



A COMPANY OF THE FSI GROUP

ANNUAL FINANCIAL STATEMENTS

FINANCIAL YEAR 2018

**In accordance with IFRS as adopted by the European
Union**

(TRANSLATED FROM THE GREEK ORIGINAL)

Period: January 1st - December 31st 2018

It is confirmed that the attached Annual Financial Statements are those which were approved by the «TRAINOSE TRANSPORTATIONS – PASSENGER AND CARGO TRANSPORTATION SERVICES RAILWAY SOCIETE ANONYME » Board of Directors on 22/03/2019.

Headquarters address:

Karolou 1-3, P. C. 104 37, Athens, Greece

Societe Anonyme Register Number:

59777/01/B/05/584

TSALIDES FILIPPOS

MANAGING DIRECTOR

TRAINOSE S.A.

COMPANY MISSION

The company's TRAINOSE S.A. mission is to provide a sustainable alternative choice of transportation, environmentally friendly with:

- Safe and reliable schedules
- Reliable information
- Comfort and clean
- Competitive fares
- Friendly personnel

TRAINOSE's vision is to constitute a reliable and high quality transport services provider in Greece, both for passenger and for freight transportation, and a financially sustainable company.

COMPANY OFFICERS AND INDEPENDENT AUDITORS

Board of directors:

Chairman Orazio IACONO

CEO Filippos TSALIDIS

Directors Ilaria Anna DE DOMINICIS

Ester MARCONI

Duilia MELITO

Independent auditors:

ERNST & YOUNG HELLAS Certified Auditors – Accountants
S.A.

Manager in charge of financial reporting:

Ioannis METAXIOTIS

Table of contents

COMPANY MISSION	1
COMPANY OFFICERS AND INDEPENDENT AUDITORS	2
ANNUAL REPORT OF THE BOARD OF DIRECTORS	3
INCOME STATEMENT ANALYSIS	9
KEY FINANCIAL RATIOS	11
INDEPENDENT AUDITOR'S REPORT	27
STATEMENT OF FINANCIAL POSITION	30
INCOME STATEMENT	31
STATEMENT OF THE OTHER COMPREHENSIVE INCOME	32
STATEMENT OF CHANGES IN EQUITY	33
CASH FLOW	34
1 GENERAL INFORMATION ABOUT THE COMPANY	35
1.1 Information about the Company.....	35
1.2 Share Capital.....	36
1.3 Objective of Activity	38
2 BASIS OF PREPARATION OF ANNUAL FINANCIAL STATEMENTS	39
2.1 IFRS COMPLIANCE	39
2.2 Preparation base of Annual Financial Statements.....	39
2.3 Covered Period	39
2.4 Presenting of financial statements	39
2.5 New standards, interpretations and modifications of currents standards	39
2.6 Significant accounting judgements and estimates.	44
3 ACCOUNTING POLICIES SUMMARY	46
3.1 Intangible assets.....	46
3.2 Property, plant and equipment.....	46
3.3 Financial assets	47
3.4 Share capital.....	50
3.5 Inventories	50
3.6 Income tax accounting	50
3.7 Retirement benefits and short-term employee benefits.....	51
3.8 Other provisions	52
3.9 Contingent liabilities	52
3.10 Contingent assets.....	52
3.11 Leases	53
3.12 Recognition of income and expenses	55
3.13 Cash and cash equivalents.....	56
3.14 PSO Contract agreement.....	56
4 INTANGIBLE ASSETS	57
5 PROPERTY, PLANT AND EQUIPMENT.	58
6 FINANCIAL ASSETS	59
6.1 Other non-current assets	59
6.2 Cash & cash equivalents	59
6.3 Current trade receivables.....	60
7 OTHER CURRENT ASSETS	61
8 INVENTORIES	62
9 SHARE CAPITAL	63
10 CAPITAL RESERVES	64
11 SEVERANCE PAY AND OTHER EMPLOYEE BENEFITS	65
12 OTHER PROVISIONS FOR RISKS AND CHARGES	67
13 FINANCIAL LIABILITIES	68
13.1 Financial liabilities valued in amortized cost	68
14 OTHER CURRENT LIABILITIES	69

15	REVENUE	70
16	EXPENSE BREAKDOWN PER CATEGORY	71
17	OTHER INCOME AND EXPENSES	73
18	FINANCIAL EXPENSES & REVENUES	74
19	INCOME TAXES	75
20	ANNUAL FINANCIAL STATEMENTS SEGMENTED PER ACTIVITY	77
	Segment analysis of Statement of Financial Position (1/1-31/12/2018)	78
	Segment analysis of Statement of Financial Position (1/1-31/12/2017)	79
	Segment analysis of Statement of Total Income (1/1-30/09/2018) according to PSO Agreement	80
	Segment analysis of Statement of Total Income (1/10-31/12/2018).....	81
	Segment analysis of Statement of Total Income (1/1-31/12/2017).....	82
21	RISK MANAGEMENT POLICIES AND PROCEDURES	83
21.1	Risk deriving from changes in exchange rates.....	83
21.2	Risk deriving from the changes in interest rates	83
21.3	Analysis of credit risk	83
21.4	Analysis of liquidity risk	83
21.5	Working Capital Management.....	83
21.6	Salaries and other fees of Board of Directors members and executives	84
22	TRANSACTIONS WITH RELATED PARTIES	84
22.1	Transactions with related parties	84
22.2	Related parties balances and commercial activity	84
23	COMMITMENTS	84
23.1	Commitments from operational leasing	84
24	GUARANTEES	84
25	MORTGAGES, COLLATERALS, PLEDGES RELEVANT TO FIXED ASSETS	85
26	CONTINGENT RECEIVABLES AND LIABILITIES	85
26.1	Contingent liabilities	85
26.2	Contingent receivables.....	85
27	SIGNIFICANT EVENTS	86
28	PSO CONTRACT AGREEMENT	91
29	EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION	92

**ANNUAL REPORT OF THE BOARD OF DIRECTORS
on the Financial Statements
for the year 2018**

The Annual Report of TRAINOSE S.A. of the Board of Directors' for the year ended December 31st, 2018 is in line with the financial statements prepared in accordance with the International Financial Reporting Standards.

This Report includes all the necessary information in order to obtain a meaningful and in depth information on the activity and financial results of TRAINOSE S.A. (the Company) during 2018, as well as the prospects and objectives for the current year 2019.

GLOSSARY

- **EBITDA**: Profit before taxes, interests, amortization & depreciation.
- **Gross Operating Margin** : represents the percentage of gross profit on total sales. Depicts the gross profit of the Company for each euro of net sales. The higher the gross margin ratio is, operating and other expenses are easier covered.
- **Net operating working capital**: this is determined by the algebraic sum of inventories, current and non-current trade receivables minus current liabilities.
- **Working capital**: it is determined as the algebraic sum of the total current assets minus total current liabilities.
- **Net fixed assets**: this is calculated as the sum of the items Property, Plant and machinery, Investment property, Intangible assets.
- **Other provisions**: these are calculated as the sum of the Tax Fund, Bilateral Management Fund for Income Support, Provision for litigation against personnel and third parties and Provision for other minor risks.
- **Net invested capital - CIN**: it is determined as the algebraic sum of working capital, net fixed assets minus total non-current liabilities.
- **Net financial position - NFP**: is determined as the algebraic sum of Total Assets minus Current and Non-Current liabilities.
- **Own-MP means**: is calculated by adding algebraically the Share Capital, the Reserves, the Retained earnings (losses), the non-current and current financial liabilities Derivatives and the result of the year.
- **Ebitda margin**: it is a percentage index of profitability. It is determined by the ratio between EBITDA and operating revenues.
- **Ebit margin - ROS** (return on sales): this is a percentage of sales profitability. It is determined by the ratio between EBIT and operating revenues.
- **Degree of financial indebtedness (NFP / MP)**: this is an indicator used to measure the company's indebtedness. It is determined by the relationship between the NFP and the Own Means.
- **ROE (return on equity)**: this is a percentage index of return on equity. It is determined by the ratio between the Net Result (RN) and the Own Means.
- **ROI (return on investment)**: this is a percentage index of return on invested capital through typical company management. It is calculated as the ratio between EBIT and the Own Means.
- **Rotation of invested capital - Net Asset Turnover**: it is an indicator of efficiency, as it expresses the capacity of invested capital to "transform" into sales revenues. It is determined by the ratio between operating revenues and the Own Means

MAIN INDICATORS

	ACTUAL 2018	ACTUAL 2017
INCOME STATEMENT HIGHLIGHTS <i>(thousands of euros)</i>		
Operating revenue (Revenues+PSO+Other operating income)	115.759	117.610
Operating costs (Note 16)	119.798	119.601
EBITDA	-7.775	-2.179
EBIT	-8.116	-2.461
EBITDA before provisions <hr style="width: 20%; margin-left: 0;"/>	-2,58%	1,24%
Total Revenues		
EBITDA before provisions <hr style="width: 20%; margin-left: 0;"/>	-11,56%	4,49%
Total Equity		
Employees (FTE)	659	637

MAIN EVENTS

a. On July 14 2016 the Hellenic Republic Asset Development Fund Board of Directors, announced that from the evaluation of the proposals which were offered for the purchase of TRAINOSE's 100% of shares, the Italian railway company «Ferrovie Dello Stato Italiane S.p.A» offering of € 45 million total value, was evaluated as the preferred investor for the particular acquisition. On January 18th 2017 the sale of the 100% TRAINOSE's shares, to the Italian railway company «Ferrovie Dello Stato Italiane S.p.A. », was signed. The completion of the contract agreement was finalized on September 14, 2017.

b. On September 12th, 2017, a Joint Ministerial Decision was issued (No. 45496/2336), between the Ministry of Finance and the Ministry of Transportations and Infrastructure. According to this decision which was also published in the Official Government Gazette 3182 / 12.9.2017, it was decided the written off of the old TRAINOSE's S.A debt to OSE's S.A totaling to six hundred and ninety two million one hundred sixty one thousand eight hundred nine euros and twenty seven cents (692.161.809,27 €). It was also decided for this amount to be accounted for directly to the Company's equity. The corresponding gain for TRAINOSE SA which derives from such write off is not subject to income tax. Furthermore, such debt relief does not have any effect on the relevant VAT which was applied on the invoices issued by OSE SA constituting this debt, during the year which they were issued. Following the write off, the Company's net equity position becomes positive.

c. From privatization date, new agreements for the lease of Rolling Stock and for its maintenance have come into force. These agreements rule the business relationship with TRAINOSE key suppliers, respectively EESSTY S.A. for maintenance services and GAIAOSE S.A. for rolling stock leases.

d. On 31.7.2018, an Extraordinary General Meeting of the Shareholders of the Company TRAINOSE S.A. took place in order to decide upon taking appropriate and corrective measures, pursuant to the provisions of article 47 of law 2190/1920.

Specifically, the measures included the following:

- Off-set of part of the cumulative accounting losses amounting to 871.546.116,78€ with the special reserve of Law 3891/2010 formed upon the debt release of OSE (debt to OSE written-off) amounting to 692.161.809,26€,
- Decrease of the Company's share capital with offset of the remaining accounting losses, by the total amount of 178.636.890,90€
- Decrease of the nominal value of the shares by 83,85€ (178.636.890,90€ / 2.130.434 shares) each, so as the total number of shares to remain the same and the share capital of the Company to stand at 34.406.509,10 Euro divided into 2.130.434 registered shares with a nominal value of 16,15 Euro each.

Consequently, the Company's share capital consists of 2.130.434 common fully paid shares, of € 16,15 nominal value each. The total share capital amounts to € 34.406.509,10. Company's shares are not listed in any Financial Market.

e. Acquisition of 100% of the share capital of EESSTY S.A by TRAINOSE S.A

The Board of Directors of TAIPED accepted the improved offer of TRAINOSE S.A for the acquisition of 100% of the share capital of EESSTY S.A (Hellenic Railways Maintenance Company) and declared it as the preferred investor, taking into account the positive recommendation of its consultants for the validity of the submitted bid. The valuations made by two independent valuers and the positive opinion of the Board of Experts.

The tender dossier has been submitted to the Court of Audit for pre-contractual inspection.

On 29/10/2018 signed the contract for the acquisition of 100% of the share capital of EESSTY S.A by TRAINOSE S.A amounting 22 mil..

On 27/2/2019 the transaction was approved by the HELLENIC COMPETITION COMMISSION. Within the next months the acquisition of 100% of the share capital of EESSTY S.A by TRAINOSE S.A will be completed.

INCOME STATEMENT ANALYSIS

The Company's sales turnover for 2018 amounted to € 63.873.291,58 compared to € 60.100.521,12 in the corresponding period of 2017, i.e. an increase of approximately 6,28% which is attributed mainly to the increase of passenger transportation revenues.

Total revenues (including interest) have decreased from € 122.264.659,67 (01/01/2017 – 31/12/2017) to € 117.740.292,10 (01/01/2018 – 31/12/2018).

The decrease of total revenues is due to the fact that for the period 01/01/2017 – 31/12/2017, revenues amounting to 5,7 mil €, related to the passing-on to the lessor of Rolling Stock of expenses invoiced by the provider of maintenance services, were included. This program has not been continued during 2018.

The Company's total expenses are increased from € 119.601.188,70 (01/01/2017 – 31/12/2017) to € 119.798.152,88 (01/01/2018 – 31/12/2018).

This increase is due to Personnel cost expense (increased by 10,54%), Network utilization duties (increased by 8,64%) as well as Electricity expense (increased by 13,12%) in 2018.

The Company presents a positive Net Equity position amounting € 26.250.119,25.

Result before tax, interest, depreciation and provisions (01/01/2018 – 31/12/2018) amounted to loss € (3.034.212,04) compared to profit of € 1.513.302,32 for the corresponding prior period.

The Company's result after tax for the period 01/01/2018 – 31/12/2018 is loss of € (6.980.615,46) compared to a loss of € (2.201.531,55) in 2017.

Amounts in €	1/1-31/12/2018	1/1-31/12/2017	% Δ
Revenues			
Revenues from passengers transportation	33.248.698,76	32.956.469,34	0,89%
Revenues from passengers transportation (Suburban)	15.624.012,44	12.531.796,29	24,67%
Revenues from merchandise transportation	13.429.821,91	13.477.268,62	-0,35%
Revenues from transportation with busses	1.570.758,47	1.134.986,87	38,39%
Revenues From Grant (P.S.O.)	50.000.000,00	50.000.000,00	0,00%
Other Operating Income	1.885.839,97	7.509.500,02	-74,89%
Other Income	1.004.809,29	3.504.469,88	-71,33%
Total Revenues	116.763.940,84	121.114.491,02	-3,59%

Amounts in €	1/1-31/12/2018	1/1-31/12/2017	% Δ
Expenses			
Personnel cost	28.656.109,79	25.923.976,57	10,54%
Raw materials, consumables and supplies (Fuel)	16.616.410,50	17.109.344,80	-2,88%
Maintenance of rolling stock	24.344.671,54	27.026.280,10	-9,92%
Network utilization duties	15.593.976,19	14.354.049,00	8,64%
Rental of rolling stock	13.595.073,00	16.776.230,86	-18,96%
Cleaning of rolling stock	1.220.771,24	1.578.669,66	-22,67%
Electricity	4.333.375,32	3.830.723,77	13,12%
Rent of buildings	278.893,90	297.423,02	-6,23%
Rent of means of transport	626.146,68	892.238,98	-29,82%
Rent of exchange of rolling stock	1.774.241,11	2.483.975,39	-28,57%
Other expenses	12.758.483,61	9.328.276,55	36,77%
Total Expenses	119.798.152,88	119.601.188,70	0,16%

Profit/(Loss) before taxes, interests, depreciations and provisions	(3.034.212,04)	1.513.302,32	-300,50%
Net financial results	786.926,29	993.467,32	-20,79%
Profit/(Loss) before taxes, depreciations and provisions	(2.247.285,75)	2.506.769,64	-189,65%
Depreciations (Note. 4 & 5)	(340.680,41)	(282.076,87)	20,78%
Profit/(Loss) before taxes and provisions	(2.587.966,16)	2.224.692,77	-216,33%
Provisions	(4.740.821,04)	(3.691.954,32)	28,41%
Loss before taxes	(7.328.787,20)	(1.467.261,55)	399,49%
Income Taxes	348.171,74	(734.270,00)	
Loss after taxes	(6.980.615,46)	(2.201.531,55)	217,08%

KEY FINANCIAL RATIOS

Financial structure

Considering that TRAINOSE S.A. is primarily an operator of rail transport and not the owner of the railway infrastructure and the rolling stock, its main assets are cash & cash equivalent, trade receivables and inventories.

Therefore, the main categories of financial ratios presented, are those of liquidity and profitability, taking into account its current financial structure.

A. Liquidity Measurement Ratios 2018 - 2017

a. Current Ratio

	FY 2018		FY 2017	
Total Current Assets	104.223.340	<i>153,87%</i>	73.420.852	<i>238.63%</i>
<u>Total Current liabilities</u>	<u>67.733.557</u>		<u>30.767.366</u>	

b. Acid Test, Ratio

	FY 2018		FY 2017	
Cash + restricted cash + current trade receivables + other current assets	102.922.395	<i>151,95%</i>	72.013.507	<i>234,06%</i>
<u>Total Current liabilities</u>	<u>67.733.557</u>		<u>30.767.366</u>	

c. Working Capital Ratios

	FY 2018	FY 2017
Net Operating Working Capital (Inventories + Other current assets minus Total current liabilities)	8.683.227	12.875.275
Working Capital (Total current assets minus Total current liabilities)	36.489.783	42.653.486
Net invested capital (Working Capital + Total non-current assets minus Total Non-current liabilities)	26.250.119	33.672.187

The purpose of liquidity ratios is to determine the ability of the Company to pay its short-term liabilities.

In order for the Company to be able to pay its current liabilities, it must have sufficient liquid assets that arise from its daily operations (customers, debtors, inventories, cash & cash equivalent).

The selection of these ratios was based on the current financial structure of TRAINOSE S.A. (see above) as well as after taking into consideration the wide use of these ratios by other relevant companies in the railway industry worldwide.

B. Profitability Ratios 2018 - 2017

a. Profit Margin

	FY 2018		FY 2017	
Net Profit (Loss)	-6.980.615	-10,93%	-2.201.532	-3,66%
Sales revenue (excluding P.S.O.)	63.873.292		60.100.521	

b. Gross Profit Margin

	FY 2018		FY 2017	
Gross Profit (Loss) excluding P.S.O.	-54.106.565	-84,71%	-58.141.310	-96,74%
Sales revenue (excluding P.S.O.)	63.873.292		60.100.521	
Gross Profit (Loss)*	-4.106.565	-3,61%	-8.141.310	-7,39%
Sales revenue*	113.873.292		110.100.521	

**: after including P.S.O. grant (€50.000.000 in 2018 and €50.000.000 in 2017)*

c. Operating Margin

	FY 2018		FY 2017	
Net Operating result	-8.115.713	-12,71%	-2.460.729	-4,09%
Sales revenue (excluding P.S.O.)	63.873.292		60.100.521	

d. Earnings before Interest, Tax, Depreciation & Amortization (EBITDA)

FY 2018	FY 2017
-7.775.033	-2.178.652

e. EBITDA before provisions

	FY 2018		FY 2017	
EBITDA before provisions	-3.034.212	-2,58%	1.513.302	1,24%
Total Revenue (including P.S.O.)	117.740.292		122.264.660	
EBITDA before provisions	-3.034.212	-11,56%	1.513.302	4,49%
Total Equity	26.250.119		33.672.187	

f. Return on Equity (ROE)

	FY 2018		FY 2017	
Net Profit (Loss)	-6.980.615	-26,59%	-2.201.532	-6,54%
Total Equity	26.260.119		33.672.187	

g. Return on Investment (ROI)

	FY 2018		FY 2017	
Net Operating result	-8.115.713	-30,92%	-2.460.729	-7,31%
Net invested capital	26.260.119		33.672.187	

h. Total expenses to Sales Ratio

	FY 2018		FY 2017	
Total expenses (minus interest expense)	-124.879.654	-107,88%	-123.575.220	-105,07%
Sales revenue + P.S.O. + operating income	115.759.132		117.610.021	

The Company's efficiency reflects its ability to generate profits from its operation. For the calculation of efficiency, various criteria such as volume and value of turnover, pre-tax and post-tax results, gross margin, etc. are used.

The selection of the specific profitability ratios was based on the existing structure of TRAINOSE S.A. (see above), as well as taking into consideration the wide use and of these ratios by relevant companies of the international railway industry.

BRIEF DESCRIPTION OF TRAINOSE'S BUSINESS MODEL

TRAINOSE S.A. is currently the sole National provider of rail passenger and freight transportation services. The Company provides rail services using the network and the current railway infrastructure which is owned by OSE S.A. (paying the corresponding railway network utilization duties). The rolling stock which is used, belongs to the Greek State and is operated by the company GAIAOSE, in which TRAINOSE pays relevant leasing fees.

With respects to passenger transportation services, the Company mainly trades with individual passengers through the sales of ticket in various points as well as through its website www.trainose.gr and a dedicated mobile application. Trains of TRAINOSE S.A daily serve thousands of citizens who wish to travel within the Greek territory as well as within major urban centers. Our Company's pricing policy is adjusted on the basis on society's benefit and offers special discounts under certain conditions to specific social groups - such as children, young people (students), elderly people, people with disabilities, etc. TRAINOSE's profile is directly linked to the professionalism of its employees and its specialized staff which is trained to promote and strengthen our services.

Concerning freight transportation, TRAINOSE S.A cooperates with the country's largest transporters and railway companies from neighboring countries to conduct cargo deliveries abroad.

