GRI portal (www.globalreporting.org) as well as in the UNGC CoP Directory (www.unglobalcompact.org/participants).

Purpose & Scope

This Report focuses on the management's constant commitment on the sustainable and socially responsible operation and development of Athens International Airport. With this edition and the accurate and validated information it contains, AIA aims to increase its stakeholders' interest. The Report refers to the period of January through December 2017, though certain data from previous

editions is repeated when necessary for the purpose of a better comprehension. It covers the full spectrum of the company's programmes and activities carried out at the Athens International Airport "Eleftherios Venizelos" in the Spata region of Athens, Greece. In addition, it contains information pertaining to the wider orchestrating role AIA holds in the Airport business community.

Methodology

In an effort to lay the foundations of an integrated reporting system, AIA now combines the information which was previously included in its two main corporate publications, i.e. the Annual Report and the Corporate Responsibility Report. This was achieved by maintaining the editions' core elements, namely detail and transparency in reporting in a comprehensive way, with a flowing content.

Report content has been set as defined by AA1000 Accountability Principles Standards and the Global Reporting Initiative (GRI) Sustainability Reporting Standards (GRI standards). This report has been prepared in accordance with the GRI Standards: Core option, including the GRI Airport Operators Sector

Disclosures, as appropriate, depending on AIA's reported material aspects. Additionally, the Report content is based on the ten principles of the United Nations Global Compact (UNGC) and is aligned with the United Nations Sustainable Development Goals.

The responsibility for preparing, submitting and distributing the Report lies with AIA's Corporate Quality Department, which coordinates the input from the CR Report Team members and from other colleagues, with the majority of the Company departments being thus represented. The CR Report Team is supervised by the cross-company CR Committee, which in turn reports to the CEO and the Chief Officers.

UN Global Compact / Communication on Progress (COP)



Since June 2008, AIA committed through its CEO, Dr. Ioannis N. Paraschis, to embed the UN Global Compact ten ethical principles and accountability within its sphere of influence. AIA is a company-member of the Global Compact Network Hellas and participates in multi-stakeholder

engagement activities that promote the initiative's character and the company's support to deepen its commitment and actions. To enhance credibility towards its commitment to the UNGC principles, AIA reports its continuous improvement per principle area on an annual basis. UNGC COP is a communication tool towards the UNGC Headquarters and AIA's stakeholder groups.

Reference of AIA's Practices related to UNGC principles

AREA	UNGC PRINCIPLES	PAGE
Human Rights	1: Business should support and respect the protection of international proclaimed human rights	p.20-21, 44, 47, 50, 55, 73, 77-79
	2: Business should make sure that they are not complicit in human right abuses	
Labour Standards	3: Business should uphold the freedom of association and the effective recognition of the right to collective bargaining	
	4: Business should uphold the elimination of all forms of forced and compulsory labour	p.20, 55, 59, 71-75
	5: Business should uphold effective abolition of child labour	
	6: Business should uphold the elimination of discrimination in respect of employment and occupation	
Environment	7: Business should support a precautionary approach to environmental challenges	
	8: Business should undertake initiatives to promote greater environmental responsibility	p. 21-23, 60-69
	9: Business should encourage the development and diffusion of environmental friendly technologies	
Anti-corruption	10: Business should work against corruption in all its forms, including extortion and bribery	p. 20-21, 55, 59

Integrating the UN Sustainable Development Goals in AIA's Corporate Responsibility Strategy

AIA has advanced its materiality analysis by correlating with Sustainable Development Goals (SDGs), building on its steady commitment on the UN Global Compact. SDGs are integrated in AIA's Corporate Responsibility Strategy in line with the UN-recommended five-step approach (understanding the SDGs, defining priorities, setting goals, integrating, reporting & communicating) and as foreseen in AIA Corporate Responsibility Policy that was revised in 2017. AIA uses both the GRI Aspects and the SDG structure for describing the sustainability context and for referencing the company's material issues to broader sustainable development conditions and goals.

