Autohellas A.T.E.E

AUTOHELLAS S.A.

31, VILTANIOTI str. KIFISSIA, ATTICA

ANNUAL FINANCIAL REPORT
For the period
(1 January 2018 - 31 December 2018)

in accordance with Article 4 of codified law 3556/2007 and according to the relevant decisions made by the HCMC board of directors

Contents

The attached annual financial statements of the Group and the Company were approved for issue by the Board of Directors on 20 March 2019 and have been published on www.autohellas.gr.
In accordance with International Financial Reporting Standards as adopted by the European Union.

Translated from the original in Greek.

A. STATEMENT OF THE BOARD OF DIRECTORS
(According to article 4 par. 2c of law 3556/2007)

The members of the Board of Directors Emanuela Vasilakis, President, Eftichios Vasilakis, Vice-President and Managing Director and Dimitrios Mangioros, Member, under the aforementioned capacity, declare to the best of their knowledge that:

(a) The Annual Group and Company Financial Statements for the period 1 / 1-31 / 12/2018, which have been prepared in accordance with the applicable accounting standards, fairly present assets and liabilities, equity and the income statement of AUTOHELLAS S.A., as well as those of the companies included in the consolidation taken as a whole.
b) The Board of Directors' Annual Report accurately presents the performance and position of the Company as well as of the companies included in the consolidation taken as a whole, including the description of the main risks and uncertainties they might be facing.

Kifissia, March 20th 2019

Emmanuela Vasilakis	Eftichios Vassilakis	Dimitrios Mangioros
Chairman	Vice Chairman and CEO	Member

Translated from the original in Greek.

B. INDEPENDENT AUDITORS REPORT

To the Shareholders of "AUTOHELLAS S.A."
Report on the audit of the separate and consolidated financial statements

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Our opinion
We have audited the accompanying separate and consolidated financial statements of "AUTOHELLAS S.A." (Company or/and Group) which comprise the separate and consolidated balance sheet as of 31 December 2018, the separate and consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended, and notes to the separate and consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects the separate and consolidated financial position of the Company and the Group as at 31 December 2018, their separate and consolidated financial performance and their separate and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the statutory requirements of Codified Law 2190/1920**.**

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs), as they have been transposed into Greek Law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the separate and consolidated financial statements section of our report.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
During our audit we remained independent of the Company and the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that has been transposed into Greek Law, and the ethical requirements of Law 4449/2017 and of Regulation (EU) No 537/2014, that are relevant to the audit of the separate and consolidated financial statements in Greece. We have fulfilled our other ethical responsibilities in accordance with Law 4449/2017, Regulation (EU) No 537/2014 and the requirements of the IESBA Code.

We declare that the non-audit services that we have provided to the Company and its subsidiaries are in accordance with the aforementioned provisions of the applicable law and regulation and that we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014.
We declare that for the year ended as at December 31, 2018 we have not provided non-audit services to the Company and its subsidiaries.

Key audit matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the current year. These matters were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key audit matter	*How our audit addressed the key audit matter*
Estimation of the useful lives and residual values of vehicles	
Property, plant and equipment includes vehicles amounting €307.5 million for the Company and €406.3 million for the Group as at 31 December 2018, that are measured at cost less accumulated depreciation and impairment. The book values of vehicles is significant and form the basis of the Group's rental and leasing operations. The estimation of the useful lives of vehicles is based on historic performance as well as expectations about future use and therefore requires a degree of judgement to be applied by Management. Residual values are determined taking into account generally accepted market forecasts adjusted where necessary to take into account factors specific to the vehicles. Management is required to assess the useful life and residual value of an asset periodically and changes should either be accounted for as an impairment charge or as a change in accounting estimate through prospective depreciation. The risk for the financial statements is that depreciation charges and impairment losses will not be recognised on a timely basis or that amounts recognised will not be measured correctly. Due to the level of judgement required in estimating useful lives and calculating residual values of vehicles, it is considered a key audit matter. For more information, refer to notes 2, 3 and 7 of the financial statements.	Our audit approach included obtaining an understanding of the vehicles management process as designed and implemented at the Company and the Group. We evaluated and reviewed Management's process relating to useful lives and residual values assessment for vehicles and examined the criteria used to identify impairment indicators, with a focus on the timely detection of impairments. We tested the appropriateness of the approach used and the reasonableness of key parameters applied by Management. Furthermore, we also reviewed historical disposals of vehicles and the profit or loss derived from these disposal to determine if the approach reflects past performance. We determined that the approach for determining useful lives and residual values of vehicles forms a reasonable basis for Management's assessment and that the available evidence supported the key assumptions used. The disclosures in the financial statements are appropriate.
Revenue recognition	
The Company's and the Group's revenue streams include vehicle operating lease and finance lease income, vehicle sales and income from other additional vehicle related services, which is an important determinant of the Group's profitability. Furthermore, the Group focuses on revenue as a key performance measure which could create an incentive for revenue to be recognised before the risks and rewards have been transferred, resulting in a significant audit risk associated with revenue recognition. Furthermore, there exists an inherent risk around the accuracy of revenue recorded given the impact of changing pricing models.	Our audit procedures included obtaining an understanding of the various revenue streams, considering the appropriateness of the Group's revenue recognition accounting policies and assessing compliance of these policies with relevant standards. Our audit approach included understanding the systems and process that are relevant to revenue recognition, holding discussions with relevant Company and Group employees to validate processes and re-performing key process. Furthermore we performed relevant substantive audit procedures around the various revenue streams, which

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Based on these factors, there is a heightened risk of error that revenue is not completely or accurately recorded or that revenue is not recognised in the correct year.
Due to the significant risk associated with revenue recognition and the work effort from the audit team, the recognition of revenue is considered a key audit matter.
For more information, refer to notes 2 and 25 of the financial statements.
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focused on the adequacy and consistency of the accounting policies applied, by conducting audit procedures over the point of transfer of risk and rewards. Our audit procedures included:

Analytical review procedures on the different revenue streams.
Sample testing of transactions during the year of all material revenue streams.
Revenue cut-off procedures.
Testing of sales returns and credit notes issued after year end.
Testing of trade receivables at year end by agreeing a sample of open invoices at year end to subsequent receipts.

Our procedures concluded that revenue recognition for the Group’s revenue streams is consistent with the Group’s accounting policies and relevant standards. Based on our work, we noted no significant issues regarding the accuracy of revenue reported for the year.
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Valuation of Investment and Own-Use Property
Investment and own use property comprises owned land and buildings that is either held for the purpose of generating long-term lease revenue or capital gains or is used by the Company and its subsidiaries for its operations.
The Group measures investment and own-use property at fair value. At 31 December 2018, the book value of investment property of the Company and the Group amounts to €68.9 million and €38.2 million respectively and the book value of own-use property amounts to €44.7 million and €84.4 million respectively.
Fair value is determined by external valuers and is based on prices prevailing in active real estate markets, adjusted for any differences in the physical condition or location of the property being valued. To the extent that active market prices are not available, alternative methods are used that include the use of prices in less active markets and discounted future cash flows. Furthermore, in determining fair value, additional external factors such as rental rates for similar properties, discount rates associated with each tenant's operating activity, and current market conditions, are considered.
This is considered a key audit matter because of the:

Relative size of the investment and own-use property to the total assets of the Company and the Group.

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We obtained Management’s valuation reports for the year ended 31 December 2018, that were prepared by certified external valuers,
We compared the fair value of property to the book values in the Company’s and the Group's accounting records.
We have evaluated and confirmed the independence, objectivity and competence of the Company’s and the Group’s certified external valuers.
We compared the fair values at 31 December 2018 with those at 31 December 2017 in order to assess whether their change was in line with market trends. For the properties that either contribute a material value to the total book value of investment and own-use property or that result in significant fair value deviations, we obtained and evaluated the valuation reports of Management’s certified external valuers.
Our procedures with respect to the valuation reports, included:

Assessing the appropriateness of the methodologies used.
Evaluating the key assumptions used, based on current market information and future expectations.
We examined, on a sample basis, the accuracy and relevance of the input data used by Management’s certified external valuers.

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• Assumptions and estimates made by management and their external valuers in the valuation process. • Sensitivity of valuations to key input assumptions, specifically discount rates and future rental income. For more information, refer to notes 2, 3, 7 and 8 of the financial statements.	Notwithstanding the subjectivity associated with determining valuations for individual properties and the existence of alternative assumptions and valuation methods, our audit procedures concluded that the valuations were based on reasonable assumptions and appropriate data that are consistent with the prevailing market conditions. We also found that the disclosures in the financial statements are adequate and consistent with the requirements of relevant standards.

Other Information

The members of the Board of Directors are responsible for the Other Information. The Other Information, which is included in the Annual Report in accordance with Law 3556/2007, is the Statements of Board of Directors members and the Board of Directors Report (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the separate and consolidated financial statements does not cover the Other Information and except to the extent otherwise explicitly stated in this section of our Report, we do not express an audit opinion or other form of assurance thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We considered whether the Board of Directors Report includes the disclosures required by Codified Law 2190/1920 and the Corporate Governance Statement required by article 43bb of Codified Law 2190/1920 has been prepared.

Based on the work undertaken in the course of our audit, in our opinion:

- The information given in the the Board of Directors' Report for the year ended at 31 December 2018 is consistent with the separate and consolidated financial statements,
- The Board of Directors' Report has been prepared in accordance with the legal requirements of articles 43a and 107A of the Codified Law 2190/1920,
- The Corporate Governance Statement provides the information referred to items c and d of paragraph 1 of article 43bb of the Codified Law 2190/1920.

In addition, in light of the knowledge and understanding of the Company and Group and their environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Board of Directors' Report and Other Information that we obtained prior to the date of this auditor's report. We have nothing to report in this respect.

Other Matter

The separate and consolidated financial statements of the Company and the Group for the year ended 31 December 2017 were audited by another firm of auditors whose report, dated 9 March 2018, expressed an unmodified opinion on those statements.

Responsibilities of Board of Directors and those charged with governance for the separate and consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the requirements of Codified Law 2190/1920, and for such internal control as the Board of Directors determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, the Board of Directors is responsible for assessing the Company's and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company and Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and Group's financial reporting process.

Auditor's responsibilities for the audit of the separate and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated 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 and Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and Group'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 separate and consolidated 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 and Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Company and Group audit. We remain solely responsible for our audit opinion.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report.

Report on other legal and regulatory requirements

1. Additional Report to the Audit Committee

Our opinion on the accompanying separate and consolidated financial statements is consistent with our Additional Report to the Audit Committee of the Company.

2. Appointment

We were first appointed as auditors of the Company by the decision of the annual general meeting of shareholders on 25 April 2018.

Athens, 21 March 2019

PricewaterhouseCoopers S.A.
Kifissias Avenue 268,
15232, Halandri
SOEL Reg. No.: 113

Certified Auditor - Accountant

Dimitris Sourbis
SOEL Reg. No.: 16891

C. ANNUAL BOARD OF DIRECTORS REPORT

Board of Directors´ Report for the period 01.01.2018-31.12.2018 for AUTOHELLAS Tourist and Trading Anonymous Company

This Management Report of the Company's Board of Directors concerns the fiscal year January 1st - December 31st, 2018 and provides summarized financial information on the annual financial statements and the results of the Company and the Autohellas Group of Companies, being the single report of Article 153(4) Law 4548/2018 (hereinafter, the "Report"). The Report was prepared in accordance with the provisions of Article 4 Law 3556/2007, the relevant decisions of the Board of Directors of the Hellenic Capital Market Commission and the provisions of Articles 150 to 154 Law 4548/2018.

- On the financial position, the results and to give a complete picture of the Company´s & the Group's performance during the period under examination, as well as on any changes that might have occurred.
- On any important event that took place during this fiscal year and on any impact that those events have on the company's financial statements,
- On any potential risks that might arise for the Company or the Group.
- On all transactions between the Company and related parties.
- On the Corporate Governance Statement.
- On the principles of Corporate Governance

➢ YEAR END – 2018 FINANCIAL POSITION RESULTS

Autohellas S.A. is HERTZ largest national franchisee in Europe. By virtue of agreement, Autohellas S.A. has the exclusive right to use the Hertz brand name and trademark in Greece, to receive information and know-how relating to the operation of car rental system, as well as any improvements in designing and implementing rental services under the Hertz system. Autohellas extended this right in 1998 until the 31st of December 2023. This extraordinary in duration agreement has been granted to Autohellas as a result of Hertz' successful representation in Greece during the past 30 years.

The company's main activities are Renting (Short – term lease) and Fleet Management (long – term lease and fleet management).

Renting covers all needs of both individuals and companies for occasional, small duration rentals up to 1-year long.
Fleet Management covers any need for long duration rentals and management of their total fleet.

Since December 2015 by absorbing TECHNOCAR SA the company became the exclusive importer of SEAT cars and spare parts in Greece.

Autohellas turnover for fiscal year 2018 reached € 221,1 m. reporting a 16.9% increase compared to previous year.

In particular, total turnover from car rental, reached € 150,4 m. against € 134.7 m. in 2017, reporting an increase of 11.7%, mainly due to the growth in tourism and the increase in tourist arrivals as well as the further stabilization of the economy.

Apart from TECHNOCAR S.A., the Group in December 2015 also absorbed the company VELMAR S.A. Through the subsidiary Autotechnica Hellas S.A. has included in its activities the trade of new and used cars for the brands FORD, OPEL, SEAT, FIAT, ALPHA ROMEO, HONDA, SAAB, MITSUBISHI and VOLVO and the provision of after sales support to those brands. In 2017, the Group has included in its activities the trade of new and used cars for the brands HYUNDAI, KIA, BMW, MOTO and MINI.

In 2017, the Company acquired 70% shareholding in the companies under the names HYUNDAI HELLAS S.A. and KIA HELLAS S.A. This acquisition strengthens the company's position in the retail car market and further classifies it among the leading companies in the industry. It is important to note that for the first time HYUNDAI HELLAS S.A. and KIA HELLAS S.A. are included in the turnover.

In Group level, consolidated turnover in 2018 reached € 470,4 m. against € 340,6 m. in 2017 reporting a 38.1% increase.

In Group level total car rental revenue reached an amount of € 198,3 m. from € 179.7 m. in 2017, reporting an increase of 10.4%. As far as the activities of the car trade, total revenue reached € 223,4 m. against € 121,5 m. in 2017, reporting an increase of 83.8%.

Consolidated Earnings after Tax in 2018 reported a 22.7% increase reaching € 38.808.160 against € 31.625.789 in 2017. Earnings before Tax increased by 33.3% reaching € 55.193.296 from € 41.392.820 in 2017.

In particular, Earnings after Tax for Autohellas SA in 2018 have reached € 27.470.307 from € 22.937.295 in 2017, reporting an increase of 19.8%.

Group's fixed assets depreciation reached € 76.972.041. in 2018, while consolidated earnings before tax, financial and investing activities, EBIT, reached € 71.940.583 from € 54,058,860 in 2017, reporting an increase of 33.1%.

The consolidated profit before tax, depreciation and amortization, EBITDA, amounted to € 148.912.624 compared with € 119.295.295 in 2017, corresponding to a 24.8% increase. The respective amounts for Autohellas were € 101.976.862 in 2018 compared with € 87.006.414 in 2017 (17.2% increase).

Basic ratios on the company's financial figures follow, for a more detailed analysis on the 2018 fiscal year.

- **RATIOS**

A. Evolution Ratios

	Group	Company
1. Turnover	38.1%	16.9%
2. Earnings Before Tax	33.3%	16.9%

The above ratios show the increase (or decrease) of sales and earnings before tax for both the company and the group between 2018 and the previous year 2017.

B. Profitability Ratios

	Group	Company
3. Net Earnings Before Tax/ Turnover	11.7%	16.2%
4. Net Earnings After Tax/ Turnover	8.3%	12.4%

The above ratios present the final net profit before and after tax as a percentage of the company's turnover.

	Group	Company
5. Return on Equity	15.7%	14.3%

Above ratio shows the group's and Company's net income as a percentage of shareholder's equity.

C. Financial leverage ratios

	Group	Company
6. Debt/ equity (excluding minority rights)	2.27	2.22
7. Bank Loans/ equity	1.65	1.78

The above ratios present bank loans as a percentage of total shareholders' equity.

D. Financial Structure ratios

	Group	Company
8. Current Assets/ Total Assets	19.11%	10.31%

This ratio shows the percentage of current assets on total company assets.

	Group	Company
9. Total Liabilities/ Equity	2.29	2.22

This ratio reflects the company's financial sufficiency.

	Group	Company
10. Tangible and intangible assets / equity	2.13	1.85

Thisratioshowswhatpercentageofthecompany'sowncapitalhasbeenconvertedintoassets.

	Group	Company
11. Current assets / short term liabilities	0.56	0.33

This ratio reflects the company's liquidity.

- **ALTERNATIVE PERFORMANCE RATIOS**

The Group uses Alternative Performance Ratios «APR» for decision making, strategic planning and performance evaluation purposes. These ratios assist in improved and more complete understanding of financial results of the Group and are considered along with financial results in accordance with I.F.R.S.

		Group	Company
12. Adjusted EBITDA	2018	75.318.802	47.709.645
	2017	56.508.190	41.447.846

Adjusted EBITDA is, the EBITDA as it derives from the Financial Statements prepared in accordance with IFRS less cars depreciation.

FS reconciliation:

	Group	Company
EBITDA	148.912.624	101.976.862
Cars depreciation	-73.593.822	-54.267.217
Adjusted EBITDA	**75.318.802**	**47.709.645**

		Group	Company
13. Adjusted EBT	2018	53.389.084	39.504.414
	2017	43.664.180	33.002.658

Adjusted EBT is the EBT as it derives from the Financial Statements prepared in accordance with IFRS after exclusion of one-off events occurred in the year which are not result of the ordinary operation of the entity. This ratio is used to present FY earnings resulting just from usual operating activities from the Entity and the Group.

FS reconciliation:

	Group	Company
Profit before tax	55.193.267	35.915.959
Loan amortization	3.588.455	3.588.455
Spotmechanic impairment	800.000	
Land Disposal	(3.147.321)	
Unused Provisions	(3.045.319)	
Adjusted EBT	**53.389.084**	**39.504.414**

		Group	Company
14. Free Cash Flows	2018	103.415.092	73.716.210
	2017	80,726,944	61,209,893

This ratio is used to present available cash from operating activities of the Entity and the Group before used cars sales and before purchases of new rental cars for the year. This APR is used from the Group for better evaluation of cash performance, debt repayment capacity and dividend distribution.

FS reconciliation:

	Group	Company
Cash flows from operating activities	19.863.338	17.549.696
LessRental Cars Purchases	165.448.490	127.805.137
Less Financial Leasing Rental Cars Purchases	-29.992.645	-29.992.645
LessRental Cars Sales	-51.904.091	-41.645.978
Free Cash Flows	**103.415.092**	**73.716.210**

- **PARTICIPATIONS – CONSOLIDATED COMPANIES**

Subsidiaries

Company	Headquarters	Shareholdingς	
AUTOHELLAS TOURISM & TRADING S.A.	Kifissia, Attica	Parent company	
AUTOTECHNICA LTD	Sofia, Bulgaria	99.99%	(First consolidation on 30.09.2003, due to its acquisition in 2003)
AUTOTECHNICA (CYPRUS) LIMITED	Nicosia, Cyprus	100%	(First consolidation on 31.12.2005, due to its incorporation in 2005)
AUTOTECHNICA FLEET SERVICES S.R.L.	Bucharest, Romania	100%	(First consolidation on 31.03.2007, due to its incorporation in 2007)
AUTOTECHNICA HELLAS ATEE	Kifissia, Attica	100%	(First consolidation on 31.03.2008, due to its incorporation in 2008)-Note 8 to the Financial Statements
A.T.C. AUTOTECHNICA (CYPRUS) LTD	Nicosia, Cyprus	100%	(First consolidation on 31.06.2008, due to its incorporation in 2008)-Note 8 to the Financial Statements

AUTOTECHNICA SERBIA DOO	Belgrade, Serbia	100%	(First consolidation on 31.03.2010, due to its incorporation in 2010)
AUTOTECHNICA MONTENEGRO DOO	Podgorica, Montenegro	100%	(First consolidation on 31.12.2010, due to its incorporation in 2010)
AUTOTECHNICA FLEET SERVICES LLC	Kiev, Ukraine	100%	(First consolidation on 31.03.2015, due to its incorporation in 2015)
AUTOTECHNICA FLEET SERVICES DOO	Zagreb, Croatia	100%	(First consolidation on 30.06.2015, due to its incorporation in Quarter 2 of 2015)
ANTERRA DOO	Ζάγκρεμπ Κροατίας	100%	(First consolidation on 30.06.2016, due to its acquisition finalization in Quarter 2 of 2016)
HYUNDAI HELLAS S.A.	Mandra, Attica	70%	(First consolidation on 31.12.2017, λόγω απόκτησής της τον Δεκέμβριο 2017 μέσω της συμμετοχής μας στην DERASCOTRADINGLIMITED-Έμμεση συμμετοχή)_
KIA HELLAS S.A.	Mandra, Attica	70%	(First consolidation on 31.12.2017, due to its acquisition in December 2017 through our participation in DERASCO TRADING LIMITED-Indirect participation)
DERASCO TRADING LIMITED	Nicosia, Cyprus	100%	(31.12.2017, due to its acquisition in December 2017)

b. Associates/Joint Ventures

Company	**Headquarters**	**Shareholdingς**	
ΕΛΤΡΕΚΚΑ S.A. (Joint Venture)	Nea Kifissia, Attica	50%	(First integration on 30.09.2005, due to increase in our participation in its capital in 2005)
SPORTSLAND SPORT FACILITIES-TOURISM AND HOTELS S.A. (Joint Venture)	Kifissia, Attica	50%	(First integration on 31.03.2008, due to its incorporation in 2008)
CRETE GOLF S.A. (Associate)	Hersonissos, Crete	45.033%	(First integration on 31.03.2015, due to increase in our participation in its capital in 2015)

The consolidated financial statements of the company cover the company and its subsidiaries (the Group). Subsidiaries are enterprises which are controlled by the parent. Subsidiaries are fully consolidated from the date on which the control thereon is obtained and cease to be consolidated from the date on which the control ceases.

Associates are companies on which substantial influence is exercised. These companies are presented in the consolidated financial statements by the equity (net position) method. Joint ventures are jointly controlled companies. These companies are presented in the consolidated financial statements using the equity (net position) method.

Autotechnica Hellas SA, is a subsidiary of Autohellas SA (100% participation) and started its operation in April 2008. Its main activity was the exploitation of workshop and bodyshop facilities as well as offering fleet management services. Initially, fleet management services involved only Autohellas's fleet, but towards the end of 2008 other companies started to be added to the customers' list. Since December 2015, the company also acquired the commercial brand of the absorbed VELMAR S.A., handing the company the right to operate in car trading and in after sales support. Total turnover in 2018 was € 163.621.777 and earnings after tax were € 1.828.522.

Autotechnica Ltd. is Hertz's national franchisee in Bulgaria, while being the importer / distributor of SEAT cars.

Autotechnica (Cyprus) Ltd began its activity in June 2005 and it is Hertz's national franchisee in Cyprus. Autohellas has the licensee agreement, and this right has been assigned to Autotechnica (Cyprus) Ltd. Autohellas participated initially by 75% in Autotechnica (Cyprus) Ltd, while the remaining 25% belonged to a Cypriot businessman. In August 2009, Autohellas proceeded to the full acquisition of this company, with participation now being 100%.

Autotechnica Fleet Services S.R.L. started its activity in Romania in 2007. As of 2012 the company is engaged in both long term operating leasing and short term rentals under the Hertz brand.

In February 2010 Autohellas SA acquired the franchisee license for the Hertz brand in Serbia. For this purpose, the parent company established a subsidiary in Serbia under the name Autotechnica Serbia DOO.

At the end of 2010, Autohellas SA acquired the franchisee license for the Hertz Brand in Montenegro as well. For this purpose, the company established a new subsidiary by the name Autotechnica Montenegro D.O.O.

In Croatia, the investment completed by Autohellas in 2015 is of significant importance for its overall growth, provided that Croatia is today in the 2nd place in tourism, among the countries, where Autohellas S.A. represents the brand of Hertz Int., with continuously increasing tourism growth.