The Company is regulated by the Railway Regulatory Authority (RRS), which was founded in 2010. The Company is a member of the International Union of Railways (UIC), the Community of European and Infrastructure Companies (CER), the International Committee for Railways (CIT) and the Organization Forum Train Europe, while dynamically continues its effort in achieving international networking, understanding that its participation to international organizations can result in acquiring valuable and specialized know-how.

RISK FACTORS

At the preparation date of this annual report, no particular risks and uncertainties are foreseen that could have a material impact on the financial position or results of operations of TRAINOSE S.A. Management has established procedures to monitor and mitigate the risk factors protecting the Company's resources and assets, while ensuring its ability to continue as a going concern. The nature of non-financial risks is summarized below, along with the overall steps taken to monitor them, whereas

financial risks are discussed in the notes to the attached financial statements.

Business Risk

With respects to the Greek railway market, the Company is currently the sole provider in rail passenger services. However in rail freight services a second railway provider has started its operations. As far as urban transportations, TRAINOSE is the sole provider on the specific railway urban routes.

However, competition is present in comparison to other means of public transportation namely those relating to road and air transport. Management is taking all the necessary measures to further penetrate the market by improving transportation services offering optimum value for money routes, monitoring infrastructure projects, and applying an effective overall marketing strategy.

More specifically, in passenger transportation achieving more speed in the main routes and thus shortening travel duration is a critical factor for competing air transport. Itinerary of routes designed to meet customers' needs as well as comfort and precision in time schedules are also very significant measures in providing better services to the public. In this context, proper maintenance and gradual renewal of the fleet are also very important factors offering an additional competitive advantage.

Domestic consumption, employment levels and the overall development of the main economic factors influence the performance of the medium and long haul mobility market. In this context, modal competition and its proper regulation are determinant factors for success. The critical factor for success in this market segment will continue to be maintaining and improving service quality and rapidly adapting to changes in market demand.

Operational Risk

Current rolling stock belongs to the Greek State whereas railway network maintenance and construction as well as rolling stock maintenance are performed by separate entities (OSE and EESTY respectively), with which the Company has established long term cooperation over the years which ensures the continuous and seamless receipt of related services.

In terms of safety, measures were taken in order to minimize the risk of accidents. The Company's safety standards are consistent with those of the main European railway companies and are the result of extensive prior talks with the trade unions that, after having evaluated safety issues as well. The Company has developed and monitors strict safety regulations for both passenger and freight transportations, which ensure the safest possible transportation of passengers and freights. For more details, please visit TRAINOSE's website at <http://www.trainose.gr/%CE%B7-%CE%B5%CF%84%CE%B1%CE%B9%CF%81%CE%B5%CE%AF%CE%B1/%CE%B1%CF%83%CF%86%CE%AC%CE%BB%CE%B5%CE%B9%CE%B1/>

IT Risk

The vast majority of the Company's procedures are encompassed by IT software and hardware applications and systems such as the telecommunication network and IT systems for coordinating and planning, the sale of train tickets to passengers and many other functions, including the management of accounting processes.

The Company's hardware and software could be damaged by human error, natural disasters, the loss of power or other events. In order to ensure continuity in the availability of IT data, the Company uses several different methods to back-up its data, combined with a fail-safe network.

Procurement Risk

The Company's cost structure depends on prices for services, raw materials, energy etc. Especially prices for energy and mostly prices for fuel vary as a result of market trends and can affect the Company's profitability since it is not possible to transfer all additional costs to customers without having a negative impact on sales or breaching public service obligations.

Within Management efforts is to monitor price trends for raw materials and services and proceed to annual contracts with the most possible favorable price terms in order to minimize any fluctuations which may adversely affect the Company's business operations. This enables to pursue procurement management policies that mitigate risks– including legal action – in order to protect the Company's interests.

Below are the main areas of financial risk as well as the way TRAINOSE S.A. deals with such risks:

Currency risk

The Company's business activity is in Greece and consequently it is not exposed to foreign exchange risk.

Credit risk

Credit risk mostly relates to trade receivables and other receivables. The Company does not face significant credit risks as its turnover mainly arises from transportation services to the public which is on a cash basis (retail) as well as from the provision of services of freight transportation which is on credit however it requires the deposit of bank guarantees by the customer in order to ensure collectability of receivable.

Furthermore, the Company officials continually monitor the financial conditions of customers and in case of delayed payment of open balances, the Company takes the appropriate measures with the assistance of its Legal Department if deemed necessary. At the same time, the Company's policy is to account for

adequate provisions for bad debts based on management's best estimation of the non-collectible amounts.

Cash liquidity risk

According to article 13 of Law 3891/2010 and the adoption of the relevant ministerial decision, the Company proceeded during 2017 in the write off of its old debts to OSE S.A., thus improving significantly its liquidity position and consequently decreasing its liquidity risk exposure. In addition, following the amendment of the contract for the Public Services Obligation dated 5 August 2017, the Company has ensured the implementation of the above agreement, which finances the Company's deficit services, and more specifically its deficit routes up 2020. Consequently, with respects to 2017, the Company has taken all the appropriate measures to ensure the collection of € 50.000.000 for its deficit routes.

Cash flow risk and fair value changes due to changes in interest rates.

The Company's minor exposure to interest rate change risk is related to its interest-bearing assets, specifically its bank deposits held with primary Greek credit institutions.

REMUNERATION OF MEMBERS OF THE BOARD OF DIRECTORS

The remuneration of the members of the Board of Directors for 2018 totaled to € 88.611,12 (€ 99.331,04 in 2017). Also refer to note 22.3.

SHARE CAPITAL

According to the 20/7/2009 decision of the Shareholders General Assembly, an increase in the Company's share capital was decided by 35 million euros (€ 350.000.000) through the issue of 3.500.000 new common registered shares of one hundred euros (€ 100) nominal value each. Moreover, it was decided that the deposit of the above increase will be disbursed in installments. According to article 12 of law 2190/1920, the amount of eighty seven million five hundred thousand euros (€ 87.500.000), in a term of four (4) months, i.e. until 20/11/2009, pursuant to article 11 paragraph.3 of law 2190/1920, and the rest three quarters (3/4) of the total increase amount, equaling to the amount of two hundred sixty two million five hundred thousand euros (€ 262.500.000), until the end of a 5 year term, namely until 20/7/2014.

From the above amounts of the first Share Capital increase, totaling to € 87.500.000, the amount of € 60.000.000 was deposited within the time plan, however the rest of the amount i.e. € 27.500.000, was not paid.

The First Repetitive General Assembly meeting of 27/10/2010 decided:

a) A total recall and cancellation of the 20/7/2009 Regular General Assembly decision i.e. the increase of the share capital of the Company by a total amount of three hundred and fifty million euros (€

350.000.000) through the issue of 3.500.000 new common nominal shares of one hundred euros (€ 100) nominal value each, on the grounds that such increase of the share capital was not fully paid according to the provisions law 2190/1920.

b) The increase of the Company's share capital by the amount of € 60.000.000 euros, through the issue of 600.000 new common nominal shares of one hundred euros (€ 100) nominal value each. It was also decided that the particular increase will be covered by the deposits of the shareholder, which were already deposited for the purpose of covering partially the share capital increase, as it was defined by the decision of the 20/7/2009 Regular General Assembly as described in detail above.

On 31.7.2018, an Extraordinary General Meeting of the Shareholders of the Company TRAINOSE S.A. took place in order to decide upon taking appropriate and corrective measures, pursuant to the provisions of article 47 of law 2190/1920.

Specifically, the measures included the following:

- Offset of part of the cumulative accounting losses amounting to 871.546.116,78€ with the special reserve of Law 3891/2010 formed upon the debt release of OSE (debt to OSE written-off) amounting to 692.161.809,26€,
- Decrease of the Company's share capital with offset of the remaining accounting losses, by the total amount of 178.636.890,90€
- Decrease of the nominal value of the shares by 83,85€ (178.636.890,90€ / 2.130.434 shares) each, so as the total number of shares to remain the same and the share capital of the Company to stand at 34.406.509,10 Euro divided into 2.130.434 registered shares with a nominal value of 16,15 Euro each.

Consequently, the Company's share capital consists of 2.130.434 common fully paid shares, of € 16,15 nominal value each. The total share capital amounts to € 34.406.509,10. Company's shares are not listed in any Financial Market.

ENVIRONMENT

As part of our approach to corporate responsibility, we systematically recognize and prioritize environmental issues that are related to our activities and which may have negative effects on our stakeholders and the general environment, as well as to the Sustainable Development at National level.

We methodically approach the environmental issues that we have identified to minimize the negative effects that may result from their improper management and thus to increase the benefit from proper management.

Continuous improvement of environmental performance ratios, prevention of pollution, the implementation of environmental legislation is a long-term commitment of the Company's Management. For this purpose, the Company applies a continuously evolving System of Integrated Management for

the environment, occupational health, labor safety and generally all its activities. The Company holds the ISO certification for Quality Certification of Passenger Transports according to EN 13816.

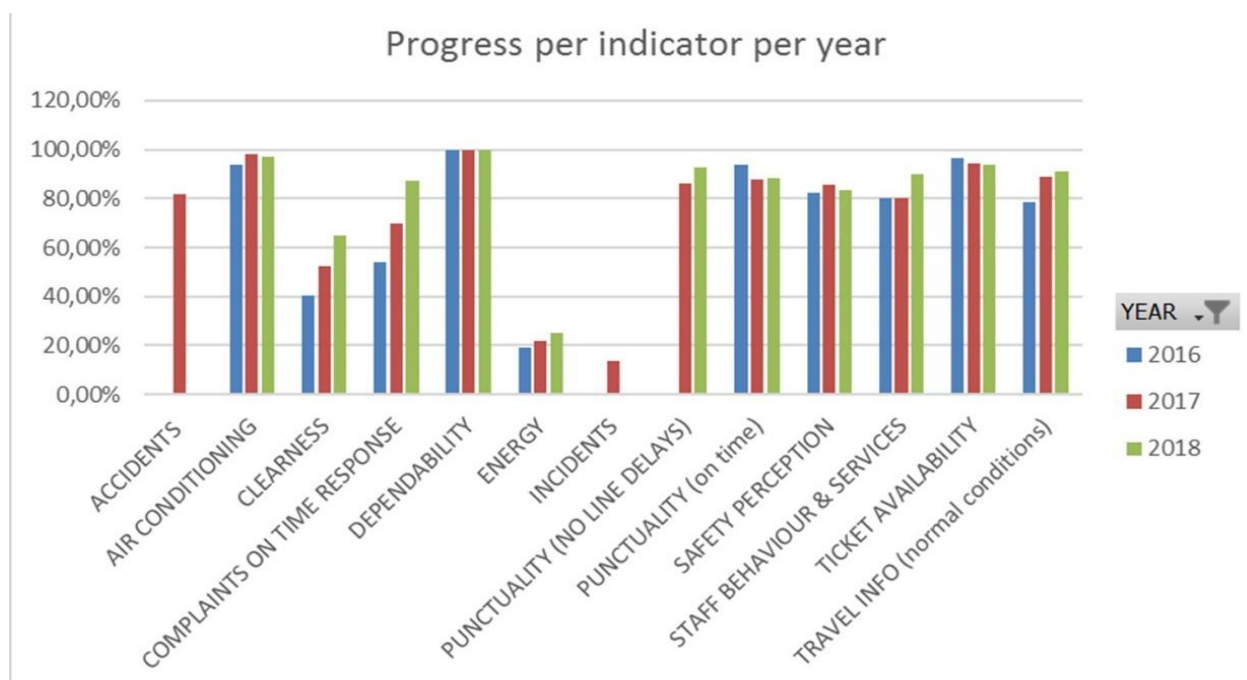
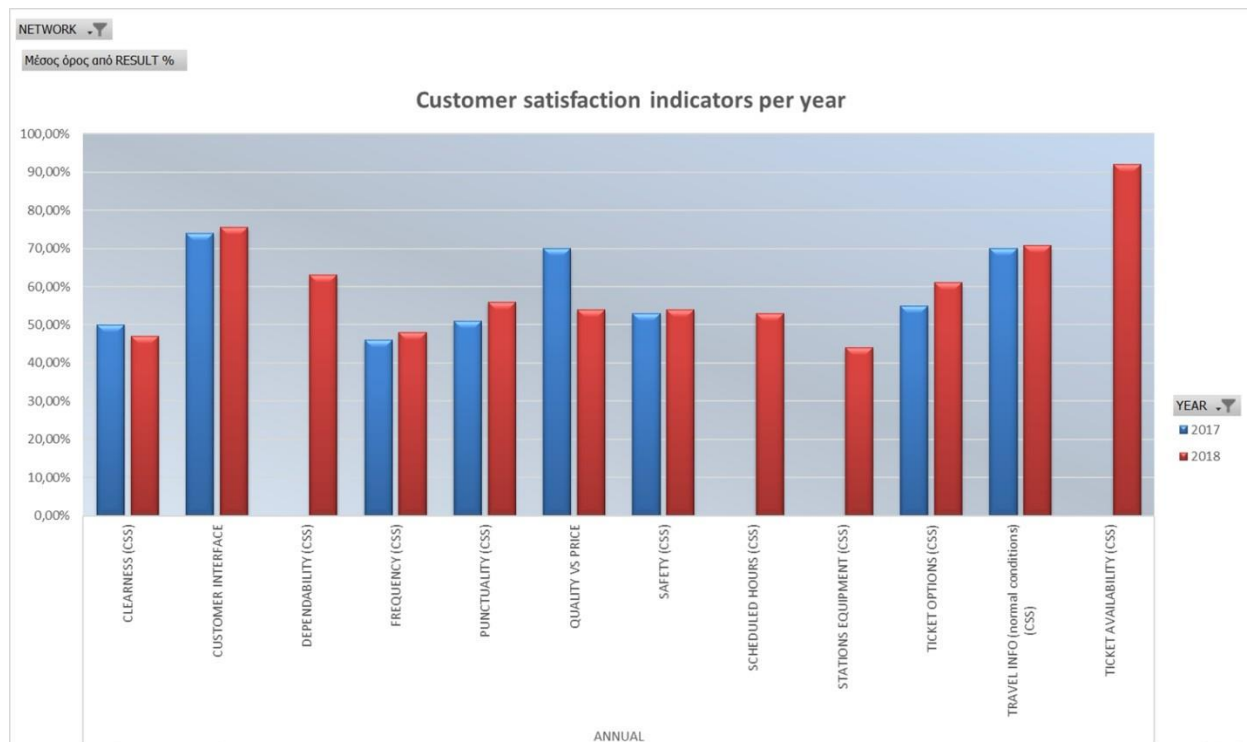
TRAINOSE is actively involved in recycling programs developed at national level as well as in smaller programs that develops by its own means.

CUSTOMERS: QUALITY IN PASSENGERS SERVICES: 2018

The Quality Management Department of TRAINOSE performs and/or coordinates:

- A. Customer Satisfaction Surveys for the Athens – Thessaloniki Inter City line as well as the Suburban lines as they have been defined in the web site of TRAINOSE, on an annual basis,
- B. Mystery shopper surveys for the whole network concerning specific quality criteria defined at the EN 13816 quality standard, on a quarterly basis,
- C. Quality measurements. The Sustainability / Quality management Department of TRAINOSE issues quarterly the Quality Report which includes the results of the quality indicators as well as a preliminary cause analysis for the identified weakness points. A quality management review meeting is conducted quarterly based on this Report in order to decide the appropriate corrective actions for the continuous improvement of our performance.

The synopsis of the quality results for the years 2018 and 2017 has been figured in the following graphs. The first graph includes the customer satisfaction indicators as they have been resulted through organized customer satisfaction surveys performed by independent and specialized companied. The second graph includes the quality indicators as they have been resulted via either the direct measurements by the responsible units of TRAINOSE or a mystery shopper measurements.



**Data for the accidents and incidents is not available for 2018.*

The main conclusions after the above analysis are:

1. There is a stabilization and although in many parameters the performance is low, we start to see the influence of the corrective actions. This influence normally will be also reflected later in the customer satisfaction surveys if we insist in the corrective action plans.
2. The advantage of TRAINOSE is the interfaces with the customers which means mainly the professionalism of the personnel.

3. There is a decrease of the parameter "quality vs price" which may be related to the following identified weakness points:

- Punctuality
- Frequency and hours of schedules, mainly at the suburban network
- Cleanliness on vehicle
- Stations' equipment
- Safety perception

Finally it has to be noted:

1. Some of the quality indicators depend on the performance of OSE (National Railway Infrastructure Manager).
2. The customer satisfaction surveys as well as the direct measurements and the mystery shopper surveys are performed according to the specifications and the measurement methodologies of the Quality Control System of TRAINOSE. The conformance of this system to the requirements of the European standard EN 13816 is certified by the certification body TUV Hellas (Nord).

HUMAN RESOURCES

The relations between Management and employees, as well as the employee benefits are regulated by applicable Collective Labor Agreements. In November 2018 the new Collective Labor Agreement was signed with two years duration.

The new Collective Labor Agreement include the following:

- New salary agreements,
- Improved salary and non-salary benefits, respecting employee's rights and trade union freedom.

In addition and in collaboration with OSE S.A., the Company invests in the continuous training of its employees through the Education Center as well as the participation of its executives in specialized seminar programs. Furthermore, the new Collective Labor Agreement provides the financial support to employees who choose to study at the Open University.

During the year 2018 the Company hired 93 employees. Indicatively:

Sixty (60) new drivers, five (5) train drivers under contract for an indefinite period, seven (7) escorts, four (4) drivers and three (3) bus drivers under a fixed-term contract.

During the year 2019, the company will select new staff to fill vacancies.

WORKFORCE AT 31.12.2017	637
<i>Hirings</i>	<i>93</i>
<i>Retirements</i>	<i>71</i>

LABOR AND RESPECT FOR HUMAN RIGHTS

As part of our approach to Corporate Responsibility, we systematically recognize and prioritize labor and human right issues that are linked to our activities and which may have negative effects on our stakeholders as well as on Sustainable Development at National level. The connection of the impact of our activities with the Sustainable Development was made possible, through the United Nations Sustainable Development Goals.

We methodically approach the important labor and human right issues in order to minimize any negative effects that may occur by their improper management and to increase the benefit from their proper management.

Since its foundation, the Company is distinguished for its professional ethics and its timeless values, which define every aspect of its activity, and reveal the Company's identity to every shareholder, associate and employee and demonstrates its commitment to a standard behavior and continuous efforts for improvement in every field.

The Company pays particular attention as regards the implementation of all corporate governance guidelines as they have been developed internationally. These guidelines mainly focus on providing full and timely information to the investing public and the relevant authorities for any crucial matter concerning major developments or economic issues and as well as the protection of shareholders' rights.

Communication and awareness of all parties involved about our activities, in addition to complying with the mandatory provisions represent our primary concern, because this ensures the required transparency and strengthens the trust towards the Company.

Complying with the above, all employees contribute to the prevention and / or proper management of any case of abuse, corruption or malpractice, and ultimately contribute to the protection of the Company's reputation.

Constant education is a basic pillar of human resource development. There is a widespread perception in the Company, according to which the vision for steady improvement in business and work performance is directly related to the constant improvement of personnel skills.

The Company supports and is committed to the United Nations Universal Declaration of Human Rights and complies with the relevant legislation. TRAINOSE's priority is the satisfaction of its employees in terms of career development, remuneration, organization of seminars for further development. The Company examines the non-involvement of its associates in human rights violations.

SAFETY

The Company has developed and monitors strict safety regulations for both passenger and freight transportations, which ensure the safest possible transportation of passengers and freights.

A Railway Company (R.C.) must have a safety certificate in order to gain access to the railway infrastructure. This certificate consists of two parts, the certificate type A and certificate type B and is granted from the National Safety Authority.

Certificate Type A refers that the R.C. has established a Safety Management System (S.M.S.) whereas Certificate Type B confirms that it has received all the necessary measures, in order to respond to the special demands for the safe use of the railway network.

- This obligation derives from article 10 of directive 2004/49/EU and (Presidential Decree) Π.Δ. 160/2007.
- Regulatory Authority for Railways (R.A.S.) is the regulatory body for the railway transports in Greece. R.A.S. mission is to insure fair and non-discriminatory access to the national infrastructure and services.
- R.A.S. was founded on November 2010 according to law N.3891/2010. R.A.S. and is the National Safety Authority for the Railway Transportations according to law N. 4199/2013 (ΦΕΚ Α 216/11.10.2013).
- In the end of 2017 TRAINOSE updated the safety certificates (Type A & B), which are valid until 31/12/2022.

For more details, please visit TRAINOSE's website at <http://www.trainose.gr/%CE%B7-%CE%B5%CF%84%CE%B1%CE%B9%CF%81%CE%B5%CE%AF%CE%B1/%CE%B1%CF%83%CF%86%CE%AC%CE%BB%CE%B5%CE%B9%CE%B1/>

STRATEGY AND ACTIONS 2018

The Company's actions for 2018 were focused on maintaining TRAINOSE's operational profitability and further improving its essential financial figures.

The actions towards this direction that have been planned and progressively implemented are the following:

1. Expansion and growth of the Company's business activities through various co operations, in order for the Company to increase its market share in the freight land transportation within Greece as well as promoting synergies in the freight transportation market.
2. Provision of high-quality freight transportation services and increase in the market share through increases in volumes and implementation of investments in high technology
3. In the context of this policy, TRAINOSE S.A continues to provide combined transportation services between the two major centers of Greece, Athens and Thessaloniki as well as the two largest ports (Thessaloniki and Ikonion).

At the same time, focus on all actions that commenced in 2014 and are still ongoing such as :

1. The establishment of a Quality Management System and ISO Certification
2. The implementation of the RFID system in freight transportations.