The 2017 Materiality Exercise was performed in line with the GRI recommended practice for evaluating the impact versus the influence of material issues, considering the scale of impact (boundaries). In 2017, the evaluation of material issues by AIA's Corporate Responsibility Committee was based on the following model:

MATERIALITY EVALUATION MODEL			
IMPACT		INFLUENCE	
Evaluation of the issue's significance of Impact, considering economic, environmental & social aspects of each issue, both internally and externally		Evaluation of the issue's Influence on Stakeholders' assessment of AIA in regards to airport operation	
Internal Impact (relates to AIA's Financial and Non-Financial Performance with significant impact on its business model, its ability to achieve objectives and/or its reputation)	External Impact (AIA's level of contribution to Sustainable Development and the UN SDGs) considering the related scale of impact (a/p community, national, global)	Influence evaluation (by the CR Committee) in regards to the influence to AIA internal stakeholders and general society)	Influence evaluation (by members of airport community) in regards to the influence to Airport Community stakeholders
4. High impact (current) / Critical issue		4. High influence	
3. Medium impact (current) or potentially high		3. Medium influence	
2. Low impact (current) or potentially medium		2. Low influence	
1. Marginal impact		1. Marginal influence	

Leading to the identification of Material Issues and the formation of the Materiality Map, as it appears in Chapter 2.

The correlation among AIA's list of sustainability 23 issues, linking with the Sustainable Development

Goals and GRI Aspects, from which the 13 Material Issues are derived (shaded), are tabulated below:

no.	Issue	Contribution to Sustainable Development	
		Link to UN Sustainable Development Goals (SDGs)	Scale of Impact
1	Economic Performance	SDG-2 Zero Hunger SDG-5 Gender Equality SDG-8 Decent Work & Economic Growth SDG-9 Industry, innovation and infrastructure SDG-13 Climate Action	National
2	Market Presence	SDG-8 Decent Work & Economic Growth	Global
3	Indirect Economic Impacts	SDG-2 Zero Hunger SDG-5 Gender Equality SDG-7 Affordable & Clean Energy SDG-8 Decent Work & Economic Growth SDG-11 Sustainable Cities & Communities SDG-9 Industry, innovation and infrastructure	National
4	Corporate Governance	SDG-16 Justice and strong institutions	National
5	Responsible Procurement	SDG-12 Responsible Consumption	National
6	Business Continuity & Emergency Preparedness	SDG-9 Industry, innovation and infrastructure	a/p community
7	Service Quality	SDG-9 Industry, innovation and infrastructure	a/p community
8	Services and Facilities for Persons with Special Needs	SDG-9 Industry, innovation and infrastructure	a/p community
9	Intermodality	SDG-9 Industry, innovation and infrastructure SDG-11 Sustainable Cities & Communities	National
10	Energy	SDG-7 Affordable & Clean Energy SDG-8 Decent Work & Economic Growth SDG-12 Responsible Consumption SDG-13 Climate Action	a/p community
11	Water	SDG-6 Clean Water & Sanitation	a/p community
12	Biodiveristy	SDG-15 Life on land	a/p community
13	Emissions and Climate Change	SDG-3 Good Health and Well Being SDG-12 Responsible Consumption SDG-13 Climate Action SDG-14: Life below water SDG-15 Life on land	a/p community
14	Effluents & Waste	SDG-12 Responsible Consumption	a/p community
15	Noise	SDG-11 Sustainable Cities & Communities	National
16	Employment Practices	SDG-8 Decent Work & Economic Growth	National
17	Occupational Health & Safety	SDG-3 Good Health and Well Being SDG-8 Decent Work & Economic Growth	a/p community
18	Training & Education	SDG-4 Quality Education SDG-8 Decent Work & Economic Growth	a/p community
19	Labour Human Rights	SDG-8 Decent Work & Economic Growth SDG-5 Gender Equality SDG-10 Reduced Inequalities	a/p community
20	Human Rights in Operations	SDG-10 Reduced Inequalities	a/p community
21	Community Engagement	SDG-11 Sustainable Cities & Communities SDG-4 Quality Education	National
22	Customer Health & Safety	SDG-3 Good Health and Well Being SDG 16 Peace, Justice and Strong Institutions	a/p community
23	Customer Privacy	SDG-9 Industry, innovation and infrastructure	a/p community