In 2015, the Group started operating also in the Ukrainian market. Despite the economic and political instability, the long-term prospects of the country are expected to be positive. Procedures for the accession of the country to the EU are expected and significant prospects exist for this market due to its size and geopolitical position.

In 2018, total turnover from foreign countries reached an amount of € 63,7 m. from € 58.5 m. in 2017, with earnings after tax amounting to € 10,5 m.

As of February 2008, Autohellas SA participates in the company Sportsland SA, with a total participation amount of €2,030,000 (participation percentage 50%).Autohellas SA participated on all share capital increases of Sportsland S. A. Total investment as of 31.12.2018 is € 6.345.000 (participation percentage 50%). The remaining 50% belongs to Achilleas Konstantakopoulos.

Autohellas S.A. holds an investment to the company Crete Golf Club S.A. with a percentage of 45,033% and after its share capital increase that took place in 2018 the investment amounts to € 8.033.316 having in its ownership 1,338,886 shares.

Autohellas S.A. sold to Autotechnica Hellas ATEE its 50% investment in associate ELTREKKA S.A., with ELTRAK S.A. holding the other 50%, as of December 31, 2014. ELTREKKA operates as an importer, logistics,

trader and distributor of spare parts of various global brands to the local market. Turnover for 2018 reached € 30,2 m. reporting after tax losses of € 712 mil.
On March 14, 2019, Autohellas agreed to increase its direct and indirect participation at 100% of ELTREKKA SA's share capital. acquiring by the other shareholder 50% of ELTRAK SA, all the shares held by ELTRAK, including those that will arise after the forthcoming capital increase. The completion of the transaction and the final transfer of the shares to the Company is subject to the approval of the authorities who have the responsibility.

As far as Aegean Airlines is concerned, Autohellas has an exclusive collaboration for the promotion of car rentals to its clients.

Branches

The Group has in total approximately 100 branches at the date of publication of the Financial Statements. Due to increased seasonality in summer, the number of operating branches is increased in accordance to the local demand.

➢ PROSPECTS

The continuous, gradual but almost constant trend of recovery (from the exceptionally low levels that had fallen) in the car market in Greece gives in the sector of operating leasing / fleet management of our company but also in the auto trade sector the possibility of further development. In the operating leasing market, we aim at creating new services and benefits for our customers, aiming at better exploiting synergies within the Group. Our priority once again, beyond the mature market of large corporate customers, will be given to small and medium enterprises' market where there is a significant penetration prospect. Hence, this is the main market where the low-cost, and rather innovative, financing that the company has achieved through the Securitization of Future Receivables, which is the first to ever happen in Greece outside the banking sector, through a syndication of major Supranational European Institutions (EIB, EIF, EBRD, KFW).

The market of tourism and by extension of Rent a Car (RAC) has achieved an excellent development course (about 8-10% annually) that started in 2013 reaching historically high standards for both the country and especially our company in Greece. Based on the arrivals records of previous years, the looming slowdown in the key European economies/sources and the uncertainty due to the BREXIT affecting the English market we should be quite conservative in our estimates of 2019, after a six-year continuous increases in incoming tourism. So for 2019 we estimate that there will be a small, single digit increase and this might be limited in some of the tourist areas, mainly in Athens. Respectively, the market/investments in cars' movement will be rather restrictive, renewing (in average age) and upgrading in a mixture but not quantitatively increasing the fleet of RAC in Greece, with emphasis on the improvement of employment indicators/ utilization of the fleet during the year. Undoubtedly for another year, we will continue to penetrate and upgrade our privately owned infrastructures throughout the Greek territory, both in our services to our customers and in the improvement of operational logistic that make us more competitive at cost operation. At the same time, a much more detailed training program, in duration, context and content has been determined for our personnel.
The activity of Car Trading and after Sales Service, developed dynamically in 2018 creating an additional healthy and important pillar of work, profitability and synergy for the Company. At the same time, this significant increase in activity and profitability was carried out with a controlled, small expansion of the Group's working capital in both stocks and receivables. The growth rate of sales, especially for Hyundai and KIA acquired and consolidated for the first time in the late 2017, significantly exceeds the 17.4% increase in the car market. Both the retail activity and the companies HYUNDAI, KIA & SEAT are estimated to have for 2019 and in the next 2-3 year a significant increase in car sales, spare parts and services and profitability. There are certainly challenges with competition, car taxation and the evolution and diversification of technology and engine fuel as well as serious potential delays from production complexity. But given the expertise and synergies of the Group and the fact that all three subsidiaries of car Trading have, by far, the smallest debt burdens among the major local competitors, the prospects remain positive.

For the countries abroad it is estimated that for another year we will have a significant increase in fleet and revenue. The economies of the countries in which we have presence are estimated to achieve a moderate growth rate, which will be similar but not higher than that of last year.
Regarding short-term rentals, we estimate a slight increase, although there is uncertainty due to BREXIT, which is expected to reduce the arrivals of tourists from England.
For 2019, we aim for growth, mainly through long-term rentals, while increasing our profitability through more effective cost-control processes and for a further amelioration of the quality of the services offered especially in short-term rentals.

In Bulgaria the economy has a positive outlook, as the country continues in 2019 with a significant growth. In the field of long-term rental there will be an increase in the number of our customers and the entire fleet. Emphasis will be placed on achieving new cooperations with large and strong multinational corporations, as well as on the market for small and medium-sized enterprises, where there is still a significant prospect for development. Regarding short-term rentals, we expect an increase in both revenue and market share, mainly through a wider penetration in corporate rental segment with better utilization rates and not through a fleet increase.

In Cyprus, the business and economic status of the country is recovering and the overall prospects of the company remain positive. Although in recent years Cyprus has enjoyed a significant increase in arrivals, for 2019 we believe that we should be more conservative in our expectations. The reason lies in the uncertainty caused by BREXIT, which affects the whole English market and contributes nearly 45% of tourist arrivals in Cyprus. Thus, for 2019 a single-digit increase in tourism is estimated. Accordingly and as far as the short-term rental fleet is concerned, the company will move more restrictively in new car purchases, close to 2018 levels. Also, as the economy is growing, particularly in the energy sector, an expansion of the long-term rental fleet is expected, a factor that will bring a significant increase in company's revenues.
In Romania, the country's economy is expected to be another year at growth and at levels above the European economy's average. We aim at a significant increase in the company's revenues, having as a main axis the expansion of the fleet of long-term rental, with the market in recent years being increasingly focused on this solution. For short-term rentals, although there is a slowdown in key European economies, we are counting on 2019 small growth, focusing mainly on the company's further development into the local market as well as the reinforcement of corporate rental. A significant challenge in the country is finding and retaining competent personnel, since the extremely low unemployment rate in the country’s capital, Bucharest, poses a significant impediment in the development of human resources sector.
In Serbia we look forward to a significant reinforcement of our leadership position in the field of long-term leases. The company's goal is to further develop its portfolio by reaching leasing agreements with multinational and strong local companies. In the same direction it is expected that the increase in revenues from corporate long-term rentals, with upgraded clients. At the Same time, it is estimated that the company will maintain a leading position in the short rental sector for another year, with a slight increase in revenues.
An increase in arrivals is expected In Montenegro, and it is estimated that the rising trend in the country's revenues from tourism will continue for another year. Our company is looking forward to strengthening its leading role in the field of short-term rental with a small increase in its fleet. With regard to long term leases, we aim to further increase the portfolio of our clients and our fleet.
In Croatia, the growing pace of tourism growth in recent years, which is expected to continue in 2019, has resulted in the country's economy having positive prospects. The company looks forward to a significant market share in short-term rentals, thus strengthening its position and dynamics, with a significant increase in revenues. At the Same time, a dynamic presence is expected in the market long-term rental, concluding trade agreements with multinational small and medium-sized enterprises.
In Ukraine, despite the relative instability of the past, the expected EU integration processes combined with the country's size and particular geopolitical position give a long-term development perspective.
The Company owns 57,559 Treasury shares acquired in 2012 and 2013 by decision of the General Meeting on 24.04.2012. The aforementioned decision had a maturity date on 24.04.2014 and since then the Company has not purchased new shares.

The Group does not use derivatives and other financial instruments. The financing of the Group is covered by borrowing through financial institutions as well as by the product of the securitization from the most important European supranational organizations (EIB, EIF, EBRD and KFW).

➢ IMPORTANT EVENTS

The events with the greatest impact in 2018 were:
The Company proceeded to medium-term financing by securitization of claims amounting to € 72,151.77 from European Investment Institutions. The funds allow AutoHellas to have access to structured medium-term financing for car leases to small and medium-sized businesses operating in Greece.

➢ RISK MANAGEMENT

Exchange RateRisk
The Group, via its subsidiaries, is operating in Bulgaria, Romania, Cyprus, the Republic of Serbia, Montenegro Croatia and Ukraine. The existing operations of the Group abroad refer both in short-term and long-term leases. Due to these operations, the Group transacts with clients and suppliers and holds assets and liabilities which are expressed in different currencies than the Euro, which is the reporting currency of the Group. More specifically, the Group's subsidiaries in Romania, the Republic of Serbia, Croatia and Ukraine have liabilities/assets in RON, RSD, HRK and UAH respectively. However, these subsidiaries do not expose the Group into a material exchange rate risk due to their size and the currencies that they use.

Interest rate risk
For the majority of its loans, the Group faces floating interest rates. It is noted that the Company and its subsidiariesdo not have interest-rate derivatives to hedge interest rate risk for floating interest rate loans (Euribor).
Credit Risk
Company does not have any substantial credit risk. Retail sales are mainly made through credit cards, electronic banking transactions and to a very small extent in cash. Wholesales take place only after a thorough check on the customer's financial reliability has been conducted, and in most cases advance payments or guarantees are obtained. In addition, the company and its subsidiaries pay close attention to its credit collection period and act accordingly. Potential credit risk exists also for the Group's cash flows, but deposit products of recognized financial institutions with high credit standing are used. Additionally, in most of these cases, the Group has debt obligations of a higher amount.

Market Price Risk
With regard to Market Price Risk, as of 31/12/2018 the Group is exposed to the fluctuation Risk of the stock price of Aegean Airlines S.A. For 2018, there was a negative effect of € 7,245,801.96 on other comprehensive income of the company. Moreover, Aegean Airlines growth potential should be considered obvious due to its leading industry position.

The company is also exposed in used car price reduction risk. The Group's ability to sell its used car fleet could be reduced due to several reasons, including the macroeconomic environment, changes in the operational model of the Rent a Car sector, regulatory changes (such as changes in taxation, in environmental frameworks, as well as an over-supply of new cars in the market), that will result in a reduction towards the demand of used cars, the subsequent reduction in prices and eventually the value of used cars of the company itself. The Group has been dealing even to date with the risk of a reduction in resale prices through continuous market research and marketability-based fleet configuration, as well by increasing the average age of the fleet of rented cars, a common practice followed by several other companies in the industry.

Finally, both the group and the company are exposed in property value changes. During the first semester of 2008 there has been a change in the valuation method of the company's property which are no longer valued based on their historical cost but on their fair value. As a result, changes in the real estate market prices will have an effect in fair values. In the end of 2010 the company revalued its property and no decrease in total value has been recorded. In fiscal year 2012, property was revalued and significant losses of € 16,504,166.09 were recorded. In 2013 there was another revaluation of the company's property and an additional loss of € 4,534,016.30 has been reported. In the beginning of fiscal year 2017, a revaluation of the investment properties took place with no derived changes. In 2017 there was another revaluation of the company's investment properties from which an additional profit of € 1,583,597.92 has been reported. Also, a revaluation concerning the company's own-occupied properties has taken place with a reported loss of € 2,218,564.33. In December 2018, there was another revaluation of the company's investment properties from which an additional profit of € 11.837,75 has been reported. Also, a revaluation concerning the company's own-occupied properties has taken place with a reported loss of € 268.021,79.

Sales Seasonality

Rent-a-car sales (short – term rentals) are traditionally extremely seasonable, as they depend heavily on tourist arrivals. It is indicative that 57% of total sales in Greece, is generated during the July – September period while this figure for the foreign countries stands at 41%. As a result, short – term sales can be affected substantially by events that have an impact on the tourism market, especially if such events take place at the beginning of the season. Moreover, the Group renews or expands its fleet based on expected demand and especially on seasonal demand, financing this fleet renewal through either its own or foreign capital.

However, long-term rentals, which account for 55% of the total turnover and are distributed through the year, have a smoothing effect on overall seasonality of sales.

➢ TRANSACTIONS WITH RELATED PARTIES

All transactions to and from related parties are made under standard market conditions. Significant transactions with related parties as defined by IAS 24, are described in detail in Note 36 to the Annual Consolidated and Company Financial Statements for the year ended on December 31st, 2018.

➢ CORPORATE GOVERNANCE STATEMENT

(a) Corporate Governance Code

The Company applies the corporate governance principles, as stipulated by the respective regulation, aiming to improving governance and competitiveness practices, as well as enhancing transparency towards investors.

The Company has voluntarily decided to adopt the Code of Corporate Governance of the Hellenic Federation of Enterprises (SEV-ΣΕΒ) for listed companies (hereinafter, the **"Code"**), which it is subject to and in which the above principles are incorporated. For the year 2018, the Company did not adopt corporate governance practices beyond the requirements of the current legislation.
The Code is available at the following web site:
http://www.sev.org.gr/Uploads/pdf/kodikas_etairikis_diakivernisis_GR_OCT2013.pdf
http://www.ecgi.org/codes/documents/hellenic_cg_code_oct2013_en.pdf

This statement specifies how the Company applies the Code and derogations therefrom.

(b) Composition and operation mode of administrative, management and supervisory bodies of the Company and of their committees

SHAREHOLDERS' GENERAL MEETING

The General Meeting of the Company's Shareholders, in accordance with its Articles of Association, is the supreme administrative body and decides on any corporate affair, while its lawful decisions bind all shareholders.

The General Meeting is convened by the Board of Directors and necessarily meets at the Company's headquarters at least once each fiscal year, no later than the tenth (10th) calendar day of the ninth (9th) month after the end of the fiscal year, in order to decide on the adoption of the annual financial statements and the election of auditors.

The General Meeting is called at least 20 days prior to its conduct, by an invitation (call) indicating the exact address of the premises, the date and time of the meeting, the items on the agenda clearly indicated, the shareholders entitled to participate, as well as precise instructions on how shareholders can participate in the meeting and exercise their rights in person or by representative. The Call is made public as required by the law and is posted in the Greek and English language on the Company's website and further specifies (a) the rights of the minority shareholders referred to in Article 141 (2), (3), (6) and (7) Law 4548/2018; (b) the procedure for the exercise of voting rights through representatives and, in particular, the forms used by the Company for that purpose; (c) determines the date of registration under the law, stating that only those who are shareholders at that date have the right to participate and vote in the General Meeting; (d) communicates the site where the full text of the documents and draft decisions is available; and (e) states the Company website address, where the information of Article 123 (3) and (4) of Law 4548/2018 is available.

The members of the Board of Directors, as well as the auditors of the Company, are entitled to attend the General Meeting in order to provide information and communication on issues of their competence, which are put to discussion and on the questions or clarifications, requested by the shareholders. The Chairperson of the General Meeting provides sufficient time for shareholders to ask questions. The Chairperson of the General Meeting, under his/her responsibility, may allow the presence of other persons, no shareholders or shareholders' representatives, at the General Meeting, insofar as this is not contrary to the company's interest.

Decisions are made by holding a vote in order to ensure that all shareholders are involved in the results, whether they are present in person at the meeting or vote through an authorized representative.

The rights of the Company's shareholders are specified in the Articles of Association and Law 4548/2018.

Contact with Shareholders

The Board of Directors has appointed a Shareholder Support Officer, whose main duties are to timely inform the Company's shareholders about their rights.

The Company also maintains an active website where useful information both for shareholders and investors is posted.

BOARD OF DIRECTORS (BoD)

The Company's Board of Directors, whose members are elected by the General Meeting of the Company, is competent to decide on any act concerning the administration of the Company, the management of its property and the general pursuit of its purpose in the Company's interest and, therefore, in the interest of its shareholders, according to the Corporate Strategy and the current legal framework. The BoD determines which its executive and non-executive members are, where the number of the latter cannot be less than 1/3 of the total number of BoD members. At least two independent members, appointed by the General Meeting, are among the non-executive members.

The role of the BoD members is specified in the Company's Articles of Association, the Corporate Governance Code and official documents of the Company. Executive members deal with the day-to-day management issues of the Company while non-executive, with the promotion of all corporate issues.

The BoD elects among its members the President and the Managing Director. Under the Company's Articles of Association, as in force for 2018, the BoD may consist of five to twelve members. By the Minutes of the General Meeting of the Company dated 08.06.2017, the BoD was formed with ten members. However, after the resignation of a member in 2017, who was not replaced, the loss of Mr. Theodoros Vassilakis on 17.05.2018, which was not replaced, and the replacement of another member by the BoD decision dated 11.09.2018, the BoD was formed with eight members, 3 of which are non-executive and independent. The BoD term of office is 5 years and meets regularly to decide on corporate strategy and management issues. BoD Meetings are held and decisions are taken in accordance with Law 2190/1920 regarding the year ended 31.12.2018 and as of 01.01.2019, in accordance with Law 4548/2018.

The following table presents the current BoD members, their capacity as well as the dates of commencement and termination of their term of office.

FULL NAME	CAPACITY	TERM OF OFFICE COMMENCEMENT DATE	TERM OF OFFICE TERMINATION DATE
1. Emmanouela Vasilaki	BoD President, BoD Executive Member	22.05.2018	08.06.2022
2. Eftichios Vassilakis	BoD Vice President & Managing Director, BoD Executive Member	08.06.2017	08.06.2022
3. Georgios Vassilakis	BoD Executive Member	08.06.2017	08.06.2022
4. Dimitrios Mangioros	BoD Executive Member	08.06.2017	08.06.2022
5. Garyfallia Pelekanou	BoD Executive Member	08.06.2017	08.06.2022
6. Spyridon Flengas	BoD Independent, Non-Executive Member	08.06.2017	08.06.2022
7. Marinos Yannopoulos	BoD Independent, Non-Executive Member	11.09.2018	08.06.2022
8. Konstantinos Sfakakis	BoD Independent, Non-Executive Member	08.06.2017	08.06.2022

Responsibilities:

BoD President

- Defines the issues of the agenda, ensures the good organization of BoD proceedings, calls its members to meetings and directs its meetings.
- Represents the Company, administers and manages its property.
- Assumes all responsibilities assigned thereto by the BoD and signs any contract of the Company in accordance with the relevant authorization given by the BoD.
- Facilitates the effective participation of BoD non-executive members in its proceedings and ensures constructive relations between them.

Managing Director

- Ensures the implementation of strategic decisions as defined by the BoD.
- He/she is responsible for the effective communication between the BoD and shareholders.
- Provides sufficient information to the BoD President regarding events and developments concerning the Company.
- Coordinates the individual Directorates of the Company.
- Defines the Company's future strategy and evaluates the business opportunities arising.

Resumes of BoD Members:

- **Emmanouela Vasilaki**
  BoD President, BoD Executive Member and General Director. Born in 1946 in Heraklion-Crete, with the Company administration since 1974. Appointed BoD President at the meeting of 22.05.2018, when the BoD was reconstituted.
- **Eftichios Vassilakis**

BoD Vice President, BoD Executive Member and Managing Director. Born in 1967. Postgraduate studies in Business Administration in the USA, BA in Economics - Yale University, MBA - Columbia University. Working for the Company since 1990.

- **Georgios Vassilakis**
  BoD Executive Member. Born in 1972. Studies in Business Administration and Modern History at the University of Georgetown, Washington, USA. Currently, President and Managing Director of AUTOTECHNICA HELLAS SA.
- **Dimitrios Mangioros**
  BoD Executive Member and Deputy General Director. Born in 1956. Postgraduate studies in economics in Great Britain, Salford University. Working for the Company since 1986.
- **Garyfallia Pelekanou**
  BoD Executive Member. Born in 1966. Postgraduate studies in Business Administration in the USA. Graduate of the University of Piraeus, MBA - Duke University. Working for the Company since 1994.
- **Spyridon Flengas**
  Independent BoD Non-Executive Member. Born in 1939. Studied Electrical Engineering at the National Technical University of Athens. Master of Science in Mechanical Engineering and Industrial Management at MIT, USA. He has been General Director and Co-Managing Director of "G.A. Keranis SA" cigarette manufacturing company, as well as and for many years. Keranis SA as well as General Director and Secretary-General of the Hellenic Federation of Enterprises (SEV).
- **Marinos Yannopoulos**
  Independent BoD Non-Executive Member. Born in 1953. Master's in Economics, University of Sussex και and Master's in Business Administration (MBA) - Manchester Business School. Worked consecutively for Exxon in London, Rome and Athens, and Chase in New York, Milan and Frankfurt. He has been Chief Executive Officer (CEO), General Director and Chief Financial Officer (CFO) of Alpha Bank and Deputy CEO of Chipita. Currently, he is Managing Partner of X-PM Consulting and Vice BoD President of the Hellenic Bank in Cyprus. He was elected as an independent non-executive BoD member on 11.09.2018, in replacement of resigned Mr. Stefanos Kotsolis.
- **Konstantinos Sfakakis**
  Independent BoD Non-Executive Member. Born in 1948. Studied at the Athens University of Economics and Business (former Supreme School of Economics and Business - ASOEE), Department of Business Administration. Served as Chief Financial Officer and BoD President and Member of Greek Groups of Companies. Since October 2014, he is Administrative Consultant of the Hellenic Federation of Enterprises (SEV).

AUDIT COMMITTEE

Pursuant to Article 44 Law 4449/2017, the Audit Committee of the Company consists of at least three (3) non-executive BoD or/and members elected by the General Meeting of the Company's shareholders and is either an independent committee or a BoD committee. The Chairperson of the Audit Committee is appointed by its members or elected by the General Meeting of the Company's shareholders and is independent of the Company within the meaning of the provisions of Law 3016/2002.

The current Audit Committee consists of the following members, two of which are independent non-executive BoD members and the third is a non- BoD member, elected by the General Meeting of the Company's shareholders:

1. Eleni Inglezou	Audit Committee Chairperson
2. Spyridon Flengas	Audit Committee Member, BoD Independent Non-Executive Member
3. Marinos Yannopoulos	Audit Committee Member, BoD Independent Non-Executive Member

All the aforementioned members of the Audit Committee have proven adequate knowledge in the field in which the Company operates and meet the independence requirements provided by Law 3016/2002. In addition, Mr • has proven adequate knowledge in auditing and accounting.
The Audit Committee meets at regular intervals, at least four (4) times a year, and extraordinary when required. All the Audit Committee members attend its meetings. However, it is at the discretion of the Audit Committee to invite, whenever appropriate, key management personnel involved in the Company's governance, including the Managing Director, the Chief Financial Officer and the Head of the Internal Audit Department, to attend specific meetings or specific items on the agenda.

Audit Committee responsibilities

The Audit Committee, which is in continuous cooperation with the Company's Internal Audit Department and supervises the Company's internal auditors, has the following responsibilities, in accordance with Article 44 Law 4449/2017, as applicable:

(1) informs the Company's BoD of the outcome of the statutory audit and explains how the statutory audit contributed to the integrity of the financial information and what the role of the Audit Committee in that process was;

(2) monitors the financial reporting process and make recommendations or proposals to ensure its integrity;

(3) monitors the effectiveness of the Company's Internal Audit, Quality Assurance and Risk Management Systems and, if applicable, its Internal Audit Department, in relation to the Company's financial information, without violating its independence;

(4) monitors the statutory audit of the annual and consolidated financial statements, and in particular its efficiency, taking into account any findings and conclusions of the competent authority pursuant to Article 26 (6) of Regulation (EU) 537/2014;

(5) reviews and monitors the independence of statutory individual auditors or audit companies in accordance with Articles 21, 22, 23, 26 and 27 and Article 6 of Regulation (EU) 537/2014 and in particular, the appropriateness of providing non-audit services to the Company in accordance with Article 5 of Regulation (EU) 537/2014;

(6) is responsible for the selection procedure of individual auditors or audit companies and proposes statutory individual auditors or audit companies to be appointed in accordance with Article 16 of Regulation (EU) 537/2014, unless Article 16 (8) of Regulation (EU) No.537/2014 applies.