In addition, other ongoing actions aiming in the increase of revenues include:

1. The development of new business activities.
2. The maximum possible usage of infrastructure improvements and projects.
3. Profitable business partnerships with other business entities within Greece & abroad.

STRATEGY AND PERSPECTIVES FOR 2019

The Company's scheduled actions for 2019, focus on TRAINOSE's profitability through policies which aim at revenue growth and market share increase in both passenger and freight transportation services. Additional actions include the most efficient usage of the major infrastructure projects, that are in course of completion during 2019 (electrification, double-track construction within specific sections of the network) as well as the policies of combined transportations mainly through the railway connection with Iconio port with respects to freight transportation.

It has to be noted, though, that TRAINOSE's mission to offer to the Greek market high quality passenger and freight transportation services is highly dependent on the capabilities of the other companies belonging to the Greek railway sector, respectively in the capacity and dependability of the rail infrastructure, and in the level of maintenance services found in the market, which directly affect the performance and condition of the rolling stock.

The capability to reach these strategic goals is, therefore, also dependent on external factors and actions to increase the control exercised by TRAINOSE on its production factors are being pursued, mainly the participation in the privatization procedure of EESSTY (the only provider of Rolling Stock maintenance services in Greece) carried on by the Hellenic Republic Asset Development Fund.

More specifically, the perspectives for 2019 can be summarized as follows:

1. Further development of the current quality and safety standards regarding passenger transportation services (decrease in the number of accidents having a direct social and financial benefit and minimization of the damages caused to facilities and transportation equipment due to accidents or malicious actions).
2. Extension of suburban railway routes and other railway passenger transportations. In particular, new routes with the interconnection between Piraeus and Athens International Airport, as well as more frequent routes between Athens International Airport and SKA (Ano Liossia).

3. Upgrading of the Piraeus - Athens suburban railway through the completion of the construction of a double electrified rail so that the Piraeus station can serve suburban and interurban railway routes as starting station. The launching of more suburban and interurban trains from Piraeus station will allow the railway direct connection with the country's largest port and, in combination with the Metro - Subway, Tram, buses and trolleybuses, to create the largest passenger junction in Attica.
4. High quality freight transportation services and increase of market share through the development of integrated freight services that will be provided: (1) within the framework of combined transportation of the Thriasio - Piraeus - Thessaloniki axis and through the railway interconnection with West Greece (Port of Patras), (2) interconnection of OSE's network with industrial areas / zones and (3) increase of transportation volumes by exploiting opportunities and investing in new technologies.
5. Further development of the current quality and security standards
6. Acceleration of interconnected transportation services and actions, railway networks, combined services and inter-Balkan and European partnerships.
7. Completion of the procedures regarding the financial management and programming (implementation of advanced financial programming systems and procedures)
8. Fast adjustment to the regulations of the international standards and EU (institutional reorganization, development and definition of inter-company relations, implementation of modern quality standards and implementation of an integrated human resource management system).
9. Completion of the procedures regarding the upgrade of the ticketing system via the Company's integrated ERP system.
10. Investments in new technologies (application of new technologies) to support (1) the organization and planning of routes, (2) energy optimization, (3) network utilization duties and (4) maintenance and monitoring of rolling stock.
11. Environmental policy: Train is undoubtedly the most environmental friendly means of transportation internationally. Historically, TRAINOSE has supported investment strategies which aim at further reducing environmental pollution through the expansion of electrification on an increasing part of the railway network (see above).

The above mentioned perspective can be successfully achieved considering the following:

- The general political and economic environment and the conditions in the transportation sector.
- The general guidelines relating to the country's national financial policy as well as the general economic conditions.
- The business benefits arising from the recent acquisition of TRAINOSE by the Italian railway group Ferrovie dello Stato Italiane. Actions are planned for the Company to expand and develop its activities through exploiting the maximum potential of the infrastructure, new rolling stock and the available human resources.

BASIC PRINCIPLES OF MANAGEMENT AND CORPORATE GOVERNANCE

Since its foundation, TRAINOSE S.A. has been operating as a Societe Anonyme and is therefore regulated by the principles of administration applied for private companies. In particular, the Company's administration is performed mainly through:

- Its vision, implementation of policies and strategies through the General Assembly, the Board of Directors and the Supervisory Ministry of Transportation.
- The organization itself which is achieved through the organization chart, the description of duties as well as the internal policies and regulations.
- The operation of Management which derives from the organizational chart and the organization hierarchy and mostly focuses on the implementation of strategies and policies through the current divisions which undertake action plans and carry out daily routine tasks.
- Finally, internal control procedures and activities which engage the whole organization. Internal control is mostly achieved through the establishment of procedures and controls, segregation of duties, compliance with existing legislative framework, accountability and business ethics. Furthermore, a basic tool for proper management and internal control is the preparation of the annual budget and its monitoring in relation with the actual reporting data as well as the preparation of regular reports within various level of the Company's organization which aim to inform high level Management, the Ministry and the shareholder.

All the above actions and procedures are in line with the Corporate Governance Principles, as provided in the current legislation and international practices. Corporate Governance, as a set of rules, principles and control mechanisms under which a legal entity is organized and controlled, is the central pillar of the Company's Management, aiming in the transparency and security of the shareholders' interests and all those related to its operation, such as its employees, the state, its suppliers and its customers.

Athens, 22/03/2019

ORAZIO IACONO

Chairman of BoD

TRAINOSE S.A

THIS REPORT HAS BEEN TRANSLATED FROM THE ORIGINAL VERSION IN GREEK

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of TRAINOSE S.A.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of TRAINOSE S.A. (the Company), which comprise the statement of financial position as of December 31, 2018, the income statement, the statement of changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly in all material respects the financial position of TRAINOSE S.A. as at December 31, 2018 and its financial performance and cash flows for the year then ended in accordance with the International Accounting Standards as have been adapted from the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as incorporated in 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 remained independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), as incorporated in Greek Law, together with the ethical requirements that are relevant to the audit of the financial statements in Greece, and we have fulfilled our ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management 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, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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, as incorporated in Greek Law, 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, as incorporated in Greek Law, 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 management.
- Conclude on the appropriateness of management's 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

Taking into consideration that management is responsible for the preparation of the Board of Directors' Report, according to the provisions of paragraph 5 article 2 of Law 4336/2015 (part B), we report that:

- a) In our opinion the Board of Directors' Report has been prepared in accordance with the legal requirements of article 43a of the Codified Law 2190/1920 and the content of the Board of Directors' Report is consistent with the accompanying financial statements for the year ended December 31, 2018.
- b) Based on the knowledge and understanding concerning Trainose S.A. and its environment, obtained during our audit, we have not identified information included in the Board of Directors' Report that contains a material misstatement.

Athens, March 26, 2019

The Certified Auditor Accountant

ANDREAS HADJIDAMIANOU
S.O.E.L. R.N. 61391
ERNST & YOUNG (HELLAS)
CERTIFIED AUDITORS ACCOUNTANTS S.A.
CHIMARRAS 8B,
151 25 MAROUSSI
SOEL REG. No. 107

Statement of Financial Position

<i>Values in € ' </i>	Note	31/12/2018	31/12/2017
Assets			
Non - current assets			
Property, plant and equipment	5	653.842,60	455.537,15
Intangible Assets	4	413.770,65	217.606,42
Other non – current assets	6.1	883.636,67	156.242,52
Deferred tax assets	19	1.408.844,29	751.000,00
Total non – current assets		3.360.094,21	1.580.386,09
Inventories	8	1.300.944,88	1.407.345,35
Current trade receivables	6.3	3.188.162,35	5.011.764,16
Other current assets	7	71.927.677,05	37.223.531,73
Cash and cash equivalents	6.2	26.306.555,94	28.278.210,97
Restricted cash	6.2	1.500.000,00	1.500.000,00
Total current assets		104.223.340,22	73.420.852,21
Total assets		107.583.434,43	75.001.238,30
Equity			
Share capital	1.2, 9	34.406.509,10	213.043.400,00
Reserves	10	13.094,15	13.094,15
Special reserve N.3891/2010	10	-	692.161.809,26
Profits/(losses) carried forward		(8.169.484,00)	(871.546.116,78)
Total equity		26.250.119,25	33.672.186,63
Liabilities			
Severance pay and other employee benefits	11	2.722.411,00	2.372.421,00
Provisions for risks and charges	12	10.807.347,10	8.119.264,24
Other non-current liabilities	13.1.2	70.000,00	70.000,00
Total non – current liabilities		13.599.758,10	10.561.685,24
Current trade payables	13.1.1	60.159.051,31	25.642.531,42
Other current liabilities	14	7.574.505,77	5.124.835,00
Total current liabilities		67.733.557,08	30.767.366,43
Total liabilities		81.333.315,18	41.329.051,67
TOTAL LIABILITIES AND EQUITY		107.583.434,43	75.001.238,30

Income statement

<i>Values in € ' </i>	Note	1/1 - 31/12/2018	1/1 - 31/12/2017
Revenues	15	63.873.291,58	60.100.521,12
Revenue from PSO (Public Service Obligation)	15	50.000.000,00	50.000.000,00
Cost of sales	16	(117.979.856,37)	(118.241.831,00)
Gross Profit/(Loss)		(4.106.564,79)	(8.141.309,88)
Other income	17	2.890.649,26	11.013.969,90
Administrative expenses	16	(2.867.891,20)	(2.581.002,36)
Distribution expenses	16	(1.433.945,60)	(1.290.501,18)
Other expenses	17	(2.597.961,17)	(1.461.885,35)
Loss before income taxes, financial and investing results		(8.115.713,49)	(2.460.728,88)
Financial expenses	18	(189.424,97)	(156.701,33)
Financial income	18	976.351,26	1.150.168,65
Loss before income taxes		(7.328.787,20)	(1.467.261,55)
Income taxes	19	348.171,74	(734.270,00)
Loss for the period after tax		(6.980.615,46)	(2.201.531,55)

Statement of the other comprehensive income

<i>Values in € ' </i>	Note	1/1 - 31/12/2018	1/1 - 31/12/2017
Net loss for the year		(6.980.615,46)	(2.201.531,55)
Losses relating to actuarial benefits		(422.683,00)	218.658,00
Total comprehensive income for the reporting period		(7.403.298,46)	(1.982.873,55)

Statement of changes in equity

<i>Values in €'</i>	Share capital (note 1.2, 9)	Reserves (note 10)	Special reserve N.3891/2010 (note 9,10)	Profits/(losses) carried forward	Profit/(losses) for the year	Total Equity
Balance at 01/01/2017	213.043.400,00	13.094,15	-	(869.563.243,24)	-	(656.506.749,09)
Losses for the year	-	-	-	-	(2.201.531,55)	(2.201.531,55)
Special reserve N.3891/2010 (note 10)	-	-	692.161.809,26	-	-	692.161.809,26
Profit / (Losses) recognized directly in Equity	-	-	-	-	218.658,00	218.658,00
Balance at 31/12/2017	213.043.400,00	13.094,15	692.161.809,26	(869.563.243,24)	(1.982.873,55)	33.672.186,63

<i>Values in €'</i>	Share capital (note 1.2, 9)	Reserves (note 10)	Special reserve N.3891/2010 (note 9,10)	Profits/(losses) carried forward	Profit/(losses) for the year	Total Equity
Balance at 01/01/2018	213.043.400,00	13.094,15	692.161.809,26	(871.546.116,78)	-	33.672.186,63
Losses for the year	-	-	-	-	(6.980.615,46)	(6.980.615,46)
Write-off Special reserve N.3891/2010 (note 10)	-	-	(692.161.809,26)	-	-	(692.161.809,26)
Decrease of Share Capital	(178.636.890,90)	-	-	-	-	(178.636.890,90)
Off-set of Profits/(losses) carried forward	-	-	-	870.798.700,16	-	870.798.700,16
Other comprehensive income 2018	-	-	-	-	(422.683,00)	(422.683,00)
Adjustment of Income Tax Business Year 2017	-	-	-	(18.768,92)	-	(18.768,92)
Balance at 31/12/2018	34.406.509,10	13.094,15	-	(766.185,54)	(7.403.298,46)	26.250.119,25

Cash Flow

<i>Values in € ' </i>	Note	1/1- 31/12/2018	1/1-31/12/2017
CASH FLOW FROM OPERATING ACTIVITIES			
Profit/(loss) for the year		(6.980.615,46)	(1.467.261,55)
Income Taxes	18	(348.171,74)	(734.270,00)
Changes in Equity		(18.768,92)	-
Proceeds/ Borrowing costs	19	(786.926,29)	(993.467,32)
Amortization and depreciation	4, 5	340.680,41	282.076,87
Other comprehensive income		(422.683,00)	218.658,00
Risk provisions		4.555.778,04	3.497.412,34
Accruals for employee benefits payment	11	185.043,00	194.541,98
Change in inventories		106.400,47	(203.148,93)
Change in trade receivables		(32.880.543,51)	32.120.043,70
Change in trade payables		35.611.614,21	(88.408.449,10)
Change in other assets and liabilities		(1.385.238,44)	(754.764,64)
Use of provisions for risks and charges	11	257.736,00	115.318,00
Payment of employee benefits	11	(257.736,00)	(115.318,00)
NET CASH FLOW GENERATED FROM OPERATING ACTIVITIES		(2.023.431,23)	(56.248.628,65)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	5	(446.957,36)	(184.517,08)
Purchases of intangible assets	4	(288.192,73)	(183.286,19)
Interest received	18	976.351,26	1.150.168,65
NET CASH FLOW GENERATED FROM INVESTING ACTIVITIES		241.201,17	782.365,38
CASH FLOW FROM FINANCING ACTIVITIES			
Interest paid	18	(189.424,97)	(156.701,33)
NET CASH FLOW GENERATED FROM FINANCING ACTIVITIES		(189.424,97)	(156.701,33)
Total cash flow generated in the year		(1.971.655,03)	(55.622.964,60)
Cash and cash equivalents at the beginning of the period	6.2	28.278.210,97	83.901.175,57
Cash and cash equivalents at the end of the period	6.2	26.306.555,94	28.278.210,97

Notes to the Annual Financial Statements

1 General information about the Company

1.1 Information about the Company

The «TRAINOSE TRANSPORTATIONS – PASSENGER AND CARGO TRANSPORTATION SERVICES RAILWAY SOCIETE ANONYME» (hereafter «the Company») has the legal entity of a Societe Anonyme and is registered in the Societe Anonyme Register with no.59777/01/B/05/584.

The Company was established as a Societe Anonyme company in 2005, with a decision of the Ministry of Transportation and Communication (Φ4/65206/5120/22-11-2005) and its corporation document was published on Government Gazette FEK 12948/20-12-2005 volume of S.A. & Ltd. The latest update of the incorporation document was published on 28/12/2018 GEMI No 1346769 (KAK: 1612039). The complete Company's name is «TRAINOSE TRANSPORTATIONS – PASSENGER AND CARGO TRANSPORTATION SERVICES RAILWAY SOCIETE ANONYME» and its distinctive title «TRAINOSE SA».

The Company's headquarters are located in the city of Athens. The headquarters and the offices of the Company's Management are located in a leased property at Karolou 1-3 Str. in Athens.

According to Article 1 of the Article of Association, Company's duration is set at 50 years, calculated from the day that was registered in the Societe Anonyme Registry.

On July 14 2016 the TAIPED (Hellenic Republic Asset Development Fund) Board of Directors, announced that from the evaluation of the proposals which were offered for the purchase of TRAINOSE's 100% of shares, the Italian railway company «Ferrovie Dello Stato Italiane S.p.A» offering of € 45 million total value, was evaluated as the preferred investor for the particular acquisition. On January 18th 2017 the sale of the 100% TRAINOSE's shares, to the Italian railway company «Ferrovie Dello Stato Italiane S.p.A. », was signed. The completion of the contract agreement was finalized on 14.9.2017.

From September 14, 2017 Company's shareholder is Ferrovie Dello Stato Italiane S.p.A. with 100% participation.

Briefly the basic information of the Company are the following:

S.A. Register Number (AMAE)	59777/01/B/05/584
Tax Register Number (AFM)	999645865, ΔΟΥ Μεγάλων Επιχειρήσεων
Headquarters Address	Karolou 1-3, P. C. 104 37, Athens, Greece
Board of Directors composition By resolution of Board of Directors formation as elected on 19.10.2017 (Decision number 223/1/19.10.2017)	Orazio Iacono (President of BoD.) Tsalidis Filippos (Managing Director of BoD) Duilia Melito (Member) Ester Marconi (Member) Ilaria Anna De Dominicis (Member)

1.2 Share Capital

According to the article 3 of the Article of Association, the Company's share capital as of its establishment, was € 1.000.000,00, divided in 1.000.000 shares, of €100 nominal value per each. From the above shared capital, an amount of € 25.000.000 was paid by the shareholders until December 5th 2006, meanwhile the rest of the amount € 75.000.000 was paid until March 30th 2007.

After the 8/12/2006 decision of the Extraordinary Shareholders Assembly, the share capital amount was increased by € 11.043.400 (sector contribution «Commercial exploitation of commercial and cargo transportations» of the Societe Anonyme with the title «Hellenic Railway Organization», valued € 11.043.344,87 and payment of € 55,13 in cash) through issuing 110.434 new shares, nominal value € 100 per each.

As decided by the 4th Shareholders General Assembly, Company's share capital was increased, due to the absorption of «PROASTIAKOS SA» company, to an amount equal with the share capital of the absorbed company, of €42.000.000 and reached the amount of €153.043.400, divided in 1.530.434 shares, with nominal value € 100 per each.

According to the 20/7/2009 decision of the Shareholders General Assembly, an increase in the Company's share capital was decided by 35 million euros (€ 350.000.000) through the issue of 3.500.000 new common registered shares of one hundred euros (€ 100) nominal value each. Moreover, it was decided that the deposit of the above increase will be disbursed in installments. According to article 12 of law 2190/1920, the amount of eighty seven million five hundred thousand euros (€ 87.500.000), in a term of four (4) months, i.e. until 20/11/2009, pursuant to article 11 paragraph.3 of law 2190/1920, and the rest three quarters (3/4) of the total increase amount, equaling to the amount of two hundred sixty two million five hundred thousand euros (€ 262.500.000), until the end of a 5 year term, namely until 20/7/2014.

From the above amounts of the first Share Capital increase, totaling to € 87.500.000, the amount of € 60.000.000 was deposited within the time plan, however the rest of the amount i.e. € 27.500.000, was not paid.

The First Repetitive General Assembly meeting of 27/10/2010 decided:

a) A total recall and cancellation of the 20/7/2009 Regular General Assembly decision i.e. the increase of the share capital of the Company by a total amount of three hundred and fifty million euros (€ 350.000.000) through the issue of 3.500.000 new common nominal shares of one hundred euros (€ 100) nominal value each, on the grounds that such increase of the share capital was not fully paid according to the provisions law 2190/1920.

b) The increase of the Company's share capital by the amount of € 60.000.000 euros, through the issue of 600.000 new common nominal shares of one hundred euros (€ 100) nominal value each. It was also decided that the particular increase will be covered by the deposits of the shareholder, which

were already deposited for the purpose of covering partially the share capital increase, as it was defined by the decision of the 20/7/2009 Regular General Assembly as described in detail above.

Hence, the Company's share capital as at December 31st, 2018 amounts to two hundred thirteen million forty three thousand and four hundred euros (€ 213.043.400) comprising of two million one hundred thirty thousand four hundred and thirty four (2.130.434) new common nominal shares of one hundred euros (€ 100) nominal value each.

On 31.7.2018, an Extraordinary General Meeting of the Shareholders of the Company TRAINOSE S.A. took place in order to decide upon taking appropriate and corrective measures, pursuant to the provisions of article 47 of law 2190/1920.

Specifically, the measures included the following:

- Offset of part of the cumulative accounting losses amounting to 871.546.116,78€ with the special reserve of Law 3891/2010 formed upon the debt release of OSE (debt to OSE written-off) amounting to 692.161.809,26€,
- Decrease of the Company's share capital with offset of the remaining accounting losses, by the total amount of 178.636.890,90€
- Decrease of the nominal value of the shares by 83,85€ (178.636.890,90€ / 2.130.434 shares) each, so as the total number of shares to remain the same and the share capital of the Company to stand at 34.406.509,10 Euro divided into 2.130.434 registered shares with a nominal value of 16,15 Euro each.

Consequently, the Company's share capital consists of 2.130.434 common fully paid shares, of € 16,15 nominal value each. The total share capital amounts to € 34.406.509,10.

Company's share capital analysis is as follows:

	Number of shares	<i>(Amounts in € ')</i>	
		Nominal value	Value
Initial share capital of the Company	1.000.000	100	100.000.000,00
Sector contribution from OSE A.E.	110.434	100	11.043.400,00
Contribution from absorption of PROASTIAKOS A.E.	420.000	100	42.000.000,00
Balance 31/12/2007	1.530.434	100	153.043.400,00
Share capital increase	600.000	100	60.000.000,00
Balance 31/12/2009	2.130.434	100	213.043.400,00
Balance 31/12/2017	2.130.434	100	213.043.400,00
Decrease of Share Capital	2.130.434	(83,85)	(178.636.890,90)
Balance 31/12/2018	2.130.434	16,15	34.406.509,10

The latest update of the incorporation document was published on 28/12/2018 GEMI No 1346769 (KAK: 1612039), regarding the abovementioned decrease of the share capital.