GRI Standards Content Index for “In accordance” - Core

General Disclosures				
GRI STANDARD	DISCLOSURE	Page number(s) and/or URL(s)	Omission	External Assurance
Organizational Profile				
GRI 102: General Disclosures	102-1 Name of the Organization	p.14		✓
	102-2 Activities brands, products and services	p.14, 27-31		✓
	102-3 Location of Headquarters	p.14		✓
	102-4 Location of operations	p.14		✓
	102-5 Ownership and legal form	p.14		✓
	102-6 Markets served	p.14, 27-31		✓
	102-7 Scale of the organization	p.15, 71, Annex II: Financial Statements		✓
	102-8 Information on employees and other workers	p.71		✓
	102-9 Supply Chain	p.59		✓
	102-10 Significant changes to the organization and its supply chain	p.8-13		✓
	102-11 Precautionary Principle or approach	p. 20, 60-61		✓
	102-12 External Initiatives	p.23, 61-62		✓
	102-13 Membership of associations	p.25		✓
Strategy				
GRI 102: General Disclosures	102-14 Statement from senior decision-maker	p.8-13		✓
Ethics and Integrity				
GRI 102: General Disclosures	102-16 Values, principles, standards, and norms of behavior	p.22		✓
Governance				
GRI 102: General Disclosures	102-18 Governance Structure	p.16-18		✓
Stakeholders Engagement				
GRI 102: General Disclosures	102-40 List of Stakeholder Groups	p.16		✓
	102-41 Collective Bargaining Agreements	All AIA employees are covered by the minimum requirements of the National Collective Labor Agreement		✓
	102-42 Identifying and selecting stakeholders	p.15-16		✓
	102-43 Approach to stakeholder engagement	p.15-16, 161		✓
	102-44 Key Topics and concerns raised	p.19-20, 45-46, 49-50, 74, 77-79		✓
Reporting Practice				
GRI 102: General Disclosures	102-45 Entities included in the consolidated financial statements	p.14		✓
	102-46 Defining report content and topic Boundaries	p.22-25, 161		✓
	102-47 List of Material topics	p.157		✓
	102-48 Restatements of information	p.41		✓
Reporting Practice				
	102-49 Changes in reporting	p.25, 154-156		✓
	102-50 Reporting Period	p.155		✓
	102-51 Date of most recent report	p.154		✓
	102-52 Reporting cycle	p.154		✓
	102-53 Contact Point for questions regarding the report	p.163		✓
	102-54 Claims of reporting in accordance with the GRI Standards	p.155		✓
	102-55 GRI content index	p.158-160		✓
	102-56 External Assurance	p.164-167		✓

Material Topics				
GRI STANDARD	DISCLOSURE	Page number(s) and/or URL(s)	Omission	External Assurance
Economic Performance				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	p.36,161		
	103-2 The management approach and its components	p.36		
	103-3 Evaluation of the management Approach	p.36		
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	p.36		
Market Presence				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	p.32,161		✓
	103-2 The management approach and its components	p.32		✓
	103-3 Evaluation of the management Approach	p.32		✓
GRI 202: Market Presence	202-2 Proportion of senior management hired from the local community	p.71		
	A01-Total number of passengers annually, broken down by passengers on international and domestic flights and broken down by origin and destination and transfer passengers, including transit passengers	p.28		✓
	A02- Total annual number of aircraft movements by day and by night, broken down by commercial passenger, commercial cargo, general aviation and state aviation flights	p.28		✓
	A03- Total amount of cargo tonnage	p.34		✓
Indirect Economic impacts				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	p.41,161		
	103-2 The management approach and its components	p.41		
	103-3 Evaluation of the management Approach	p.41		
GRI 203: Indirect Economic Impacts	203-1 Infrastructure investments and services supported	p.77-78		
Responsible procurement				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	p.59, 161		✓
	103-2 The management approach and its components	p.59		✓
	103-3 Evaluation of the management Approach	p.59		✓
GRI 204: Procurement Practices	204-1 Proportion of spending on local suppliers	p.59		✓
Energy				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	p.61, 161		✓
	103-2 The management approach and its components	p.61		✓
	103-3 Evaluation of the management Approach	p.61-63		✓
GRI 302: Energy	302-1 Energy Consumption within the organization	p.62-63		✓
	302-2 Energy Consumption outside of the organization	p.62-63		
	302-3 Energy Intensity	p.61		✓
Emissions & Climate change				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	p.61-63, 161		✓
	103-2 The management approach and its components	p.61-63		✓
	103-3 Evaluation of the management Approach	p.61-64		✓
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	p.63		✓
	305-2 Energy indirect (Scope 2) GHG emissions	p.63		✓
	A05 – Ambient air quality levels according to pollutant concentration in microgram per m3 or parts per million (ppm) by regulatory regime	p.64		✓