Description of the diversity policy that applies to the Company's administrative, management and supervisory bodies

The Company provides equal opportunities to all its employees and avoids all kinds of discrimination. The same diversity and equality policy applies to its administrative, management and supervisory bodies in the effort to cultivate an environment of equality without discriminations.

Management and employees are assessed on the basis of their education and professional background, knowledge of the Company's subject matter and their leadership skills, experience and efficiency.

Both at the Company's BoD and Committees, the greatest possible diversity is sought regarding gender, age and educational and professional history of the members, as it results from those presented above regarding BoD members and also, Audit Committee members. The aim is to have pluralism of opinions, skills, knowledge and experience, which correspond to the corporate goals, within the Company. This diversity policy of the Company was also applied during the 2018 fiscal year, as evidenced from the foregoing, leading to the establishment of a working environment without discrimination and prejudices.

(c) Description of Main Features of the Company's Internal Audit & Risk Management Systems

In addition to the Audit Committee, the composition and responsibilities of which were presented in detail immediately above, the Company has also an Internal Audit Department, the purpose of which is the application and continuous adherence to the Company's Internal Rules of Procedure and Articles of Association and to the overall legislation concerning the Company. The Internal Audit Department notifies the BoD on the cases of conflict between the private interests of the BoD members or of the Company's executives with the interests of the Company, identified during the performance of its duties.

The Internal Audit Department is an independent, objective and advisory unit, designed to add value and improve the Company's operations. It helps the Company achieve its objectives by providing a systematic approach to assessing and improving the effectiveness of the Company's risk management, internal audit and governance processes.

The Internal Audit Department monitors the correct application of the legislation and the observance of the Company's Articles of Association and of all the Group's policies and procedures. The Internal Audit Officer develops and maintains a respective process manual, which covers all aspects of Internal Audit activities and continuously oversees its effectiveness. The Internal Audit Department is an independent organizational unit, which reports to the Board of Directors through the Audit Committee.

Indicative, but not limited, responsibilities of the Internal Audit Department:

o monitors the implementation and the continuous observance of the Internal Rules of Procedure and the Articles of Association of the Company, as well as the general legislation concerning the Company and especially the commercial and regulatory legislation;

o notifies the BoD on any case of conflict between the private interests of BoD members of Directors or of senior executives and the interests of the Company, found during the performance of its duties;

o informs the BoD in writing at least once a quarter about the audit conducted and attends the Shareholders' General Meetings;

o internal auditors provide, after approval by the Company's BoD, any information requested in writing by Supervisory Authorities, cooperate with them and facilitate in any way the monitoring, control and supervision they exercise;

o inspects the legality of remuneration and any kind of benefits to the members of the Administration on the basis of the decisions of the competent bodies of the Company;

o inspects the relations and transactions between the Company and its affiliated companies, as well as the relations between the Company and the companies in the capital of which members of the Company's BoD or its shareholders participate with at least 10%,.

Furthermore, the Internal Audit Department is responsible for the following:

o ensuring the lawful representation of the Company's transactions;

o ensuring the reliability and completeness of the financial and operational information produced and the means used;

o developing a flexible annual audit plan that includes every risk and control point recognized by the management;

o assessing adequacy and effectiveness, as well as promoting qualitative and continuous improvement of audit procedures and risk management;

o coordinating and overseeing other audit, monitoring and supervising functions;

o inspecting the workflow of external auditors to provide optimal audit coverage and minimize duplication;

o submitting periodic reports of the Department’s activities to the Management and Audit Committee;

o preparing and implementing the Department’s budget.

In general, the Internal Audit Department is part of the overall Internal Audit system, tasked with auditing operational and business risks, preventing and improving operations, performance and correct corporate governance. Internal Audit assists members of the company, including senior management and the Audit Committee, in the effective exercise of their duties.

Composition and operation of the Internal Audit Committee

Internal audit is conducted by at least one internal auditor, who is fully and exclusively hired and is independent in the performance of his/her duties and not hierarchically subjected to any other company department, while being supervised by the Audit Committee. The Head and any other internal auditors of the Company are appointed by the Company's Board of Directors.

Pursuant to Article 7(3) Law 3016/2002, BoD members, senior executives on active duty or their relatives above up to second degree by blood or by marriage, are not allowed to be appointed as internal auditors. The Company shall inform the Stock Exchange Commission of any change in the persons or the organization of the internal audit within 10 working days of such change.

When conducting audits, the Head and staff of the Internal Audit Department have the right to become aware of any element (book, document, file, bank account) of the Company and have access to any of its departments. The members of the Board of Directors, the Management and all executives should cooperate and provide information to the Internal Audit Department and in general, facilitate its work in any way. The Company's Management provides internal auditors with all the necessary means to facilitate proper and efficient internal audit.

(d) Derogation from the Corporate Governance Code and justification thereof

Cases and reasons for the Company’s derogation from the recommendations of the Corporate Governance Code are as follows:

- The BoD has not formed a committee to prepare a recommendation thereto on the remuneration of executive members and senior executives.
- The BoD has a five-year term of office and does not consist of a majority of non-executive members, but of 5 executive members and 3 independent non-executive members. In the last years, Its efficient and productive functioning has been ensured under such proportion in all previous years.
- There is no requirement to report any professional commitments of its members to the BoD (including significant non-executive commitments to companies and non-profit institutions) prior to their appointment to the BoD, nor a limitation on the number of Board of Directors of listed companies to which they may participate, given that BoD members are able to perform their duties, devote sufficient time to their execution and are informed of the developments in matters pertaining to their duties.
- No BoD approval for the appointment of an executive member to a non-subsidiary or non-affiliated company is required for the reasons set out in the preceding paragraph.
- There is no nomination committee for BoD because, given the structure and operation of the company, this committee is not considered necessary at the moment.
- Due to the proximity between BoD members and the convenience of their meetings, BoD convention and meeting are functioning smoothly, without the adoption of a calendar of meetings and a 12-month action plan and with the frequency imposed by the Company's needs or the law.
- Individuals with a good and proven experience and organizational - administrative skills are recommended to be elected as BoD members. As a result, no introductory information program for the new BoD members or continuing vocational training for the other members has been established.
- There is no institutionalized procedure for assessing the effectiveness of the BoD and its committees. Such procedure is considered unnecessary in view of the organizational structure of the company.

- The BoD does not assess the internal audit system annually, since the Audit Committee monitors the internal audit system and presents its opinion on the Annual Report of the Internal Audit Department to the Company's BoD.

(e) The information required in the cases (c), (d), (f) and (i) of Article 10(1), Directive 2004/25/ EC of the European Parliament and of the Council of April the 21st, 2004 on takeover bids, are immediately mentioned below under (6).

➢ INFORMATION OF ARTICLE 4(7) LAW 3556/2007

I. Structure of Company's share capital

The share capital of the Company amounts to Euros three million nine hundred and eight thousand four hundred (3,908,400), divided into twelve million two hundred thirteen thousand seven hundred and fifty (12,213,750) common registered shares with voting rights and a nominal value of thirty two cents (0.32 Euros) each.
The Company's shares are listed for trading in the Securities Market of the Athens Stock Exchange ("Medium Capitalization" category).

The rights of the Company's shareholders arising from its share are proportional to the capital percentage which the paid value of the share corresponds to. Each share confers all the rights provided by the law and the Articles of Association of the Company, and in particular:

• right to dividend from the Company's annual profits or liquidation proceedings.

After the withholding of (a) a statutory reserve from the Company's net profits in accordance with article 158 Law 4548/2018 and (b) other credit items in the income statement, not derived from realized profits, and (c) the payment of the minimum dividend of Article 161 Law 4548/2018, in accordance with a relevant decision of the General Meeting, the remaining net profits, as well as any other profits that may arise and be distributed, in accordance with Article 159 Law 4548/2018, are distributed according to the definitions of the Articles of Association and the decisions of the General Meeting. As to the remainder of issues of distribution of profits, the provisions of Law 4548/2018 apply, as in force;

• right to take over the contribution at the time of liquidation or, respectively, the capital depreciation which corresponds to the share, if decided by the General Meeting;

• right of pre-emption to any increase in the share capital of the Company in cash and to the subscription of new shares;

• right to obtain a copy of the financial statements and reports of the auditors-certified accountants and the Company's BoD;

• right to participate in the General Meeting, which is specialized in the following individual rights: legalization, presence, participation in debates, submission of proposals on items on the agenda, recording of opinions in the Minutes and voting.

• The General Meeting of the Company's Shareholders reserves all its rights during liquidation.

The liability of the Company's shareholders is limited to the nominal value of the shares they hold.

II. Restrictions on corporate shares' transfer

Corporate shares are transferred as prescribed by the Law and there are no restrictions on their transfer provided by its Articles of Association, especially as they are intangible shares listed on the Athens Stock Exchange.

III. Significant, direct or indirect participations according to Article 4(7) Law 3556/2007

On 31.12.2018, the company under the name MAINSTREAM S.A. owned 60.06% of the total voting rights in the Company. The above company is controlled by Mr. Eftychios Vassilakis.

IV. Shares, conferring special control rights

There are no corporate shares, conferring special control rights to their holders.

V. Restrictions on voting rights

The Company's Articles of Association do not provide for any restrictions on the voting rights, deriving from its shares.

VI. Agreements of Company's Shareholders

The Company is not aware of existing agreements between its shareholders, which imply restrictions on the transfer of its shares or on the exercise of the voting rights, deriving from its shares.

VII. Rules for the appointment & replacement of BoD members and for amendments to the Articles of Association

The BoD consists of five to twelve members, elected by the General Meeting with a five-year term of office, which cannot exceed six years in any case.

The rules laid down in the Articles of Association of the Company for the appointment and replacement of BoD members and for the amendment of its provisions are not different from the provisions of Law 4548/2018, as in force.

VIII. Competence of the BoD for the issuance of new or the purchase of own shares νέων

Pursuant to the provisions of Article 24(1) Law 4548/2018, the BoD of the Company is entitled, following a relevant decision of the General Meeting, subject to the disclosure formalities of Article 13 Law 4548/2018, to increase the share capital of the Company, in whole or in part, through the issuance of new shares, by a decision taken by a majority of at least two-thirds (2/3) of all its members. In this case, the share capital may be increased by an amount which cannot exceed three times the capital existing at the date when the power to increase the capital was granted to the BoD. The abovementioned BoD power may be renewed by the General Meeting for a period not exceeding five years for each renewal granted. The validity of each renewal commences from the expiry date of the previous one. The decisions of the General Meeting to grant or renew the BoD power to increase the capital are subject to statutory disclosure.

Pursuant to Article 49(1) Law 4548/2018, the Company, either by itself or through an individual acting in his/her own name but on behalf of the Company, may acquire its own shares already issued, but only after approval by the General Meeting, which stipulates the terms and conditions of the foreseen acquisitions and, in particular, the maximum number of shares that may be acquired, the validity period of the approval, which may not exceed twenty-four (24) months and, in the case of acquisition for value, the upper and lower limits of the acquisition value. The decision of the General Meeting is subject to disclosure. These acquisitions are made with the care of BoD members under the conditions of Article 49(2) Law 4548/2018.

IX. Significant agreements that enter into force, are amended or expire in the event of change of control, following a public offer

There are no agreements that enter into force, are amended or expire in the event of a change in the Company's control following a public offer.

X. Agreements with BoD members or Company personnel, regarding compensation in case of resignation, etc.

There are no agreements between the Company and its BoD members or its personnel, which provide for payment of compensation especially in case of resignation or redundancy without a reasonable ground or termination of their term of office or employment due to a public offer.

- **EXPLANATORY REPORT ON ADDITIONAL DATA OF ARTICLE 4(7) LAW 3556/2007**

Regarding the information of paragraph 6, we note the following events that took place during the period 01.01.2018 - 31.12.2018.

Significant direct or indirect participations

On 31.12.2018, the company under the name MAINSTREAM S.A. owned 60.06% of the total voting rights in the Company. The above company is controlled by Mr. Eftychios Vassilakis.

➢ DIVIDEND POLICY

BoD decision on the distribution of dividend to shareholders shall be submitted up to the date of publication of the call to the Regular General Meeting.

➢ SIGNIFICANT EVENTS AFTER 31.12.2018

In addition to the above, from the date of the Balance Sheet and by the adoption of the Financial Statements by the BoD, the following significant events took place:

- On 06.03.2019, the Company decided to resume the division process of SEAT new cars and spare parts' import and trading sector and its contribution for this purpose to a joint-stock company under incorporation. The opening of the sector division process was initiated by the BoD decision dated 10.07.2018 and announced to the investing public on 11.07.2018 but was postponed for a short period of time due to procedural reasons. As date of the Valuation Balance Sheet of the assets of the contributed sector was set 31.12.2018. Sector division essentially aims at the organizational separation and specialization of the Group's business activities. The completion of the incorporation of a new company by contribution of the divided sector is subject to the appropriate decisions of the Board of Directors, on the condition of the approval of the General Meeting of the Company's shareholders to finalize the process and eventually approve the intended division, as well as the delivery of the approval of the authorities competent by Law for this purpose.
- On 14.03.2019, the Company signed a contract for the issuance of a Euros 160 mil - Common Debenture (bond) Loan, the largest part of which will be used to repay short-term loans of Euros 97,815 mil.. The remaining amount will cover the Company's future operating needs.
- On 14.03.2019, the Company, which indirectly holds 50% of the company UNDER THE NAME "ELTREKKA S.A. – IMPORT AND TRADE OF CAR ACCESSORIES, WORKSHOP EQUIPMENT AND INDUSTRIAL PRODUCTS" through its subsidiary "AUTOTECHNICA HELLAS TECHNICAL & TRADING S.A.", agreed to increase its direct and indirect participation to 100% of the share capital of ELTREKKA SA., by acquiring by the other 50%-shareholder, ELTRAK S.A., all the shares held by the latter, including those that will be issued after the forthcoming capital increase.

  The completion of the transaction and the final transfer of the shares to the Company are subject to approval by the Greek Competition Commission and under the usual terms and conditions provided for relevant transactions.

  The shares will be transferred at a symbolic price and the Company, after covering the capital increase of Euros 7 mil. by ELTRAK S.A., which will take place before the completion of the transaction, will assume the guarantees of the remaining - after the share capital increase - of the loans of ELTREKKA S.A.

➢ NON FINANCIAL DISCLOSURES

BRIEF BUSINESS MODEL DESCRIPTION

The Group operates in the sectors of car hire and car trading. Specifically, in the car hire sector it provides short-term rental services (duration of under one year) and long-term leasing and fleet management services (duration of over one year). In Greece it holds the exclusive right to use the Hertz trademark alongside with obtaining expertise for its car hire services.

With the recent absorption of VELMAR and TECHNOCAR, the Group also provides services as an authorized distributor and repairer of FORD, OPEL, SEAT, SAAB, HONDA, ALFA ROMEO, FIAT, ABARTH, MITSUBISHI & VOLVO cars and is the exclusive importer of SEAT cars in Greece. Since 2017, the Group has acquired the right to operate as an authorized distributor and repairer of HYUNDAI, KIA, BMW,BMW MOTO and MINI.

Through its subsidiary Autotechnica Hellas, the Group provides comprehensive maintenance, repair and fleet management services.

On 22.12 2017, the Company acquired 70% shareholding in the companies under the names HYUNDAI HELLAS S.A. and KIA HELLAS S.A. This acquisition strengthens the company's position in the retail car market and further classifies it among the leading companies in the industry.

The Group also operates abroad through subsidiaries in Cyprus, Romania, Bulgaria, Serbia, Montenegro, Ukraine and Croatia, where it maintains the exclusive right to use the Hertz trademark.

With more than 100 stations in Greece and abroad, Autohellas Group continues to innovate constantly offering new services with a fleet size of over 44,000 cars.

Integrity and accountability

Autohellas, since 1974, when it started its operations in Greece, has strategically chosen to operate in a responsible manner and to take responsibility for the potential impact of its operation to all related parties which it affects. In this context, a series of actions is systematically implemented aiming at:

- The operation of the company with respect to the environment, its employees, customers and suppliers, local communities and government authorities, as well as the current legal and regulatory framework (both nationally and internationally).
- The growth of Greek tourism.
- The promotion of the cultural heritage of Greece.
- Supporting and promoting sports.
- Supporting education.
- Supporting socially disadvantaged groups.

Priorities

Given the challenges of the wider economic environment and the practical difficulties of business operations, the Group has set a number of priorities:

- Provide high-quality services that meet the needs of our customers.
- Improvement in the working environment for it to be even more secure, fair and offering opportunities for growth to all employees.
- The multi-faceted support of Greece by combining the continuous development of the Company with economic, social and entrepreneurial progress.
- Operating responsibly regarding the environmental impact of its operations.

- Greater contributions to vulnerable groups.

Values

Our values express our philosophy, reflecting our character and mirroring the best elements of our long history. They define who we are as an organization.

Integrity - We act with honesty, respect the needs of our customers, we provide advice, accept constructive criticism and admit any mistakes or omissions. We demand the highest ethical standards and superior quality for our services.

Respect for human values - The human factor is the driving force of our success. We are proud that throughout the Group's history, staff is treated with respect and dignity.

High Performance - We aim to continuously improve our performance, carefully analysing our results and making sure to never compromise our integrity and respect for people.

Teamwork – We work together and consider ourselves part of the team, share knowledge, ideas and experience, showing trust in our colleagues to achieve the best results.

LABOR & RESPECT FOR HUMAN RIGHTS

MAIN RISKS/IMPACTS RELATED TO LABOR AND HUMAN RIGHTS ARISING FROM THE GROUP'S OPERATIONS

We recognize that achieving our strategic objectives and maintaining our growth, is intrinsically connected to our human resources.

We pay special attention to maintaining jobs, choosing honest employees, monitoring the degree of their satisfaction, evaluating their performace correctly and objectively, taking care of health and safety at the work environment and training them.

COMPANY POLICIES

Training

Our human resources is one of the key investments to achieve our business objectives. The Companyand the Group implements a number of training programs and fully understands the role of continuous and effective training of employees for the implementation of corporate strategy and long-term business success.

The main subjects of employee training were technical issues and sales.

Health and Safety

Although the nature of the Company's and the Group's operations donot involve significant risks to Health and Safety issues, the company and the group take care to ensure appropriate work conditions and compliance with basic health and safety rules is achieved, in order to maintain a safe work environment and protect its employees.

- Design and implement appropriate tools and protection measures such as pharmacies in customer service stations.
- Continuous monitoring of corporate activities in order to identify potential risks and take relative preemptive measures.
- Periodic doctor visits at stations and headquarters.

Human Rights

The Company and the Group respect the International Human Rights Principles included in the International Declaration of Human Rights of the United Nations and specifically, among others, the principles of:

- equal treatment
- respect of human rights
- diversity
- providing equal opportinities to all employees and
- avoiding child or forced labor use

Providing equal opportunities and protecting diversity are basic principles of the Company and the Group. Management does not make discriminations in recruitment/selection, remuneration, training, job assignment or any other work activities. The factors that are exclusively taken into account are person's experience, personality, theoretical qualification, skills, efficiency and abilities.

Ensuring human rights is a key issue in training of our staff, which is performed with a scope to ensure parity and equal treatment of each customer and to prevent any kind of racist behavior.

RESULTS OF SUCH POLICIES AND KEY NON-FINANCIAL PERFORMANCE INDICATORS

Employee Training

- ✓ In 2018, 3,870 training and seminar hours were completed.
- ✓ In 2018 the company hired 129 employees with an age of under 30 years, 174 employees with an age between 30 and 50 years and 25 employees with an age above 50 years, either with indefinite or with fixed-term contracts. During 2018 358 recruitments took place.
- ✓ In 2018 € 388.865 were provided in various employee benefits (pension, clothing, etc.).

Human Rights

- ✓ During 2018 there were no significant agreements or contracts that included clauses on human rights and it should be noted that there were no complaints or reports of violation of human rights.

ENVIRONMENT

MAIN RISKS/EFFECTS RELATED TO ENVIRONMENT, WHICH ARE RELATED WITH OPERATIONS OF THE COMPANY

In Autohellas SA our goal is to offer the best quality service to our clients while consuming as few resources as possible. We understand sustainable development, as an attempt to build a more competitive and low emission economy which makes efficient use of resources, taking into account environmental protection. Applying environmental friendly policies and procedures across the range of our activities, particularly in terms of recycling and environmental management, we strive to reduce our environmental footprint proving our commitment to sustainable development with transparency and accountability.

CORPORATE POLICIES

The Company and the Group embrace the concept of sustainable development, as developed at the 2002 UN Declaration on Africa (Johannesburg Declaration on Sustainable Development) and the concept of environmental awareness as developed in the Declaration on Environment and Development in 1992, while aiming to continuously improve its environmental performance, in line with European and international standards, and to protect the environment and preserve natural resources for future generations. In addition, all EU and Greek regulations on environmental protection and waste management, are systematically controlled and integrated into our processes and our business planning. Through our environmental policy, we do not limit ourselves to the adoption of best "green" practices, but expand in customer awareness and environmental protection campaigns. In detail, the measures we implement are presented below:

- ✓ Maintain a fleet with low average age. The newer, and therefore more technologically advanced cars, emit fewer grams of carbon dioxide compared with the older generation ones thus significantly reducing our environmental footprint as a company.

- ✓ Increased participation of Eco-friendly vehicles to our fleet. On our website, we present the Eco-friendly cars which our customers can choose resulting in a reduction of the indirect environmental footprint caused by using our vehicles.

- ✓ Through the “Become a Green Driver!” program, which is systematically promoted in our website and upon delivery of cars to the customers, we provide advice to drivers for smart eco-driving. The goal of the program is to encourage drivers to drive in such way as to reduce the environmental impact through reduced fuel consumption and reduced emissions.

- ✓ Recycling of materials and supplies. Waste and trash associated with the operation of the stations and central offices such as paper, toner and household batteries, are recycled regularly helping to reduce our direct environmental impact.

RESULTS OF SUCH POLICIES AND KEY NON-FINANCIAL PERFORMANCE INDICATORS

Average emission per car follows a downward trend from 2014 up to 2018 due to the usage of eco-friendly new cars and the low average fleet age.

- ✓ The company's fleet consists of eco-friendly cars to a percentage that reached 43.6% in 2018.

- ✓ Average fleet age reaches just two years (25.6 months).

SOCIETY

MAIN RISKS/EFFECTS RELATED TO SOCIETY, WHICH ARE RELATED WITH OPERATIONS OF THE COMPANY

As social responsibility forms an integral part of the culture of the Company, it is our duty to contribute to society in every possible way. With our social contribution, multiple benefits for tourism, employment, local communities and government revenue arise.

CORPORATE POLICIES

Support of socially vulnerable groups

Through donations and sponsorships we support the sensitive and socially vulnerable groups. Among others for 2018, examples of this social contribution are donations towards the "Smile of the Child", the "Together for Children" and "ELPIDA – Association of Friends of Children with cancer".

Support of education and research

In 2018, we supported through donations the School Committee for Secondary Education and "The James Buchanan Brady Urological Institute". Also, we actively participate in young people education by providing internships in our company in Greece.

Support of the local community and promotion of the cultural heritage of the country

Our company actively supports cultural heritage of the country through donations among others, to "Friends of Corfu" through upgrading actions to Mon Repo.

Supporting the local community is confirmed by the annual cost and labor coverage for the repair of part of the fleet of Greek Police, as well as sponsorship to the Municipality of Kifissia.

High quality of services

We offer our customers high quality of services at all stages of renting a car, on choosing it, booking it, customer service at the stations and rewarding the members of *Hertz Gold Plus Rewards* and *Fly and Drive* programs in cooperation with Aegean Airlines and Olympic Air.

Special reference should be made to our services which provide technologically advanced options to the customers in order to save time and effort when booking a car and booking appointments for maintenance or repair in one of our garages.

In our Customer Service Department, customers can contact us every day, either by phone or via the electronic contact form on our website. The call center of our company, operates 24 hours a day, 7 days a week and can handle reservations and customer requests at any time. Finally, we maintain an open dialogue with the community via social media, answering and informing immediately on all developments and news concerning the company.