1.3 Objective of Activity

As it is describe by Article 2 of the Articles of Association, the Company's objective of activity consists of:

- Providing pull services for the railway transportation cargo and passengers.
- Developing, organizing and commercially exploiting urban, suburban, regional, and international railway cargo and passenger transportation.
- Developing, organizing and commercially exploiting urban, suburban, regional, and international cargo and passenger bus transportation domestically or abroad.
- Establishment and operation of general tourist offices domestic or abroad, as well as agency of transportation companies and general tourism offices.
- Organizing, exploiting commercially and providing lodging and catering.
- Organizing and operating the manufacturing, repair and maintenance of the railroad material.
- Developing, organizing and commercially exploiting transportations, which serve the purpose of improving the country's transportation system and integration.
- Development of any other activity which contributes to the growth of transportation and public transportation services
- Providing consulting services and developing studies relevant to the company's activities.

2 Basis of preparation of annual financial statements

2.1 IFRS Compliance

The annual financial statements of "TRAINOSE S.A" have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (IASB) interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB and adopted by the European Union. For the preparation of the annual financial statements of December 31st 2018 the Company has followed the same accounting principles with those of December 31st, 2017 beside the standards mentioned in note 2.5 which the Company has adopted on 1st January 2018 .

2.2 Preparation base of Annual Financial Statements

The Annual financial statements of «TRAINOSE SA» are prepared based on the principle of «going concern», the principle of historic cost and the principle of «accrual basis».

The Company's accompanying Annual financial statements for the period January 1st 2018 until 31st December 2018, were approved by the Board of Directors on 22/03/2019.

2.3 Covered Period

This Annual financial statements cover the period from January 1st 2018 until December 31st 2018, and comparative figures of the Position Financial Statement being December 31st 2017 and the period January 1st 2017 until December 31st 2017 for the rest Annual financial statements.

2.4 Presenting of financial statements

These Annual financial statements are presented in euro (€), which is the Company's operational currency, meaning that it is the currency of the primary economic environment, in which it operates. All of the amounts are presented in euros (€) unless it is stated differently.

2.5 New standards, interpretations and modifications of current standards

A) Changes in accounting policy and disclosures

The accounting policies adopted are consistent with those of the previous financial year except for the following amended IFRSs which have been adopted by the Company as of 1 January 2018:

- **IFRS 9 Financial Instruments: Classification and Measurement**

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 that was applied under IAS 39. IFRS 9 establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the previous model in IAS 39. The Amendments have no significant effect on the Company's financial statements.

- **IFRS 15 Revenue from Contracts with Customers**

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 recognized. The underlying principle is that an entity recognizes 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 Amendments have no significant effect on the Company's financial statements.

- **IFRS 15: Revenue from Contracts with Customers (Clarifications)**

The objective of the Clarifications is to clarify the IASB's intentions when developing the requirements in IFRS 15 *Revenue from Contracts with Customers*, particularly the accounting of identifying performance obligations amending the wording of the "separately identifiable" principle, of principal versus agent considerations including the assessment of whether an entity is a principal or an agent as well as applications of control principle and of licensing providing additional guidance for accounting of intellectual property and royalties. The Clarifications also provide additional practical expedients for entities that either applies IFRS 15 fully retrospectively or that elect to apply the modified retrospective approach. The Amendments have no significant effect on the Company's financial statements.

- **IFRS 2: Classification and Measurement of Share based Payment Transactions (Amendments)**

The Amendments provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, for share-based payment transactions with a net settlement feature for withholding tax obligations and for modifications to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The Amendments have no effect on the Company's financial statements.

- **IFRS 4: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments)**

The amendments address concerns arising from implementing the new financial instruments Standard, IFRS 9, before implementing the new insurance contracts standard that the Board is developing to replace IFRS 4. The amendments introduce two options for entities issuing insurance contracts: a temporary exemption from applying IFRS 9 and an overlay approach, which would permit entities that issue contracts within the scope of IFRS 4 to reclassify, from profit or loss to

other comprehensive income, some of the income or expenses arising from designated financial assets. The Amendments have no effect on the Company's financial statements.

- **IAS 40: Transfers to Investment Property (Amendments)**

The Amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The Amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. The Amendments have no effect on the Company's financial statements.

- **IFRIC INTERPETATION 22: Foreign Currency Transactions and Advance Consideration**

The Interpretation clarifies the accounting for transactions that include the receipt or payment of advance consideration in a foreign currency. The Interpretation covers foreign currency transactions when an entity recognizes a non-monetary asset or a non-monetary liability arising from the payment or receipt of advance consideration before the entity recognizes the related asset, expense or income. The Interpretation states that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, then the entity must determine a date of the transactions for each payment or receipt of advance consideration. The Amendments have no effect on the Company's financial statements.

- The **IASB has issued the Annual Improvements to IFRSs 2014 – 2016 Cycle**, which is a collection of amendments to IFRSs. Company's management is currently examining the effect of this standard to the financial statements.

- **IFRS 1 First-time Adoption of International Financial Reporting Standards:** This improvement deletes the short-term exemptions regarding disclosures about financial instruments, employee benefits and investment entities, applicable for first time adopters.
- **IAS 28 Investments in Associates and Joint Ventures:** The amendments clarify that the election to measure at fair value through profit or loss an investment in an associate or a joint venture that is held by an entity that is venture capital organization, or other qualifying entity, is available for each investment in an associate or joint venture on an investment-by-investment basis, upon initial recognition.

B) Standards issued but not yet effective and not early adopted

- **IFRS 16: Leases**

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 recognize 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 standard has not yet been endorsed by EU. The Amendments will have significant effect on the Company's financial statements. An estimation of the effect is given in note 3.11.1.

- **IFRS 17: Insurance Contracts**

The standard is effective for annual periods beginning on or after 1 January 2021 with earlier application permitted if both IFRS 15 Revenue from Contracts with Customers and IFRS 9 Financial Instruments have also been applied. IFRS 17 Insurance Contracts establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts issued. It also requires similar principles to be applied to reinsurance contracts held and investment contracts with discretionary participation features issued. The objective is to ensure that entities provide relevant information in a way that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that contracts within the scope of IFRS 17 have on the financial position, financial performance and cash flows of an entity. The standard has not been yet endorsed by the EU. Company's management is currently examining the effect of this standard to the financial statements.

- **Amendment in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The amendments have not yet been endorsed by the EU. Company's management is currently examining the effect of this standard to the financial statements.

- **IFRS 9: Prepayment features with negative compensation (Amendment)**

The Amendment is effective for annual reporting periods beginning on or after 1 January 2019 with earlier application permitted. The Amendment allows financial assets with prepayment features that permit or require a party to a contract either to pay or receive reasonable compensation for the early termination of the contract (so that, from the perspective of the holder of the asset there

may be 'negative compensation'), to be measured at amortized cost or at fair value through other comprehensive income. Company's management is currently examining the effect of this standard to the financial statements.

- **IAS 28: Long-term Interests in Associates and Joint Ventures (Amendments)**

The Amendments are effective for annual reporting periods beginning on or after 1 January 2019 with earlier application permitted. The Amendments relate to whether the measurement, in particular impairment requirements, of long term interests in associates and joint ventures that, in substance, form part of the 'net investment' in the associate or joint venture should be governed by IFRS 9, IAS 28 or a combination of both. The Amendments clarify that an entity applies IFRS 9 Financial Instruments, before it applies IAS 28, to such long-term interests for which the equity method is not applied. In applying IFRS 9, the entity does not take account of any adjustments to the carrying amount of long- term interests that arise from applying IAS 28. These Amendments have not yet been endorsed by the EU. Company's management is currently examining the effect of this standard to the financial statements.

- **IFRIC INTERPETATION 23: Uncertainty over Income Tax Treatments**

The Interpretation is effective for annual periods beginning on or after 1 January 2019 with earlier application permitted. The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12. The Interpretation provides guidance on considering uncertain tax treatments separately or together, examination by tax authorities, the appropriate method to reflect uncertainty and accounting for changes in facts and circumstances. This Interpretation has not yet been endorsed by the EU. Company's management is currently examining the effect of this standard to the financial statements.

- **IAS 19: Plan Amendment, Curtailment or Settlement (Amendments)**

The Amendments are effective for annual periods beginning on or after 1 January 2019 with earlier application permitted. The amendments require entities to use updated actuarial assumptions to determine current service cost and net interest for the remainder of the annual reporting period after a plan amendment, curtailment or settlement has occurred. The amendments also clarify how the accounting for a plan amendment, curtailment or settlement affects applying the asset ceiling requirements. These Amendments have not yet been endorsed by the EU. Company's management is currently examining the effect of this standard to the financial statements.

- **Conceptual Framework in IFRS standards**

The IASB issued the revised Conceptual Framework for Financial Reporting on 29 March 2018. The Conceptual Framework sets out a comprehensive set of concepts for financial reporting, standard setting, guidance for preparers in developing consistent accounting policies and assistance to others in their efforts to understand and interpret the standards. IASB also issued a separate

accompanying document, Amendments to References to the Conceptual Framework in IFRS Standards, which sets out the amendments to affected standards in order to update references to the revised Conceptual Framework. Its objective is to support transition to the revised Conceptual Framework for companies that develop accounting policies using the Conceptual Framework when no IFRS Standard applies to a particular transaction. For preparers who develop accounting policies based on the Conceptual Framework, it is effective for annual periods beginning on or after 1 January 2020.

- The **IASB has issued the Annual Improvements to IFRSs 2015 – 2017 Cycle**, which is a collection of amendments to IFRSs. The amendments are effective for annual periods beginning on or after 1 January 2019 with earlier application permitted. These annual improvements have not yet been endorsed by the EU. Company's management is currently examining the effect of this standard to the financial statements.
- **IFRS 3 Business Combinations and IFRS 11 Joint Arrangements:** The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to IFRS 11 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business.
- **IAS 12 Income Taxes:** The amendments clarify that the income tax consequences of payments on financial instruments classified as equity should be recognized according to where the past transactions or events that generated distributable profits has been recognized.
- **IAS 23 Borrowing Costs:** The amendments clarify paragraph 14 of the standard that, when a qualifying asset is ready for its intended use or sale, and some of the specific borrowing related to that qualifying asset remains outstanding at that point, that borrowing is to be included in the funds that an entity borrows generally.

2.6 Significant accounting judgements and estimates.

The preparation of the Annual Financial Statements according to the IFRS requires the Management to make decision for events that have already happened and estimations for future events, which there is a possibility to have an effect on the accounting balances of the financial data and liabilities and the necessary disclosures.

Management decisions and estimations are continuously reevaluated and are based in historical data and expectations for future events, which are deemed as fair according to the current conditions.

Specific amounts which are included or have an effect on the financial statements as well as on the relevant disclosures are estimated and which demand estimation of values or conditions which is not possible to be known for sure, through the period of the financial statements composing.

An accounting estimation is considered important when it is important for the Company's financial position profile and results, and requires the most difficult, subjective or complicated Management's judgment, often as a result to the need for making estimates regarding results of estimates that are uncertain. The Company evaluates such estimations in a regular basis, based on the results and the experiences of the past, on meetings with experts, on trends and methods which are considered logical, as well as provisions relevant to what is considered that will might change in the future.

2.6.1 Uncertain outcome of pending litigation cases

The Company examines pending litigation cases at each reporting date of the statement of financial statements and forms provisions for litigations against the Company, based on data from the Legal Service Department (further information in note 26.1.2).

2.6.2 Provisions for bad debts

The Company makes provisions for doubtful receivables in relation to specific customers when there are indications that the collection of the relevant receivable in whole or in part is unlikely. The Company's management periodically reassesses the adequacy of the provision for doubtful receivables in relation to its credit policy and taking into account the expected credit risk as well as Company's Legal Service Department information that arise from the historical data and recent developments concerning the relevant affairs (further information in note 6.3).

2.6.3 Staff leaving indemnity

The amount of the provision for staff leaving indemnity, is based on an actuarial study, prepared by an independent certified professional. The actuarial study includes the setting of assumptions about the discount rate, the rate of increase in employee wages, the increase in the consumer price index and the expected remaining working life. The assumptions used are subject to significant uncertainty and the Company's Management is continually reassessed (further information in Note 3.7).

2.6.4 Useful life of tangible fixed assets

Additionally, management makes some estimates regarding the useful life of depreciable assets. More information is given in Note 3.2.

2.6.5 PSO Contract agreement

In June 15th 2011 the contract agreement for Public Service Obligation was signed between the Greek State and TRAINOSE SA, during the Public Economic Interest took place, with the purpose of financing the Company's deficit transportation services and more specifically with the purpose of financing deficit routes. In particular, with the aforementioned agreement TRAINOSE undertook the commitment of providing specific passenger railway transportation services in exchange with compensation, which according to the paragraph 3 of the aforementioned agreement did not exceed the amount of € 50.000.000,00 per annum for the years 2011, 2012 και 2013 and according to the article 12 of Law 3891/2010. The agreement was extended following the Law 4337/2015, until December 31st 31 2015. On 17.12.2015, a new contract agreement was signed between the Greek

state and TRAINOSE SA. In this agreement specific passenger transportation services and routes are determined. In addition the agreement also stipulates the method of compensating TRAINOSE SA, the way the agreement is monitored by both parties, control measures and other relevant issues. The total compensation amount which TRAINOSE can receive from the Greek State for providing these services (Public Service Obligation) cannot exceed the amount of € 50.000.000 per annum for the period from 2015 to 2020.

After 2020, provided that the PSO railway transportation services will be assigned to P.A.E.M (Passenger Transportation Regulatory Authority), through a tender procedure in accordance with article 5 of regulation 1370/2007 in which more PSO contract agreements will be limited to a specific geographical region or a specific route. The object of the particular PSO agreements is determined by P.A.E.M. (Passenger Transportation Regulatory Authority), taking into account the regional passenger needs and the need of securing a railway transportation between certain areas. All of the above were regulated by 2a article 17 of 4337/2015 coded regulation.

On 05.08.2017 an amendment of the Public Service Provision was signed between the Greek State and TRAINOSE SA, clarifying further the terms of the initial agreement. Specifically, the expenses that are recognized for subsidized routes, as well as other technical issues regarding the agreement's implementation.

3 Accounting policies summary

The significant accounting policies adopted by the Company for the preparation of the financial statements of 31st December 2018 are summarized below.

3.1 Intangible assets

Intangible assets include the software programs used by the Company.

Software licenses are capitalized on the basis of the costs incurred, in acquiring and installing the software.

Expenses related to the maintenance of the electronic software are recognized in the period in which they are incurred.

Expenses that are capitalized, are depreciated using the straight-line method over their estimated useful lives (three to five years).

The residual values and useful lives of intangible assets are reviewed annually at the date of preparation of the Financial Statements. If the residual values have changed, the changes are accounted as changes in accounting estimates.

3.2 Property, plant and equipment

Tangible assets of the Company are presented in the financial statements at acquisition cost less accumulated depreciation and any impairment losses.

The cost of acquisition of tangible assets includes all directly attributable costs for their acquisition. Subsequent expenses are recognized as an increase in the accounting value of property, plant and equipment or as a separate asset only to the extent that those expenses increase the future economic benefits expected to flow from the use of the asset and their cost can be measured reliably. Repairs and maintenance costs are recognized in the income statement.

Depreciation of other items of property, plant and equipment is depicted to the income statement and is calculated using the straight-line method over their useful lives, which, by category of fixed assets, is as follows:

Buildings	from 5 to 20 years
Mechanical equipment	from 5 to 10 years
Means of transport	from 5 to 10 years
Other equipment	from 4 to 6 years

The residual values and useful lives of intangible assets are reviewed annually at the date of preparation of the Financial Statements. If the residual values have changed, the changes are accounted as changes in accounting estimates.

When the accounting values of tangible assets exceed their recoverable amount, the difference (impairment) is recognized immediately as an expense in the income statement.

When selling tangible assets, the difference between the selling value and the book value is recorded as gain or loss in the income statement.

3.3 Financial assets

The financial assets of the Company are classified in the following categories:

- Held-to-maturity investments,
- Financial assets at fair value, through profit or loss,
- Available-for-sale financial assets, and
- Loans and receivables

Financial assets are divided into different categories by the management according to their characteristics and the purpose for which they are acquired.

The Company's management decides the appropriate classification of the asset at the time of acquisition and reviews the classification at each presentation date of the financial statements.

3.3.1 Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with determinable payments and defined maturity. Financial assets are classified as held-to-maturity investments as long as management has the intention and ability to hold them until maturity.

After initial recognition, investments classified in this category are measured at amortized cost using the effective interest method minus impairment losses. Amortized cost is the amount at which the financial asset or financial liability was initially measured after deducting capital payments, plus or minus the accumulated amortization of any difference between the original amount and the amount payable to maturity calculated using the actual interest rate, and after deducting any devaluation. Gains and losses are recognized in the income statement when the relevant amounts are written off or impaired, as well as through the amortization process.

The Company's financial assets do not include "Held-to-maturity investments" at 31/12/2018.

3.3.2 Financial assets at fair value, through profit or loss

Financial assets measured at fair value through profit or loss include financial assets that are mainly held for trading purposes and are designated by the Company as at fair value through profit or loss on initial recognition.

Financial assets included in this category are measured at fair value through profit or loss.

The financial assets of the Company do not include "Financial assets at fair value through profit or loss" at 31/12/2018.

3.3.3 Loans and receivables

Loans and receivables are non-derivative financial assets with determinable payments that do not have a market price and are created when the Company provides services directly to a debtor without commercial intent. They are included in current assets other than those with a maturity of more than 12 months from the date of the statement of financial position, which are included in non-current assets.

Loans and receivables are measured at amortized cost using the effective interest rate method minus any impairment provision and taking into account the expected credit risk. Profit or loss are recognized in Income statement when the relevant items are written off or impaired, as well as through the amortization.

3.3.4 Available-for-sale financial assets

Available-for-sale financial assets include non-derivative financial assets that are classified as available-for-sale or do not qualify for classification in other classes of financial assets.

After initial recognition, available-for-sale financial assets are measured at fair value and the resulting gains and losses are recognized directly in Income statement.

The financial assets of the Company do not include "Available-for-sale financial assets" at 31/12/2018.

3.3.5 Fair value

The fair value of investments is based on the reference to stock prices at the date of preparation of the financial statements. If there are no market data, Management calculates fair value using valuation techniques. Valuation techniques include, among other, the use of recent transactions on commercial basis, the reference to the fair value of a relevant instrument and the analysis of its discounted cash flows.

The amounts with which they are presented in the Financial Statements, cash, receivables and short-term liabilities, are almost equal to their respective fair values due to their short-term maturity. Consequently, there are no differences between the fair values and the corresponding accounting values of the financial assets and liabilities.

The Company does not use derivative financial instruments.

3.3.6 Financial obligations

The Company's financial liabilities include trade payables that are depicted in the Financial Statements in the item "Current trade payables".

Financial liabilities are recognized when the Company engages in a contractual arrangement of the financial instrument and is derecognized when the contractual obligation of the Company to pay, is expired, canceled or eliminated.

When an existing financial liability is replaced by another by the same third party on substantially different terms or when the existing terms of a liability are different, then the existing liability is derecognized, the new one is recognized and the difference between the two is recognized in the income statement.

Trade payables are initially recognized at their fair value and subsequently measured at amortized cost.

Gains and losses are recognized in the income statement when the liabilities are written off as well as in the application of the effective interest method.

3.3.7 Offset

Where there is a legally right of netting for recognized financial assets and liabilities, and there is an intention to settle the obligation and the simultaneous liquidation of the asset or settlement by offsetting, all relevant financial effects are offset.

3.3.8 Deletion of financial assets and liabilities

Financial assets are written off when the rights to the cash inflow have expired.

A financial liability is derecognized when the relevant liability is discharged, canceled or expired. When an existing financial liability is replaced by another by the same third party on substantially different

terms or when the existing terms of a liability are different, then the existing liability is derecognized, the new one is recognized and the difference between the two is recognized in the income statement.

3.4 Share capital

The share capital reflects the value of the shares issued and paid. Direct expenses incurred in connection with the issue of new shares or rights are recorded in the net position deductively from the increase.

3.5 Inventories

At the Financial Statements date, inventories are shown at the lower of acquisition cost and net realizable value, and their cost is determined using the weighted average cost.

Provision for slow moving or discarded inventories is formed when deemed necessary and impeded by the income statement.

3.6 Income tax accounting

3.6.1 Current Income Tax and Deferred Taxation

According to article 46 of Law 4172/23.07.2013 and Circular POL.1044/10.02.2015, the legal entities which are entirely owned, directly or indirectly, by HRADF (Hellenic Republic Asset Development Fund) in line with paragraph 13 of article 2 of Law 3986/2011, are exempted from corporate income tax.

As such, as regards fiscal year 2017, the Company is tax exempted from corporate income tax for the period until 13.9.2017, i.e. until the privatization date, as confirmed with Public Revenues Authority's document with Protocol No ΔΕΑΦ Β 1024792 ΕΞ 2018 / 13.2.2018. Based on said decision it is stipulated that as of 14.9.2017 and onwards, the Company will be taxed on its income under the general corporate income tax provisions based on the articles 45, 47 and subsequent thereof Law 4172/2013 (Income Tax Code).

The Company has estimated the taxable income for the period 01/01/2018 – 31/12/2018 resulting to Current Tax expense of € 309.672,55 while increase of Deferred Tax Asset of € 657.844,29 has been recognized for the provision formed for the Staff Leaving Indemnity and for provisions.

Given that the Company for prior years has been tax exempted, no deferred tax has been recognized. Taking into account the transition to a taxable regime under the general tax provisions within fiscal year 2017, the Company has recognized deferred tax asset amounting 751.000 €. Deferred taxes are calculated on all temporary tax differences between the accounting and tax base of assets and liabilities. Deferred taxes are calculated using the tax rates that are expected to be applied in the future. In light of the above, the estimated Income Tax gain for the period 01/01/2018 – 31/12/2018 amounts to € 348.211,74.