Material Topics				
GRI STANDARD	DISCLOSURE	Page number(s) and/or URL(s)	Omission	External Assurance
Noise				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	p.64-66, 161		✓
	103-2 The management approach and its components	p.64-66		✓
	103-3 Evaluation of the management Approach	p.64-66		✓
	A07 - Number and percentage change of people residing in areas affected by noise	According to the results of the Airport Strategic Noise Map, inhabited areas included are not exposed to noise levels above the limits set by Authorities		✓
Occupational Health & Safety				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	p. 73-74, 161		✓
	103-2 The management approach and its components	p.73-74		✓
	103-3 Evaluation of the management Approach	p.73-74		✓
GRI 403: Occupational Health and Safety	403-1 Workers representation in formal joint management – worker health and safety committees	p.74		✓
Community Engagement				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	p.75, 161		
	103-2 The management approach and its components	p.75-77		
	103-3 Evaluation of the management Approach	p.75-77		
GRI 413: Local communities	413-1 Operations with local community engagement, impact assessments, and development programs	p.75-77		
	A08 - Number of persons physically or economically displaced, either voluntarily or involuntarily, by the airport operator or on its behalf by a governmental or other entity, and compensation provided	No persons from local area or any other origin were physically or economically displaced due to airport development		
Customer Safety (Aviation)				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	p.47-49, 161		✓
	103-2 The management approach and its components	p.47-49		✓
	103-3 Evaluation of the management Approach	p.47-49		✓
GRI 416: Customer Health and Safety	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	p.47		✓
Business Continuity & emergency Preparedness				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	p.45-46,161		✓
	103-2 The management approach and its components	p.45-46		✓
	103-3 Evaluation of the management Approach	p.45-46		✓
	Critical Systems availability	p.46		✓
Service Quality				
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	p.53-55, 161		✓
	103-2 The management approach and its components	p.53-55		✓
	103-3 Evaluation of the management Approach	p.53-55		✓
	Airport Service Quality Satisfaction Score	p.54		✓

Boundaries of Material Issues & Engagement

In the context of the GRI Standards (101/2.4), the following is a tabulation of the boundaries for each material issue along with corresponding engagement means, identifying where the primary impact occurs. This is a general overview while the detailed involvement of AIA and its stakeholders is described in the related chapters of this Report.

Material Issue	Primary means of engagement	De-scription of AIA's involvement	Where the impact occurs						
			AIA	Airlines	Users & Handlers	Concessionaires	State Authorities	Suppliers	Stakeholders Outside the Airport Community
Customer Safety (Aviation)	Airport Guidelines Aviation Safety Committee	Ch.5	●	●	●		●	●	
Market Presence (Traffic development)	Routes Conferences Airline Marketing Workshop	Ch.3	●	●					
Business Continuity & Emergency Preparedness	Emergency Exercises Business Continuity Plans	Ch.5	●	●	●	●	●	●	
Corporate Governance	Code of Conduct Policies	Ch.2	●						
Service Quality	Surveys Passenger Comments	Ch.5	●	●	●	●	●	●	
Indirect Economic Impact	Studies Destination Marketing	Ch.4	●	●	●	●	●	●	●
Responsible Procurement	Procurement Policy Code of Relations with Business Partners	Ch.5	●		●	●		●	
Energy	Energy Policy ISO-Certified Energy Management System	Ch.6	●						
Emissions & Climate Change	Airport Carbon Accreditation Climate Change Action Plan	Ch.6	●	●	●	●		●	
Noise	Noise Line Noise Studies / Monitoring / Abatement	Ch.6		●			●		●
Occupational Health & Safety	Health & Safety Policy Health & Safety Clauses in Contracts	Ch.7	●						
Community Engagement	Community Engagement Action Plan Meetings with Local Representatives	Ch.7	●						●

Committees

The following committees are responsible for their corresponding aspect of Sustainability, in line with AIA Sustainability Governance Structure:

AIA's Corporate Responsibility Committee

I. Papadopoulou

Director, Communications & Marketing (chair)

G. Kallimasias

Director, Corporate Planning

G. Tzavaras

Director, Aviation Services

G. Stergiopoulou

Director, Human Resources

M. O'Connor

Manager, Environmental Services

P. Papademetriou

Manager Corporate Quality

2017 Annual & Sustainability Report – Chapter Leaders

E. Papathanasopoulou

Director, Legal Affairs & Secretary to the BoD

G. Kallimasias

Director, Corporate Planning

A. Gatsonis

Manager Accounting

A. Kontaxis

Manager, Passenger & Business Marketing

M. O'Connor

Manager, Environmental Services

P. Papademetriou

Manager, Corporate Quality

N. Xirogianni

Manager, Corporate Finance

M. Papageorgiou

Head, Press Office

K. Zalavra

Head, Corporate Information & Market Intelligence

The Report production was coordinated by a joint team of Communications & Marketing and Corporate Quality departments. Text and indicators contained herein was compiled with the contribution of numerous colleagues, representing all AIA Units.

