Group EBITDA (adj.)* of €82.3m in H12020
The investment choices made in the last 2 years are yielding results

Despite the impact of the measures implemented to limit the pandemic, Group EBITDA marked an increase in H1 2020 in three of five key segments in H1 2020, namely RES, Environment and Real Estate compared to the respective period in 2019, while adjusted EBITDA margin improved to 18.8% compared to 15.2% in H1 2019. Concessions is gradually recovering, recording a moderate change in monthly vehicle traffic in August compared to the corresponding month last year, while the restructuring plan for Construction is progressing. The plan includes the reduction of staff costs and cost of sales, the disposal of non-operating assets, as well as the preparation of a "road map" alongside Greek banks, in order to further support Construction. As a result of the Group's strategy to limit Construction exposure to Greece and Romania and also due to the lockdown's impact to vehicle traffic in Concessions, Group revenues stood at €438m in H1 2020 compared to €705m in H1 2019. At profit before tax level the Group recorded losses of €21.2m compared to profit of €29.4m in the corresponding period of last year, and in terms of profit after taxes and minority rights the Group recorded losses of €37.5m compared to losses of €8.4m in H1 2019.

- EBITDA in Concessions stood at €53.0m in H1 2020 compared to €79.6m in H12019, decreased by 33% due to the lockdown, (traffic reduction in ATTIKI ODOS reached 72% in April 2020, however, there has been gradual improvement since May 2020, with a traffic reduction in this motorway reaching 37% in May, 16% in June, 9% in July and 6% in August compared to the corresponding months last year)
- EBITDA in Renewables stood at €36.6m in H1 2020 compared to €26.3m in H1 2019, increased by 39% as a result of the increased installed capacity, without impact from the COVID-19 pandemic
- In Environment EBITDA stood at €6.8m in H1 2020 largely unchanged from H12019, marginally increased by 0.8%, with slight impact from the COVID-19 pandemic
- EBITDA in Real Estate, given the strong performance before the pandemic, stood at €1.4m in H12020 compared to €0.8m in H1 2019, increased by 84%. Since Smart Park reopened in early May 2020, there has been a gradual recovery in terms of performance, with an increase in footfall of 19% in June and 15% in July compared to the corresponding months in 2019
- EBITDA in Construction stood at -€12.1m in H1 2020 (excluding non-recurring item with negative impact of €5.2m due to the impairment loss from sale of non-operating asset, including which EBITDA was -€17.3m) compared to €3.2m in H1 2019. Those figures does not include a profit of €6.9m from the sale of Hellas Gold which have been recorded in Other Comprehensive Income in Q2'20.

"Our choices in the last two years have started to yield results as, despite the lockdown due to the COVID-19 pandemic, EBITDA in three of our five Group segments, i.e. RES, Environment and Real Estate, improved in H1 2020 compared to H1 2019. Traffic in ATTIKI ODOS is rebounding, as the reopening of international flights in August resulted in a [marginal] change compared to August 2019. The restructuring of Construction is also progressing swiftly, as this sector is expected to benefit from the EU "Next Generation Program" package, from which Greece will receive €32b, or 17% of its GDP.

Despite the impact of the lockdown on economic activity, the Group Adjusted EBITDA stood at €82,3 m in H1'2020, with adjusted EBITDA margin improving to 18.8% (compared to 15.9% last year), and Net Debt to adjusted EBITDA of 6.9x."*

Anastasios Kallitsantsis, CEO

(*) Excluding non-recurring items with negative impact of €10m (€4.8m restructuring expenses for Construction and €5.2m from impairment loss due to sale of non-operating property)

1. Key figures of the ELLAKTOR Group in H12020

Profit and Loss

Revenue decreased by 38% yoy

Consolidated revenue of ELLAKTOR Group stood at €438m in H1'2020 compared to €705m in H1'2019, decreased by 38% (or €267m). The decrease was mainly due to Construction, as revenue in this segment decreased by €265m (from €521m to €257m). Concessions recorded a decrease in revenue of €27m (from €118m to €91m), whereas revenue in the other segments increased or remained unchanged compared to H1 2019.

Cost of sales decreased by 42% yoy

Cost of sales for the Group (excluding depreciation) stood at €331m in H1'2020, compared to €570m in H1'2019, a decrease of 42%.

Gross profit decreased by 21% yoy

Gross profit (excluding depreciation) stood at €106m in H1'2020 compared to €136m in H1'2019, decreased by 21% (or €29.1m). This decrease was mainly due to Concessions, which recorded a decrease by €25.2m due to the impact of the measures against the spread of COVID-19, but it was partially offset by the improvement in gross profit in Renewables, which recorded an increase by €10.1m.

Administrative expenses decreased by 14% yoy (excluding restructuring costs)

Administrative expenses (excluding depreciation) stood at €32.2m in H1'2020 compared to €31.8m in H1'2019, increased marginally by 1.2%. Administrative expenses in H1'2020 included restructuring costs for Construction, amounting to €4.8m. Excluding these costs, administrative expenses stood at €27.3m in H1'2020, decreased by 14% compared to H1'2019.

Selling expenses decreased by 12% yoy

Selling expenses (excluding depreciation) stood at €1.9m in H1'2020 compared to €2.2m in H1'2019, decreased by 12%.

Other income (excluding depreciation) and other profit/loss stood at €5.3m and -€5.3m (including non-recurring item with negative impact of €5.2m due to the impairment loss from sale of non-operating asset), compared to €10.1 m and €0.5 m in H1 2019.