It is worth mentioning that within Q.3 2014, the tax audit was completed by K.E.M.EP. (Center for Large Corporations Audit) for the unaudited fiscal years 2007 – 2011. No additional taxes and surcharges relevant to the income tax were imposed.

The Company for the fiscal years 2012 and 2013 has been subject to tax audit from the regular Certified Auditor Accountants as dictated by article 82 par. 5 Law 2238/ 1994, and for the fiscal years 2014, 2015, 2016 and 2017 as dictated by article 65 α N. 4174/ 2013. The Company has received Tax Compliance Certificates: for fiscal years 2012 – 2014 with qualification, for year 2015 without qualification and for year 2016 & 2017 with emphasis of matters while the audit for the year 2018 is in progress. Upon completion of the audit, the Company's Management does not expect to incur significant liabilities, other than those recorded and presented in the Financial Statements.

For income tax purposes, fiscal years as of 2012 and onwards are considered as settled, under the general stature of limitation income tax provisions, upon the elapse of six years, unless specific tax violations are detected from the tax authorities; in such case the respective statute of limitation is extended.

The Income tax rate due to business activity in Greece, for the year 2018 is 29%. According to article 23 of L.4579 / 2018 the Income tax rates from the business activity of legal entities, are gradually reduced by 1% per year, as 28% for the tax year 2019, 27% for the fiscal year 2020, 26% for the tax year 2021 and 25% for the tax year 2022 and hereafter.

3.7 Retirement benefits and short-term employee benefits

3.7.1 Short-term benefits

Short-term employee benefits are recognized as an expense when they accrue. Any unpaid amount is recognized as a liability and, if the amount already paid exceeds the amount of benefits, the company recognizes the excess amount as an asset (prepaid expense) only to the extent that the prepayment will lead to a reduction in future payment or refund.

3.7.2 Retirement benefits

Severance payment for staff is calculated at the present value of future benefits that are accrued at year end based on the employee's entitlement to benefits over the expected working life. The above liabilities are calculated on the basis of the financial and actuarial assumptions detailed in note 11 and are determined using the Projected Unit Credit Method actuarial method. The obligations for the above benefits are not funded.

3.7.3 State insurance programs

The Company's employees are mainly covered by the main State Social Insurance Agency ("EFKA") which provides pension and medical benefits. Every employee is obliged to contribute part of his monthly salary to the fund, while part of the total contribution is covered by the Company. At retirement, the pension fund is responsible for paying employees' retirement benefits.

Consequently, the Company has no legal or constructive obligation to pay future benefits under this plan. The program is considered a defined contribution plan and contributions to the insurance institution are recognized in the statement of comprehensive income when accrued.

3.8 Other provisions

Provisions are recognized when a present commitment is likely to lead to an outflow of financial resources for the Company and can be estimated reliably. The timing or amount of outflow may be uncertain. A present obligation arises from the presence of a legal obligation that has arisen from events of the past.

Each provision is used only for the expenses for which it was initially formed. Provisions are reviewed at each financial statements date and adjusted to reflect the current estimate.

Provisions are measured at the expected cost that is required to settle the present obligation, based on the most reliable evidence available at the financial statements date, including the risks and uncertainties associated with the present commitment.

When the effect of the value of money is significant, the amount of the provision is the present value of the expenses that are expected to be required to settle the liability.

When the discount method is used, the book value of a provision increases in each period to reflect over time. This increase is recognized as a financial expense in the income statement. When there are a number of similar commitments, the probability that an outflow will be required for settlement is determined taking into account the category of commitments as a whole. A provision is recognized even if the probability of outflow for an item included in the commitment category is low. If it is no longer possible that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

3.9 Contingent liabilities

Contingent liabilities are not recognized in the financial statements but are disclosed unless the probability of an outflow of resources embodying economic benefits is minimal. The Company is involved in legal cases. At each reporting date the management takes into account the arrangements made and determines which of them would not significantly affect the Company's financial statement. Determining potential liabilities related to litigation claims is a complex process that includes judgments about possible consequences as well as interpretations of laws and regulations. Changes in accounting methods or interpretations are likely to lead to an increase or decrease in the Company's contingent liabilities in the future.

3.10 Contingent assets

Possible inflows of financial benefits to the Company that do not yet meet the criteria of an asset are considered as contingent assets and disclosed in the notes to the financial statements.

3.11 Leases

The assessment of whether an agreement contains a lease element is made at the start of the agreement, taking into account all available data and particular circumstances.

3.11.1 The Company as a lessee

3.11.1.1 Finance leases

Ownership of a leased asset is transferred to the lessee if substantially all the risks and rewards associated with the leased asset are transferred to it, independently of the legal form of the contract. At the beginning of the lease the asset is recognized at its fair value or, if lower, at the present value of the minimum lease payments, including additional payments if any, covered by the lessee. An equivalent amount is recognized as a liability from the finance lease regardless of whether some of the lease payments are paid in advance at the start of the lease.

Subsequent accounting treatment of assets acquired under finance leases, eg. the method of depreciation used and the determination of its useful life is the same as that applied to comparable assets acquired outside the lease. The accounting treatment of the corresponding liability relates to its gradual reduction, based on minimum lease payments minus financial charges, which are recognized as an expense in finance costs. Financial charges are spread over the lease term and represent a fixed interest rate on the outstanding balance of the liability. The leases of the company are not considered as financial as at the end of the lease term there is no possibility to purchase the asset at a price lower than the fair value. Also, the risks from the lease are not transferred, nor are the benefits associated with the ownership. The Company does not have finance leases as at 31.12.2018.

3.11.1.2 Operating leases

All leases are treated as operating leases. Payments in operating leases are recognized as an expense in the income statement using the straight-line method (associate income and expense). Related costs, such as maintenance and insurance, are recognized as an expense when incurred.

Operating leases for the years 2018 and 2017 are analyzed as follows:

<u>Type of Lease</u>	31.12.2018	31.12.2017
Rental of rolling stock	13.595.073,00	16.776.230,86
Rent of buildings	278.893,90	297.423,02
Rent of means of transport	680.067,48	946.159,78
Rent of exchange of rolling stock	1.774.241,11	2.483.975,39
Rent of land	4.046,44	6.171,14
Network utilization duties	15.593.976,19	14.354.049,00

Rents of rolling stock

The main contract between TRAINOSE SA and GAIAOSE SA concerns the rents for the use of rolling stock and the individual contracts concern the rental of premises and the use of network facilities. Rolling Stock belongs to the Greek State, which is managed on its behalf, by GAIAOSE SA. This contract of lease of rolling stock between TRAINOSE SA and GAIAOSE SA for the years 2014, 2015 & 2016 are in accordance with paragraph 8 of Article 8 of Law 3891/2010 & Law 4425/2016 Chapter D Article 18 as amended.

The new lease of rolling stock between TRAINOSE SA and GAIAOSE SA with the date of signature on 24-6-2016, is in application of the provision of article 10 of par. 4 of Law 3891/2010 as amended. The aforementioned new agreement will have a 5-year term starting from the date of its entry into force on the date of signing of the Protocol of entry into force by the Contracting Parties which will take place on the date of completion of the privatization of the Lessee. The Leasing Company will have the right, within six months before the end of the contractual term, to request in writing the extension of the original term for five years under the same terms.

A new contract among TRAINOSE S.A, EESSTY S.A. and GAIAOSE S.A. has been signed on 13.9.2017 which defines the payments procedures

Network utilization duties

The Convention on the Use of the National Railway Infrastructure and Access to it by the Railway Company TRAINOSE SA with OSE SA is defined by the three year agreement No 317 (2015-2017) and renewed annually.

For the use of the National Rail Infrastructure and access to it by the Railway Company TRAINOSE SA, regarding the use 2018, the new contract (04-07-2018) between OSE SA and TRAINOSE SA is applied.

Starting from 1.1.2019 the accounting standard IFRS 16 is applied. The new standard requires lessees to recognize most leases in their financial statements. Lessees will have a single accounting framework for all leases, with some exceptions. The lessor's accounting remains virtually unchanged. More specifically, IFRS 16 introduces a single model for the presentation of all leases in the statement of financial position of all companies. The lessee will have to recognize a right of use that would represent his obligation to pay the relevant rents. The standard provides exemptions for short-term leases (leases of less than 12 months) and leases of low-value fixed assets. The accounting treatment of leases for lessors remains the same as that of the existing model, ie the lessors will continue to classify their leases in financial and operating terms.

The Company's Management is in the process of assessing the impact of the original application of the Standard on its financial statements

In particular, it is expected to be affected (by unit) the following:

Type of Lease	Business unit
Rolling stock	1.160
Buildings	9
Means of transport	9
Other (Printers)	9

The application of IFRS 16 is expected to affect financial performance indicators and performance indicators (e.g. liquidity ratios, asset rate index, interest ratio, EBIT, operating profit, etc.). Some of these indicators will improve, but will not improve essentially the cash flow or business activity of the entity.

3.11.2 The Company as a lessor

3.11.2.1 Operating leases

Leases in which the Company does not substantially transfer all the risks and rewards of the asset are classified as operating leases. Initial direct costs borne by the lessors in negotiating and agreeing an operating lease are added to the carrying amount of the leased asset and are recognized over the lease term as rental income.

3.12 Recognition of income and expenses

3.12.1 Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the relevant amounts can be measured reliably.

Revenue recognition is as follows:

3.12.1.1 Revenue from provision of services

Revenue from passengers: The Company's revenue mainly comes from transportation services (fares). The above fixed-line receipts are booked, by selling the tickets. The Company's management estimates that due to the relative volume of sales transactions (low value and high fares) of transport services, this policy recognizes substantially the revenue in use.

Revenue from freight transport: Revenue from service contracts at a predetermined price is recognized based on the stage of completion of the transaction at the date of the statement of financial position. In accordance with this method, revenue is recognized on the basis of the proportion of services rendered up to the date of the financial statements in relation to all the services to be performed.

When the outcome of a transaction related to a service provision cannot reasonably be estimated, revenue is recognized only to the extent that the recognized expenses are recoverable.

In cases where the initial estimates of revenue change, these changes may result in increases or decreases of earnings or expenses and are shown in the income statement.

3.12.1.2 Revenue from sales of goods

Revenue is recognized when the material risks and rewards resulting from the ownership of the goods have been transferred to the buyer.

3.12.1.3 Interest income

Interest income is recognized on a time proportion basis to the outstanding principal and the effective interest rate that is the interest rate that exactly discounts the estimated future cash receipts that are expected to flow over the life of the asset that should be equal to the net carrying amount of the asset.

3.12.2 Expenses

Expenses are recognized in profit or loss on an accrual basis. Payments made for operating leases are transferred to the income statement as expenses when the lease is used. Interest expense is recognized on an accrual basis.

3.12.2.1 Conversion of foreign currencies

The Company maintains its accounting books in Euro, which is also the reference currency. Transactions in foreign currencies are converted into Euro based on the official foreign exchange rate applicable on the day of the transaction. At the date of the Financial Statement, the receivables and liabilities in foreign currencies are transformed into Euro based on the official exchange rate prevailing on the respective date. Foreign exchange gains or losses are included in the income statement.

3.13 Cash and cash equivalents

Cash and cash equivalents include cash, sight deposits, short-term, up to 3 months, investments and time deposits, high liquidity and zero risk. Cash and cash equivalents have a negligible risk of a change in their value. Fixed-term deposits and Treasury bills over 3 months are classified as other financial assets in the statement of financial position.

3.14 PSO Contract agreement

The Company has signed a contract with the Greek State for the provision of services of general economic interest (PSO), which aim at financing the Company's deficit services, in particular financing of shortage of services and by extension of these costs. The financial compensation from the above contract is considered as a form of grant, which is recognized when there is reasonable assurance that it will be received and that all relevant conditions are met. Grant revenue is recognized in the income statement as "Revenue from PSO (Public Service Obligation)".

4 Intangible assets

The Company's intangible assets, mostly relate to software programs and software licenses. An analysis is presented in the following table:

Amounts in €	Software Programs
Cost at 1/1/2017	390.026,23
Less: Accumulated amortisation	(302.181,06)
Net book value at 1/1/2017	87.845,17
Additions for the period	183.286,19
Amortisation for the period	(53.524,94)
Cost at 31/12/2017	573.312,42
Less: Accumulated amortisation	(355.706,00)
Net book value at 31/12/2017	217.606,42
Additions for the period	288.192,73
Amortisation for the period	(92.028,50)
Costs at 31/12/2018	861.505,15
Less: Accumulated amortisation	(447.734,50)
Net book value at 31/12/2018	413.770,65

The amortization of intangible assets is recognized in the period's statement of comprehensive income results (note 16). There are no commitments or pledges on the Company's intangible assets.

5 Property, plant and equipment.

An analysis of the Company's property, plant and equipments presented below:

<i>Amounts in €'</i>	Buildings	Machinery	Transportation Means	Furniture & other equipment	TOTAL
Cost at 1/1/2017	177.379,32	141.025,36	67.750,00	3.409.957,59	3.796.112,27
Less: Accumulated depreciation	(139.876,49)	(124.987,34)	(56.449,16)	(2.975.227,28)	(3.296.540,27)
Net book value at 1/1/2017	37.502,83	16.038,02	11.300,84	434.730,31	499.572,00
Additions for the period	0,00	402,00	0,00	184.115,08	184.517,08
Depreciation for the period	(6.428,07)	(4.775,99)	(7.640,00)	(209.707,87)	(228.551,93)
Cost at 31/12/2017	177.379,32	141.427,36	67.750,00	3.594.072,67	3.980.629,35
Less: Accumulated depreciation	(146.304,56)	(129.763,33)	(64.089,16)	(3.184.935,15)	(3.525.092,20)
Net book value at 31/12/2017	31.074,76	11.664,03	3.660,84	409.137,52	455.537,15
Additions for the period	0,00	2.254,56	0,00	456.147,64	458.402,20
Fixed assets sold	0,00	0,00	0,00	(16.204,00)	(16.204,00)
Depreciation for the period	(6.385,60)	(6.628,40)	(3.660,82)	(231.977,09)	(248.651,91)
Depreciation of fixed assets sold	0,00	0,00	0,00	4.759,16	4.759,16
Cost at 31/12/2018	177.379,32	143.681,92	67.750,00	4.034.016,31	4.422.827,55
Less: Accumulated depreciation	(152.690,16)	(136.391,73)	(67.749,98)	(3.412.153,08)	(3.768.984,95)
Net book value at 31/12/2018	24.689,16	7.290,19	0,02	621.863,23	653.842,60

The depreciation of property, plant and equipments recognized in the period's statement of comprehensive income results(note 16).

There are no commitments or pledges on the Company's property, plant and equipment.

There are no contractual commitments for acquisition of property, plant and equipment. Furthermore, the Company has no property, plant and equipment under finance lease.

6 Financial Assets

Company's financial assets are analyzed as following:

<i>Amounts in €'</i>	Note	31/12/2018	31/12/2017
Other non – current assets	6.1	883.636,67	156.242,52
Cash & cash equivalents	6.2	26.306.555,94	28.278.210,97
Restricted cash	6.2	1.500.000,00	1.500.000,00
Trade receivables	6.3	3.188.162,35	5.011.764,16
Total		31.878.354,96	34.946.217,65

6.1 Other non-current assets

Other non-current assets are analyzed as following:

<i>Amounts in €'</i>	31/12/2018	31/12/2017
Guarantees	873.636,67	146.242,52
Other non – current assets	10.000,00	10.000,00
Total	883.636,67	156.242,52

The increase in Guarantees is attributed to guaranties which have been given to agents of new railway stations.

6.2 Cash & cash equivalents

Company's cash and cash equivalents represent cash either in the Company's petty cash in various locations or bank deposits, available at first demand. There are no commitments regarding the Company's cash and cash equivalents.

Company's cash and cash equivalents are as following:

<i>Amounts in €'</i>	31/12/2018	31/12/2017
Cash in hand	58.359,45	233.855,31
Cash at banks	26.248.196,49	28.044.355,66
Total cash & cash equivalents	26.306.555,94	28.278.210,97
Letter of guarantee – NATIONAL BANK OF GREECE	1.500.000,00	1.500.000,00

Following the Public Debt Management Organization's (ODDIX) invitation (document no. 387/25.02.2015), TRAINOSE's Board of Directors after its resolution of 181/11/22-04-2015 approved the opening of a time deposit (Repos) account in Bank of Greece (BoG), and consequently a transfer of cash and cash equivalents to the relevant account was affected according to article 15 paragraph 11 of law N.2469/1997.

The interest rates of these deposits in BoG are regulated by the relevant regime and is significantly higher compared to the interest rate of similar deposits in other banks which approximate to 0,5%.

A letter of guarantee from National Bank of Greece amounting to euros 1.500.000, 00 has been submitted to the Ministry of Infrastructure and Transport, in accordance with the terms of the PSO contract agreement between TRAINOSE SA and the Ministry of Infrastructure and Transport.

6.3 Current trade receivables

Trade receivables from customers and other trade receivables are analyzed as follows:

<i>Amounts in €'</i>	31/12/2018	31/12/2017
Domestic private-sector debtors	1.532.684,17	3.067.465,94
Foreign private-sector debtors	711.091,73	697.489,35
Greek state	359.763,06	424.386,72
Public companies	584.623,39	522.999,79
Doubtful receivables	8.465.452,22	8.091.648,25
Total	11.653.614,57	12.803.990,05
Less : Allowance for doubtful receivables	(8.465.452,22)	(7.792.225,89)
Total receivables	3.188.162,35	5.011.764,16

Trade receivables are considered short term assets.

The credit limit of the Company's trade receivables is in average 1,5 to 2 months and the Company receives letters of guarantee in exchange, for a large part of the receivables. The fair value of those short term financial assets is not determined independently, because it is considered that their accounting value approaches their fair value. There are no commitments on trade receivables.

Company has assessed the recoverability of its trade receivables and has recorded a provision for doubtful debts of 8.465.452,22 €.

Such provision has as follows:

<i>Amounts in €'</i>	31/12/2018	31/12/2017
Opening balance	7.792.225,89	7.724.417,75
Used provision (Based on contract 19315/31.5.2018)	(419.067,65)	-
Reversal of unused provision (Based on contract 19315/31.5.2018)	(410.381,77)	-
Allowance for doubtful receivables	1.502.675,75	67.808,14
Closing balance	8.465.452,22	7.792.225,89

7 Other current assets

Company's other receivables are analyzed as follows:

Amounts in €'	31/12/2018	31/12/2017
Receivable from Greek state	8.113.947,16	2.462.796,37
Unbilled revenue	13.256.227,55	25.534.298,66
Other debtors	58.224.623,24	16.730.853,32
Advances to suppliers	411.740,95	316.283,44
Receivable from social security	4.754.977,19	4.856.474,21
Receivable from foreign networks	600.981,22	608.732,12
Payroll advances	-	391.921,58
Prepaid expenses	519.546,09	186.274,40
Total	85.882.043,40	51.087.634,10
Less: Allowance for doubtful other receivables	(13.954.366,35)	(13.864.102,37)
Total other receivables	71.927.677,05	37.223.531,73

Receivables from Greek State mainly relate to Prepayment of Income Tax concerning business year 2018, withheld income tax 8% as well as Value Added Tax.

The majority of unbilled revenue relates to:

- Unbilled revenue of PSO amounting 12,5 mil €, concerning 4th Quarter 2018,
- Interests on cash at banks amounting 521 k. €,
- Revenues from European programs amounting 126 k. €.
- Other unbilled revenues 107 k. €.

On April 2018 TRAINOSE S.A issued invoice concerning 2nd semester 2017 of PSO, amounting 25 mil. €. Within April 2018 the above mentioned amount was received.

On May 2018 TRAINOSE S.A issued invoice concerning 1st Quarter 2018 of PSO, amounting 12,5 mil. €. On August 2018 TRAINOSE S.A issued invoice concerning 2nd Quarter 2018 of PSO, amounting 12,5 mil. €. On November 2018 TRAINOSE S.A issued invoice concerning 3rd Quarter 2018 of PSO, amounting 12,5 mil. €.

The increase of Other debtors is due to the fact that amount of PSO concerning business year 2018 is not received yet.

Prepaid expenses mainly relates to rents and insurances fees.

There are no commitments regarding the Company's other receivables.

Company has estimated a provision for doubtful other receivables amounts of €13.954.366,35.

The provision of other receivables is analyzed as follows:

<i>Amounts in €'</i>	31/12/2018	31/12/2017
Opening balance	13.864.102,37	13.615.124,55
Reclassification of provision (Agents)	-	248.977,82
Additional provision (Commitments)	90.263,98	-
Closing balance	13.954.366,35	13.864.102,37

8 Inventories

The Company's inventories are analyzed as follows:

<i>Amounts in €'</i>	31/12/2018	31/12/2017
Fuel	1.295.263,88	1.401.664,35
Consumables	609.636,96	609.636,96
Spare parts of fixed assets	5.681,00	5.681,00
Total	1.910.581,84	2.016.982,31
Less: Provision for obsolescence	(609.636,96)	(609.636,96)
Total net realizable value	1.300.944,88	1.407.345,35

There are no commitments regarding the Company's inventories to secure loans or other liabilities.

Inventories' valuation method is the weighted average cost.

The total value of petroleum purchases for the period 1/1/2018 - 31/12/2018 amounts to € 16.510.010,03. The sole petroleum supplier for the year 2017 is «EKO Commercial and Industrial SA of petroleum products».

Total purchase value for the period 1/1/2017 - 31/12/2017 amounted to €17.312.493,73.

The inventory amount which was recognized as an expense during the period ,amounts to € 16.616.410,50 and relates to fuel consumption and is presented under «Fuel Consumption» line of "Expense breakdown per category" table (note 16).