Contact Details

Readers' comments regarding our corporate responsibility performance enable us to improve the structure and quality of information disclosed. We would highly appreciate any suggestions or requests for clarification on any related issue.

For AIA Sustainability Reporting matters, kindly contact:

K. Raftopoulou

tel: (+30) 210-3536660

e-mail: RaftopoulouC@aia.gr

For Local Communities issues, kindly contact:

A. Kostiani

tel: (+30) 210-3536493

e-mail: KostianiA@aia.gr

For noise-related issues, kindly contact:

“We Listen” hotline

tel: (+30) 210-3530003

For any other contact within Athens International Airport, kindly contact:

AIA / Administration Building Call Centre:

tel: (+30) 210-3531000

AIA Call Center (24 hours):

tel: (+30) 210-3530000

INDEPENDENT ASSURANCE STATEMENT

To the management of Athens International Airport S.A.

The Athens International Airport 2017 Annual & Sustainability Report (“the Report”) has been prepared by the management of Athens International Airport S.A. (“AIA”), which is responsible for the collection and presentation of the information contained therein. Our responsibility, in accordance with AIA management’s instructions, is to carry out a “limited level” assurance engagement on the English version of the Report, except for Annex I - Reporting by the BoD to the AGM and Annex II - Financial Statements of the Report which have been audited by the AIA statutory auditors.

Our responsibility in performing our assurance engagement is solely to the management of AIA and in accordance with the terms of reference agreed between us. We neither accept nor we assume any responsibility and for any other purpose, to any other person or organization. Any reliance any third party may place on the Report is entirely at its own risk and responsibility.

Work scope and criteria

Our assurance engagement has been planned and performed in accordance with ISAE3000 (revised) and the requirements of a Type 2 assurance engagement, as defined by AA1000AS, in order to provide a limited level assurance opinion on:

1. Adherence to the AccountAbility Principles of Inclusivity, Materiality and Responsiveness, against the relevant criteria found in the AA1000APS.
2. Accuracy and completeness of quantitative data and plausibility of qualitative information related to the GRI General and Specific Disclosures (indicated in the assurance column of the GRI Content Index with a checkmark, pp. 158-160), against the GRI Standards “In accordance – Core” requirements.
3. Adherence to the United Nations Global Compact (UNGC) Communication on Progress (CoP) requirements, against the guidelines found in the Basic Guide to the UNGC CoP.
4. Alignment with United Nations’ Sustainability Development Goals according to the guidance found in the “SDG Compass, Linking the SDGs and GRI” document, developed by the GRI, the UNGC and the World Business Council on Sustainable Development (WBCSD).

What we did to form our conclusions

In order to form our conclusions in relation to the scope and criteria mentioned above, we undertook (but were not limited to) the steps outlined below:

- ▶ **Interviewed certain AIA Executives and Managers** to understand the current status of corporate responsibility activities and progress made during the reporting period.
- ▶ **Reviewed AIA’s approach to stakeholder engagement** through interviews with managers responsible for engagement activities at corporate level and reviews of associated documentation.
- ▶ **Reviewed AIA’s processes for determining material issues** to be included in the Report, as well as the coverage of material issues within the Report, against aspects found in the “GRI G4 Airport Operators Sector Disclosures”, material issues and areas of performance covered in external media reports, and sustainability reports of selected European peers.

- ▶ **Interviewed specialists responsible for managing, collating and reviewing sustainability data** reported for internal and public reporting purposes, linked to the GRI General and Specific Disclosures under the scope of our assurance engagement (indicated in the assurance column of the GRI Content Index with a checkmark, pp. 158-160).
- ▶ **Reviewed the Report for the appropriate transposition and presentation** of the sustainability data linked to the GRI General and Specific Disclosures under the scope of our assurance engagement (indicated in the assurance column of the GRI Content Index with a checkmark, pp. 158-160), including limitations and assumptions relating to how these data are presented within the Report.
- ▶ **Read information or explanations to substantiate** key data, statements and assertions regarding the sustainability disclosures under the scope of our assurance engagement.
- ▶ **Checked the AIA UNGC CoP** against the guidelines found in the Basic Guide to the UNGC CoP.