RESULTS OF SUCH POLICIES AND KEY NON-FINANCIAL PERFORMANCE INDICATORS

- ✓ According to our data for the year 2018, our customers contacted us to obtain information, make requests, express complaints and to thank us. Complaints relating to total rentals for the year amount to 0.2%.

- ✓ A proportion of our direct sales comes from the Internet and electronic platforms on our website. Therefore the confidentiality and security of our customers' personal data is of utmost importance.

- ✓ We returned to the greek public authorities and the general public as Group in 2018 in the form of taxes, employer contributions and other costs, an amount exceeding € 47.128.724.

ANTI-CORRUPTION AND BRIBERY

MAIN RISKS/EFFECTS RELATED TO CORRUPTION AND BRIBERY, WHICH ARE RELATED WITH OPERATIONS OF THE COMPANY

Significant importance is attributed to the prevention and combating of matters related to corruption, fraud, bribery and generally unethical behavior. Group management is always oriented in an ethical, transparent and open procedures manner.

CORPORATE POLICIES

We emphasize that corruption and bribery are not acceptable in our company. Management involvement for the successful implementation of the policies is direct and substantial and thereby we achieve our goal.

The Group has provided for and has implemented active control mechanisms and procedures which are maintained in their entirety to prevent and combat corruption. Internal controls are in place, the code of ethics is implemented as long with principles of corporate governance.

A risk assessment procedure has been established in which new and existing risks are prioritized. Based on the results of the ranking, relevant procedures are designed, with safeguards designed to prevent risks occurring, such as participation in corruption instances. The additional measures in place to prevent such occurrences emphasize on security and access issues of information systems, clear and adequate segregation of duties among employees, credit limits, absolute transparency in selecting suppliers, protect corporate assets, ensure transactions and protection of personal data.

RESULTS OF SUCH POLICIES AND KEY NON-FINANCIAL PERFORMANCE INDICATORS

Cases of corruption or claims for possible bribery, embezzlement, fraud or unethical behavior have not been recorded nor reported.

With the above information, the auditors' report, as well as the annual financial statements of December 31st 2018, we believe you have at your disposal all the necessary documentation to proceed with the approval of the annual Financial Statements for the fiscal year ending on December 31st 2018 and to disengage the Board of Directors and the auditors from all responsibility.

Kifissia, 20th of March 2019

The Board of Directors

Emmanouela Vasilaki BoD President, BoD Executive Member	
Eftichios Vassilakis BoD Vice President & Managing Director, BoD Executive Member	

D. ANNUAL FINANCIAL STATEMENTS

I. Statement of Financial Position

		Group		Company	
	Note	**31.12.2018**	**31.12.2018**	**31.12.2018**	**31.12.2017**
ASSETS					
Non-current assets					
Property, plant and equipment	*7*	497,560,389	446,080,556	355,771,358	319,136,832
Investment property	*8*	38,164,581	40,077,341	68,929,579	66,372,000
Intangible assets	*9*	27,846,152	27,867,028	398,431	425,028
Investments in subsidiaries	*10*	-	-	43,056,111	40,556,111
Investments in associates and joint ventures	*11*	11,436,267	12,238,379	14,181,069	14,086,069
Deferred income tax asset	*12*	5,312,326	11,051,389	-	-
Available for sale financial assets	*13*	-	69,210,191	-	68,710,191
Financial assets at fair value through other comprehensive income	*14*	61,464,389	-	61,464,389	-
Financial assets at fair value through profit or loss	*15*	1	-	-	-
Trade and other receivables	*16*	14,222,399	8,095,386	12,809,830	7,636,620
Other assets					
Total non-current assets		**656,006,505**	**614,620,269**	**556,610,767**	**516,922,851**
Current assets					
Inventories	*17*	46,221,102	32,260,245	5,539,680	5,054,908
Trade and other receivables	*16*	61,229,482	51,503,968	37,839,110	30,011,013
Financial assets at fair value through profit or loss	*15*	-	-	-	-
Current income tax asset		36,019			
Cash and cash equivalents	*18*	47,503,443	39,001,376	20,578,683	20,468,772
Total current assets		154,990,047	122,765,589	63,957,473	55,534,693
Total assets		**810,996,552**	**737,385,858**	**620,568,240**	**572,457,544**
EQUITY					
Share capital and share premium	*19*	4,038,953	4,038,953	4,038,953	4,038,953
Treasury shares	*19*	(219,294)	(219,294)	(219,294)	(219,294)
Fair value reserves	*20*	41,411,717	45,530,710	40,340,171	42,274,251
Other reserves	*21*	35,484,008	30,904,226	36,930,224	30,849,545
Retained earnings		167,683,757	147,906,900	111,430,450	103,668,970
		248,399,140	**228,161,495**	**192,520,504**	**180,612,424**
Non-controlling interests		**(1,985,610)**	**(2,545,636)**	**-**	**-**
Total equity		**246,413,530**	**225,615,859**	**192,520,504**	**180,612,424**
LIABILITIES					
Non-current liabilities					
Borrowings	*22*	176,159,225	235,036,804	136,047,958	191,556,490
Long term liabilities from securitisation	*33*	72,151,772	-	72,151,772	-
Deferred income tax liability	*12*	27,296,944	32,951,755	24,870,035	30,420,834
Post-employment defined benefits	*23*	3,275,984	2,184,630	2,220,135	1,329,290
Trade and other payables	*24*	6,195,975	6,418,149	-	-
Provisions for other liabilities and charges	*24*	2,878,208	5,469,732	-	-
Total non-current liabilities		**287,958,108**	**282,061,071**	**235,289,900**	**223,306,614**
Current liabilities					
Trade and other payables	*24*	114,913,042	86,681,370	55,298,166	48,040,794
Current income tax liability		2,715,904	1,626,862	2,048,228	1,420,909
Borrowings	*22*	158,563,970	140,926,837	135,411,442	119,076,802
Provisions for other liabilities and charges	*24*	431,997	473,859	-	-
Total current liabilities		276,624,913	229,708,928	192,757,835	168,538,505
Total liabilities		**564,583,021**	**511,769,999**	**428,047,735**	**391,845,119**
Total equity and liabilities		**810,996,552**	**737,385,858**	**620,568,240**	**572,457,544**

The notes on pages 40 to 102 are an integral part of these financial statements.

II. Income statement

Statement of Profit or Loss

		Group		Company	
Continuing operations	***Note***	**1.1.2018 to 31.12.2018**	**1.1.2017 to 31.12.2017**	**1.1.2018 to 31.12.2018**	**1.1.2017 to 31.12.2017**
Revenue	*25*	470,379,583	340,631,899	221,122,086	189,135,266
Cost of sales	*26*	(367,545,928)	(259,940,258)	(165,229,163)	(137,944,977)
Gross profit		**102,833,654**	**80,691,641**	**55,892,923**	**51,190,289**
Distribution costs	*26*	(23,694,421)	(11,752,296)	(4,477,639)	(4,226,522)
Administrative expenses	*26*	(26,363,586)	(22,869,593)	(12,883,326)	(15,225,250)
Net impairment losses on financial assets	*28*	(799,999)	-	-	-
Other income	*29*	17,196,822	9,546,070	13,073,829	11,203,331
Other gains / (losses) - net	*30*	5,809,109	1,246,378	2,125	1,099,585
Other expenses		-	(90,916)	-	(90,916)
Operating profit		**74,981,579**	**56,771,284**	**51,607,913**	**43,950,518**
Finance income	*31*	1,251,487	987,557	1,069,729	940,064
Finance costs	*31*	(20,168,351)	(15,609,718)	(16,761,683)	(14,159,283)
Finance costs - net	*31*	**(18,916,864)**	**(14,622,161)**	**(15,691,954)**	**(13,219,220)**
Share of net profit of associates and joint ventures accounted for using the equity method	*11*	**(871,448)**	**(756,302)**	**-**	**-**
Profit before income tax		**55,193,267**	**41,392,821**	**35,915,959**	**30,731,298**
Income tax expense	*32*	(16,385,110)	(9,767,031)	(8,445,652)	(7,793,565)
Profit / (loss) for the year		**38,808,157**	**31,625,790**	**27,470,307**	**22,937,734**
Profit for the year is attributable to:					
Owners		38,248,131	31,625,790	27,470,307	22,937,734
Non-controlling interests		560,026	-	-	-
		38,808,157	**31,625,790**	**27,470,307**	**22,937,734**
Earnings per share attributable to the equity holders of the Company during the year					
Basic and diluted		3.15	2.60	2.26	1.89

	Group		Company	
EBIT - EBITDA Reconciliation	**1.1.2018 to 31.12.2018**	**1.1.2017 to 31.12.2017**	**1.1.2018 to 31.12.2018**	**1.1.2017 to 31.12.2017**
Profit / (loss) for the year	**38,808,157**	**31,625,790**	**27,470,307**	**22,937,734**
(+) Investing Activities (Dividends and fair value movements from investment property and other investments)	(2,169,548)	(1,956,121)	(5,824,495)	(4,212,424)
(+) Finance cost (net)	18,916,864	14,622,161	15,691,954	13,219,220
(+) Income tax espense	16,385,110	9,767,031	8,445,652	7,793,565
Gain / (Loss) before tax, financial and investment activities (EBIT)	**71,940,583**	**54,058,860**	**45,783,417**	**39,738,094**
(+) Depreciations	76,972,041	65,236,435	56,193,445	47,268,319
Gain / (Loss) before tax, financial, investment activities, depreciation and amortization (EBITDA)	**148,912,624**	**119,295,295**	**101,976,862**	**87,006,414**

The notes on pages 40 to 102 are an integral part of these financial statements

III. Statement of Comprehensive Income

		Group		Company	
		1.1.2018 to 31.12.2018	**1.1.2017 to 31.12.2017**	**1.1.2018 to 31.12.2018**	**1.1.2017 to 31.12.2017**
Profit / (loss) for the year		**38,808,157**	**31,625,790**	**27,470,307**	**22,937,734**
Items that may be reclassified to profit or loss					
Changes in the fair value of available for sale financial assets, net of tax	*20*	-	11,353,422	-	11,353,422
FVOCI financial assets - fair value gains/losses - gross		(7,245,802)	-	(7,245,802)	-
FVOCI financial assets - fair value gains/losses - tax		3,917,559	-	3,917,559	-
Gain / (loss) on revaluation of property, plant and equipment - gross		(617,172)	(229,560)	1,572,389	(229,560)
Gain / (loss) on revaluation of property, plant and equipment - tax		(173,578)	66,573	(178,225)	66,573
Remeasurements of post-employment defined benefit obligations - gross	*23*	(590,693)	(95,942)	(345,280)	(67,324)
Remeasurements of post-employment defined benefit obligations-tax		71,906	27,823	88,943	19,524
Other comprehensive income for the year, net of tax		**(4,637,780)**	**11,122,316**	**(2,190,416)**	**11,142,634**
Total comprehensive income for the year		**34,170,378**	**42,748,105**	**25,279,890**	**34,080,368**

Total comprehensive income for the year is attributable to:				
Owners	33,610,351	42,748,104	25,279,890	34,080,368
Non-controlling interests	560,026	-	-	-
	34,170,378	**42,748,104**	**25,279,890**	**34,080,368**

The notes on pages 40 to 102 are an integral part of these financial statements.

IV. Statement of Changes in Equity

Group

		Attributable to owners of the parent						
	Note	**Share capital and share premium**	**Treasury shares**	**Fair value reserves**	**Other reserves**	**Retained earnings**	**Non controlling interest**	**Total equity**
1 January 2017		**4,038,953**	**(219,294)**	**34,340,276**	**19,744,117**	**137,843,349**		**195,747,401**
Profit for the year		-	-	-	-	31,625,790	-	31,625,790
Other comprehensive income		-	-	11,190,434	5,331,403	(5,399,522)	-	11,122,316
Total comprehensive income for the year		**-**	**-**	**11,190,434**	**5,331,403**	**26,226,269**	**-**	**42,748,106**
Share capital increase		-	-	-	(1,250)	-	-	(1,250)
Transfers		-	-	-	5,829,956	(5,829,956)	-	-
Non-controlling interests on acquistion of subsidiary		-	-	-	-	-	(2,545,636)	(2,545,636)
Dividend paid		-	-	-	-	(10,332,762)	-	(10,332,762)
Total transactions with owners		-	-	-	5,828,706	(16,162,718)	(2,545,636)	(12,879,648)
31 December 2017		**4,038,953**	**(219,294)**	**45,530,710**	**30,904,227**	**147,906,900**	**(2,545,636)**	**225,615,859**
1 January 2018		**4,038,953**	**(219,294)**	**45,530,710**	**30,904,227**	**147,906,900**	**(2,545,636)**	**225,615,859**
Profit / (loss) for the year		**-**	**-**	**-**	**-**	**38,248,131**	560,026	38,808,157
Other comprehensive income		**-**	**-**	(4,118,992)	4,580,679	**(5,099,464)**		(4,637,780)
Total comprehensive income for the year		**-**	**-**	**(4,118,992)**	**4,580,679**	**33,148,667**	**560,026**	**34,170,380**
Share capital increase					(898)			(898)
Dividend paid		**-**				(13,371,810)		(13,371,810)
Total transactions with owners		-	-	-	(898)	(13,371,810)	-	(13,372,708)
31 December 2018		**4,038,953**	**(219,294)**	**41,411,717**	**35,484,008**	**167,683,757**	**(1,985,610)**	**246,413,531**

The notes on pages 40 to 102 are an integral part of these financial statements.

Company

	Note	**Share capital and share premium**	**Treasury shares**	**Fair value reserves**	**Other reserves**	**Retained earnings**	**Total equity**
1 January 2017		**4,038,952.60**	**(219,293.70)**	**31,083,816.40**	**19,688,185.87**	**102,273,157.54**	**156,864,818.71**
Profit / (loss) for the year		-	-	-	-	22,937,734	22,937,734
Other comprehensive income		-	-	11,190,434	5,331,403	(5,379,203)	11,142,634
Total comprehensive income for the year		**-**	**-**	**11,190,434**	**5,331,403**	**17,558,531**	**34,080,368**
Transfers		-	-	-	5,829,956	(5,829,956)	-
Dividend paid		-	-	-	-	(10,332,762)	(10,332,762)
Total transactions with owners		-	-	-	5,829,956	(16,162,718)	(10,332,762)
31 December 2017		**4,038,953**	**(219,294)**	**42,274,251**	**30,849,545**	**103,668,970**	**180,612,424**
1 January 2018		**4,038,953**	**(219,294)**	**42,274,251**	**30,849,545**	**103,668,970**	**180,612,424**
Profit / (loss) for the year		**-**	**-**	**-**	**-**	**27,470,307**	**27,470,307**
Other comprehensive income		**-**	**-**	**(1,934,078)**	**6,080,679**	**(6,337,017)**	**(2,190,416)**
Total comprehensive income for the year		**-**	**-**	**(1,934,078)**	**6,080,679**	**21,133,290**	**25,279,890**
Dividend paid		**-**	**-**	**-**	**-**	**(13,371,810)**	**(13,371,810)**
Total transactions with owners		-	-	-	-	(13,371,810)	(13,371,810)
31 December 2018		**4,038,953**	**(219,294)**	**40,340,172**	**36,930,223**	**111,430,450**	**192,520,504**

The notes on pages 40 to 102 are an integral part of these financial statements.

V. Cash Flow Statement

		Group		Company	
	Note	**1.1.2018 to 31.12.2018**	**1.1.2017 to 31.12.2017**	**1.1.2018 to 31.12.2018**	**1.1.2017 to 31.12.2017**
Profit before income tax		**55,193,267**	**41,392,821**	**35,915,959**	**30,731,298**
Adjustments for:					
Depreciation of property, plant and equipment	*7*	76,781,761	65,054,960	56,035,644	47,117,534
Amortization of intangible assets	*9*	190,280	181,475	157,801	150,786
Fair value (gains) / losses of investment property	*8*	471,663	(1,583,598)	(11,838)	(1,583,598)
Impairment of PPE	*7*	382,759	2,218,560	268,022	2,218,564
Impairment of intangible assets	*9*	-	-	-	-
Provisions		927,574	1,517,024	884,244	1,415,260
Fair value (gains) / losses on financial assets at fair value through profit or loss	*30*	-	(15,987)	-	(15,987)
Dividend income	*29*	(4,580,679)	(3,331,403)	(6,080,679)	(5,331,403)
(Profit) / loss on disposal of PPE	*7*	(15,573,386)	(13,636,366)	(8,649,922)	(9,973,057)
Impairment of investment in associates	*11*	-	-	-	500,000
Income from associates	*11*	499,349	559,361		-
Income from joint ventures	*11*	372,099	196,941		-
Finance costs – net	*31*	18,916,864	14,622,161	15,691,954	13,219,220
Exchange (gains) / losses		(8,628)	(1,484)		-
Other / non cash transactions		278,655	-	-	-
		133,851,577	**107,174,466**	**94,211,184**	**78,448,617**
Changes in working capital					
Decrease / (increase) in inventories		(13,960,857)	(6,929,175)	(484,772)	(179,709)
Decrease / (increase) in trade and other receivables		(8,308,586)	2,258,484	(5,236,520)	5,288,936
Increase / (decrease) in trade and other payables		20,227,189	692,215	5,819,066	(2,958,760)
Purchases of renting vehicles		(165,448,490)	(151,061,382)	(127,805,137)	(115,519,834)
Financial Leasing purchases of renting vehicles		29,992,646	36,551,152	29,992,646	36,551,152
Sales of renting vehicles		51,904,091	41,562,280	41,645,978	32,755,115
Increase / (decrease) in provisions for other liabilities and charges		(2,633,387)	-	-	-
Increase / (decrease) in post-employment defined benefits		535,542	-	545,565	-
Other / non cash transactions (please specify)**		8,305	-	-	-
		(87,683,547)	**(76,926,426)**	**(55,523,175)**	**(44,063,100)**
Cash generated from operations		**46,168,030**	**30,248,040**	**38,688,009**	**34,385,516**
Interest paid		(15,004,126)	(12,093,150)	(11,597,457)	(10,592,328)
Income tax paid		(11,300,566)	(10,375,896)	(9,540,856)	(8,796,864)
Net cash generated from / (used in) operating activities		**19,863,338**	**7,778,994**	**17,549,696**	**14,996,325**
Cash flows from investing activities					
Payments for acquisition of subsidiaries	*10*	-	-	(2,500,000)	(20,001,000)
Payments for acquisition of associates	*11*	-	(1,424,380)	-	(1,423,380)
Payments for acquisition of joint ventures	*11*	(95,000)	(145,000)	(95,000)	(145,000)
Payments for property, plant and equipment		(8,791,298)	(7,759,589)	(1,906,236)	(2,909,766)
Payments for intangible assets	*9*	(169,363)	(127,395)	(131,204)	(88,692)
Payments for investment property	*8*	(2,849,742)	(70,943)	(2,849,742)	(70,943)
Proceeds from sale of PPE		9,137,517	4,059,079	1,852,584	1,890,367
Interest received		1,251,487	1,037,947	1,069,729	940,064
Interest received from loans to related parties	*36*	-	-	-	-
Dividends received	*29*	4,580,679	3,331,403	6,080,679	5,331,403
Other (please specify)***		(300,000)	(500,000)		
Net cash generated from / (used in) investing activities		**2,764,280**	**(1,435,877)**	**1,520,811**	**(16,476,947)**
Cash flows from financing activities					
Repayments of borrowings		(219,361,098)	(93,390,954)	(186,090,167)	(63,482,652)
Proceeds from borrowings		181,296,330	152,948,696	143,190,354	115,683,212
Acquired new finance leases		(29,992,646)	(36,551,152)	(29,992,646)	(36,551,152)
Securitization of future receivables		72,151,772		72,151,772	
Reserve from Securitization of Future Receivables		(4,848,100)		(4,848,100)	
Dividends paid to Company's shareholders		(13,371,810)	(10,332,762)	(13,371,810)	(10,332,762)
Net cash generated from / (used in) financing activities		**(14,125,552)**	**12,673,828**	**(18,960,596)**	**5,316,646**
Net (decrease) / increase in cash and cash equivalents		**8,502,067**	**19,016,945**	**109,911**	**3,836,025**
Cash and cash equivalents at beginning of the year	*18*	39,001,376	19,984,431	20,468,772	16,632,747
Cash and cash equivalents at the end of the year		**47,503,443**	**39,001,376**	**20,578,683**	**20,468,772**

The notes on pages 40 to 102 are an integral part of these financial statements.

NOTES ON FINANCIAL STATEMENTS

1. General Information

Autohellas Tourist and Trading Anonymous company, with the distinctive title "Autohellas SA" , was incorporated in Greece in 1962 and its shares are traded in the "Travel & Tourism" sector of the Athens Stock Exchange.

The Group, through its subsidiaries and associates, operates in Greece, Bulgaria, Romania, Croatia, Serbia, Montenegro, Ukraine and Cyprus. Its principal activities comprise car rental and sale.

The Company's registered office is at Viltanioti 31, Kifissia, Attica, Greece. The Company's website address is www.autohellas.gr .

These financial statements have been approved by the Board of Directors on 20th March 2019, and are subject to the approval of the Annual General Meeting of the Shareholders.

The annual financial statements, the independent auditor's reports and the Board of Directors' reports of the companies that are incorporated in the consolidated financial statements of the Group are posted in the Company's website www.autohellas.gr.

2. Summary of significant accounting policies

Basis of preparation

These financial statements consist of the standalone financial statements of Autohellas SA (the "Company") and the consolidated financial statements of the Company and its subsidiaries (together "Autohellas" or the "Group") for the year ended 31 December 2018, in accordance with International Financial Reporting Standards ("IFRS"), as adopted by the European Union (EU).

These financial statements have been prepared on a historical cost basis with the exception of certain financial assets, certain classes of property, plant and equipment and investment property which are measured at fair value. The accounting policies have been consistently applied to all the years presented, unless otherwise stated.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Company's accounting policies. Moreover, the use of estimates and assumptions is required that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of preparation of financial statements and the reported income and expense amounts during the reporting period. Although these estimates are based on the best possible knowledge of management with respect to the current conditions and activities, the actual results can eventually differ from these estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Changes in presentation and reclassifications

Comparative figures have been reclassified on the statement of financial position where necessary to conform with changes in presentation in the current year that management considers will provide more relevant information. Specifically, 'Trade debtors', 'Other receivables' and 'Advance payments' are presented under 'Trade and other receivables'. Further, 'Ordinary share capital' and 'Share premium' are presented under a single caption 'Share capital and share premium' and 'Treasury shares', 'Fair value reserves' and 'Other reserves' are presented separately.

Comparative figures for certain items in the income statement have also been reclassified to conform with changes in presentation in the current year as presented below. Management considers these changes will provide more relevant information in line with the requirements of IAS 1 'Presentation of financial statements'.