The amount of inventories which was recognized as an expense during the period 1/1/2017 – 31/12/2017 amounted to € 17.109.344,80 (note 16).

9 Share Capital

On 31.7.2018, an Extraordinary General Meeting of the Shareholders of the Company TRAINOSE S.A. took place in order to decide upon taking appropriate and corrective measures, pursuant to the provisions of article 47 of law 2190/1920.

Specifically, the measures included the following:

- Off-set of part of the cumulative accounting losses amounting to 871.546.116,78€ with the special reserve of Law 3891/2010 formed upon the debt release of OSE (debt to OSE written-off) amounting to 692.161.809,26€,
- Decrease of the Company's share capital with offset of the remaining accounting losses, by the total amount of 178.636.890,90€
- Decrease of the nominal value of the shares by 83,85€ (178.636.890,90€ / 2.130.434 shares) each, so as the total number of shares to remain the same and the share capital of the Company to stand at 34.406.509,10 Euro divided into 2.130.434 registered shares with a nominal value of 16,15 Euro each.

Consequently, the Company's share capital consists of 2.130.434 common fully paid shares, of € 16,15 nominal value each. The total share capital amounts to € 34.406.509,10. Company's shares are not listed in any Financial Market.

Company's share capital analysis is as follows:

	Number of shares	<i>(Amounts in € ')</i>	
		Nominal value	Value
Initial share capital of the Company	1.000.000	100	100.000.000,00
Sector contribution from OSE A.E.	110.434	100	11.043.400,00
Contribution from absorption of PROASTIAKOS A.E.	420.000	100	42.000.000,00
Balance 31/12/2007	1.530.434	100	153.043.400,00
Share capital increase	600.000	100	60.000.000,00
Balance 31/12/2009	2.130.434	100	213.043.400,00
Balance 31/12/2017	2.130.434	100	213.043.400,00
Decrease of Share Capital	2.130.434	(83,85)	(178.636.890,90)
Balance 31/12/2018	2.130.434	16,15	34.406.509,10

For a more thorough analysis of the Company's share capital please refer to note 1.2.

10 Capital reserves

Company's capital reserves amount to € 13.094,15 and relate to the statutory reserve that was established in prior years.

According to the Greek Companies law, all entities are obliged to form a 5% from their year-end profits as a statutory reserve until such reserve reaches the amount of one third (1/3) of the paid share capital. This reserve cannot be distributed during the company's operation.

On September 12th 2017 the 45496/2336 Jointed Ministerial Decision was published in the Official Government Gazette between the Ministry of Finance and the Ministry of Transportations and Infrastructure. According to this decision, a debt write off of TRAINOSE's debt to OSE SA amounting to six hundred and ninety two million one hundred sixty one thousand eight hundred nine euro and twenty seven cents (692.161.809,27 €) was approved. This amount is directly recognized in the Company's net asset position. The gain which arises for TRAINOSE SA following this debt settlement is not subject to income tax. Furthermore, this settlement does not have any effect on VAT applicable to the relevant invoices issued by OSE during the year in which they were issued.

On 31.7.2018, an Extraordinary General Meeting of the Shareholders of the Company TRAINOSE S.A. took place in order to decide upon taking appropriate and corrective measures, pursuant to the provisions of article 47 of law 2190/1920.

Specifically, the measures included the following:

- Off-set of part of the cumulative accounting losses amounting to 871.546.116,78€ with the special reserve of Law 3891/2010 formed upon the debt release of OSE (debt to OSE written-off) amounting to 692.161.809,26€,
- Decrease of the Company's share capital with offset of the remaining accounting losses, by the total amount of 178.636.890,90€
- Decrease of the nominal value of the shares by 83,85€ (178.636.890,90€ / 2.130.434 shares)each, so as the total number of shares to remain the same and the share capital of the Company to stand at 34.406.509,10 Euro divided into 2.130.434 registered shares with a nominal value of 16,15 Euro each,

After the aforementioned write off both the Company's net assets and the Company's working capital are positive.

11 Severance pay and other employee benefits

The company recognizes as personnel benefit liabilities due to termination of employment, the current value of the legal commitment that the Company has undertaken, for payment of a lump sum indemnity to the personnel which terminates its employment due to retirement. This liability was calculated after taking into account an actuarial study which was performed by an independent actuarial, in accordance with IAS 19. The actuarial method used was the «Projected Unit Credit Method».

The Company has not activated any special benefit program regarding its employees, which is committed by benefits due to termination of employment. The only program which is still in use is the conventional liability based on the law N.993/1979 for providing a lump sum amount in case of personnel retirement.

The relevant obligation of the Company is as follows :

Amounts in € ' 	31/12/2018	31/12/2017
Present value of unfunded obligations	2.722.411,00	2.372.421,00
Net liability in statement of financial position	2.722.411,00	2.372.421,00

It is highlighted that the total actuarial liability for the Company's personnel as of December 31st 2018 amounts to € 5.553.640,00. However because OSE S.A. has already undertaken the liability and the relevant amount corresponding to the employees work experience until December 31st 2006, the actuarial liability of TRAI NOSE as of December 31st 2018 is limited to the amount of €2.722.411,00.

The indemnity payment was realized solely from the Company and OSE is charged with the corresponding amount.

Company's liability is analyzed as follows:

Amounts in € ' 	31/12/2018	31/12/2017
Present value of liability at the beginning of the period	2.372.421,00	2.511.855,02
Service cost	149.457,00	146.816,98
Interest cost	35.586,00	47.725,00
Benefits paid	(257.736,00)	(115.318,00)
Actuarial loss/(gain) recognized directly in equity	422.683,00	(218.658,00)
Net liability at the end of period	2.722.411,00	2.372.421,00

Company's total comprehensive income effect is analyzed as follows:

Amounts in € ' 	31/12/2018	31/12/2017
Service cost	149.457,00	146.816,98
Interest cost	35.586,00	47.725,00
Actuarial loss/(gain) recognized directly in equity	422.683,00	(218.658,00)
Benefits paid	(257.736,00)	(115.318,00)
Total	349.990,00	(139.434,02)

Basic actuarial assumptions used have as following:

Principal assumptions	31/12/2018	31/12/2017
Increase in consumer price index	1,80%	1,80%
Future salary increase	1,00%	1,00%
Discount rate	1,50%	1,50%

It must be noted that OSE S.A. has proceeded unilaterally to cancelling the related liability in its Financial Statements at 31.12.2017, following a communication in which it was argued that such liability was to be deemed canceled in the context of the cancellation of the debts of TRAINOSE to OSE S.A., and on general terms, that such liabilities toward the employees are “automatically” transferred to the employer. The Company refutes this unilateral cancellation as illegitimate, in view both of OSE S.A. having agreed for 11 years to bear the economic burden of the indemnity computed as of December 31st 2006, and in view of the fact that in the Decree for the cancellation of debts of TRAINOSE S.A. towards OSE S.A. (KYA 4549672336711-9-2017) no mention was made of the cancellation of what actually is a liability of OSE towards the workforce ceded to TRAINOSE in 2006. The Company will therefore seek legal restoration of the aforementioned practice regarding the liability amounting to 2,63 mln euros at 31.12.2018, to the exhaustion of legal means.

12 Other Provisions for risks and charges

Other provisions as of December 31st 2018 amount to € 10.807.347,10 and relate to:

- Legal cases of claims against the Company amounting to € 8.387.010,87 (note 26.1.2).
- Provision amounting to € 106.765,56 regarding a discount of TRAINOSE SA to the Public Power Company (DEH S.A.) by 8,6% over the initial agreed price (1.241.460,00 €) according to the No.609/17/T1/27.03.2017 suggestion of TRAINOSE's legal division.
- Provision amounting to € 13.698,73 regarding suppliers' debit balances.
- Provision amounting to € 2.299.871,94 € concerning the payment of damages arising from accidents.

Provision movement has as follows:

	Provisions for Legal cases	Provisions D.E.H.	Provisions O.A.S.A.	Allowance for doubtful accounts receivable	Provisions For Accidents	Total
Book value at 1/1/2017	4.891.449,38	106.765,56	-	-	-	4.998.214,94
Additional provision	532.723,18	-	-	13.698,73	2.574.627,39	3.121.049,30
Provision reversal	-	-	-	-	-	-
Book value at 31/12/2017	5.424.172,56	106.765,56	-	13.698,73	2.574.627,39	8.119.264,24
Additional provision	2.962.838,31	-	-	-	-	2.962.838,31
Provision reversal	-	-	-	-	(274.755,45)	(274.755,45)
Book value at 31/12/2018	8.387.010,87	106.765,56	-	13.698,73	2.299.871,94	10.807.347,10

13 Financial liabilities

An analysis of the Company's Financial liabilities is as follows:

<i>Amounts in € ' </i>	Note	31/12/2018	31/12/2017
Financial liabilities at amortized cost	13.1	60.229.051,31	25.712.531,42
Total		60.229.051,31	25.712.531,42

13.1 Financial liabilities valued in amortized cost

The category includes:

<i>Amounts in € ' </i>	Note	31/12/2018	31/12/2017
Other long term liabilities	13.1.2	70.000,00	70.000,00
Suppliers and other related liabilities	13.1.1	60.159.051,31	25.642.531,42
Total		60.229.051,31	25.712.531,42

13.1.1 Current trade payables

The suppliers' balances are analyzed as follows:

<i>Amounts in € ' </i>	31/12/2018	31/12/2017
Liabilities to Greek State	56.780.528,59	23.494.364,10
Domestic suppliers	3.092.785,80	2.133.677,79
Foreign suppliers	212.976,13	250,02
Liabilities form international transportation fees	72.760,79	14.239,51
Total liabilities	60.159.051,31	25.642.531,42

Liabilities to the Greek State as of December 31st 2018 amount to € 56.780.528,59 (€ 23.494.364,10 in December 31st 2017), and includes mainly liabilities towards OSE S.A, GAIAOSE S.A and EESSTY S.A. The increase of such liability is mostly attributable to the fact that the Company has not proceed with payments to its major suppliers. The Company estimates that the above mentioned payment will take place within the 1st Quarter of business year 2019, following the collection of a large amount of the receivables from the Greek State.

The Company's short term liabilities due to foreign railway networks bear interest for overdue payment delays (note 18).

13.1.2 Other non-current liabilities

A breakdown of other non-current liabilities is as follows:

<i>Amounts in € ' </i>	31/12/2018	31/12/2017
Guaranties from customers of merchandise sector	70.000,00	70.000,00
Total other long-term Liabilities	70.000,00	70.000,00

14 Other current liabilities

Other current liabilities are analyzed as follows:

Amount in € ' 	31/12/2018	31/12/2017
Other current liabilities	2.986.816,66	652.235,28
Social security payable	1.508.470,02	376.213,45
Other taxes & duties(excluded income tax and VAT)	1.334.950,53	1.321.465,20
Customer prepayments	196.277,70	51.332,77
Income Taxes	309.672,55	1.485.270,00
Total	6.336.187,47	3.886.516,70
Less: Provision for write off	1.238.318,30	1.238.318,30
Total liabilities	7.574.505,77	5.124.835,00

Other current liabilities do not bear interest and usually are settled within the next fiscal year. It is noted that the Company has no overdue liabilities.

Other current liabilities appear increased compared to prior year due to the following facts:

- Invoices concerning Maintenance of rolling stock have not been issued yet. It is estimated that they will be issued within 1st quarter 2019,
- Invoices concerning Rent of exchange of rolling stock have not been issued yet. It is estimated that they will be issued within 1st quarter 2019,
- Accrued expenses concerning the cost of employees for Salary payroll 2018, Christmas bonus as well as Vacation bonus.

According to article 46 of Law 4172/23.07.2013 and Circular POL.1044/10.02.2015, the legal entities which are entirely owned, directly or indirectly, by HRADF (Hellenic Republic Asset Development Fund) in line with paragraph 13 of article 2 of Law 3986/2011, are exempted from corporate income tax.

As such, as regards fiscal year 2017, the Company is tax exempted from corporate income tax for the period until 13.9.2017, i.e. until the privatization date, as confirmed with Public Revenues Authority's document with Protocol No ΔΕΑΦ Β 1024792 ΕΞ 2018 / 13.2.2018. Based on said decision it is stipulated that as of 14.9.2017 and onwards, the Company will be taxed on its income under the general corporate income tax provisions based on the articles 45, 47 and subsequent thereof Law 4172/2013 (Income Tax Code).

The Company has estimated the taxable income for the period 01/01/2018 – 31/12/2018, resulting to Current Tax expense of € 309.672,55 (Note 19).

15 Revenue

The Company's revenue includes:

<i>Amounts in € ' </i>	1/1 - 31/12/2018	1/1 - 31/12/2017
Revenues from passengers transportation	33.248.698,76	32.956.469,34
Revenues from passengers transportation (Suburban)	15.624.012,44	12.531.796,29
Revenues from merchandise transportation	13.429.821,91	13.477.268,62
Revenues from transportation with busses	1.570.758,47	1.134.986,87
Revenue from PSO (Public service Obligation)	50.000.000,00	50.000.000,00
Total	113.873.291,58	110.100.521,12

On June 15th 2011 the contract agreement for Public Service Obligation was signed between the Greek State and TRAINOSE SA, during which Services of Public Economic Interest took place, with the purpose of financing the Company's deficit services and more specifically with the purpose of financing deficit routes. In particular, with the aforementioned agreement TRAINOSE undertook the commitment of providing services passenger railway transport in exchange with compensation, which according to the paragraph 3 of the aforementioned agreement did not exceed the amount of € 50.000.000,00 annually for the years 2011, 2012 και 2013, according to the article 12 of law N. 3891/2010. The agreement was extended by the 4337/2015 law, until 31.12.2015. On 17.12.2015, new contract agreement was signed between Greek state and TRAINOSE SA. Provided services, routes which are covered by the agreement, the method of compensating TRAINOSE SA, the agreement's execution tracking mode, control measures and every other relevant point, are defined by this contract agreement. The total compensation amount which TRAINOSE SA can receive from the Greek State for providing these services (Public Service Obligation) cannot exceed the amount of (50.000.000) euros annually for the period from 2016to 2020.

After 2020, providing that PSO railway transportation services, are assigned on P.A.E.M (Passenger Transportation Regulatory Authority) through a contest procedure, according to article 5 of regulation 1370/2007 through more PSO contract agreements which are limited in a specific geographical region or a specific route. The object of the particular PSO agreements is refined by P.A.E.M. (Passenger Transportation Regulatory Authority, taking into accounts the regional passenger needs and the need of securing a railway transportation between certain areas. All of the above were regulated by par. 2^a article 17 of 4337/2015 regulation, according to which (7^a art 12 of N. 3891/2010) is coded.

On 05.08.2017 the modification of the Public Service Obligation was signed between the Greek State and Company, clarifying the terms of the initial agreement. Specifically, the expenses that are recognized for subsidized routes are defined, as well as other technical issues regarding the agreements application.

16 Expense breakdown per category

Operating expenses as included in the Company's comprehensive income are analyzed as follows:

<i>Amounts in € ' </i>	1/1 - 31/12/2018				Total
	Cost of sales	Administrative expenses	Distribution expenses	Other extraordinary expenses	
Personnel cost	26.077.059,91	1.719.366,59	859.683,29	0,00	28.656.109,79
Raw materials, consumables and supplies (Fuel)	16.616.410,50	0,00	0,00	0,00	16.616.410,50
Maintenance of rolling stock	24.344.671,54	0,00	0,00	0,00	24.344.671,54
Network utilization duties	15.593.976,19	0,00	0,00	0,00	15.593.976,19
Rent of rolling stock	13.595.073,00	0,00	0,00	0,00	13.595.073,00
Cleaning of rolling stock	1.110.901,83	73.246,27	36.623,14	0,00	1.220.771,24
Electricity	4.333.375,32	0,00	0,00	0,00	4.333.375,32
Rent of buildings	253.793,45	16.733,63	8.366,82	0,00	278.893,90
Rent of means of transport	569.793,48	37.568,80	18.784,40	0,00	626.146,68
Rent of exchange of rolling stock	1.614.559,41	106.454,47	53.227,23	0,00	1.774.241,11
Other expenses	9.246.075,42	609.631,35	304.815,67	0,00	10.160.522,44
Other extraordinary expenses	0,00	0,00	0,00	2.597.961,17	2.597.961,17
Total	113.355.690,05	2.563.001,11	1.281.500,55	2.597.961,17	119.798.152,88
Depreciations	310.019,17	20.440,82	10.220,41	0,00	340.680,41
Provisions	4.314.147,15	284.449,26	142.224,63	0,00	4.740.821,04
Total	117.979.856,37	2.867.891,20	1.433.945,60	2.597.961,17	124.879.654,33

<i>Amounts in € ' </i>	1/1 - 31/12/2017				Total
	Cost of sales	Administrative expenses	Distribution expenses	Other extraordinary expenses	
Personnel cost	23.590.818,68	1.555.438,59	777.719,30	0,00	25.923.976,57
Raw materials, consumables and supplies (Fuel)	17.109.344,80	0,00	0,00	0,00	17.109.344,80
Maintenance of rolling stock	27.026.280,10	0,00	0,00	0,00	27.026.280,10
Network utilization duties	14.354.049,00	0,00	0,00	0,00	14.354.049,00
Rent of rolling stock	16.776.230,86	0,00	0,00	0,00	16.776.230,86
Cleaning of rolling stock	1.436.589,39	94.720,18	47.360,09	0,00	1.578.669,66
Electricity	3.830.723,77	0,00	0,00	0,00	3.830.723,77
Rent of buildings	270.654,95	17.845,38	8.922,69	0,00	297.423,02
Rent of means of transport	811.937,47	53.534,34	26.767,17	0,00	892.238,98
Rent of exchange of rolling stock	2.260.417,60	149.038,52	74.519,26	0,00	2.483.975,39
Other expenses	7.158.415,99	471.983,47	235.991,74	0,00	7.866.391,20
Other extraordinary expenses	0,00	0,00	0,00	1.461.885,35	1.461.885,35
Total	114.625.462,62	2.342.560,49	1.171.280,24	1.461.885,35	119.601.188,70
Depreciations	256.689,95	16.924,61	8.462,31	0,00	282.076,87
Provisions	3.359.678,43	221.517,26	110.758,63	0,00	3.691.954,32
Total	118.241.831,00	2.581.002,36	1.290.501,18	1.461.885,35	123.575.219,89

The analysis of Other expenses is as follows:

<i>Amounts in € ' </i>	1/1 - 31/12/2018	1/1 - 31/12/2017
Third party fees for borrowed staff	354.845,40	307.333,88
Insurance premiums	481.331,97	641.646,95
Other expenses OSE S.A.	99.463,76	101.812,24
Third party fees	2.313.360,62	2.391.698,81
Commissions	2.300.926,59	1.856.543,52
Other third party fees	2.159.224,09	1.434.777,43
Taxes & Duties	390.697,22	243.862,80
Other expenses	2.060.672,79	888.715,57
Total	10.160.522,44	7.866.391,20

Commissions are increased due to the amendment of contracts between TRAI NOSE S.A. and the agents as well as the application of the new labor legislation.

Other third party fees are increased mainly due to the increase of water supply billing as well as the increase of staff training costs.

The increase of other expenses is mainly due to the fact that in the year 2018 the company:

- proceeded to ticket printing,
- proceeded to purchase of stationery and other office supplies.

The expenses which were recognized for personnel benefits break down as follows:

<i>Amounts in € ' </i>	1/1 - 31/12/2018	1/1 - 31/12/2017
Wages, salaries & benefits	22.379.569,37	19.583.754,43
Social security expenses	5.572.455,02	5.296.780,22
Other employee benefits	445.784,17	958.319,50
Staff dismissal or retirement indemnities	258.301,23	85.122,42
Total	28.656.109,79	25.923.976,57

The increase of Wages, salaries & benefits is due to the fact that TRAI NOSE S.A. in 2018, has calculated Easter Bonus, Christmas bonus as well as Vacation bonus.

The personnel number for the last two years is as follows:

	31/12/2018	31/12/2017
Total number of employees	659	637
Total	659	637

17 Other income and expenses

<i>Amounts in € ' </i>	1/1 - 31/12/2018	1/1 - 31/12/2017
Income from other services	1.885.839,97	7.509.500,02
Other extraordinary and non-operating income	1.004.809,29	3.504.469,88
Total	2.890.649,26	11.013.969,90

The decrease in Other Income is due to the fact that the company in business year 2017, contrary to the business year 2018, proceeded to the following charges:

- Charges related to a specific type of maintenance of rolling stock (period 1/1/2017 - 13/9/2017) amounting € 5.101.333,33, which has already been paid by TRAINOSE SA to EESSY SA,
- Charges related to the costing of services of the "Car Service" Department (period 1/1/2017 - 31/12/2017) amounting € 482.080,15.

In business year 2017, Other extraordinary and non-operating income includes mainly an insurance compensation amounting to € 2.9 million.

Other operating expenses are analyzed as follows:

<i>Amounts in € ' </i>	1/1 - 31/12/2018	1/1 - 31/12/2017
Payroll expenses from previous period	216.496,48	164.476,94
Other expenses from previous periods	923.193,71	705.380,67
Other extraordinary and non-operating expenses	1.153.771,89	564.323,16
Interest in arrears and extraordinary expenses	140.356,34	-
Tax penalties and surcharges	164.142,75	27.704,58
Total	2.597.961,17	1.461.885,35

The increase of other operating expenses is due to the retrospective settlement of the Network utilization duties for the business year 2017 as well as to the large increase in freights' compensations for the business year 2018.

18 Financial Expenses & Revenues

Financial expenses include:

<i>Amounts in € ' </i>	1/1 - 31/12/2018	1/1 - 31/12/2017
Interests and expenses on short-term liabilities	2.364,26	3.233,85
Other financial expenses	187.060,71	153.467,48
Total	189.424,97	156.701,33

Interests and expenses on short-term liabilities include interest charges for overdue payment of liabilities to foreign networks.