Level of assurance

The evidence gathering procedures were designed to obtain a limited level of assurance, as set out in ISAE 3000 (revised) on which we formed our conclusions. The extent of these evidence gathering procedures is less than those designed to obtain a reasonable level of assurance and therefore a lower level of assurance is provided. This is also expressed by the 'moderate' level of assurance, under AA1000AS, according to which "the assurance provider achieves moderate assurance where sufficient evidence has been obtained to support their statement, such as the risk of their conclusion being in error is reduced but not reduced to very low or zero".

Limitations of our review

- ▶ Our review was limited to the English version of the Report. In the event of any inconsistency in translation between the English and Greek versions, as far as our conclusions are concerned, the English version of the Report prevails.
- ▶ The scope of our work did not include any review of third party activities or performance, nor attending any stakeholder engagement activities. In addition, it did not include any review of the accuracy of research results assigned to third parties, nor Information Technology systems used by third parties.
- ▶ Our review did not include financial data and the corresponding narrative text and testing of the Information Technology systems used or those upon which the collection and aggregation of data was based by AIA.
- ▶ We do not provide any assurance relating to future information such as estimates, expectations or targets, or their achievability.
- ▶ We did not review Annex I - Reporting by the BoD to the AGM and Annex II – Financial Statements which have been audited by the AIA statutory auditors.

Our conclusions

Based on the scope of our review our conclusions are outlined below:

1. Adherence to the AccountAbility Principles of Inclusivity, Materiality and Responsiveness, against the relevant criteria found in the AA1000APS.

Inclusivity: Has AIA been engaging with stakeholders across the business to develop its approach to sustainability?

- ▶ Nothing has come to our attention that causes us to believe that any key stakeholder groups have been excluded from stakeholder engagement activities, or to conclude that AIA has not applied the Inclusivity principle in developing its approach to sustainability.

Materiality: Has AIA provided a balanced representation of material issues concerning its sustainability performance?

- ▶ Nothing has come to our attention that causes us to believe that AIA's materiality determination approach does not provide a balanced representation of material issues concerning its sustainability performance.

Responsiveness: Has AIA responded to stakeholder concerns?

- ▶ We are not aware of any matters that would lead us to conclude that AIA has not applied the responsiveness principle in considering the matters to be reported.

2. Accuracy and completeness of quantitative data and plausibility of qualitative information related to the GRI General and Specific Disclosures (indicated in the assurance column of the GRI Content Index with a checkmark, pp. 158-160), against the “In accordance – Core” requirements of the GRI Standards.

How plausible are the statements and claims within the Report linked to qualitative information on GRI General and Specific Disclosures under scope?

- ▶ We have reviewed information or explanations on selected statements on AIA's sustainability activities presented in the Report and we are not aware of any misstatements in the assertions made.

How complete and accurate are the quantitative data linked to the GRI General and Specific Disclosures under scope?

- ▶ Nothing has come to our attention that causes us to believe that quantitative data linked to the GRI General and Specific Disclosures under scope has not been collated properly at corporate level.
- ▶ We are not aware of any errors that would materially affect the data as presented in the Report.

Does the Report meet the GRI Standards requirements of the “In accordance – Core” option?

- ▶ Based on our review, nothing has come to our attention that causes us to believe that the Report does not meet the requirements of the “In accordance – Core” option, as presented in the GRI Content Index, found on pages 158-160.

3. Adherence to the United Nations Global Compact (UNGC) Communication on Progress (CoP) requirements, against the guidelines found in the Basic Guide to the UNGC CoP.

Does AIA's UNGC CoP adhere to the guidelines found in the Practical Guide to the UNGC CoP?

- ▶ Nothing has come to our attention that causes us to believe that AIA's UNGC CoP is not fairly stated, according to the guidelines found in the Practical Guide to the UNGC CoP.

4. Alignment with United Nations' Sustainability Development Goals according to the guidance found in the “SDG Compass, Linking the SDGs and GRI” document.

Is the link of AIA's material issues to the UN Sustainable Development Goals, as presented in the report, in alignment with the guidance found in the “SDG Compass, Linking the SDGs and GRI” document?