Consolidated Balance Sheet

	31.12.2017	31.12.2017
Assets	**Restated**	**Published**
Non-Current assets		
Property, plant and equipment	446,080,556	446,080,556
Investment property	40,077,341	40,077,341
Intangible assets	27,867,028	27,867,028
Investments in associates and joint ventures	12,238,379	12,238,379
Deferred income tax asset	11,051,389	
Financial assets at fair value through profit or loss	69,210,191	69,210,191
Trade and other receivables	8,095,386	8,095,386
Total non-current assets	**614,620,269**	**603,568,880**
Current assets		
Inventories	32,260,245	32,424,032
Trade and other receivables	51,503,966	45,805,731
Cash and cash equivalents	39,001,376	39,001,376
Total current assets	122,765,587	117,231,139
Total assets	**737,385,856**	**720,800,019**
EQUITY		
Share capital and share premium	4,038,953	3,986,718
Treasury shares	(219,294)	(219,294)
Fair value reserves	45,530,710	45,530,710
Other reserves	30,904,226	30,956,461
Retained earnings	147,906,898	147,906,898
	228,161,493	**228,161,493**
Non-controlling interests	**(2,545,636)**	**(2,545,636)**
Total equity	**225,615,857**	**225,615,857**
LIABILITIES		
Non-current liabilities		
Borrowings	235,036,804	235,036,804
Deferred income tax liability	32,951,755	22,539,830
Post-employment defined benefits	2,184,630	2,184,630
Trade and other payables	6,418,149	6,418,149
Provisions for other liabilities and charges	5,469,732	-
Total non-current liabilities	**282,061,071**	**266,179,413**
Current liabilities		
Trade and other payables	86,681,370	86,451,050
Current income tax liability	1,626,862	1,626,862
Borrowings	140,926,837	140,926,837
Provisions for other liabilities and charges	473,859	-
Total current liabilities	**229,708,928**	**229,004,749**
Total liabilities	**511,769,999**	**495,184,162**
Total equity and liabilities	**737,385,856**	**720,800,019**

	Group		Company	
	1.1.2017 to 31.12.2017	***1.1.2017 to 31.12.2017***	**1.1.2017 to 31.12.2017**	***1.1.2017 to 31.12.2017***
	Restated	***As published***	**Restated**	***As published***
Revenue	340,631,899	*340,631,899*	189,135,266	*189,135,266*
Cost of sales	(259,940,258)	*(259,940,262)*	(137,944,977)	*(137,944,977)*
Gross profit	**80,691,641**	***80,691,637***	**51,190,289**	***51,190,289***
Distribution costs	(11,752,296)	*(11,752,296)*	(4,226,522)	*(4,226,522)*
Administrative expenses	(22,869,593)	*(20,651,028)*	(15,225,250)	*(13,006,685)*
Other income	9,546,070	*6,214,667*	11,203,331	*5871927.97*
Other gains / (losses) - net	1,246,378	-	1,099,585	-
Other expenses	(90,916)	*(444,123)*	(90,916)	*(90,916)*
Operating profit	**56,771,284**	***54,058,857***	**43,950,518**	***39,738,094***
Impairment	-	*(2,218,564)*	-	*(2,718,564)*
Finance income	987,557	*987,557*	940,064	*940,064*
Finance costs	(15,609,718)	*(15,609,715)*	(14,159,283)	*(14,159,283)*
Finance costs - net	**(14,622,161)**	-	**(13,219,220)**	-
Gain/Loss from Investment activity	**-**	*4,930,988*	**-**	*6,930,988*
Share of net profit of associates and joint ventures accounted for using the equity method	(756,302)	*(756,302)*	-	-
Profit before income tax	**41,392,821**	***41,392,821***	**30,731,298**	***30,731,298***
Income tax expense	(9,767,031)	*(9,767,031)*	(7,793,565)	*(7,793,565)*
Profit / (loss) for the year	**31,625,790**	***31,625,790***	**22,937,734**	***22,937,734***

New standards, amendments to standards and interpretations: Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after 1.1.2018. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

IFRS 9 "Financial Instruments"

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 Group and the company does not apply hedge accounting and therefore the provisions of IFRS 9 regarding hedge accounting have no effect on the company or the Group. Regarding the classification and measurement of financial assets and financial liabilities, the examination of the Group's business model and the cash flow characteristics resulting from the financial data concluded that the Group's financial assets continue to be measured at amortized cost with the exception of investments in equity and debt securities that continue to be measured at fair value either through Other Comprehensive Income or through Profit or Loss. Therefore, apart from the classification of investments in equity and debt securities as presented in notes 13, 14 and 15, IFRS 9 did not affect the classification and measurement of financial assets and financial liabilities of the company or the Group. Also, in accordance with IFRS 9, the company and the Group are required to recognize impairment provisions for expected credit losses for all financial assets other than those measured at fair value. Customer receivables, lease receivables and other receivables are included in the new impairment model. Management applies the simplified approach and calculates the impairment based on expected credit losses over the life of these receivables. The effect of applying the new impairment model does not affect 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 recognised. The underlying principle is that an entity recognises revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The Company and the Group adopted IFRS 15 on 1 January 2018 using the revised reclassification method, i.e. the effect from the transition was collectively recognized in retained earnings while comparative amounts were not restated. Management examined the contracts with customers as well as the expected revenue and sales revenue inflows in order to identify changes in the time or in the amount of revenue recognition and concluded that they had no effect on the profitability or the financial position of the Company and the Group, at the time of the initial application of IFRS 15. Therefore, no adjustment was made to "Retained earnings" on 1 January 2018

IAS 40 (Amendments) "Transfers of Investment Property"

The amendments clarified that to transfer to, or from, investment properties there must be a change in use. To conclude if a property has changed use there should be an assessment of whether the property meets the definition and the change must be supported by evidence.

IFRIC 22 "Foreign currency transactions and advance consideration"

The interpretation provides guidance on how to determine the date of the transaction when applying the standard on foreign currency transactions, IAS 21. The interpretation applies where an entity either pays or receives consideration in advance for foreign currency-denominated contracts.

Standards and Interpretations effective for subsequent periods

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

IFRS 16 has been issued in January 2016 and supersedes IAS 17. The objective of the standard is to ensure the lessees and lessors provide relevant information in a manner that faithfully represents those transactions. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. The Group and the Company are in the process of completing their assessment of the extended impact of the adoption of the new standard on financial statements. The standard will primarily affect the accounting treatment for the Group's and the Company's operating leases as lessees. The Group and the Company plan to adopt the new standard from its mandatory adoption date of 1 January 2019 taking the simplified transition approach as permitted by the transitional provisions of IFRS 16. Consequently, it will not restate comparative amounts for the year prior to first adoption. The exemptions offered by the standard for low-value assets and short-term leases will be applied by the Group and the Company. Right of use assets for all leases will be measured on transition at the amount of the lease liability on adoption.

IAS 28 (Amendments) "Long term interests in associates and joint ventures" (effective for annual periods beginning on or after 1 January 2019)

The amendments clarify that companies account for long-term interests in an associate or joint venture—to which the equity method is not applied—using IFRS 9. The amendments have not yet been endorsed by the EU.

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

The interpretation explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. IFRIC 23 applies to all aspects of income tax accounting where there is such uncertainty, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates.

IAS 19 (Amendments) "Plan amendment, curtailment or settlement" (effective for annual periods beginning on or after 1 January 2019)

The amendments specify how companies determine pension expenses when changes to a defined benefit pension plan occur. The amendments have not yet been endorsed by the EU.

IFRS 3 (Amendments) "Definition of a business" (effective for annual periods beginning on or after 1 January 2020)

The amended definition emphasises that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. The amendments have not yet been endorsed by the EU.

IAS 1 and IAS 8 (Amendments) "Definition of a material" (effective for annual periods beginning on or after 1 January 2020)

The amendments clarify the definition of material and how it should be applied by including in the definition guidance which until now was featured elsewhere in IFRS. In addition, the explanations accompanying the definition have been improved. Finally, the amendments ensure that the definition of material is consistent across all IFRS. The amendments have not yet been endorsed by the EU.

Annual Improvements to IFRS (2015 – 2017 Cycle) (effective for annual periods beginning on or after 1 January 2019)

The amendments set out below include changes to four IFRSs. The amendments have not yet been endorsed by the EU.

IFRS 3 "Business combinations"
The amendments clarify that a company remeasures its previously held interest in a joint operation when it obtains control of the business.

IFRS 11 "Joint arrangements"
The amendments clarify that a company does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.

IAS 12 "Income taxes"
The amendments clarify that a company accounts for all income tax consequences of dividend payments in the same way.

IAS 23 "Borrowing costs"
The amendments clarify that a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale.

Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, statement of comprehensive income, statement of changes in equity and the statement of financial position respectively.

(ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

(iii) Joint arrangements

Under IFRS 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather

than the legal structure of the joint arrangement. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures.
Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost in the consolidated statement of financial position.

(iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in 2.8 below.

(v) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Group.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

The Company accounts for investments in subsidiaries, associates and joint ventures in its standalone financial statements at cost less impairment.

Segment reporting
The segments are determined on the basis of internal reporting to the Group's Board of Directors (as chief operating decision maker) which makes strategic decisions based on its assessment of performance and position of the Group.

Consequently, segment information is presented in the consolidated financial statements in respect of the Group's car leasing and car sales and related service activities in Greece and abroad.

Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Euros (EUR), which is Autohellas's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses are presented in profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position
- income and expenses for each income statement and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Revenue recognition

Revenue represents the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of business of the Group. The Group has initially applied IFRS 15 from 1 January 2018. According to the selected transition method, comparative information has not been restated.

<u>Operating lease income</u>

Leasing income from operating lease instalments is recognised on a straight-line basis over the lease term, based on the total of the contractual payments divided by the number of months of the lease term. End of contract fees may consist of fees charged to clients for deviations from the contractual terms related to contract duration, excess of mileage and extensive wear and tear of the vehicle. The fees are recognised upon termination of the lease contract.

Revenue from Rents on Buildings/Land
Rental revenues are recognised on a straight-line basis over the term of the rental agreement.

Finance lease & other interest income
Interest income from finance lease contracts is recognised using the effective interest method. Payments collected from the lease are allocated between reducing the net investment in the lease and recognising interest income. Other interest income mainly includes income from interest-bearing assets, which is recognised using the effective interest method.

Vehicle sales
Vehicle sales include revenue from the sale of new and used cars of the auto-trade sector and sales of used cars upon termination of their lease contract. Revenue from vehicle sales are recognized when ownership is transferred.

Other services income
Additional services include fees charged for fleet management services, repair & maintenance services, and damage & insurance services. (Fleet management & other services) Revenue from fleet management services is recognised on a straight-line basis over the term of the fleet management agreement.

Dividends:
Dividends are accounted as income, when the right to receive payment is established, in other words on the date the dividends are declared and approved.

The Group recognises revenue, other than revenue from car rentals recognised in accordance with IAS 17, upon transfer of promised goods or services to customers in amounts that reflect the consideration to which the Group expects to be entitled in exchange for those goods or services based on the following five step approach:

Step 1: Identify the contracts with customers
Step 2: Identify the performance obligations in the contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Income tax
The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Leases

(a) Group as the lessee

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in short-term and long-term borrowings. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

(b) Group as the lessor

Leases where substantially all the risks and rewards incidental to ownership of an asset are transferred to the lessee are classified as finance leases. The Group as a lessor records a finance lease receivable at the amount of its net investment which equals the present value of the future minimum lease payments receivable (including any guaranteed residual value by the lessee) and the unguaranteed residual value accruing to the Group, after any accumulated impairment losses. The finance lease receivables are presented within the caption 'Trade and other receivables'.

Unearned finance income is the difference between the gross investment in the lease and the net investment in the lease.
Over the lease term, the instalments charged to the clients are apportioned between a reduction in the net investment in the lease and finance lease income.

Impairment of assets

Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance. See note 4.1 for a description of the Group's impairment policies.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs are assigned to new and used cars on the basis of their individual cost while costs are assigned to spare parts on the basis of weighted average costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Investments and other financial assets

(i) Classification

From 1 January 2018, the Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group measures its debt instruments at amortised cost since they are held for collection of contractual cash flows that represent solely payments of principal and interest. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and is presented as a separate line item. Impairment losses are also presented as a separate line item in the statement of comprehensive income.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Details on how the fair value of financial instruments is determined are disclosed in note 5.

(iv) Impairment

From 1 January 2018, the Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. See note 4.1 for further details.

(v) Accounting policies applied until 31 December 2017

The Group has applied IFRS 9 retrospectively, but has elected not to restate comparative information. As a result, the comparative information provided continues to be accounted for in accordance with the Group's previous accounting policy.

Classification

Until 31 December 2017, the Group classified its financial assets in the following categories:

- loans and trade receivables
- available-for-sale financial assets

The classification depended on the purpose for which the investments were acquired. Management determined the classification of its investments at initial recognition.

Subsequent measurement

The measurement at initial recognition did not change on adoption of IFRS 9, see description above.

Subsequent to the initial recognition, loans and receivables were carried at amortised cost using the effective interest method.

Available-for-sale financial assets were subsequently carried at fair value. Unrealised gains or losses arising from changes in the fair value were recognised in other comprehensive income. When investments classified as available for sale were sold or impaired, the accumulated fair value adjustments were transferred to profit or loss.

Impairment

The Group assessed at the end of each reporting period whether there was objective evidence that a financial asset or group of financial assets was impaired. A financial asset or a group of financial assets was impaired and impairment losses were incurred only if there was objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) had an impact on the estimated future cash flows of the financial asset or group of financial assets that could be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost was considered an indicator that the assets are impaired.

Property, plant and equipment

Land and buildings are recognised at fair value based on periodic valuations, every 1 to 2 years, by external independent valuers, less subsequent depreciation for buildings. A revaluation surplus is credited to fair value reserves in shareholders' equity. All other property, plant and equipment is recognised at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Increases in the carrying amounts arising on revaluation of land and buildings are recognised, net of tax, in other comprehensive income and accumulated in reserves in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss.

Land is not depreciated. Depreciation on the remaining property, plant & equipment categories is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives as follows:

• Buildings	20 years
• Machinery	6 years
• Vehicles	7,5-8,5 years
• Furniture, fittings and equipment	10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 0).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, the Group transfers any amounts included in other reserves in respect of those assets to retained earnings.

Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. In its standalone financial statements, the Company classifies all land and buildings rented to subsidiaries as investment property. Investment properties consist of land and buildings that are rented either to subsidiaries and related parties of the Group or to third parties.

Investment property is measured initially at cost. After initial recognition, investment property is carried at fair value.

Intangible assets

(i) Goodwill

Goodwill is measured as described in note 0. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments (note 6).

(ii) Acquired software

Acquired computer software is stated at historical cost less subsequent amortisation and impairment losses. It is amortised on a straight line basis over its useful life estimated to be 10 years.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are usually paid within 6 months of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented within other payables in the statement of financial position.

(ii) Post-employment obligations

The Group has both defined benefit and defined contribution pension plans.

The liability or asset recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The interest cost is calculated by applying the discount rate to the balance of the defined benefit obligation. This cost is included in employee benefit expense in the profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the statement of financial position.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iii) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Share capital

Share capital comprises the ordinary shares of the Company. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Where the Company reacquires its own equity instruments ('treasury shares'), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the General Meeting of the shareholders.

Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest currency unit unless otherwise stated.

3. Critical estimates, judgements and errors

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong.

(i) *Estimation of current tax payable and current tax expense*

The Group is subject to income taxes in various jurisdictions. There are many transactions and calculations for which the ultimate tax determination cannot be assessed with certainty in the ordinary course of business. The Group recognises a provision for potential cases that might arise in the foreseeable future based on assessment of the probabilities as to whether additional taxes will be due. Where the final tax outcome on these matters is different from the amounts that were initially recorded, such differences will impact the income tax provision in the period in which such determination is made. The income tax provision amounted to € 118,8 thousand as of 31 December 2018 (2017: €118,8 thousand) for the Group and the Company.

(ii) *Estimated goodwill impairment*

The Group tests whether goodwill has suffered any impairment on an annual basis. For the 2018 and 2017 reporting period, the recoverable amount of the cash generating units (CGUs) was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using estimated growth rates that are consistent with forecasts specific to the industry in which each CGU operates. The sensitivity to estimates and assumptions used is presented in note 9.

(iii) *Estimation of benefit pension obligation*

The Group provides benefit pension plans as an employee benefit in certain territories. Determining the value of these plans requires several actuarial assumptions and estimates about discount rates, future salary increases and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

(iv) *Vehicles' useful lives and residual values*

Vehicles are depreciated over their estimated useful lives based on their estimated residual values. These estimates are reviewed taking into account relevant market related factors. Given market volatility and the large number of different vehicles, the estimation of the residual values involves a high degree of judgement. A change in these accounting estimates leads to a change in depreciation which will have an effect in the current period and/or is expected to have an impact in subsequent periods.

(v) *Estimation of fair values of land and buildings and investment property*

The Group assigns independent valuations of investment property, land and buildings which are classified as tangible assets in order to determine their fair value.

Fair value is based on active market prices, adjusted if necessary, for differences in the nature, geography or status of the specific asset. If this information is not available, the Group applies alternative valuation methods, such as recent prices in less active markets or discounted cash flow projections. Valuations are performed by professional appraisers possessing recognized and relevant professional qualifications and have recent experience in the geographic location and in the category of the investment properties under valuation.

Disclosures relating to the determination of fair values and the valuation techniques used are presented in note 5.

(vi) *Impairment of financial assets*

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 4.1.

(vii) *Impairment of investments in subsidiaries*

Investments in subsidiaries are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, in accordance with the accounting policy stated in note 0.

Changes in accounting estimates

In 2018, regarding the Company, a change in the depreciation rate of buildings from 3% to 5% was materialised, resulting in increased depreciation of approximately € 378,000. Also, since 1/3/2018, the depreciation rate of equipment available for renting was changed from 10% to 17%, resulting in increased depreciation of around € 89,000, while the depreciation rate of van vehicles available for renting was changed as well, from 12% to 16%, resulting in a depreciation increase of approximately € 1,082,000.
In 2017, there was a change in the depreciation rate both in parent and group level, in order to more accurately reflect the difference between purchase cost and disposal value of a car. More specifically, since 1/1/2017, the annual vehicle depreciation rate changed to 12% for vehicles of value up to € 15,000 and 14% for vehicles of equal or greater value than € 15,000, from 13.8% that was previously used on the total fleet of the group. This resulted in a lower depreciation expense by € 3,472,186 and in lower profit from car sales by € 391,133 for 2017. As far as the foreign countries subsidiaries are concerned, since 1/1/2017, the depreciation rate of 18% was changed to 14% for Bulgaria and Cyprus, and to 15% for Romania, Serbia, Montenegro, Croatia and Ukraine. This, resulted in lower depreciation expense by €3,917,134 and lower profit from car sales of € 444,653 for 2017.

4. Financial risk management

4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, cash flow and fair value interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the volatility of financial markets and seeks to minimise potential adverse effects on the Group's cash flows.

The Group's risk management is predominantly controlled by a central treasury department (group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(a) Market risk

i. Foreign exchange risk

Exposure

The Group is exposed to the effect of foreign currency risk on future transactions, recognised monetary assets and liabilities that are denominated in currencies other than the local entity's functional currency, as well as net investments in foreign operations.

More specifically, the Group, via its subsidiaries, is operating in Bulgaria, Romania, the Republic of Serbia and in Montenegro, while also maintaining operations in Cyprus, Ukraine and Croatia. The existing operations of the Group abroad refer both in short-term and long-term leases of cars. Due to these operations, the Group transacts with clients and suppliers and holds assets and liabilities which are expressed in different currencies than the Euro, which is the reporting currency of the Group. More specifically, the Group's subsidiaries in Romania, the Republic of Serbia, Croatia and Ukraine have liabilities/assets in RON, RSD, HRK and UAH respectively. However, these subsidiaries do not expose the Group to a material exchange rate risk due to their size and the currencies that they use.

ii. Cash flow and fair value interest rate risk

Exposure

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. It must be mentioned that the company and its subsidiaries, as far as the existing variable rate borrowings are concerned (Euribor), do not own interest-rate derivatives in order to hedge interest-rate risk.

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period is as follows:

	2018	**% of total loans**	**2017**	**% of total loans**
Variable rate borrowings	294,035,530	88%	333,707,963	89%
Other borrowings	40,687,666	12%	42,255,678	11%
Total borrowings	**334,723,196**	**100%**	**375,963,641**	**100%**

The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.

Sensitivity

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents and interest expense from borrowings as a result of changes in interest rates.

	Impact on post tax profit	
	2018	**2017**
Interest rates – increase by 0.5%	(138,200)	(120,878)
Interest rates – decrease by 0.5%	138,200	120,878

iii. Price risk

Exposure

The Group’s exposure to equity securities price risk arises from investments held by the Group and classified in the statement of financial position either as at fair value through other comprehensive income (FVOCI) (note 14) or at fair value through profit or loss (FVPL) (note 15).

The Group’s equity investments that are publicly traded on the Athens Stock Exchange are classified as at FVOCI.

(b) Credit risk

i. Risk management

Credit risk arises from cash and cash equivalents, as well as credit exposures to wholesale and retail customers, including outstanding receivables.

If wholesale customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, credit control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by wholesale customers is regularly monitored by line management.

There are no significant concentrations of credit risk. Sales to retail customers are required to be settled in cash or using major credit cards, mitigating credit risk. Wholesale operations are conducted after the assessment of the credit-worthiness of the counterparty, while in most cases, guarantees are received.
At the same time, the Company and its subsidiaries continuously monitor the aging of their claims and take necessary action, as the case may be.
Cash and cash equivalents of the company and its Greek subsidiaries, that represent around 80% of the Group’s total cash and cash equivalents are invested in Greek systemic financial institutions. As far as foreign subsidiaries are concerned, cash and cash equivalents are invested mainly to local subsidiaries of international, investment-grade, financial institutions with high credit ratings. Cash and cash equivalents are invested for short-term.
Potential credit risk is also present in the Group's cash flows. Additionally, in most of these cases, the Group has debt obligations of a higher amount.

ii. Security

For the majority of trade receivables from wholesale customers, the Group obtains security in the form of guarantees which can be offset with the claimed amounts if the counterparty is in default under the terms of the agreement.

iii. Impairment of financial assets

The Group has the following types of financial assets that are subject to the expected credit loss model:

- Trade receivables
- Finance lease receivables

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Trade receivables and lease receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and lease receivables.

The expected loss rates are based on the payment profiles of sales over a period of 3 month before 31 December 2018 or 1st January 2018 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance as at 31 December 2018 and 1 January 2018 (on adoption of IFRS 9) was determined as follows for both trade receivables and lease receivables:

Group

31 December 2018	**Current**	**More than 30 days past due**	**More than 60 days past due**	**More than 90 days past due**	**More than 120 days past due**	**Total**
Expected loss rate	*1%*	*0%*	*1%*	*9%*	*65%*	***6%***
Gross carrying amount-Trade receivables	36,728,690	2,718,317	1,133,668	660,951	3,612,161	**44,853,787**
Loss allowance	**258,214**	**9,981**	**12,006**	**59,807**	**2,361,446**	**2,701,453**

Company

31 December 2018	**Current**	**More than 30 days past due**	**More than 60 days past due**	**More than 90 days past due**	**More than 120 days past due**	**Total**
Expected loss rate	*0%*	*0%*	*0%*	*0%*	*65%*	***4%***
Gross carrying amount-Trade receivables	24,686,704	1,513,411	450,419	166,350	1,703,926	**28,520,810**
Loss allowance	**2,122**	**151**	**135**	**133**	**1,107,552**	**1,110,094**

The closing loss allowances for trade and lease receivables as of 31 December 2018 reconcile to the opening loss allowances as follows:

	Group		Company	
Trade receivables	**2018**	**2017**	**2018**	**2017**
31 December – calculated under IAS 39	1,728,892	1,609,113	994,890	687,972
Opening loss allowance as at 1 January 2018 – calculated under IFRS 9	**1,728,892**	**1,609,113**	**994,890**	**687,972**
Increase in loss allowance recognised in profit or loss during the year	1,866,656	1,217,024	884,244	1,115,260
Receivables written off during the year as uncollectible	(889,373)	(1,097,245)	(769,040)	(808,343)
Unused amount reversed	(5,532)	-	-	-
Exchange differences	825	-	-	-
At 31 December	**2,701,468**	**1,728,892**	**1,110,094**	**994,890**

Trade receivables and lease receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 90 days past due.

Impairment losses on trade receivables and lease receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Previous accounting policy for impairment of trade receivables and lease receivables

In the prior year, the impairment of trade receivables was assessed based on the incurred loss model. The balance of receivables was monitored by the Group and provisions for doubtful debts were recognised, if collection was considered unlikely. In order to recognise a possible incapability of collection the Group considered the aging of the balance (over one year), default events of the debtor or other objective reasons that would make the debtor incapable of meeting his payments. Also considered as bad debt, were the full amounts that are under legal dispute despite any possible partial collection. As a general rule, the Company will begin legal procedures against receivables that are older than 3 months and only if the claim justifies the cost of legal action. There are no claims for which no impairment has occurred. Receivables for which an impairment provision was recognised were written off against the provision when there was no expectation of recovering additional cash.

Other financial assets at amortised cost

There are no other financial assets at amortised cost which include loans to related parties and key management personnel and other receivables.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held deposits at call of € 47,503,443 (2017 – € 39,001,376) that are expected to readily generate cash inflows for managing liquidity risk. Due to the dynamic nature of the underlying businesses, the Group maintains flexibility in funding by maintaining availability under committed credit lines.