The other financial expenses are increased due to bank charges.

Financial revenues are analyzed as follows:

<i>Amounts in € ' </i>	1/1 - 31/12/2018	1/1 - 31/12/2017
Interests on cash at banks	976.351,26	1.150.168,65
Total	976.351,26	1.150.168,65

19 Income Taxes

According to article 46 of Law 4172/23.07.2013 and Circular POL.1044/10.02.2015, the legal entities which are entirely owned, directly or indirectly, by HRADF (Hellenic Republic Asset Development Fund) in line with paragraph 13 of article 2 of Law 3986/2011, are exempted from corporate income tax.

As such, as regards fiscal year 2017, the Company is tax exempted from corporate income tax for the period until 13.9.2017, i.e. until the privatization date, as confirmed with Public Revenues Authority's document with Protocol No ΔΕΑΦ Β 1024792 ΕΞ 2018 / 13.2.2018. Based on said decision it is stipulated that as of 14.9.2017 and onwards, the Company will be taxed on its income under the general corporate income tax provisions based on the articles 45, 47 and subsequent thereof Law 4172/2013 (Income Tax Code).

The Company has estimated the taxable income for the period 01/01/2018 – 31/12/2018 resulting to Current Tax expense of € 309.672,55 while increase of Deferred Tax Asset of € 657.844,29 has been recognized for the provision formed for the Staff Leaving Indemnity and for provisions.

Given that the Company for prior years has been tax exempted, no deferred tax has been recognized. Taking into account the transition to a taxable regime under the general tax provisions within fiscal year 2017, the Company has recognized deferred tax asset amounting 751.000 €. Deferred taxes are calculated on all temporary tax differences between the accounting and tax base of assets and liabilities. Deferred taxes are calculated using the tax rates that are expected to be applied in the future. In light of the above, the estimated Income Tax gain for the period 01/01/2018 – 31/12/2018 amounts to € 348.171,74.

It is worth mentioning that within Q.3 2014, the tax audit was completed by K.E.M.EP. (Center for Large Corporations Audit) for the unaudited fiscal years 2007 – 2011. No additional taxes and surcharges relevant to the income tax were imposed.

The Company for the fiscal years 2012 and 2013 has been subject to tax audit from the regular Certified Auditor Accountants as dictated by article 82 par. 5 Law 2238/ 1994, and for the fiscal years 2014, 2015, 2016 and 2017 as dictated by article 65 α Ν. 4174/ 2013. The Company has received Tax Compliance Certificates: for fiscal years 2012 – 2014 with qualification, for year 2015 without qualification and for year 2016 & 2017 with emphasis of matters while the audit for the year 2018 is in progress. Upon completion of the audit, the Company's Management does not expect to incur significant liabilities, other than those recorded and presented in the Financial Statements.

For income tax purposes, fiscal years as of 2012 and onwards are considered as settled, under the general stature of limitation income tax provisions, upon the elapse of six years, unless specific tax violations are detected from the tax authorities; in such case the respective statute of limitation is extended.

The Income tax rate due to business activity in Greece, for the year 2018 is 29%. According to article 23 of L.4579 / 2018 the Income tax rates from the business activity of legal entities, are gradually reduced by 1% per year, as 28% for the tax year 2019, 27% for the fiscal year 2020, 26% for the tax year 2021 and 25% for the tax year 2022 and hereafter.

	01/01/2018– 31/12/2018	14/09/2017 – 31/12/2017
Current Income Tax (Expense/(gain))	309.672,55	1.485.270,00
Deferred Tax Asset:		
Provision for Staff Leaving Indemnity	(38.499,19)	(751.000)
Provisions for doubtful debts and legal cases	(619.345,10)	0,00
Total Deferred Tax Asset	(657.844,29)	(751.000)
Total Income Tax (expense/(gain))	(348.171,74)	734.270,00

	01/01/2018– 31/12/2018	14/09/2017 – 31/12/2017
Profit / (Loss) before Income Tax	(7.328.787)	2.478.805
Current Income Tax	(2.125.348)	718.854
Income Tax for non-deductible expenses	2.435.020	766.416
Deferred Tax Asset	(657.844)	(751.000)
Total Income Tax at Income Statement (expense/(gain))	(348.172)	734.270

	01/01/2018– 31/12/2018	14/09/2017 – 31/12/2017
Opening Balance:	751.000,00	0,00
Provision for Staff Leaving Indemnity (IFRS 19)	38.499,19	751.000,00
Provisions for doubtful debts and legal cases	619.345,10	0,00
Total	1.408.844,29	751.000,00

20 Annual financial statements segmented per activity

As dictated by paragraph 1 of the article 8 of the (Presidential Order) π.δ. 41/2005 as it was replaced by par. 1 article 41 of 3891/2010 law, the Company is obliged to keep and publish separate profit and loss accounts, as well as balance sheets or annual asset and liability statements for activities relevant to passenger and cargo transportation services.

Below are presented separated in terms of accounting financial statements of the Company for the period 1/1/2018 until 31/12/2018, as it is dictated by the 5.8.2017 amendment of P.S.O agreement between the Greek State and TRAINOSES.A.

On 05.08.2017 the modification of the Public Service Obligation was signed between the Greek State and Company, clarifying the terms of the initial agreement. Specifically, the expenses that are recognized for subsidized routes are defined, as well as other technical issues regarding the agreements application.

Segment analysis of Statement of Financial Position (1/1-31/12/2018)

<i>Amounts in € ' </i>	Total	Passengers	Merchandise	Busses	INCOME-EXPENSE FROM INTERNAL TRANSPORTATION	Other expenses OSE
ASSETS						
Non - current assets						
Property, plant and equipment	653.842,60	540.945,41	94.930,59	17.966,60	0,00	0,00
Intangible Assets	413.770,65	342.326,03	60.074,85	11.369,77	0,00	0,00
Other non – current assets	883.636,67	731.061,60	128.294,11	24.280,96	0,00	0,00
Deferred tax asset	1.408.844,29	1.155.954,85	209.791,00	43.098,43	0,00	0,00
Total non – current asset	3.360.094,21	2.770.287,89	493.090,56	96.715,77	0,00	0,00
Current assets						
Inventories	1.300.944,88	868.806,47	374.565,60	45.339,14	12.233,67	0,00
Current trade receivables	3.188.162,35	997.589,78	2.200.343,65	(2.273,41)	(7.497,67)	0,00
Reclassification of receivables/liabilities	0,00	(4.625.963,59)	0,00	(48.376,91)	4.674.340,50	0,00
Other current assets	71.927.677,05	63.187.088,05	6.987.220,58	1.681.117,50	72.250,93	0,00
Cash and cash equivalents	27.806.555,94	0,00	3.170.927,67	0,00	24.630.915,89	0,00
Total current assets	104.223.340,22	60.427.520,70	12.733.057,49	1.680.518,71	29.382.243,31	0,00
TOTAL ASSETS	107.583.434,43	63.197.808,59	13.226.148,05	1.777.234,48	29.382.243,31	0,00
EQUITY AND LIABILITIES						
Share capital	34.406.509,10	30.348.547,17	3.952.538,73	105.423,20	0,00	0,00
Reserves	13.094,15	11.549,80	1.504,23	40,12	0,00	0,00
Special reserve N.3891/2010	0,00	0,00	0,00	0,00	0,00	0,00
Profits (losses) carried forward	(8.169.484,00)	(34.274.052,86)	(1.908.824,13)	(471.364,49)	29.349.571,76	(864.814,29)
Total Equity	26.250.119,25	(3.913.955,90)	2.045.218,84	(365.901,16)	29.349.571,76	(864.814,29)
Non – current liabilities						
Severance pay and other employee benefits	2.722.411,00	2.252.339,91	395.263,47	74.807,62	0,00	0,00
Provisions for risks and charges	10.807.347,10	8.867.413,82	1.609.322,07	330.611,21	0,00	0,00
Other non – current assets	70.000,00	0,00	70.000,00	0,00	0,00	0,00
Total non – current liabilities	13.599.758,10	11.119.753,73	2.074.585,54	405.418,83	0,00	0,00
Current liabilities						
Current trade payables	60.159.051,31	51.299.723,97	7.397.233,08	1.462.094,26	0,00	0,00
Other current liabilities	7.574.505,77	4.692.286,79	1.709.110,58	275.622,55	32.671,55	864.814,29
Total current liabilities	67.733.557,08	55.992.010,76	9.106.343,67	1.737.716,82	32.671,55	864.814,29
Total liabilities	81.333.315,18	67.111.764,49	11.180.929,21	2.143.135,64	32.671,55	864.814,29
TOTAL LIABILITIES AND EQUITY	107.583.434,43	63.197.808,59	13.226.148,05	1.777.234,48	29.382.243,31	0,00

Segment analysis of Statement of Financial Position (1/1-31/12/2017)

<i>Amounts in € ' </i>	Total	Passengers	Merchandise	Busses	INCOME-EXPENSE FROM INTERNAL TRANSPORTATION	Other expenses OSE
ASSETS						
Non - current assets						
Property ,plant and equipment	455.537,15	373.611,36	65.424,74	16.501,06	0,00	0,00
Intangible Assets	217.606,42	179.917,00	31.506,06	6.183,36	0,00	0,00
Other non – current assets	156.242,52	128.275,02	23.131,91	4.835,60	0,00	0,00
Deferred tax asset	751.000,00	616.570,55	111.186,53	23.242,92	0,00	0,00
Total non – current asset	1.580.386,09	1.298.373,93	231.249,23	50.762,93	0,00	0,00
Current assets						
Inventories	1.407.345,35	963.266,68	388.688,80	42.732,41	12.657,47	0,00
Current trade receivables	5.011.764,16	1.004.878,48	4.009.224,87	(2.339,19)	0,00	0,00
Reclassification of receivables/liabilities	0,00	3.684.922,96	0,00	(3.684.922,96)	0,00	0,00
Other current assets	37.223.531,73	34.785.946,76	2.076.087,60	292.686,02	68.811,35	0,00
Cash and cash equivalents	29.778.210,97	1.713.156,59	2.078.027,15	0,00	25.850.922,48	0,00
Total current assets	73.420.852,21	42.152.171,46	8.552.028,42	(3.215.738,98)	25.932.391,30	0,00
TOTAL ASSETS	75.001.238,30	43.450.545,39	8.783.277,65	(3.164.976,05)	25.932.391,30	0,00
EQUITY AND LIABILITIES						
Share capital	213.043.400,00	187.916.700,73	24.473.924,04	652.775,24	0,00	0,00
Reserves	13.094,15	11.549,80	1.504,23	40,12	0,00	0,00
Special reserve N.3891/2010	692.161.809,26	0,00	0,00	0,00	0,00	692.161.809,26
Profits (losses) carried forward	(871.546.116,78)	(176.986.758,50)	(22.273.077,12)	(5.163.371,33)	25.903.713,72	(693.026.623,55)
Total Equity	33.672.186,63	10.941.492,02	2.202.351,15	(4.510.555,97)	25.903.713,71	(864.814,29)
Non – current liabilities						
Severance pay and other employee benefits	2.372.421,00	1.961.517,82	343.490,05	67.413,14	0,00	0,00
Provisions for risks and charges	8.119.264,24	6.656.112,75	1.207.585,66	255.565,83	0,00	0,00
Other non – current assets	70.000,00	0,00	70.000,00	0,00	0,00	0,00
Total non – current liabilities	10.561.685,24	8.617.630,57	1.621.075,71	322.978,96	0,00	0,00
Current liabilities						
Current trade payables	25.642.531,42	21.158.761,58	3.719.323,07	764.446,77	0,00	0,00
Other current liabilities	5.124.835,01	2.732.661,22	1.240.527,73	258.154,19	28.677,59	864.814,29
Total current liabilities	30.767.366,43	23.891.422,80	4.959.850,79	1.022.600,96	28.677,59	864.814,29
Total liabilities	41.329.051,67	32.509.053,37	6.580.926,50	1.345.579,92	28.677,59	864.814,29
TOTAL LIABILITIES AND EQUITY	75.001.238,30	43.450.545,39	8.783.277,65	(3.164.976,05)	25.932.391,30	0,00

Segment analysis of Statement of Total Income (1/1-30/09/2018) according to PSO Agreement

Amounts in €

INCOME	TOTAL	PASSENGERS PSO	MERCHANDISE	OTHER	% Allocation Passengers	% Allocation Merchandise	% Allocation Other expenses
REVENUE	47.625.860,05	35.713.021,83	10.443.732,50	1.469.105,72			
INCOME FROM P.S.O.	37.500.000,00	37.500.000,00	0,00	0,00			
OTHER OPERATING INCOME	2.091.832,07	40.576,48	201.898,65	1.849.356,94			
INTEREST INCOME	695.828,30	0,00	0,00	695.828,30			
TOTAL INCOME	87.913.520,42	73.253.598,31	10.645.631,15	4.014.290,96			
EXPENSES							
PERSONNEL COST	(20.541.728,51)	(18.117.804,55)	(1.663.880,01)	(760.043,95)	88.20%	8.10%	3.70%
THIRD PARTIES PAYMENTS FOR BORROWEDSTAFF	(230.500,41)	(179.513,72)	(42.181,58)	(8.805,12)	77.88%	18.30%	3.82%
FUEL	(12.422.542,37)	(10.946.744,34)	(1.267.099,32)	(208.698,71)	88.12%	10.20%	1.68%
MAINTANCE OF ROLLING STOCK	(17.600.000,00)	(16.628.480,00)	(968.000,00)	(3.520,00)	94.48%	5.50%	0.02%
NETWORK USAGE FEES	(10.765.536,75)	(10.235.872,34)	(527.511,30)	(2.153,11)	95.08%	4.90%	0.02%
RENTOFROLLING STOCK	(10.196.304,75)	(8.691.330,17)	(1.504.974,58)	0,00	85.24%	14.76%	0.00%
CLEANING OF ROLLING STOCK	(932.475,03)	(726.211,55)	(170.642,93)	(35.620,55)	77.88%	18.30%	3.82%
ELECTRICAL POWER PULL	(2.882.654,24)	(2.381.937,20)	(500.717,04)	0,00	82.63%	17.37%	0.00%
BULDINGS RENTALS	(209.518,62)	(163.173,10)	(38.341,91)	(8.003,61)	77.88%	18.30%	3.82%
RENTALS FOR TRANSPORTATION MEANS	(446.803,87)	(347.970,85)	(81.765,11)	(17.067,91)	77.88%	18.30%	3.82%
RENTALS FROM EXCHANGE OF ROLLING STOCK	(1.592.254,60)	(1.240.047,88)	(291.382,59)	(60.824,13)	77.88%	18.30%	3.82%
INSURANCE PREMIUM	(375.667,44)	(292.569,80)	(68.747,14)	(14.350,50)	77.88%	18.30%	3.82%
OTHER EXPENSES –OSE	(75.776,69)	(59.014,89)	(13.867,13)	(2.894,67)	77.88%	18.30%	3.82%
OTHER EXPENSES	(1.007.893,86)	(784.947,74)	(184.444,58)	(38.501,55)	77.88%	18.30%	3.82%
THIRD PARTY FEES (CODE 61)	(1.718.652,16)	(1.338.486,30)	(314.513,35)	(65.652,51)	77.88%	18.30%	3.82%
COMMISSIONS (CODE 61.02)	(1.632.359,72)	(1.271.281,75)	(298.721,83)	(62.356,14)	77.88%	18.30%	3.82%
THIRD PARTY SERVICES (CODE 62)	(983.735,54)	(766.133,24)	(180.023,60)	(37.578,70)	77.88%	18.30%	3.82%
TAX&DUTIES (CODE 63)	(292.273,11)	(227.622,30)	(53.485,98)	(11.164,83)	77.88%	18.30%	3.82%
OTHER EXPENSES (CODE 64)	(1.593.402,67)	(1.240.942,00)	(291.592,69)	(60.867,98)	77.88%	18.30%	3.82%
INTERESTS AND RELATED EXPENSES	(139.773,91)	(108.855,92)	(25.578,63)	(5.339,36)	77.88%	18.30%	3.82%
DEPRECIATION	(211.557,65)	(164.761,10)	(38.715,05)	(8.081,50)	77.88%	18.30%	3.82%
PROVISIONS	(2.553.102,29)	(1.988.356,06)	(467.217,72)	(97.528,51)	77.88%	18.30%	3.82%
TOTAL EXPENSES	(88.404.514,19)	(77.902.056,80)	(8.993.404,06)	(1.509.053,33)			
PROFIT/ (LOSS) BEFORE TAX	(490.993,77)	(4.648.458,49)	1.652.227,09	2.505.237,63			
INCOME TAXES	(1.124.057,17)	(875.415,72)	(205.702,46)	(42.938,98)			
PROFIT/ (LOSS) AFTER TAX	(1.615.050,94)	(5.523.874,21)	1.446.524,63	2.462.298,65			

Until 30/09/2018 the Segment analysis of Statement of Total Income was calculated according to PSO Agreement. Since 01.10.2018 the Segment analysis of Statement of Total Income was calculated based on a cost analysis composed by TRAINOSE S.A.

Segment analysis of Statement of Total Income (1/10-31/12/2018)

Amounts in €

INCOME	TOTAL	PASSENGERS	MERCHANDISE	OTHER
REVENUE	16.247.431,53	12.817.157,76	2.986.089,41	444.184,35
INCOME FROM P.S.O.	12.500.000,00	12.500.000,00	0,00	0,00
OTHER OPERATING INCOME	431.931,81	21.583,43	125.419,35	284.929,03
OTHER INCOME	366.885,38	12.435,34	623,74	353.826,31
INTEREST INCOME	280.522,96	0,00	0,00	280.522,96
TOTAL INCOME	29.826.771,68	25.351.176,53	3.112.132,50	1.363.462,65
EXPENSES				
PERSONNEL COST	(8.299.424,28)	(6.881.073,09)	(1.212.193,91)	(206.157,28)
THIRD PARTIES PAYMENTS FOR BORROWEDSTAFF	(124.344,99)	(73.321,04)	(51.023,95)	0,00
FUEL	(4.193.868,13)	(3.105.467,65)	(956.804,14)	(131.596,34)
MAINTANCE OF ROLLING STOCK	(6.744.671,54)	(5.425.663,22)	(1.319.008,33)	0,00
NETWORK USAGE FEES	(4.828.439,44)	(4.394.213,26)	(434.226,18)	0,00
RENTOFROLLING STOCK	(3.398.768,25)	(2.508.047,30)	(890.720,95)	0,00
CLEANING OF ROLLING STOCK	(288.296,21)	(288.296,21)	0,00	0,00
ELECTRICAL POWER PULL	(1.450.721,08)	(1.349.408,30)	(101.312,78)	0,00
BULDINGS RENTALS	(69.375,28)	(57.212,70)	(10.299,55)	(1.863,04)
RENTALS FOR TRANSPORTATION MEANS	(179.342,81)	(147.769,76)	(26.639,56)	(4.933,49)
RENTALS FROM EXCHANGE OF ROLLING STOCK	(181.986,51)	0,00	(181.986,51)	0,00
INSURANCE PREMIUM	(105.664,53)	(87.218,24)	(15.678,70)	(2.767,59)
OTHER EXPENSES –OSE	(23.687,07)	(19.540,23)	(3.515,98)	(630,86)
OTHER EXPENSES	(1.590.067,31)	(486.103,40)	(85.641,55)	(1.018.322,36)
THIRD PARTY FEES (CODE 61)	(594.708,46)	(420.266,30)	(160.761,56)	(13.680,61)
COMMISSIONS (CODE 61.02)	(668.566,87)	(668.566,87)	0,00	0,00
THIRD PARTY SERVICES (CODE 62)	(1.175.488,55)	(966.001,38)	(174.767,21)	(34.719,96)
TAX&DUTIES (CODE 63)	(98.424,11)	(81.161,91)	(14.612,91)	(2.649,28)
OTHER EXPENSES (CODE 64)	(467.270,12)	(338.329,54)	(60.797,71)	(68.142,87)
INTERESTS AND RELATED EXPENSES	(49.651,06)	(40.944,18)	(7.362,86)	(1.344,01)
DEPRECIATION	(129.122,76)	(106.238,25)	(19.196,24)	(3.688,27)
PROVISIONS	(2.002.675,75)	(1.646.731,11)	(297.839,16)	(58.105,48)
TOTAL EXPENSES	(36.664.565,11)	(29.091.573,93)	(6.024.389,74)	(1.548.601,44)
PROFIT/ (LOSS) BEFORE TAX	(6.837.793,43)	(3.740.397,40)	(2.912.257,24)	(185.138,79)
INCOME TAXES	1.472.228,91	805.335,99	627.031,12	39.861,79
PROFIT/ (LOSS) AFTER TAX	(5.365.564,53)	(2.935.061,41)	(2.285.226,12)	(145.277,00)

Since 01.10.2018 the Segment analysis of Statement of Total Income was calculated based on a cost analysis composed by TRAINOSE S.A.