- ▶ Nothing has come to our attention that causes us to believe that the link of AIA's material issues to the UN Sustainable Development Goals, as presented in the report, is not in alignment with the guidance found in the “SDG Compass, Linking the SDGs and GRI” document.

Independence

We conducted our assurance engagement in accordance with International Assurance Standards, particularly ISAE 3000 (revised), which requires that we comply with ethical standards and plan and perform our assurance engagement to obtain limited assurance about the scope described above.

We apply International Standard on Quality Control 1 (ISQC 1), and accordingly, we maintain a robust system of quality control, including policies and procedures documenting compliance with relevant ethical and professional standards and requirements in law or regulation.

We comply with the independence and other ethical requirements of the IESBA Code of Ethics for Professional Accountants, which establishes the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our assurance team

The professionals which participated in the engagement are members of and are supported by the EY Climate Change and Sustainability Services global network, which undertakes similar engagements in Greece and at a Global level.

Athens, 20 June 2018

For and on behalf of

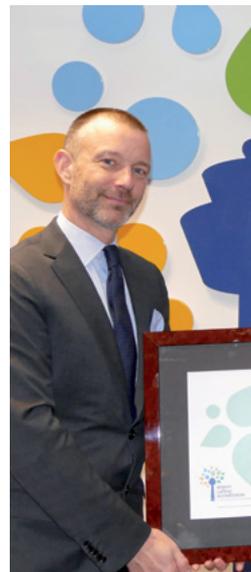
ERNST & YOUNG (HELLAS)
Certified Auditors Accountants S.A.

Vassilios Kaminaris
Partner



AA1000
Licensed Assurance Provider
000-18

Airport Moments



18th AMW

AIA's 18th Airline Marketing Workshop "The PairFUME of the Athenian Spring" Airlines get awarded by Athens International Airport for their development in 2017.

2nd Plane Pull

2nd Plane Pull in Greece in favour of "The Smile of the Child" Association.



5th ACES

The annual Airport Chief Executives' Symposium "ACES – Athens", an initiative launched in 2013 by Athens International Airport, takes place for the 5th consecutive year, at the Stavros Niarchos Foundation Cultural Centre, the new landmark of the city of Athens.



ACI Airport Carbon Accreditation

Having achieved carbon neutral status, Athens International Airport is certified by the independent carbon management programme Airport Carbon Accreditation.





Airport shopping centre's new look

The Athens Airport has a new look. Focusing on functionality, services, and modern design, with the synthesis of Greek classical and contemporary elements, AIA's non-Schengen (9,000 m²) and Schengen (15,000 m²) areas are totally transformed.



Flight Academy

In cooperation with the Hellenic American University, AIA organises the 2nd Aviation and Flight Academy for students 14-17 years old who are keen on aviation and learning its principles both in theory and in practice.



Ouzofest

The traditional annual Lesvos Ouzofest started at the Athens airport in July.





Scoot flight from Athens

Scoot's first flight connecting Athens with Singapore is one of the highlights of our 2017 network, establishing Athens as the European gateway for the carrier's flights from/to the Asia-Pacific region. Scoot continues the long and successful history of the Singapore Airlines family in Athens. Apart from being the sole carrier flying nonstop between Singapore and Athens, the flight is also the airline's first to a European destination and maiden long-haul flight.



Emirates flight Athens - New York

A spectacular development for the Athens market: Emirates commences direct daily passenger service between Athens and New York in March, enhancing its connectivity and presenting the traveling public with new travel options.



IATA award

Athens International Airport is recognised by the International Air Transport Association (IATA) by receiving the Fast Travel 'Gold Status'. This status recognises those airports that have implemented the necessary infrastructure to support all six Fast Travel projects, thus achieving significant innovation and improvement in passenger experience: those areas include self-check-in, bags ready-to-go, document check, flight re-booking, self-boarding, and bag recovery.





ELEMENTAL
CHLORINE
FREE
GUARANTEED



This document has been printed on environmentally friendly, high - quality paper with the following composition: 40% recycled paper, 55% FSC - certified paper pulp (certificate of sustainable forest management) and 5% cotton fibres to improve paper texture and appearance.

It is eco label - compliant, adhering to all environmental management ISO standards as well as the relevant ISO standard for reduced carbon dioxide (CO₂) generation and emissions during manufacturing. It features neutral ph; it is free of heavy metals and is non-chlorinated to avoid contamination of water, the ground water table and the sea. It is durable but also fully self degradable and recyclable.