(i) Financing arrangements

The Group and the Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	Group		Company	
	2018	**2017**	**2018**	**2017**
Expiring within one year (bank overdraft)	38,952,211	36,298,384	20,919,572	16,789,465
	38,952,211	**36,298,384**	**20,919,572**	**16,789,465**

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice, while the bank loan facilities may be drawn at any time and have an average maturity of 3 to 4 years (2017 – 3 to 4 years).

(ii) Maturities of financial liabilities

The tables below analyse the Group's and the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Maturity of borrowings in fair value, including interest, as of 31/12/2018 and 31/12/2017, for the company and the Group is as follows:

Group

31 December 2018	**Less than 1 year**	**Between 1 and 5 years**	**Over 5 years**	**Total contractual cash flows**	**Carrying amount liabilities**
Trade payables	114,913,038	3,754,831	2,441,144	121,109,013	121,109,017
Borrowings (excluding finance leases)	144,396,334	109,678,479	64,688,888	318,763,701	286,718,939
Finance lease liabilities	16,784,755	34,235,175	-	51,019,930	48,004,257
Total	**276,094,127**	**147,668,485**	**67,130,032**	**490,892,643**	**455,832,212**

31 December 2017	**Less than 1 year**	**Between 1 and 5 years**	**Over 5 years**	**Total contractual cash flows**	**Carrying amount liabilities**
Trade payables	86,681,370	3,318,431	3,099,718	93,099,519	93,099,519
Borrowings (excluding finance leases)	141,379,242	157,521,289	81,372,721	380,273,252	338,150,696
Finance lease liabilities	10,455,361	31,189,689	-	41,645,050	37,812,945
Total	**238,515,974**	**192,029,408**	**84,472,440**	**515,017,821**	**469,063,160**

Company

31 December 2018	**Less than 1 year**	**Between 1 and 5 years**	**Over 5 years**	**Total contractual cash flows**	**Carrying amount liabilities**
Trade payables	55,298,166	-	-	55,298,166	55,298,166
Borrowings (excluding finance leases)	120,765,006	86,984,330	42,288,888	250,038,223	224,986,640
Finance lease liabilities	16,195,193	33,239,689	-	49,434,882	46,472,759
Total	**192,258,365**	**120,224,019**	**42,288,888**	**354,771,272**	**326,757,565**

31 December 2017	**Less than 1 year**	**Between 1 and 5 years**	**Over 5 years**	**Total contractual cash flows**	**Carrying amount liabilities**
Trade payables	48,040,794	-	-	48,040,794	48,040,794
Borrowings (excluding finance leases)	117,925,931	130,763,595	58,372,721	307,062,248	272,820,347
Finance lease liabilities	10,455,361	31,189,689	-	41,645,050	37,812,945
Total	**176,422,086**	**161,953,284**	**58,372,721**	**396,748,092**	**358,674,086**

4.2 Capital management

(a) Risk management

The Group's objectives when managing capital are to
- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio:

Net debt (as the difference between cash and cash equivalents and the borrowings, including finance lease liabilities)
divided by
Total 'equity' (as shown in the statement of financial position, including non-controlling interests)

During 2018, the Group's strategy, which was unchanged from 2017, was to maintain a gearing ratio within 1 to 2 for both the Group and the Company. The gearing ratios at 31 December 2018 and 31 December 2017 were as follows:

		Group		**Company**	
	Note	**31.12.2018**	**31.12.2017**	**31.12.2018**	**31.12.2017**
Total borrowings	*22*	334,723,195	375,963,641	271,459,399	310,633,293
Less: cash and cash equivalents	*18*	47,503,443	39,001,376	20,578,683	20,468,772
Net debt		**287,219,752**	**336,962,265**	**250,880,716**	**290,164,521**
Total equity		246,413,530	225,615,859	192,520,504	180,612,424
Gearing ratio		**1.17**	**1.49**	**1.30**	**1.61**

(i) Loan covenants

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenants:
- Net Debt to Equity
- Net Debt to Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)
- Earnings before Interest, Taxes to Net Interest
- Total Liabilities to Equity

The Group is in compliance with these covenants throughout the reporting period.

(ii) Externally imposed capital requirements regarding equity

There are certain limitations regarding equity, deriving from current Societe Anonym legislation and in particular from Law 2190/1920.

The limitations are as follows:
- The purchase of own shares - with the exception of purchasing shares with sole purpose to be distributed among its´ employees - cannot exceed 10% of the company's share capital and cannot result in the reduction

of equity to an amount less than the amount of the share capital increased by the reserves, for which distribution is forbidden by law.

- In case where total equity becomes smaller than ½ of the share capital, Board of Directors is obliged to call up a General Assembly within a period of six months past the end of the fiscal period, in order to decide on the dissolution of the company or to take other measures.
- When the company's equity becomes less than 1/10th of the share capital and the general shareholders meeting does not take the proper measures, the company may be dissolved by court order, on the request of anyone with a legal interest.
- Annually, at least 1/20th of the company's net profit is deducted to form a statutory reserve, which will be used exclusively to balance, prior to any dividend distribution, the debit balance in Income Statement. Forming such a reserve is not obligatory, once it reaches 1/3rd of the company's share capital.
- The payment of an annual dividend to shareholders in cash, at an amount equal to at least 35% of the company's net earnings, after deducting the statutory reserve and the net result from the valuation of the company's assets and liabilities at fair value, is obligatory. The above does not apply if the general assembly decides it by a majority of at least 65% of the paid-up share capital. In this case, dividend that hasn't been distributed and up to an amount equal to 35% of the above mentioned net earnings, has to be reported as a "Reserve to be Capitalised", within 4 years' time by an issue of new shares, given to eligible shareholders. Finally, a general shareholders meeting can decide not to distribute dividend, if it is decided by a majority of over 70% of the paid-up share capital.

The Company is in compliance with all obligations deriving from all relevant provisions and regulations relating to Equity.

(b) Dividends

Dividends of €1.1 per ordinary share were paid during 2018 for the year ended 31 December 2017 (€0.85 per ordinary share paid in 2017 for the year ended 31 December 2016). For 2018, the Board of Directors' proposal for distribution of dividends to shareholders will be submitted no later than the date of publication of the invitation for the next Annual General Meeting.

5. Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its non-financial assets and liabilities as well as its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level is provided below.

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

At 31 December 2018 the Group had :

- land and buildings and investment properties measured at fair value of € 84.491.211 and € 36.164.581 respectively, classified in level 3,

- quoted equity investments at FVOCI of € 61.464.389 classified in level 1,
- unquoted, fully impaired, equity investments at FVPL classified in level 3.

There were no transfers in and out of level 3 measurements within the period.

Fair value estimation

(i) Valuation techniques used to determine level 3 fair values

Land & buildings and investment property

The Group obtains independent valuations for its investment properties at least annually and for land and buildings classified as property, plant and equipment at least every 1 to 2 years. The last independent valuation of land and buildings was performed in January 2019.

At the end of each reporting period, the directors update their assessment of the fair value of each property, taking into account the most recent independent valuations. The directors determine a property's value within a range of reasonable fair value estimates.
The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available the directors consider information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- discounted cash flow projections based on reliable estimates of future cash flows

capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence. The fair value of real estate is estimated using the income approach method, the sales comparison approach, the replacement cost method (when no comparative rentals or sales are available) and the residual value method in cases of empty lots or calculation of building balance value. The value of owner-occupied and investment properties is also estimated using the above-mentioned methods depending on the property.

The value of land is calculated using the sales comparison approach, or, when such data exists, the residual method or a combination of the two.

Unquoted equity investments

The value of unlisted securities is determined based on the management's estimates of the expected future profitability of unlisted securities, taking into consideration comparative data of similar assets.

6. Segmental

The Group operates in three segments, car rental and car & spare parts trade and services in Greece and car rental abroad.

	01/01/18-31/12/18				
	Greece		International		
	Car rental	Car & spare parts trade & services	Car rental	Eliminations	Total
Total gross segment sales	**187,438,507**	**220,789,763**	**62,151,312**	**-**	**470,379,583**
Inter-segment sales	4,661,675	63,192,048	1,536,956	(69,390,679)	-
Cost of sales	(140,289,350)	(250,779,072)	(47,928,989)	71,451,483	(367,545,928)
Gross profit	**51,810,832**	**33,202,739**	**15,759,279**	**2,060,804**	**102,833,654**
Other income	8,051,620	10,251,369	393,833	(1,500,000)	17,196,822
Other Inter-segment income	3,431,945	297,789	-	(3,729,735)	-
Administrative expenses	(10,397,776)	(13,428,143)	(4,104,238)	1,566,571	(26,363,586)
Distribution costs	(2,094,878)	(20,663,423)	(1,038,480)	102,360	(23,694,421)
Other gains (losses)-Net	(481,375)	3,110,595	3,179,889	-	5,809,109
Finance costs	(16,628,206)	(2,309,240)	(1,253,689)	22,783	(20,168,351)
Finance income	1,058,950	101,870	113,450	(22,783)	1,251,487
Net impairment losses on financial assets	-	-	(799,999)	-	(799,999)
Share of net profit of associates and joint ventures accounted for using the equity method	(871,448)	-	-	-	(871,448)
Profit before income tax	**33,879,664**	**10,563,558**	**12,250,045**	**(1,500,000)**	**55,193,267**
Income tax expense	(7,855,127)	(6,805,349)	(1,724,634)	-	(16,385,110)
Profit / (loss) for the year	**26,024,538**	**3,758,209**	**10,525,411**	**(1,500,000)**	**38,808,157**
DEPRECIATION	56,193,445	2,011,031	18,767,566	-	76,972,041
NON CURRENT ASSETS	537,708,346	20,883,634	97,414,524	-	656,006,505
TOTAL ASSETS	594,602,721	97,475,461	118,918,368	-	810,996,550
LIABILITIES	(424,974,720)	(90,429,597)	(49,178,701)	-	(564,583,018)

	01/01/17-31/12/17				
	Greece		**International**		
	Car rental	**Car & spare parts trade & services**	**Car rental**	**Eliminations**	**Total**
Total gross segment sales	165,120,581	118,514,684	56,996,634	-	340,631,899
Inter-segment sales	1,996,574	34,368,334	1,509,962	(37,874,870)	-
Cost of sales	(117,407,577)	(141,432,959)	(40,979,273)	39,879,547	(259,940,258)
Gross profit	**49,709,578**	**11,450,058**	**17,527,324**	**2,004,678**	**80,691,641**
Other income	1,664,662	4,550,005	-	-	6,214,667
Other Inter-segment income	2,719,308	693,702	-	(3,413,010)	-
Administrative expenses	(12,379,757)	(5,743,730)	(3,935,873)	1,408,332	(20,651,028)
Distribution costs	(2,029,396)	(8,919,010)	(803,891)	-	(11,752,296)
Other gains (losses)-Net	(90,916)	(122,984)	(230,224)	-	(444,123)
Finance costs	(14,065,527)	(336,989)	(1,257,590)	50,391	(15,609,715)
Finance income	938,868	9,833	89,246	(50,391)	987,557
Impairment	(2,218,564)	-	-	-	(2,218,564)
Net impairment losses on financial assets	6,930,988	-	-	(2,000,000)	4,930,988
Share of net profit of associates and joint ventures accounted for using the equity method	(756,302)	-	-	-	(756,302)
Profit before income tax	**30,422,942**	**1,580,886**	**11,388,992**	**(2,000,000)**	**41,392,821**
Income tax expense	(7,704,141)	(502,120)	(1,560,770)	-	(9,767,031)
Profit / (loss) for the year	**22,718,801**	**1,078,766**	**9,828,222**	**(2,000,000)**	**31,625,790**

DEPRECIATION	47,547,609	780,928	16,907,898	-	65,236,435
NON CURRENT ASSETS	385,025,860	38,563,070	90,435,994	-	614,620,269
TOTAL ASSETS	551,184,640	82,086,088	104,115,128	-	737,385,856
LIABILITIES	(387,307,075)	(81,155,055)	(43,307,866)	-	(511,769,996)

7. Property, plant and equipment

		Land	Buildings	Leasehold improvements	Machinery	Vehicles	Furniture, fittings and equipment	Assets under construction	Total
<u>**Group**</u>									
Cost or Fair value	***Note***								
1 January 2017		44,808,763	32,009,166	-	4,217,869	427,261,493	14,619,793	1,586,956	524,504,041
Exchange differences		-	-	-	-	-	1,662	-	1,662
Additions		1,405,142	1,602,888	-	677,496	149,698,740	1,519,296	(1,281,298)	153,622,263
Revaluation surplus		(427,464)	197,903	-	-	-	-	-	(229,560)
Acquisitions of subsidiary		1,178,607	17,023,052		602,217	633,574	10,959,054	-	30,396,504
Write-offs		-	-	-	(50,900)	(4,742,521)	(73,901)	-	(4,867,322)
Impairment		(1,763,665)	(545,367)	-					(2,309,032)
Disposals		-	-	-	-		-	-	-
Transfer to inventory		-	-	-	-	(74,472,164)	-	-	(74,472,164)
Transfer (to)/from investment property		3,497,032	2,771,332	-	-	-	-	-	6,268,364
Transfers				-	4,970	-	(4,970)	-	-
31 December 2017		**48,698,414**	**53,058,975**	**-**	**5,451,652**	**498,379,122**	**27,020,934**	**305,658**	**632,914,755**
1 January 2018		48,698,414	53,058,975	-	5,451,652	498,379,122	27,020,934	305,658	632,914,755
Exchange differences		-	-	-	-	26	555	-	581
Additions		602,520	731,551	225,814	398,401	166,673,284	1,938,121	(130,832)	170,438,858
Revaluation surplus		(2,816,939)	2,199,767	-	-	-	-	-	(617,172)
Write-offs		-	-	-	-	(874,429)	(162,135)	-	(1,036,564)
Impairment		(110,707)	492,062	-	-	-	-	-	381,354
Disposals		(252,720)	(52,131)	-	(198,049)	(2,229,811)	(432,313)	-	(3,165,025)
Transfer to inventory		-	-	-	-	(98,552,832)	-	-	(98,552,832)
Transfer (to)/from investment property		2,021,991	2,268,848	-	-	-	-	-	4,290,839
Transfers		-	(844,273)	-	-	19,276	-	(19,276)	(844,273)
31 December 2018		**48,142,558**	**57,854,798**	**225,814**	**5,652,003**	**563,414,635**	**28,365,162**	**155,551**	**703,810,521**
Accumulated depreciation									
1 January 2017		-	(7,470,492)	-	(2,467,852)	(124,716,735)	(12,139,777)	-	(146,794,856)
Depreciation charge	*26*	-	(1,078,671)	-	(247,539)	(62,787,101)	(941,982)	-	(65,055,292)
Revaluation surplus		-		-	-	-	-	-	-
Acquisitions of subsidiary		-	(11,811,570)	-	(583,794)	(268,521)	(10,273,317)	-	(22,937,201)
Write-offs		-	-	-	35,983	778,934	58,093	-	873,009
Impairment	*26*	-	90,468	-	-	-	-	-	90,468
Disposals		-	-	-	-	46,798,779	-	-	46,798,779
Transfer to inventory		-	-	-	-	-	-	-	-
Transfer (to)/from investment property		-	190,894	-	-	-	-	-	190,894
Transfers		-	-	-	(2,112)	-	2,112	-	-
31 December 2017		**-**	**(20,079,370)**	**-**	**(3,265,316)**	**(140,194,643)**	**(23,294,870)**	**-**	**(186,834,199)**
1 January 2018		**-**	**(20,079,370)**	**-**	**(3,265,316)**	**(140,194,643)**	**(23,294,870)**	**-**	**(186,834,199)**
Depreciation charge	*26*	-	(1,752,137)	(105,654)	(413,810)	(73,593,822)	(916,338)	-	(76,781,761)
Revaluation surplus		-	-	-	-	-	(10)	-	(10)
Write-offs		-	-	-	-	325,706	162,135	-	487,841
Impairment	*26*	-	(654,941)	-	(3,837)	-	(57,713)	-	(716,491)
Disposals		-	15,869	-	164,745	552,771	250,064	-	983,449
Transfer (to)/from investment property		-	-	-	-	5,968,407	-	-	5,968,407
Transfers to inventory		-	-	-	-	49,798,359	-	-	49,798,359
Transfers		-	844,273	-	-	-	-	-	844,273
31 December 2018		**-**	**(21,626,306)**	**(105,654)**	**(3,518,217)**	**(157,143,223)**	**(23,856,731)**	**-**	**(206,250,131)**
Net book value as at 1 January 2017		**44,808,763**	**24,538,674**	**-**	**1,750,017**	**302,544,758**	**2,480,016**	**1,586,956**	**377,709,184**
Net book value as at 31 December 2017		**48,698,414**	**32,979,605**	**-**	**2,186,335**	**358,184,479**	**3,726,064**	**305,658**	**446,080,556**
Net book value as at 31 December 2018		**48,142,558**	**36,228,493**	**120,160**	**2,133,786**	**406,271,412**	**4,508,430**	**155,551**	**497,560,389**

Company

		Land	Buildings	Leasehold improvements	Machinery	Vehicles	Furniture, fittings and equipment	Assets under construction	Total
Cost or Fair value	***Note***								
1 January 2017		34,534,396	21,837,306	-	3,188,822	324,695,905	13,286,889	1,360,495	398,903,814
Exchange differences		-	-	-	-	-	-	-	-
Additions		1,405,142	1,248,534	-	575,603	110,484,126	998,551	(1,318,064)	113,393,892
Revaluation surplus		(427,464)	197,903	-	-	-	-	-	(229,560)
Write-offs		-	-	-	(33,696)	(2,393,807)	(21,545)	-	(2,449,049)
Impairment		(1,763,665)	(545,367)	-	-	-	-	-	(2,309,032)
Transfer to inventory		-	-	-	-	(55,758,609)	-	-	(55,758,609)
Transfer (to)/from investment property		(3,602,501)	(3,055,975)	-	-	-	-	-	(6,658,476)
Transfers		-	-	-	4,970	-	(4,970)	-	-
31 December 2017		**30,145,908**	**19,682,401**	**-**	**3,735,699**	**377,027,615**	**14,258,925**	**42,431**	**444,892,979**
1 January 2018		30,145,908	19,682,401	-	3,735,699	377,027,615	14,258,925	42,431	444,892,979
Additions		602,520	530,082	-	254,170	124,004,207	544,053	(24,588)	125,910,443
Revaluation surplus		573,535	998,854	-	-	-	-	-	1,572,389
Write-offs		-	-	-	-	(804,468)	(162,135)	-	(966,603)
Impairment		(110,707)	492,062	-	-	-	-	-	381,354
Disposals		-	-	-	(185,929)	(1,701,914)	-	-	(1,887,843)
Transfer to inventory		-	-	-	-	(71,233,452)	-	-	(71,233,452)
Transfer (to)/from investment property		90,300	213,700	-	-	-	-	-	304,000
31 December 2018		**31,301,555**	**21,917,099**	**-**	**3,803,939**	**427,291,989**	**14,640,843**	**17,842**	**498,973,267**
Accumulated depreciation									
1 January 2017		-	(6,549,398)	-	(2,064,755)	(92,659,922)	(11,498,096)	-	(112,772,171)
Depreciation charge	*26*	-	(669,419)	-	(167,834)	(45,558,567)	(721,713)	-	(47,117,534)
Revaluation surplus		-	-	-	-	-	-	-	-
Write-offs		-	-	-	19,332	533,313	6,036	-	558,681
Impairment	*26*	-	90,468	-	-	-	-	-	90,468
Disposals		-	-	-	-	-	-	-	-
Transfer to inventory		-	-	-	-	33,293,514	-	-	33,293,514
Transfer (to)/from investment property		-	190,894	-	-	-	-	-	190,894
Transfers		-	-	-	(2,112)	-	2,112	-	-
31 December 2017		**-**	**(6,937,455)**	**-**	**(2,215,370)**	**(104,391,662)**	**(12,211,660)**	**-**	**(125,756,147)**
1 January 2018		**-**	**(6,937,455)**	**-**	**(2,215,370)**	**(104,391,662)**	**(12,211,660)**	**-**	**(125,756,147)**
Depreciation charge	*26*	-	(980,297)	-	(293,213)	(54,267,217)	(494,916)	-	(56,035,644)
Revaluation surplus		-	-	-	-	-	-	-	-
Write-offs		-	-	-	-	303,367	162,135	-	465,502
Assets classified as held for sale and other disposals									-
Impairment	*26*	-	(649,376)	-	-	-	-	-	(649,376)
Disposals		-	-	-	163,466	363,181	-	-	526,648
Transfer (to)/from investment property		-	-	-	-	-	-	-	-
Transfers to inventory		-	-	-	-	38,247,108	-	-	38,247,108
Transfers		-	-	-	-	-	-	-	-
31 December 2018		**-**	**(8,567,128)**	**-**	**(2,345,117)**	**(119,745,223)**	**(12,544,442)**	**-**	**(143,201,910)**
Net book value as at 1 January 2017		**34,534,396**	**15,287,908**	**-**	**1,124,067**	**232,035,983**	**1,788,793**	**1,360,495**	**286,131,642**
Net book value as at 31 December 2017		**30,145,908**	**12,744,946**	**-**	**1,520,329**	**272,635,953**	**2,047,265**	**42,431**	**319,136,832**
Net book value as at 31 December 2018		**31,301,555**	**13,349,971**	**-**	**1,458,823**	**307,546,765**	**2,096,401**	**17,842**	**355,771,358**

Land and Buildings are presented in depreciated fair value which is determined by independent appraisers. More details concerning land and buildings' valuation methods are presented in Note 3v and Note 5.

The Group concluded an asset backed securitisation transaction which involves the sale of future lease instalment receivables and related residual value of leased vehicles. As a result of this sale this caption includes securitized vehicles with a net book value amounting to 101,810,914.76 at 31.12.2018.

The Group, for borrowings amounting to €261,959,100, first class mortgages amounting to €68,954,769 have been assigned in favor of Representatives and Bondholders. At the same time, a floating pledge amounting to €184,818,467 for the Company's cars has been also assigned.

The Company, for borrowings amounting to €239,131,646, first class mortgages amounting to €68,954,769 have been assigned in favor of Representatives and Bondholders. At the same time, a floating pledge amounting to €163,919,346 for the Company's cars has been also assigned.

This year's impairment of €268 thousand (2017: €2.2m) has been recognized in Other gains/(losses), due to the revaluation reserve not consisting of amounts for these specific assets.