Adjusted EBITDA margin of 18.8%

Adjusted EBITDA stood at €82,3m in H1'2020 (or €72.3m including €4.8m of restructuring costs and €5.2m impairment of non-operating property for sale) compared to €112.2m in H1'2019, decreased by 27% which was mainly due to Concessions (€53.0m in H1'2020 compared to €79.6m in H1'2019).

The adjusted EBITDA margin improved to 18.8% in H1'2020 compared to 15.2% in H1'2019.

Depreciation and amortization stood at €52.4m in H1'2020 compared to €50.6m in H1'2019.

EBIT stood at €19.9m in H1'2020 compared to €61.6m in H1'2019.

Loss before taxes of €21.2m

At profit before tax level the Group recorded losses of €21.2m compared to profit of €29.4m in H1'2019, and in terms of profit after taxes and minority rights the Group recorded losses of €37.5m compared to losses of €8.4m in the corresponding period of 2019.

Balance Sheet

Total assets stood at €2,988m as at 30 June 2020 compared to €3,056m at 31 December 2019, a decrease of 2.2%.

Cash and other liquid assets of €400m

Cash and other liquid assets decreased to €400m as at 30 June 2020 compared to €463m at 31 December 2019, mainly due to interest expense and distribution of dividends from ATTIKI ODOS.

Total borrowings stood at €1,543m on 30 June 2020 compared to €1,491m on 31 December 2019. The increase was mainly due to the successful issuance and placement of bonds with face value of €70m in January 2020, with an interest rate of 6.375%, and maturing in December 2024.

Net debt stood at €1,143m as at 30 June 2020 compared to €1,028m on 31 December 2019, with a net debt to EBITDA ratio of 6.9x (calculated on the annualized adjusted EBITDA of H1'2020).

Total Equity for the Group of €484m

Group total equity stood at €484m as at 30 June 2020, compared to €533m at 31 December 2019, decreased by €49m. The decrease was mainly due to losses after taxes. Equity attributable to shareholders stood at €380m compared to €414m on 31 December 2019, decreased by €34m.

2. Performance per segment in H12020

Construction

Redefining the size of the Construction

Revenues in Construction stood at €257m in H1'2020, decreased by 51% (or €265m) compared to €521m in H1'2019, mainly due to reduced construction activity, as the Group has decided to focus geographically on Greece and Romania.

EBITDA

Adjusted EBITDA in the Construction stood at -€12.1m in H1'2020 (or -€17.3m including impairment of non-operating property for sale) compared to €3.2m in H1'2019.

Losses before taxes stood at €28.2m in H1'2020 vs to losses of €7.5m in H1'2019.

Profit & Loss of H1'2020 does not include a profit of €6.9m from the sale of Hellas Gold which has been recorded in Other Comprehensive Income in Q2'2020.

Backlog

AKTOR and its subsidiaries' backlog amounted to €1.3b, of which €326m were signed in 2020. In addition, projects worth a further €587m have been secured the contracts for which are expected to be signed (total backlog of €1.9b)

Restructuring of Construction in progress

The restructuring plan for Construction will generate an upside of more than €100m between 2020-2023. Of this, ~€30m will be generated through reduced cost of sales from the new Group Procurement office; €32m from reduced HR costs; and about €38m from the sale of non-operating assets and collection of old receivables.

Concessions

Revenue in Concessions stood at €91.1m in H1'2020, decreased by 23%, compared to revenue of €118.1m in the corresponding period of 2019. Reduced revenue in

H1'2020 is due to the drop in traffic as a result of government restrictions due to the COVID-19 pandemic (ATTIKI ODOS -26%; MOREAS -30%).

Vehicle traffic has recovered significantly after the lifting of lockdown

There have been clear and encouraging signs of rebounding traffic in ATTIKI ODOS since early May, when the gradual lifting of restrictions began. After a decrease of 72% in April, vehicle traffic followed a continuous upward trend, reaching -16% in June, -9% in July and finally -6% in August.

EBITDA in Concession stood at €53.0m, a decrease of 33% compared to €79.6m in H1'2019.

Profit before taxes stood at €4.4m in H12020 compared to €33.1m in H1 2019 (-87%).

Renewables (RES)

No impact of COVID-19

Revenues in RES stood at €45.1m in H1'2020 compared to €33.1m in H1'2019, increased by 36% as a result of the increased installed capacity.

EBITDA in RES stood at €36.6m in H1'2020 compared to €26.3m in H1'2019, increased by 39% also as a result of the increased installed capacity.

PBT stood at €20.1m in H1'2020 compared to €14.2m in H1'2019 (+41%).

Second largest portfolio in Greece

Installed capacity stands at 491 MW as of on 30 June 2020, while an additional 88 MW is under construction.

Environment

Increase in revenue and profit despite the pandemic

Revenue in Environment stood at €47.3m in H1'2020 compared to €41.4m in H1'2019, increased by 14% due to the increased rate of implementation of construction projects.

EBITDA stood at €6.8m in H1'2020 compared to €6.8m in H1'2019, increased marginally by 1%.

Earnings before taxes stood at €3.9m in H1'2020 compared to €2.5m in H1'2019, increased by 54%.

Prospects appear to be strong, as Greece has to proceed quickly in order to comply with the national and EU legislation on waste management.

Real Estate

Increase in operating profit despite the impact of the COVID-19 pandemic

Revenue in Real Estate stood at €3.1m in H1'2020, compared to €3.1m in H1'2019, decreased marginally by 2% due to the impact of COVID-19.

EBITDA stood at €1.4m in H1'2020 compared to €0.8m in H1'2019, increased by 84%. After the reopening of the park on 11 May 2020, there has been a recovery in footfall, recording an increase by 19% in June and 15% in July.

Losses before taxes stood at €0.2m in H1'2020 compared to losses of €0.9m in H1'2019.