Segment analysis of Statement of Total Income (1/1-31/12/2017)

INCOME					% Allocation Passengers	% Allocation Merchandise	% Allocation Other expenses
	TOTAL	PASSANGERS PSO	MERCHANDISE	OTHER			
REVENUE	60.100.521,12	45.260.321,97	13.477.268,62	1.362.930,52			
INCOME FROM P.S.O.	50.000.000,00	50.000.000,00	0,00	0,00			
OTHER OPERATING INCOME	11.013.969,90	6.534.019,90	1.641.938,76	2.838.011,24			
INTEREST INCOME	1.150.168,65	0,00	0,00	1.150.168,65			
TOTAL INCOME	122.264.659,67	101.794.341,87	15.119.207,38	5.351.110,41			
EXPENSES							
PERSONNEL COST	(26.118.518,55)	(23.036.533,36)	(2.115.600,00)	(966.385,19)	88,20%	8,10%	3,70%
THIRD PARTIES PAYMENTS FOR BORROWEDSTAFF	(307.333,88)	(239.351,63)	(56.242,10)	(11.740,15)	77,88%	18,30%	3,82%
FUEL	(17.109.344,80)	(15.076.754,64)	(1.745.153,17)	(287.436,99)	88,12%	10,20%	1,68%
MAINTANCE OF ROLLING STOCK	(27.026.280,10)	(25.534.429,44)	(1.486.445,41)	(5.405,26)	94,48%	5,50%	0,02%
NETWORK USAGE FEES	(14.354.049,00)	(13.647.829,79)	(703.348,40)	(2.870,81)	95,08%	4,90%	0,02%
RENTOFOF ROLLING STOCK	(16.776.230,86)	(14.300.059,19)	(2.476.171,68)	0,00	85,24%	14,76%	0,00%
CLEANING OF ROLLING STOCK	(1.578.669,66)	(1.229.467,93)	(288.896,55)	(60.305,18)	77,88%	18,30%	3,82%
ELECTRICAL POWER PULL	(3.830.723,77)	(3.165.327,05)	(665.396,72)	0,00	82,63%	17,37%	0,00%
BULDINGS RENTALS	(297.423,02)	(231.633,05)	(54.428,41)	(11.361,56)	77,88%	18,30%	3,82%
RENTALS FOR TRANSPORTATION MEANS	(892.238,98)	(694.875,72)	(163.279,73)	(34.083,53)	77,88%	18,30%	3,82%
RENTALS FROM EXCHANGE OF ROLLING STOCK	(2.483.975,39)	(1.934.520,03)	(454.567,50)	(94.887,86)	77,88%	18,30%	3,82%
INSURANCE PREMIUM	(641.646,95)	(499.714,64)	(117.421,39)	(24.510,91)	77,88%	18,30%	3,82%
OTHER EXPENSES –OSE	(101.812,24)	(79.291,37)	(18.631,64)	(3.889,23)	77,88%	18,30%	3,82%
OTHER EXPENSES	(1.461.885,35)	(1.138.516,31)	(267.525,02)	(55.844,02)	77,88%	18,30%	3,82%
THIRD PARTY FEES (CODE 61)	(2.391.698,81)	(1.862.655,03)	(437.680,88)	(91.362,89)	77,88%	18,30%	3,82%
COMMISSIONS (CODE 61.02)	(1.856.543,52)	(1.445.876,09)	(339.747,46)	(70.919,96)	77,88%	18,30%	3,82%
THIRD PARTY SERVICES (CODE 62)	(1.434.777,43)	(1.117.404,66)	(262.564,27)	(54.808,50)	77,88%	18,30%	3,82%
TAX&DUTIES (CODE 63)	(243.862,80)	(189.920,35)	(44.626,89)	(9.315,56)	77,88%	18,30%	3,82%
OTHER EXPENSES (CODE 64)	(888.715,57)	(692.131,69)	(162.634,95)	(33.948,93)	77,88%	18,30%	3,82%
INTERESTS AND RELATED EXPENSES	(156.701,33)	(122.039,00)	(28.676,34)	(5.985,99)	77,88%	18,30%	3,82%
DEPRECIATION	(282.076,87)	(219.681,47)	(51.620,07)	(10.775,34)	77,88%	18,30%	3,82%
PROVISIONS	(3.497.412,34)	(2.723.784,73)	(640.026,46)	(133.601,15)	77,88%	18,30%	3,82%
TOTAL EXPENSES	(123.731.921,22)	(109.181.797,17)	(12.580.685,04)	(1.969.439,02)			
PROFIT/ (LOSS) BEFORE TAX	(1.467.261,55)	(7.387.455,29)	2.538.522,34	3.381.671,39			
INCOME TAXES	(734.270,00)	(3.696.946,05)	1.270.367,10	1.692.308,95			
PROFIT/ (LOSS) AFTER TAX	(2.201.531,55)	(11.084.401,34)	3.808.889,44	5.073.980,34			

It is clarified that the above statements provide information as dictated by law v. 3891/2010 and do not have the purpose of covering the requirements of IFRS 8, which the company is not obliged to apply.

21 Risk management policies and procedures

Various financial risks emerge from the Company's activities as it is described below. Company's risk management focuses on the fluctuations of financial markets and its purpose is to minimize their impact on the Company's financial performance.

21.1 Risk deriving from changes in exchange rates.

The Company's activities take place solely in Greece and therefore are not subject to any exchange rates risk.

21.2 Risk deriving from the changes in interest rates

The Company's minor exposure to interest rate change risk is related to its interest-bearing assets, specifically its bank deposits held with primary Greek credit institutions.

21.3 Analysis of credit risk

Company's credit risk is relevant to trade receivables and other receivables. The Company does not face significant credit risks, since its revenues derive mainly from invoicing transportation services to its passengers with immediate receipt of cash (retail) as well as invoicing cargo transports with credit, but only after the deposit of a letter of guarantee by the customer to the bank. (note 24). Its customers' financial statements are constantly monitored by the Company's officials and in cases where delays of payments occur, the Company takes all necessary steps including the involvement of its legal department when deemed necessary.

The Company accounts for bad debt provision which represents its best estimation for losses regarding trade and other receivables, as it is mentioned in notes 6.3 and 7.

Management considered that there is no significant credit risk which is not already addressed and accounted for through a provision for doubtful receivables. The Company's Management believes that the financial assets, represent financial assets of high credit value.

21.4 Analysis of liquidity risk

The Company demonstrates very good relationship between short term receivables and short term liabilities and thus any liquidity risk is almost negligible.

21.5 Working Capital Management

It is the Company's Board of Directors policy to continually monitor on working capital requirements and take the appropriate measures whenever needed.

21.6 Salaries and other fees of Board of Directors members and executives

Salaries and benefits of members and executives of the Board of Directors are as follows:

<i>Amounts in € ' </i>	1/1 - 31/12/2018	1/1 - 31/12/2017
Salaries and fees for members of the BoD	88.611,12	99.331,04
Salaries and fees for Senior Managers	405.520,59	356.973,04
Total	494.131,71	456.304,08

22 Transactions with related parties

22.1 Transactions with related parties

The related parties of TRAINOSE S.A. after 14.09.2017, privatization date, consist of all companies belonging to the Ferrovie dello Stato Italiane group.

The most significant transactions for the business year 2018 are analyzed in the table below:

Purchases/expenses of goods and services for the business year 2018 :

<i>Entity</i>	Amount in €
FERROVIE DELLO STATO ITALIANE S.P.A (MANAGEMENT FEES)	232.672,00
MERCITALIA RAIL (TRANSPORT TRAIN GREECE-ITALIA)	195.954,00
TRENITALIA (MANAGEMENT FEES)	11.228,49
Total	439.854,49

22.2 Related parties balances and commercial activity

Related parties balances as at 31.12.2018:

<i>Entity</i>	Assets/(Liabilities) in €
FERROVIE DELLO STATO ITALIANE S.P.A	(50.000,00)
MERCITALIA RAIL	(97.977,00)
TRENITALIA	0,00
Total	(147.977,00)

23 Commitments

23.1 Commitments from operational leasing

The Company's commitments regarding operational leasing (Rent of buildings) as at 31/12/2018 amount € 31.360,00.

24 Guarantees

On December 31st 2018 the granted guarantees for securing receivables, amount to € 4.439.097,17 (€5.636.190,54 as at 31/12/2017).

25 Mortgages, collaterals, pledges relevant to fixed assets

There are no mortgages, collaterals or pledges on the Company's fixed assets regarding borrowings or loans.

26 Contingent receivables and liabilities

26.1 Contingent liabilities

26.1.1 Unaudited tax years

The Company has been audited for the years 19/12/2005 to 31/12/2011 from the tax authorities.

Additionally, as stipulated by par. 5 of article 82 of the Code of Income Tax (v. 2238/1994), the Company effective from 2011 and afterwards is subject to a tax audit from its statutory auditors with audit offices which are registered in the Public Register of L. 3693/2008 for the issuance of the «Annual Certificate».

26.1.2 Legal Cases

The Company has accounted for the following provision as regards legal cases:

<i>Amounts in € ' </i>	31/12/2018	31/12/2017
Compensation to third parties	27.520.920,31	26.907.172,49
Labor cases	24.203.417,37	21.638.766,85
Merchandise transport (losses)	7.878.803,70	8.170.428,84
Liabilities claims	120.146,40	120.146,40
Contractual claims	3.522.141,54	3.522.141,54
Total	63.245.429,32	60.358.656,12

Concerning the above legal claims, a provision amounting to € 8.387.010,87 has been created and is deemed sufficient (see note 12).

Labor cases appear increased by 2,6 mil €, due to recent court decisions and new collective lawsuits notified to the company.

With regards to other legal cases Management's best estimate is that their outcome will not have a significant effect on the Company's financial position.

26.2 Contingent receivables

There are no contingent receivables which meet the disclosure criteria set by IFRS.

27 Significant events

- **Restructuring, reorganization and development of OSE & TRAINOSE**

On November 4th 2010 the law 3891/2010 was published regarding the restructuring, reorganization and development of the OSE group and TRAINOSE SA. The fundamental provisions of this law are the following:

- **Debt Settlement**

On September 12th 2017 the 45496/2336 Jointed Ministerial Decision was published in the Official Government Gazette between the Ministry of Finance and the Ministry of Transportations and Infrastructure. According to this decision, a debt write off of TRAINOSE's debt to OSESA amounting to six hundred and ninety two million one hundred sixty one thousand eight hundred nine euros and twenty seven cents (692.161.809,27 €) was approved. This amount is directly recognized in the Company's net asset position. The gain which arises for TRAINOSE SA following this debt settlement is not subject to income tax. Furthermore, this settlement does not have any effect on VAT applicable to the relevant invoices issued by OSE during the year in which they were issued. After the aforementioned write off both the Company's net assets and the Company's working capital are positive.

On 31.7.2018, an Extraordinary General Meeting of the Shareholders of the Company TRAINOSE S.A. took place in order to decide upon taking appropriate and corrective measures, pursuant to the provisions of article 47 of law 2190/1920.

Specifically, the measures included the following:

- Off-set of part of the cumulative accounting losses amounting to 871.546.116,78€ with the special reserve of Law 3891/2010 formed upon the debt release of OSE (debt to OSE written-off) amounting to 692.161.809,26€,
- Decrease of the Company's share capital with offset of the remaining accounting losses, by the total amount of 178.636.890,90€

Decrease of the nominal value of the shares by 83,85€ (178.636.890,90€ / 2.130.434 shares) each, so as the total number of shares to remain the same and the share capital of the Company to stand at 34.406.509,10 Euro divided into 2.130.434 registered shares with a nominal value of 16,15 Euro each.

- **Transfer of Rolling Stock**

According to the provisions of Law 3891/2010:

a) In the Article 8 par. 1, the Greek State automatically supersedes the rights and obligations of OSE with the transfer of the rolling stock and (b) in the Article 8 par. 3, from 1.2.2013 until the completion of the transfer of the rolling stock and the relevant contracts to the State, the rental is assigned from OSE to the Greek State automatically and without any other formality.

Effective the relevant Ministerial decisions (Official Gazette B 923 / 14.4.2014) and Φ35 / οικ.62786 / 3165 / 22.10.2015 Government Gazette B 2289 / 22.10.2015) the specifically mentioned rolling stock was transferred from OSE to the Greek State.

According to Law 4425/2016, the said Rolling Stock belongs to the Greek State and is managed by GAIAOSE SA which leases it to TRAINOSE SA until 2016. This contract of lease of rolling stock between TRAINOSE SA and GAIAOSE SA for the years 2014, 2015 & 2016 are in accordance with paragraph 8 of Article 8 of Law 3891/2010 & Law 4425/2016 Chapter D Article 18 as amended.

The new lease of rolling stock between TRAINOSE SA and GAIAOSE SA with the date of signature on 24-6-2016, is in application of the provision of article 10 of par. 4 of Law 3891/2010 as amended. The aforementioned new agreement will have a 5-year term starting from the date of its entry into force on the date of signing of the Protocol of entry into force by the Contracting Parties which will take place on the date of completion of the privatization of the Lessee. The Leasing Company will have the right, within six months before the end of the contractual term, to request in writing the extension of the original term for five years under the same terms.

A new contract among TRAINOSE S.A, EESSTY S.A. and GAIAOSE S.A. has been signed on 13.9.2017 which defines the payments procedures.

- **Invoices charged by OSE S.A. to TRAINOSE S.A. concerning Network usage fees**

With regard to transactions with OSE S.A concerning Network usage fees, the Company has specific objections not only for the business year 2018 but also for the business year 2017. These objections are due to incorrect calculations OSE S.A.

Specifically:

For the period 1/1/2017 – 31/12/2017, OSE S.A has issued invoices to TRAINOSE S.A concerning Network usage fees. According to the audit of the cost data carried out by TRAINOSE S.A. concerning network usage fees, an incorrect calculation of fees for certain types of trains has arisen. As a result, TRAINOSE S.A. has requested a credit invoice amounting to €179,671.10 to be issued.

Concerning Network usage fees for the business year 2018 and until the final settlement, the amount which is being invoiced by OSE S.A to TRAINOSE S.A. amounts to € 15.593.976,19 (Network usage fees: 14.750.000,00 €, Network usage fees for train station International Airport of Athens: 843.976,19 €).

- **Non-acceptable invoices charged by EESSTY S.A. to TRAINOSE S.A.**

TRAINOSE's objections are listed below with a separate reference regarding the period from January 1st 2017 to September 13th 2017, during which the Agreement for the Maintenance and Management of Rolling Stock dated 4/4/2011 was in effect (paragraph A below) and the period September 14th 2017 to December 31st 2018, during which a new Agreement for the maintenance of Rolling Stock entered into force, after the privatization of the Company (paragraph B).

A. For the first period (1/1/2017-13/9/2017), the cost audits of the underlying information carried out by TRAINOSE with respects to the maintenance costs of rolling stock have revealed the following:

Charges for preventive and corrective maintenance, which have been carried out in accordance with the 4.4.2011 Maintenance Agreement, amount to €15.185.397,53 plus VAT.

The charges for special type of maintenance of rolling stock for the same period amounted to €5.101.333,33 plus VAT. Such charges were separately agreed (between EESSTY S.A., GAIAOSE S.A. and TRAINOSE S.A.) and have been already paid by TRAINOSE S.A. to EESSTY S.A..

Based on the above, the charges according to the agreed services and based on the submitted cost data for the period 1/1/2017 to 13/9/2017 regarding regular maintenance and self-production, amounted to €20.286.730,86 plus VAT.

B. For the second period (14/9/2017 – 31/12/2018), following the implementation of the new Rolling Stock Maintenance Agreement the following apply:

- Concerning the cost of the "basic" (preventive) maintenance services based on the train kilometers data sent by EESSTY S.A. on 27.3.2018 after a long delay and following our continuous written and verbal notices, these charges amount to €6,739,549.24 plus VAT relating the period 14/9/2017 – 31/12/2017.
- Concerning the period ended December 31st 2018, the invoices issued for the "basic" (preventive) maintenance services amounted to €22.745.298,97.

With regards to the "supplementary" (corrective) maintenance costs for Rolling Stock, these are not accepted by TRAINOSE S.A. as the required mandatory procedures for the provision of these services, as specified by the new Maintenance Agreement, were not followed (i.e. lack of preemptive authorization for the services performed and the failure to produce invoices for use of spare parts charged to TRAINOSE S.A.).

Based on the above:

TRAINOSE S.A. did not accept additional invoices relate to the period 14/09/2017 -30/09/2018 with a net value of €15.993.725,73 (year 2017: € 4.216.399,57, year 2018: € 11.777.326,16), out of which €5.520.228,03 returned them to EESSTY S.A. with the judicial statement dated April 5, 2018 due to refusal of receipt and lack of communication with the said company.

TRAINOSE S.A. has already paid to EESSTY S.A. all the recognized payables for the year 2017 and for the year 2018, until the date of signature of the Company's Financial Statements.

Management's opinion is in line with the above factual events. Management claims that the additional invoices issued by EESSTY S.A. are not in accordance with the applicable Agreements and consequently cannot be accepted by our Company.

It should be pointed out that EESSTY S.A. sent judicial statements – invitations on 11/4/2018, 03/05/2018, 01/06/2018 expressing its disagreements and inviting TRAINOSE S.A. to accept and recognize these invoices (net value 2.193.884,81 €).

Concerning the period 01/01/2019 - 22/03/2019, the cost of Basic Maintenance that has been invoiced from EESSTY S.A to TRAINOSE S.A. amounted to € 3,590,537.65 (net value).

TRAINOSE S.A does not accept, for the period 01/01/2019 to 22/03/2019, additional invoices amounting of € 1,500,000.00 (net value), relating to supplementary maintenance of rolling stock.

- **TAIPED (Hellenic Republic Asset Development Fund): Acquisition of 100% of the share capital of EESSTY S.A by TRAINOSE S.A**

The Board of Directors of TAIPED accepted the improved offer of TRAINOSE S.A for the acquisition of 100% of the share capital of EESSTY S.A (Hellenic Railways Maintenance Company) and declared it as the preferred investor, taking into account the positive recommendation of its consultants for the validity of the submitted bid. The valuations made by two independent valuers and the positive opinion of the Board of Experts. The tender dossier has been submitted to the Court of Audit for pre-contractual inspection.

On 29/10/2018 signed the contract for the acquisition of 100% of the share capital of EESSTY S.A by TRAINOSE S.A amounting 22 mil.. On 27/2/2019 the transaction was approved by the HELLENIC COMPETITION COMMISSION. Within the next months the acquisition of 100% of the share capital of EESSTY S.A by TRAINOSE S.A will be completed.

Until the signature date of the Financial Statements of TRAINOSE S.A., the transfer of the shares has not been completed.

- **Measures, pursuant to the provisions of article 47 of law 2190/1920**

On 31.7.2018, an Extraordinary General Meeting of the Shareholders of the Company TRAINOSE S.A. took place in order to decide upon taking appropriate and corrective measures, pursuant to the provisions of article 47 of law 2190/1920.

Specifically, the measures included the following:

- Offset of part of the cumulative accounting losses amounting to 871.546.116,78€ with the special reserve of Law 3891/2010 formed upon the debt release of OSE (debt to OSE written-off) amounting to 692.161.809,26€,
- Decrease of the Company's share capital with offset of the remaining accounting losses, by the total amount of 178.636.890,90€
- Decrease of the nominal value of the shares by 83,85€ (178.636.890,90€ / 2.130.434 shares) each, so as the total number of shares to remain the same and the share capital of the Company to stand at 34.406.509,10 Euro divided into 2.130.434 registered shares with a nominal value of 16,15 Euro each.

28 PSO Contract agreement

In June 15th 2011 the contract agreement for Public Service Obligation was signed between the Greek State and TRAINOSE SA, during the Public Economic Interest took place, with the purpose of financing the Company's deficit transportation services and more specifically with the purpose of financing deficit routes. In particular, with the aforementioned agreement TRAINOSE undertook the commitment of providing specific passenger railway transportation services in exchange with compensation, which according to the paragraph 3 of the aforementioned agreement did not exceed the amount of € 50.000.000,00 per annum for the years 2011, 2012 και 2013 and according to the article 12 of Law 3891/2010. The agreement was extended following the Law 4337/2015, until December 31st 2015. On 17.12.2015, a new contract agreement was signed between the Greek state and TRAINOSE SA. In this agreement specific passenger transportation services and routes are determined. In addition the agreement also stipulates the method of compensating TRAINOSE SA, the way the agreement is monitored by both parties, control measures and other relevant issues. The total compensation amount which TRAINOSE can receive from the Greek State for providing these services (Public Service Obligation) cannot exceed the amount of € 50.000.000 per annum for the period from 2015 to 2020.

After 2020, provided that the PSO railway transportation services will be assigned to P.A.E.M (Passenger Transportation Regulatory Authority), through a tender procedure in accordance with article 5 of regulation 1370/2007 in which more PSO contract agreements will be limited to a specific geographical region or a specific route. The object of the particular PSO agreements is determined by P.A.E.M. (Passenger Transportation Regulatory Authority), taking into account the regional passenger needs and the need of securing a railway transportation between certain areas. All of the above were regulated by 2^a article 17 of 4337/2015 coded regulation.

On 05.08.2017 an amendment of the Public Service Provision was signed between the Greek State and TRAINOSE SA, clarifying further the terms of the initial agreement. Specifically, the expenses that are recognized for subsidized routes, as well as other technical issues regarding the agreement's implementation.

29 Events after the Statement of Financial Position

There are no events subsequent to the date of the statement of financial position that may have a material effect on the Company's financial position or operation.

On 27/2/2019 the transaction was approved by the HELLENIC COMPETITION COMMISSION. Within the next months the acquisition of 100% of the share capital of EESSTY S.A by TRAINOSE S.A will be completed. Until the signature date of the Financial Statements of TRAINOSE S.A., the transfer of the shares has not been completed.

Athens, March 22th 2019

CHAIRMAN OF BOD

THE MANAGING DIRECTOR

ORAZIO IACONO
YA3725101

TSALIDIS FILIPPOS
ID NO. AZ 898125

CHIEF FINANCIAL OFFICER

THE DIRECTOR OF ECONOMIC SERVICES

GENTILE LORENZO
CA39478AC

METAXIOTIS IOANNIS
ID NO .AI 114159