8. Investment property

	Note	**Group**		**Company**	
		31.12.2018	**31.12.2017**	**31.12.2018**	**31.12.2017**
Balance at the beginning of year		40,077,341	44,882,058	66,372,000	58,249,878
Additions		2,849,742	70,943	2,849,742	70,943
Net gain/(loss) from fair value adjustment	*30*	(471,663)	1,583,598	11,838	1,583,598
Transfers (to)/from inventories and owner-occupied property		(4,290,839)	-	(304,000)	-
Transfer (to)/from PPE		-	(6,459,258)	-	6,467,582
Balance at the end of year		**38,164,581**	**40,077,341**	**68,929,579**	**66,372,000**

Land and Buildings are presented in depreciated fair value which is determined by independent appraisers. More details concerning land and buildings' valuation methods are presented in Note 3v and Note 5.
Amounts recognised in profit or loss for investment properties are as follows:

		Group		**Company**	
The following amounts have been recognised in the income statement:		**31.12.2018**	**31.12.2017**	**31.12.2018**	**31.12.2017**
Rental income		2,381,920	2,213,869	2,381,920	2,213,869
Fair value gains (included in other (losses) / gains -net)	*30*	(471,663)	1,583,598	11,838	1,583,598

9. Intangible assets

Group

	Note	Goodwill	Software	Total
Cost				
1 January 2017		**1,312,539**	**1,465,713**	**2,778,252**
Exchange differences		-	(179)	**(179)**
Additions		25,985,291	127,395	**26,112,686**
Acquisitions of subsidiaries		-	78,143	**78,143**
Disposals		-	-	**-**
Transfers		-	-	**-**
Write-off		-	-	**-**
31 December 2017		**27,297,830**	**1,671,073**	**28,968,902**
1 January 2018		**27,297,830**	**1,671,073**	**28,968,902**
Exchange differences		-	43	43
Additions		-	169,363	169,363
Acquisitions of subsidiaries		-	-	-
Disposals		-	-	-
Transfers		-	-	-
Write-off		-	-	-
31 December 2018		**27,297,830**	**1,840,478**	**29,138,308**
Accumulated amortization				
1 January 2017		-	(920,400)	**(920,400)**
Exchange differences		-	-	**-**
Amortization charge	*26*	-	(181,475)	**(181,475)**
Disposals		-	-	**-**
Impairment	*26*	-	-	**-**
Transfers		-	-	**-**
Write-off		-	-	**-**
31 December 2017		**-**	**(1,101,874.74)**	**(1,101,875)**
1 January 2018		**-**	**(1,101,875)**	**(1,101,875)**
Exchange differences		-	(1)	(1)
Amortization charge	*26*	-	(190,280)	(190,280)
Disposals		-	-	-
Impairment	*26*	-	-	-
Transfers		-	-	-
Write-off		-	-	-
31 December 2018		**-**	**(1,292,156)**	**(1,292,156)**
Net book value as at 31 December 2017		**27,297,830**	**569,198**	**27,867,028**
Net book value as at 31 December 2018		**27,297,830**	**548,322**	**27,846,152**

Company

	Note	Software	Total
Cost			
1 January 2017		**1,190,692.70**	**1,190,693**
Exchange differences		-	-
Additions		88,692.33	**88,692**
Acquisitions of subsidiaries		-	-
Disposals		-	-
Transfers		-	-
Write-off		-	-
31 December 2017		**1,279,385.03**	**1,279,385**
1 January 2018		**1,279,385.03**	**1,279,385**
Exchange differences		-	-
Additions		131,204.07	131,204
Acquisitions of subsidiaries		-	-
Disposals		-	-
Transfers		-	-
Write-off		-	-
31 December 2018		**1,410,589.10**	**1,410,589**
Accumulated amortisation			
1 January 2017		**(703,571.07)**	**(703,571)**
Exchange differences		-	-
Amortisation charge	*26*	(150,785.93)	**(150,786)**
Disposals		-	-
Impairment	*26*	-	-
Transfers		-	-
Write-off		-	-
31 December 2017		**(854,357.00)**	**(854,357)**
1 January 2018		**(854,357.00)**	**(854,357)**
Exchange differences		-	-
Amortisation charge	*26*	(157,801.00)	(157,801)
Disposals		-	-
Impairment	*26*	-	-
Transfers		-	-
Write-off		-	-
31 December 2018		**(1,012,158.00)**	**(1,012,158)**
Net book value as at 31 December 2017		**425,028.03**	**425,028**
Net book value as at 31 December 2018		**398,431.10**	**398,431**

(i) *Impairment tests for goodwill*

Goodwill is monitored by management at the level of the three operating segments identified in note 6.

A segment-level summary of the goodwill allocation is presented below:

2018	**Greece-** *Car rental*	**Greece-** *Car & spare parts trade & services*	**International** *Car rental*	**Total**
Goodwill	-	25,939,818	1,358,012	27,297,830

2017	**Greece-** *Car rental*	**Greece-** *Car & spare parts trade & services*	**International** *Car rental*	**Total**
Goodwill	-	25,939,818	1,358,012	27,297,830

Goodwill arises a) from the acquisition of Hyundai HELLAS SA. and KIA HELLAS SA. as described in Note 10 for the amount of €25,939,818 and b) from the acquisition of ANTERRA d.o.o in Croatia in 2016 for the amount of €1,358,012.

(ii) *Key assumptions used for value-in-use calculations*

The Group tests whether goodwill has suffered any impairment on an annual basis. For the 2018 and 2017 reporting period, the recoverable amount of the cash generating units (CGUs) was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

The basic assumptions adopted from management as of 31.12.2018, are the following:
- Reduction (before tax) rate in present value: 8 – 11%
- Sales Growth Rate: 8 – 14 %
- Perpetuity Growth Rate: 4%

Impairment testing as of 31.12.2018 has not resulted in an impairment of goodwill. Also, if the assumptions used as of 31.12.2018, were further aggravated by 10%, goodwill's accounting value would still not require any impairment.

10. Investment in subsidiaries

	Company	
	31.12.2018	**31.12.2017**
Balance at the beginning of the year	**40,556,111**	**20,555,111**
Acquisitions	2,500,000	20,001,000
Balance at the end of the year	**43,056,111**	**40,556,111**

The interests held in subsidiaries and their carrying amounts at 31 December are as follows:

Company

Name	Country of incorporation	2018 % Ownership Interest held	2018 Carrying value	2017 % Ownership Interest held	2017 Carrying value	Principal activities
Autotechnica Ltd	Bulgaria	99.99%	3,011,842	99.99%	3,011,842	Autotrade-After sales & Car hire
Autotechnica (Cyprus) Ltd	Cyprus	100%	3,078,811	100%	3,078,811	Car hire
Autotechnica Fleet Services S.R.L.	Romania	100%	6,500,000	100%	4,000,000	Car hire
Autotechnica Hellas ATEE	Greece	100%	300,000	100%	300,000	Autotrade-After sales
A.T.C.Autotechnica (Cyprus) Ltd	Cyprus	100%	1,709	100%	1,709	Car hire
Autotechnica Serbia Doo	Serbia	100%	4,000,000	100%	4,000,000	Car hire
Autotechnica Montenegro Doo	Montenegro	100%	1,000,000	100%	1,000,000	Car hire
Autotehcnica Fleet Services L.L.C.	Ukraine	100%	700,000	100%	700,000	Car hire
Autotehcnica Fleet Services Doo Zagreb	Croatia	100%	422,750	100%	422,750	Car hire
Anterra Doo	Croatia	100%	4,040,000	100%	4,040,000	Car hire
Derasco Trading Limited	Cyprus	100%	20,001,000	100%	20,001,000	Holding company
Hyundai Hellas	Greece	70%	-	70%	-	Autotrade
Kia Hellas	Greece	70%	-	70%	-	Autotrade

The company is indirectly participating in Hyundai Hellas and Kia Hellas, through its participation in Derasco Trading Limited, companies which were consolidated for the first time on 31/12/2017, due to their acquisition on 12/12/2017.

Financial year 2017

On 22/12/2017, the Company proceeded with the acquisition of DERASCO TRADING LIMITED by paying the amount of € 1,000. It then proceeded to the increase of the share capital of DERASCO TRADING LIMITED, in the amount of € 20,000,000 with the purpose of acquiring control of 70% of the companies HYUNDAI HELLAS P&R DAVARI SA and AUTODEAL P&R DAVARI SA through the participation of DERASCO to the share capital increases of these companies. Acquisition date of these companies is the 31/12/2017. The companies were consolidated at the balance sheet date as at 31/12/2017, without having any effect on turnover and earnings due to the fact that there was no significant variation in this period. The valuation of net assets acquired and the resulting goodwill as at 31/12/2017 was provisional due to the narrow timeframe and was finalised in 2018. This acquisition strengthens the position of the company in the retail car market, making it one of the leading companies in the sector. The temporary value of goodwill was attributed to the sector of car and spare parts trade and services in Greece. The impairment test carried out did not result in any losses. These provisional values of the acquisition cost and the relative amounts of the companies turnover and earnings, if the acquisition had been made since the beginning of the year 2017, are as follows:

Net Assets

	DERASCO TRADING LIMITED
Tangible Assets	**-**
Receivables	443,750
Cash and Cash Equivalents	37,098
Liabilities	(525,321)
Assets - Liabilities (acquisition date)	**(44,473)**
Cash Consideration	1,000
Goodwill	**45,473**
Earnings after tax 1/1/2017-31/12/2017	(36,565)
Turnover 1/1/2017-31/12/2017	72,893

Net Assets

	HYUNDAI HELLAS P&R DAVARI SA
Tangible Assets	7,136,532
Intangible Assets	16,766
Other Financial Assets	63,185
Inventory	6,454,629
Receivables	1,676,761
Cash and Cash Equivalents	10,173,213
Long Term Liabilities	(10,470,569)
Other Liabilities	(19,983,292)
Assets - Liabilities (acquisition date)	(4,932,774)
Acquisition Percentage 70%	(3,452,942)
Cash Consideration	12,000,000
Goodwill	**15,452,942**
Earnings after tax 1/1/2017-31/12/2017	5,010,260
Turnover 1/1/2017-31/12/2017	48,050,868

Net Assets

	AUTODEAL P&R DAVARI SA
Tangible Assets	322,771
Intangible Assets	61,378
Other Financial Assets	3,581
Inventory	5,407,880
Receivables	36,180
Cash and Cash Equivalents	4,666,631
Long Term Liabilities	(7,559,732)
Other Liabilities	(6,491,367)
Assets - Liabilities (acquisition date)	(3,552,680)
Acquisition Percentage 70%	(2,486,876)
Cash Consideration	8,000,000
Goodwill	**10,486,876**
Earnings after tax 1/1/2017-31/12/2017	626,306.64
Turnover 1/1/2017-31/12/2017	17,830,158

Financial year 2018

On 31/12/2018, the procedure for determining the value of the acquired net assets with regard to the acquisition of HYUNDAI HELLAS SA. and KIA HELLAS SA. was completed. At the end of the exercise, there was no change in the goodwill arising from the acquisition. However, at the end of the exercise, the following Balance Sheet Items had to be reclassified as follows:

PUBLISHED FINANCIAL FIGURES 31.12.2017		**Reclassified PUBLISHED FINANCIAL FIGURES 31.12.2017**	
Net Assets		**Net Assets**	
	HYUNDAI HELLAS SA		**HYUNDAI HELLAS SA**
Tangible assets	7,136,532.49	Tangible assets	7,136,532.49
Intagible assets	16,766.48	Intagible assets	16,766.48
Other Financial Assets	63,184.79	Other Financial Assets	63,184.79
Inventory	6,454,628.70	Inventory	6,398,929.43
Receivables	1,676,761.44	Receivables	5,641,161.71
Deferred tax assets	0.00	Deferred tax assets	6,380,000.00
Cash and Cash Equivalents	10,173,213.23	Cash and Cash Equivalents	10,173,213.23
Long Term Liabilities	(10,470,569)	Long Term Liabilities	(20,259,270)
Trade and Other Payables	(19,983,292)	Trade and Other Payables	(20,483,292)
Assets - Liabilities (acquisition date)	(4,932,773)	**Assets - Liabilities (acquisition date)**	(4,932,773)
Acquisition Percentage 70%	(3,452,941)	**Acquisition Percentage 70%**	(3,452,941)
Cash Consideration	12,000,000	Cash Consideration	12,000,000.00
Goodwill	**15,452,941.40**	**Goodwill**	**15,452,941.40**
Earnings after tax 1/1/2017-31/12/2017	**5,010,259.61**	**Earnings after tax 1/1/2017-31/12/2017**	**5,010,259.61**
Turnover 1/1/2017-31/12/2017	**48,050,868.01**	**Turnover 1/1/2017-31/12/2017**	**48,050,868.01**

PUBLISHED FINANCIAL FIGURES 31.12.2017		**Reclassified PUBLISHED FINANCIAL FIGURES 31.12.2017**	
Net Assets		**Net Assets**	
	KIA HELLAS SA		**KIA HELLAS SA**
Tangible assets	322,770.50	Tangible assets	322,770.50
Intagible assets	61,377.94	Intagible assets	61,377.94
Other Financial Assets	3,580.57	Other Financial Assets	3,580.57
Inventory	5,407,879.89	Inventory	5,299,793.19
Receivables	36,179.58	Receivables	2,409,477.07
Deferred tax assets		Deferred tax assets	2,862,292.46
Cash and Cash Equivalents	4,666,630.99	Cash and Cash Equivalents	4,666,630.99
Long Term Liabilities	(7,559,732)	Long Term Liabilities	(12,483,056)
Trade and Other Payables	(6,491,367)	Trade and Other Payables	(6,695,547)
Assets - Liabilities (acquisition date)	(3,552,680)	**Assets - Liabilities (acquisition date)**	(3,552,680)
Acquisition Percentage 70%	(2,486,876)	**Acquisition Percentage 70%**	(2,486,876)
Cash Consideration	8,000,000.19	Cash Consideration	8,000,000.19
Goodwill	**10,486,876.09**	**Goodwill**	**10,486,876.09**
Earnings after tax 1/1/2017-31/12/2017	**626,306.64**	**Earnings after tax 1/1/2017-31/12/2017**	**626,306.64**
Turnover 1/1/2017-31/12/2017	**17,830,158.02**	**Turnover 1/1/2017-31/12/2017**	**17,830,158.02**

11. Investment in associates and joint ventures

Group

Name of entity	Place of business/country of incorporation	% of ownership interest 2018 %	% of ownership interest 2017 %	Nature of relationship	Measurement method	Carrying amount 2018	Carrying amount 2017
ELTREKKA SA (1)	Greece	50%	50%	Joint venture	Equity method	389,889	745,455
SPORTSLAND SA (2)	Greece	50%	50%	Joint venture	Equity method	5,233,774	5,180,970
CRETE GOLF CLUB S.A. (3)	Greece	45%	48%	Associate	Equity method	5,812,605	6,311,954
Total equity accounted investments						**11,436,267**	**12,238,379**

Company

Name of entity	Place of business/country of incorporation	% of ownership interest 2018 %	% of ownership interest 2017 %	Nature of relationship	Measurement method	Carrying amount 2018	Carrying amount 2017
SPORTSLAND SA (2)	Greece	50%	50%	Joint venture	Equity method	6,345,000	6,250,000
CRETE GOLF CLUB S.A. (3)	Greece	45%	48%	Associate	Equity method	7,836,069	7,836,069
Total equity accounted investments						**14,181,069**	**14,086,069**

ELTREKKA S.A..

ELTREKKA S.A. has been active since 1997 in the import and distribution of aftermarket auto parts in Greece, representing the world's largest manufacturers. ELTREKKA's range of products covers the full range of needs for repair and maintenance of cars, commercial vehicles and motorcycles. ELTREKKA continues on the same road and invests in lubricants, paint materials, paint supplies, diagnostic and other tools. The company has state-of art facilities that allow for high reserve capacity and offer the fastest delivery time on the market.

SPORTSLAND S.A..

SPORTSLAND S.A. was founded in 2008. The company owns a large plot of land in Asopia, where it plans to develop a touristic investment by acquiring every year other plots of land in the region. It is a company that has accumulated large plots of land in that wider region and is planning to implement complex investments that combine sports and recreational activities, thus creating an integrated recreational area for all.

CRETAN GOLF S.A.

Cretan Golfs S.A. is an associate company of Autohellas S.A., whose main activity refers to the operation of a Golf court in a plot of land, larger than 700 acres in Chersonisos region, in Heraklion, Crete. The company was founded in August 1977. The court operates on a full-year basis, has 18 pars according to PGA's international standards, so as to meet all the requirements of golfers and so as to be eligible for upholding international tournaments. Since early 2017, a new 5-star hotel division runs in the facilities that complements the operations of the golf court and helps in further increasing quality tourism in Crete.

Summarised balance sheet	ELTREKKA SA 31 December 2018	ELTREKKA SA 31 December 2017	SPORTSLAND SA 31 December 2018	SPORTSLAND SA 31 December 2017	CRETE GOLF CLUB S.A. 31 December 2018	CRETE GOLF CLUB S.A. 31 December 2017
Current assets						
Cash and cash equivalents	692,855	1,708,000	65,359	59,182	330,313	269,603
Other current assets	12,020,000	14,009,145	105,167	114,056	387,437	955,683
Total current assets	12,712,855	15,717,145	170,526	173,238	717,750	1,225,286
Non-current assets	6,626,000	7,054,676	10,685,139	10,549,562	15,337,416	15,350,824
	-	-	-	-	-	-
Current liabilities	-	-	-	-	-	-
Financial liabilities (excluding trade payables)	9,748,000	12,367,000	-	-	324,358	372,286
Other current liabilities	7,387,000	3,440,000	29,693	12,814	303,550	156,352
Total current liabilities	17,135,000	15,807,000	29,693	12,814	627,909	528,639
Non-current liabilities	-	-	-	-	-	-
Financial liabilities (excluding trade payables)	-	-	-	-	2,473,694	2,817,155
Other non-current liabilities	1,425,000	5,474,264	358,423	348,047	46,130	-
Total non-current liabilities	1,425,000	5,474,264	358,423	348,047	2,519,823	2,817,155
Net assets	**778,855**	**1,490,557**	**10,467,548**	**10,361,940**	**12,907,435**	**13,230,316**

Reconciliation of carrying amounts:

Opening net assets 1 January	1,490,557	1,776,013	10,361,940	10,183,215	13,230,316	11,486,030
Increase/decrease in share capital	-	-	190,000	290,000	1,000,200	2,907,114
Increase/decrease in reserves	-	-	(1,796)	(2,499)	-	-
Profit for the period	(662,171)	(282,003)	(82,596)	(108,776)	(1,323,081)	(1,162,828)
Other comprehensive income	(49,530)	(3,453)	-	-	-	-
Dividends paid	-	-	-	-	-	-
Closing net assets	**778,855**	**1,490,557**	**10,467,548**	**10,361,940**	**12,907,435**	**13,230,316**
Group’s share in %	50%	50%	50%	50%	45%	48%
Group’s share in €	389,889	745,455	5,233,774	5,180,970	5,812,605	6,311,954
Goodwill	-	-	-	-	-	-
Carrying amount	**389,889**	**745,455**	**5,233,774**	**5,180,970**	**5,812,605**	**6,311,954**

Summarised statement of comprehensive income	ELTREKKA SA		SPORTSLAND SA		CRETE GOLF CLUB S.A.	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Revenue	30,164,490	39,204,698	-	-	1,079,247	777,836
Interest income	2,000	4,000	-	12	-	-
Depreciation and amortisation	(507,550)	(496,182)	-	-	(701,618)	(567,301)
Interest expense	(775,000)	(1,050,000)	-	1,215	(146,131)	(160,197)
Income tax expense	29,540	(45,808)	(11,110)	(37,678)	-	-
Profit from continuing operations	**(662,171)**	**(282,003)**	**-**	**(108,776)**	**(1,172,393)**	**(1,012,139)**
	-	-	-	-	-	-
Profit for the period	(662,171)	(282,003)	(82,596)	(108,776)	(1,172,393)	(1,012,139)
Other comprehensive income	(49,530)	(3,453)	-	-	-	-
Total comprehensive income	(711,702)	(285,456)	(82,596)	(108,776)	(1,172,393)	(1,012,139)

12. Deferred income tax

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority. The offset amounts are as follows:

		Group		Company	
	Note	**31.12.2018**	**31.12.2017**	**31.12.2018**	**31.12.2017**
Deferred income tax liabilities		29,465,867	33,735,333	27,865,713	31,957,014
Deferred income tax assets		(7,481,249)	(11,834,967)	(2,995,678)	(1,536,180)
Deferred income tax (net)		**21,984,618**	**21,900,367**	**24,870,035**	**30,420,834**

		Group		Company	
	Note	**31.12.2018**	**31.12.2017**	**31.12.2018**	**31.12.2017**
Deferred income tax liabilities		27,296,944	32,951,755	24,870,035	30,420,834
Deferred income tax assets		(5,312,326)	(11,051,389)	-	-
Deferred income tax (net)		**21,984,618**	**21,900,366**	**24,870,035**	**30,420,834**

The gross amounts are as follows:

Deferred tax liabilities:	**31.12.2018**	**31.12.2017**	**31.12.2018**	**31.12.2017**
- Deferred tax liabilities to be settled after more than 12 months	21,434,043	25,040,545	19,007,203	21,797,879
- Deferred tax liabilities to be settled within 12 months	9,753,216	10,159,135	8,858,510	10,159,135
	31,187,259	**35,199,680**	**27,865,713**	**31,957,014**

Deferred tax assets:	31.12.2018	31.12.2017	31.12.2018	31.12.2017
- Deferred tax assets to be recovered after more than 12 months	(6,262,416)	(11,588,735)	(2,043,352)	(1,047,828)
- Deferred tax assets to be recovered within 12 months	(1,513,546)	(540,945)	(952,326)	(488,352)
	(7,775,962)	**(12,129,680)**	**(2,995,678)**	**(1,536,180)**

The gross movement on the deferred income tax account is as follows:

		Group		Company	
	Note	**31.12.2018**	**31.12.2017**	**31.12.2018**	**31.12.2017**
Balance at the beginning of year		21,900,367	26,342,810	30,420,834	26,154,064
Tax charged/credited to income statement	*32*	3,890,025	256,227	(1,722,522)	(284,447)
Tax charged/credited directly to equity		(3,828,276)	4,543,623	(3,828,276)	4,551,217
Tax charged/credited directly to other comprehensive income		22,504	-	-	-
Acquisition of subsidiaries		-	(9,242,292)		-
Balance at the end of year		**21,984,618**	**21,900,367**	**24,870,035**	**30,420,834**

The majority of deferred tax assets and liabilities are long-term.

The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdictions, is as follows:

Deferred tax liabilities:

Group

	Property, plant and equipment	Borrowing expenses	Other	Total
1 January 2017	12,249,088	5,340,028	9,639,481	27,228,597
Charged / (credited) to the income statement	2,027,945	(658,694)	(145,000)	1,224,251
Charged / (credited) directly to equity	(66,573)	-	4,637,313	4,570,741
Acquisition of subsidiaries	622,092	-	89,653	711,745
31 December 2017	**14,832,552**	**4,681,334**	**14,221,447**	**33,735,333**
1 January 2018	14,832,552	4,681,334	14,221,447	33,735,333
Charged / (credited) to the income statement	1,205,391	(1,399,038)	(331,838)	(525,486)
Charged / (credited) directly to equity	178,225	-	(3,917,559)	(3,739,334)
Charged/(credited) directly to other comprehensive income	(4,647)	-	-	(4,647)
31 December 2018	**16,211,521**	**3,282,296**	**9,972,051**	**29,465,867**

Deferred tax assets:

Group	**Retirement benefit obligations**	**Tax Losses**	**Deferred revenue**	**Other**	**Total**
1 January 2017	(842,283)	-	(43,504)		(885,787)
Charged / (credited) to the income statement	(120,849)	-	(847,175)		(968,024)
Charged / (credited) directly to equity	(27,118)	-	-		(27,118)
Acquisition of subsidiaries	-	(5,800,000)	-	-	(9,954,037)
31 December 2017	**(990,250)**	**(5,800,000)**	**(890,679)**	**-**	**(11,834,967)**
1 January 2018	(990,250)	(5,800,000)	(890,679)	-	(11,834,967)
Charged / (credited) to the income statement	(388,471)	2,256,204	(1,121,027)	91,977	4,415,510
Charged / (credited) directly to equity	(88,943)	-	-	-	(88,943)
Charged/(credited) directly to other comprehensive income	27,151	-	-	-	27,151
31 December 2018	**(1,440,514)**	**(3,543,796)**	**(2,011,705)**	**91,977**	**(7,481,249)**

Deferred tax liabilities:

Company

	Property, plant and equipment	**Borrowing expenses**	**Other**	**Total**
1 January 2017	10,901,318	5,340,028	10,420,522	26,661,869
Charged / (credited) to the income statement	1,528,098	(658,694)	(145,000)	724,404
Charged / (credited) directly to equity	(66,573)	-	4,637,313	4,570,741
31 December 2017	**12,362,844**	**4,681,334**	**14,912,835**	**31,957,014**
1 January 2018	12,362,844	4,681,334	14,912,835	31,957,014
Charged / (credited) to the income statement	1,036,536	(1,399,038)	10,535	(351,967)
Charged / (credited) directly to equity	178,225	-	(3,917,559)	(3,739,334)
31 December 2018	**13,577,606**	**3,282,296**	**11,005,812**	**27,865,713**

Deferred tax assets:

Company	**Retirement benefit obligations**	**Deferred revenue**	**Total**
1 January 2017	(126,622.30)	(381,182)	(507,805)
Charged / (credited) to the income statement	(161,676.31)	(847,174.63)	(1,008,851)
Charged / (credited) directly to equity	(19,523.96)	-	(19,524)
31 December 2017	**(307,822.57)**	**(1,228,357)**	**(1,536,180)**
1 January 2018	(307,822.57)	(1,228,357)	(1,536,180)
Charged / (credited) to the income statement	(249,529.15)	(1,121,027)	(1,370,556)
Charged / (credited) directly to equity	(88,942.82)	-	(88,943)
31 December 2018	**(646,294.54)**	**(2,349,384)**	**(2,995,678)**

The Group's deferred tax assets include an amount of €3,543,796 which relates to carried forward tax losses of HYUNDAI HELLAS SA and KIA HELLAS SA. The subsidiaries have incurred the losses over the financial years of 2014, 2015 and 2016. The Group expects that the deferred tax assets will be recoverable based on the estimated future taxable income as per the approved business plans and budgets for the subsidiaries. The subsidiaries are already generating taxable income. The losses can be carried forward up until 2021.

13. Financial assets previously classified as available-for-sale

Assets available for sale are as follows:

	Group	Company
Non-current assets	**31.12.2017**	**31.12.2017**
Listed securities:		
Equity securities - Greece	68,710,191	68,710,191
Unlisted securities:		
Equity securities - Greece	500,000	-
	69,210,191	**68,710,191**

The investments in listed companies relate to companies listed in the Athens Stock Exchange and are measured at their quoted stock prices at the balance sheet date.

On 31/12/2017, Available-for-sale financial assets included a 11.66% participation in Aegean Airlines SA amounting to €68,710,191. The participation of 16.32% and of the amount of €500,000 in Spotmechanic Ltd. has been fully impaired.

14. Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise equity securities of Aegean Airlines which are not held for trading, and which the Group has irrevocably elected upon transition to IFRS 9 to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant.

Equity investments at FVOCI comprise the following individual investments:

	Group	Company
	31.12.2018	**31.12.2018**
Listed securities		
- Equity securities	61,464,389	61,464,389
	61,464,389	**61,464,389**

These investments were classified as available-for-sale in 2017. Note 0explains the change in accounting policy and the reclassification of certain equity investments from available-for-sale to at fair value through other comprehensive income.

15. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss comprise of a 16,32% participation in Spotmechanic ltd amounting to €800.000 as of 31 December 2018 and €500.000 as of 31 December 2017 classified under available-for-sale financial assets. Note 0 explains the change in accounting policy and the reclassification of certain equity investments from available-for-sale at fair value through profit or loss.

16. Trade and other receivables

	Note	Group		Company	
		31.12.2018	31.12.2017	31.12.2018	31.12.2017
Trade receivables		45,808,710	41,130,939	28,520,810	24,923,952
Less: provision for impairment of trade receivables		(2,701,467)	(1,728,892)	(1,110,094)	(994,890)
Trade receivables - net		**43,107,242**	**39,402,047**	**27,410,715**	**23,929,063**
Prepayments		16,094,693	12,321,884	10,123,446	8,086,902
Other receivables		15,995,539	8,074,656	11,283,980	2,731,955
Less: provision for impairment of other receivables		(644,755)	(576,548)		-
Receivables from related parties	36	899,162	377,315	1,830,797	2,899,714
Total		**75,451,881**	**59,599,354**	**50,648,940**	**37,647,633**
Less: non-current portion		14,222,399	8,095,386	12,809,830	7,636,620
Current portion		**61,229,482**	**51,503,968**	**37,839,110**	**30,011,013**

Details about the group's impairment policies and the calculation of the loss allowance are provided in note 4.1.

Other receivables mainly relate to a Reserve from Securitization of Future Receivables and other, relative to the securitization of future receivables, funds, along with invoices that relate to the Group's companies' other income, for example rents, contracts etc. The non-current other receivables are due and payable within xx years from the end of the reporting period.

Further information relating to loans to related parties and key management personnel is set out in note 36.

17. Inventories

	Group		Company	
	31.12.2018	31.12.2017	31.12.2018	31.12.2017
New cars	33,818,921	22,961,884	4,671,554	4,361,198
Used cars	8,500,825	6,055,457	2,500	-
Parts - Accessories	3,670,796	3,135,119	749,291	597,181
Other Inventories	230,560	107,786	116,334	96,528
Total	**46,221,102**	**32,260,245**	**5,539,679.57**	**5,054,908**

Write-downs of inventories to net realisable value in Group level amounted to € 206,718 (2017 – €173,786). These were recognised as an expense during the year ended 31 December 2018 and included in Other expenses in profit or loss.

18. Cash and cash equivalents

	Group		Company	
	31.12.2018	**31.12.2017**	**31.12.2018**	**31.12.2017**
Cash in hand	185,711	237,386	111,503	181,311
Cash at bank	29,303,443	28,763,990	10,467,180	10,287,461
Time deposits	18,014,289	10,000,000	10,000,000	10,000,000
Total	**47,503,443**	**39,001,376**	**20,578,683**	**20,468,772**

The effective interest rate on time deposits was 0.8% and 0.75% for 2018 and 2017 respectively. Hyundai Hellas S.A. has blocked deposits amounting to € 8,000,000 in order to achieve the issuance of a low-cost, letter of guarantee towards the manufacturing plant for the same amount.

19. Share capital and share premium

	Number of shares	Ordinary shares	Share premium	Treasury shares	Total
1 January 2017	12,213,750	3,908,400	130,553	(219,294)	3,819,659
31 December 2017	**12,213,750**	**3,908,400**	**130,553**	**(219,294)**	**3,819,659**
1 January 2018	12,213,750	3,908,400	130,553	(219,294)	3,819,659
31 December 2018	**12,213,750**	**3,908,400**	**130,553**	**(219,294)**	**3,819,659**

Ordinary shares have a nominal value of € 0.32 each. All shares are common, have been paid in full, participate in earnings and are entitled to voting rights. Treasury shares are shares purchased by the Company in 2012.

20. Fair value reserves

Group

	Note	**FVOCI Financial assets**	**Available-for-sale investments**	**Revaluation reserve**	**Total**
1 January 2017		-	26,029,996	8,310,280	34,340,276
Transfers to/(from) Retained Earnings		-	-	(162,988)	(162,988)
Revaluation of AFS-gross		-	26,622,706	-	26,622,706
Revaluation of AFS-tax		-	(15,269,283)	-	(15,269,283)
31 December 2017		**-**	**37,383,418**	**8,147,292**	**45,530,710**
1 January 2018		-	37,383,418	8,147,292	45,530,710
Change in accounting policy due to adoption of IFRS 9		37,383,418	(37,383,418)	-	
Revaluation - gross		(7,245,802)	-	(617,172)	(7,862,974)
Revaluation - tax		3,917,559	-	(173,578)	3,743,981
Currency translation differences	*22*	-	-	-	-
31 December 2018		**34,055,175**	**-**	**7,356,542**	**41,411,717**

Company

	Note	**FVOCI Financial assets**	**Available-for-sale investments**	**Revaluation reserve**	**Total**
1 January 2017		-	26,029,996	5,053,821	31,083,816
Transfers to/(from) Retained Earnings		-	15,990,735	-	15,990,735
Revaluation of AFS-gross		-	(4,637,313)	(162,988)	(4,800,301)
Revaluation of AFS-tax		-	-	-	-
31 December 2017		**-**	**37,383,418**	**4,890,833**	**42,274,251**
1 January 2018		-	37,383,418	4,890,833	42,274,251
Change in accounting policy due to adoption of IFRS 9		37,383,418	(37,383,418)	-	
Revaluation - gross		(7,245,802)	-	1,394,164	(5,851,638)
Revaluation - tax		3,917,559	-	-	3,917,559
Currency translation differences	*22*	-	-	-	-
31 December 2018		**34,055,175**	**-**	**6,284,997**	**40,340,171**

21. Other reserves

Group

	Statutory reserve	Special reserve	Tax-free reserve	Other reserve	Currency Translation reserve	Total
1 January 2017	5,079,687	13,796,780	45,827	924,375	(102,552)	19,744,117
Transfers to/(from)						
Retained Earnings	-	11,161,359	-	-	-	11,161,359
Other	-	-	-	(1,250)	-	(1,250)
31 December 2017	**5,079,687**	**24,958,139**	**45,827**	**923,125**	**(102,552)**	**30,904,226**
1 January 2018	5,079,687	24,958,139	45,827	923,125	(102,552)	30,904,226
Transfers to/(from)						
Retained Earnings	-	4,580,679	-	-		4,580,679
Other	-	-	-	(898)		(898)
31 December 2018	**5,079,687**	**29,538,819**	**45,827**	**922,227**	**(102,552)**	**35,484,008**

Company

	Statutory reserve	Special reserve	Tax-free reserve	Other reserve	Currency Translation reserve	Total
1 January 2017	4,870,218	13,796,780	96,812	924,375		19,688,186
Transfers to/(from)						
Retained Earnings	-	11,161,359	-	-		11,161,359
31 December 2017	**4,870,218.41**	**24,958,139.13**	**96,812.13**	**924,375**	**-**	**30,849,544.67**
1 January 2018	4,870,218	24,958,139	96,812	924,375	-	30,849,545
Transfers to/(from)						
Retained Earnings	-	6,080,679	-	-		6,080,679
31 December 2018	**4,870,218**	**31,038,819**	**96,812**	**924,375**	**-**	**36,930,224.07**

Statutory reserve

The statutory reserve is created under the provisions of Greek law (Law 2190/20, articles 44 and 45) according to which an amount of at least 5% of the profit (after tax) for the year must be transferred to the reserve until it reaches one third of the paid share capital. The statutory reserve can only be used with the approval of the Annual General Meeting of shareholders to offset accumulated losses and therefore cannot be used for any other purpose.

Special reserve

This reserve relates to special reserves from income taxed by special tax scheme formed based on special provisions of Greek tax legislation and refers to a) earnings from sale of a non-listed company which are tax-exempted since they are not distributed. In any other case they would not be exempted from regular tax regulation and b) dividends received.

Tax-free reserve

This reserve includes the portion of the net income carried forward every year that comes from tax-free profits and profits taxed under special provisions by using up the tax liability.

The aforementioned reserves can be capitalised or distributed following the approval of the Annual General Meeting, after taking into consideration the restrictions that may apply. In case of capitalisation or distribution, tax is calculated at the current tax rate.

Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entities are recognised in other comprehensive income as described in note 0 and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

Other reserves

This reserves was created from the merger of VAKAR S.A., VELMAR S.A. and TECHNOCAR S.A.

22. Borrowings

		Group		Company	
	Note	**31.12.2018**	**31.12.2017**	**31.12.2018**	**31.12.2017**
Non-current					
Bank borrowings		143,385,111	206,359,790	104,234,887	162,879,476
Finance lease liabilities		32,774,115	28,677,014	31,813,071	28,677,014
Total non-current		**176,159,225**	**235,036,804**	**136,047,957.65**	**191,556,490**
Current					
Bank borrowings		67,101,413	131,790,906	47,733,092	37,973,258
Short term portion of long term bank borrowings		76,232,415	-	73,018,661	71,967,613
Finance lease liabilities		15,230,142	9,135,931	14,659,688	9,135,931
Loans due to related parties		(1)	-	-	-
Total current		**158,563,970**	**140,926,837**	**135,411,441.65**	**119,076,802**
Total borrowings		**334,723,195**	**375,963,641**	**271,459,399**	**310,633,293**

The average effective interest rate of short-term and long-term for Group's borrowings for 2018 was at 3% - 3.7% respectively (2017: The effective interest rate was 4% - 4.25%).

The average effective interest rate of short-term and long-term for Company's borrowings for 2018 was at 3% - 3.7% respectively (2017: The effective interest rate was 4% - 4.25%).

Securitization:

The company proceeded to a medium-term financing by securitization of future receivables amounting to €72.151.771,89 from European Investment Institutions. The funds allow Autohellas to have access to structured medium-term finance to finance car leases in Small and Medium Enterprises operating in Greece.

Finance lease liabilities

The Group leases various 3,846 cars with a carrying amount of € 49,959,457 (2017: 2,910 cars with carrying value of €38,764,853) under finance leases expiring within 3 to 4 years.

	Group		Company	
	31.12.2018	**31.12.2017**	**31.12.2018**	**31.12.2017**
Finance lease liabilities- minimum lease payments				
No later than 1 year	16,784,755	10,455,361	16,195,193	10,455,361
Later than 1 year but not later than 5 years	34,235,175	31,189,689	33,239,689	31,189,689
Total	**51,019,930**	**41,645,050**	**49,434,882**	**41,645,050**
Less: Future finance charges on finance leases	(3,015,673)	(3,832,105)	(2,962,123)	(3,832,105)
Present value of finance lease liabilities	**48,004,257**	**37,812,945**	**46,472,759**	**37,812,945**

The present value of finance lease liabilities is analysed as follows:

	31.12.2018	**31.12.2017**	**31.12.2018**	**31.12.2017**
No later than 1 year	15,230,142	9,135,931	14,659,688	9,135,931
Later than 1 year but not later than 5 years	32,774,115	28,677,014	31,813,071	28,677,014
Total	**48,004,257**	**37,812,945**	**46,472,759**	**37,812,945**

Changes in liabilities arising from financing activities

Group

		Cash transactions		Non Cash Transactions			
	31.12.2016	**Repayments**	**New Financing**	**Transfers**	**Acquisitions**	**Loan Amortisation**	**31.12.2017**
Long-term loans	222,230,507	(24,411,371)	44,449,204	(59,266,500)	20,596,650	2,761,301	206,359,790
Short-term loans	53,179,432	(64,635,341)	71,948,340	59,266,500	12,019,402	12,573	131,790,906
Financial Leasing	5,606,035	(4,344,242)	-	-	36,551,152	-	37,812,945
Total Liabilities from Financing Activities	**281,015,974**	**(93,390,954)**	**116,397,544**	**-**	**69,167,204**	**2,773,873**	**375,963,641**

		Cash transactions		Non Cash Transactions			
	31.12.2017	**Repayments**	**New Financing**	**Transfers**	**Acquisitions**	**Loan Amortisation**	**31.12.2018**
Long-term loans	206,359,790	(48,522,542)	40,262,514	(58,422,739)	-	3,708,087	143,385,111
Short-term loans	131,790,906	(149,359,730)	109,363,678	52,047,739	-	(508,764)	143,333,828
Financial Leasing	37,812,945	(21,478,827)	1,677,493	-	29,992,646	-	48,004,257
Total Liabilities from Financing Activities	**375,963,641**	**(219,361,098)**	**151,303,685**	**(6,375,000)**	**29,992,646**	**3,199,322**	**334,723,196**

Company

		Cash transactions		Non Cash Transactions			
	31.12.2016	**Repayments**	**New Financing**	**Transfers**	**Acquisitions**	**Loan Amortisation**	**31.12.2017**
Long-term loans	214,060,825	(24,411,371)	29,735,222	(59,266,500)	-	2,761,301	162,879,476
Short-term loans	35,991,999	(34,727,039)	49,396,839	59,266,500	-	12,573	109,940,871
Financial Leasing	5,606,035	(4,344,242)	-	-	36,551,152	-	37,812,945
Total Liabilities from Financing Activities	**255,658,859**	**(63,482,652)**	**79,132,061**	**-**	**36,551,152**	**2,773,873**	**310,633,293**

		Cash transactions		Non Cash Transactions			
	31.12.2017	**Repayments**	**New Financing**	**Transfers**	**Acquisitions**	**Loan Amortisation**	**31.12.2018**
Long-term loans	162,879,476	(42,939,606)	25,898,959	(45,315,339)	-	3,711,396	104,234,887
Short-term loans	109,940,871	(121,817,729)	87,298,750	45,315,339	-	14,523	120,751,754
Financial Leasing	37,812,945	(21,332,832)	-	-	29,992,646	-	46,472,759
Total Liabilities from Financing Activities	**310,633,293**	**(186,090,167)**	**113,197,709**	**-**	**29,992,646**	**3,725,919**	**271,459,399**

23. Post-employment benefits

For the Company and the Group entities based in Greece, the benefit obligations relate to the requirements under law 2112/1920 as amended by law 4093/2012 based on the years of employment of each employee. The liability is measured and depicted on the basis of the expected entitlement of each employee at the balance sheet date or in the interim financial statements, discounted to the present value, in relation to the expected time of payment.

The amounts recognised in the statement of financial position and the movements in the net benefit obligation over the year are as follows:

	Group		Company	
	31.12.2018	**31.12.2017**	**31.12.2018**	**31.12.2017**
Balance at beginning of year	2,184,630	1,824,079	1,329,290	1,293,293
Current service cost	637,875	63,210	609,517	41,546
Interest expense	34,080	29,795	20,737	21,052
Past service cost and gains and losses on settlements / curtailments	204,616	496,933	127,033	149,168
Total amount recognised in profit or loss	***876,571***	***589,938***	***757,287***	***211,766***
Remeasurements				
Loss from change in demographic assumptions	218,690	93,510	218,690	49,781
Loss from change in financial assumptions	267,128	-	126,590	17,543
Experience losses	69,994	-		-
Total amount recognised in other comprehensive income	***555,812***	***93,510***	***345,280***	***67,324***
Benefits paid	(341,029)	(322,897)	(211,722)	(243,093)
Exchange differences		-		-
Balance at end of year	**3,275,984**	**2,184,630**	**2,220,135.00**	**1,329,290.00**

The principal actuarial assumptions used were as follows:

	Group		Company	
	31.12.2018	**31.12.2017**	**31.12.2018**	**31.12.2017**
Discount rate	1.50%	1.56%	1.50%	1.56%
Inflation rate	1.00%	1.00%	1.00%	1.00%
Salary growth rate	1.00%	0.00%	1.00%	0.00%
Employee turnover:				
Resignations	13.00%	13.00%	18.00%	15.00%
Dismissals	2.50%	3.00%	2.00%	3.00%

The weighted average duration of the benefit obligation is 15.53 years.

The sensitivity of the benefit obligation to changes in the weighted principal assumptions is:

Group	Impact on defined benefit obligation		
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
Discount rate	0.50%	(193,228)	212,925
Salary growth rate	0.50%	183,509	(174,055)

Company	Impact on defined benefit obligation		
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
Discount rate	0.50%	(120,421)	132,876
Salary growth rate	0.50%	110,921	(105,664)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the benefit liability recognised in the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

24. Trade and other payables

		Group		**Company**	
	Note	**31.12.2018**	**31.12.2017**	**31.12.2018**	**31.12.2017**
Trade payables		66,917,872	48,997,616	21,824,152	16,958,413
Amounts due to related parties	*36*	782,406	302,344	3,193,213	2,179,450
Guarantees		18,297,953	16,355,082	17,370,518	15,615,243
Accrued expenses		858,103	2,537,672	380,519	2,175,020
Deferred income		214,665	266,298	79,475	219,659
Social security funds and other taxes		9,003,447	10,202,888	1,859,495	2,104,396
Advances from customers		8,318,482	7,809,180	2,548,241	3,164,494
Dividends payable		63,966	49,496	63,966	49,496
Other liabilities		16,652,125	6,578,943	7,978,588	5,574,622
Total		**121,109,019**	**93,099,519**	**55,298,166**	**48,040,794**

Analysis of liabilities:

	31.12.2018	**31.12.2017**	**31.12.2018**	**31.12.2017**
Non current	6,195,975	6,418,149		-
Current	114,913,044	86,681,370	55,298,166	48,040,794
Total	**121,109,019**	**93,099,519**	**55,298,166**	**48,040,794**

Trade and other payables are usually paid within 2-3 months of recognition. Long term liabilities which concerned Hyundai Hellas and Kia Hellas settled according to recovery procedure.

The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

25. Revenue

	Group		Company	
	31.12.2018	**31.12.2017**	**31.12.2018**	**31.12.2017**
Services (Leasing/Renting , Workshop/Bodyshop)	202,377,559	183,375,771	150,454,203	134,679,003
Sales of new and used cars, sale of parts	219,308,558	117,869,835	29,021,905	22,018,112
Sales of used fleet	48,693,466	39,386,293	41,645,978	32,438,152
Total	**470,379,583**	**340,631,899**	**221,122,086**	**189,135,266**

26. Expenses by nature

		Group		Company	
	Note	**1.1.2018 to 31.12.2018**	**1.1.2017 to 31.12.2017**	**1.1.2018 to 31.12.2018**	**1.1.2017 to 31.12.2017**
Employee benefits expense	*27*	37,478,182	31,504,677	18,947,409	18,337,825
Changes in inventories recognised in cost of sales		230,350,331	138,725,919	58,859,815	42,905,267
Depreciation of property, plant and equipment	*7*	76,781,761	65,055,292	56,035,644	47,117,534
Impairment of property, plant and equipment (including write offs)	*7*	382,759	2,218,560	268,022	2,218,564
Repairs and maintenance expenses		5,792,566	5,802,380	14,141,257	14,293,646
Amortisation of intangible assets	*9*	190,280	180,699	157,801	150,786
Impairment of receivables		1,021,376	1,231,926	884,244	1,115,260
Operating lease payments		4,736,880	4,083,523	3,776,843	3,518,219
Transportation expenses		2,772,793	1,694,460	721,602	686,528
Third parties' fees		15,177,333	10,537,529	8,832,038	8,179,501
Advertising costs		10,039,845	5,031,893	2,976,845	2,253,369
Utilities		5,212,559	4,021,176	2,128,542	2,132,708
Other		27,667,269	24,474,113	14,860,066	14,487,540
Total cost of sales, distribution costs and administrative expenses		**417,603,936**	**294,562,147**	**182,590,128**	**157,396,748**

	1.1.2018 to 31.12.2018	**1.1.2017 to 31.12.2017**	**1.1.2017 to 31.12.2017**	**1.1.2017 to 31.12.2017**
Cost of sales	367,545,928	259,940,258	165,229,163.05	137,944,977.01
Distribution costs	23,694,421	11,752,296	4,477,639.03	4,226,521.74
Administrative expenses	26,363,586	22,869,593	12,883,325.92	15,225,249.59
	417,603,936	**294,562,147**	**182,590,128.00**	**157,396,748.34**

Other operating expenses relate to insurance fees, road tax and registration fees, rents and miscellaneous operating expenses.

27. Employee benefits expense

	Note	1.1.2018 to 31.12.2018	1.1.2017 to 31.12.2017	1.1.2018 to 31.12.2018	1.1.2017 to 31.12.2017
Wages and salaries		29,378,249	25,156,626	14,578,195	14,667,651
Termination benefits		12,073	-	-	-
Social security costs		6,316,939	5,191,034	3,017,063	2,904,832
Other short term employee benefits		894,351	806,234	594,864	553,576
Pension costs- benefit plans	*23*	876,571	350,782	757,287	211,766
Total		**37,478,182**	**31,504,677**	**18,947,409**	**18,337,825**

28. Net impairment losses on financial assets

	Group		Company	
	1.1.2018 to 31.12.2018	1.1.2017 to 31.12.2017	1.1.2018 to 31.12.2018	1.1.2017 to 31.12.2017
Financial assets measured at amortised cost				
assets	(799,999)	-	-	-
Total	**(799,999)**	-	-	-

29. Other income

	Note	Group		Company	
		1.1.2018 to 31.12.2018	1.1.2017 to 31.12.2017	1.1.2018 to 31.12.2018	1.1.2017 to 31.12.2017
Dividend income from AFS investment		-	3,331,403.20	-	3,331,403
Dividend income from FVOCI investment		4,580,679	-	4,580,679	-
Dividend income from group companies		-	-	1,500,000	2,000,000
Investment income		**4,580,679**	**3,331,403.20**	**6,080,679**	**5,331,403**
Income from commissions and services		4,983,300	763,793.75	3,223,584	2,470,576
Operating lease income		1,152,281	1,020,341.66	2,381,920	2,213,869
Other (Warranties, Shared Costs etc.)		6,480,561	4,430,532	1,387,646	1,187,483
		17,196,822	**9,546,070**	**13,073,829**	**11,203,331**

Total future minimum lease payments receivable under non-cancellable operating leases are as follows:

	Group		Company	
	31.12.2018	**31.12.2017**	**31.12.2018**	**31.12.2017**
No later than 1 year	84,746,313	71,035,698	67,291,612	61,491,058
Later than 1 year and no later than 5 years	127,089,265	107,678,288	104,166,073	94,203,932
Later than 5 years	1,860	-	-	-
Total	**211,837,438**	**178,713,986**	**171,457,685**	**155,694,990**

30. Other gains/ (losses) - net

	Note	Group		Company	
		1.1.2018 to 31.12.2018	**1.1.2017 to 31.12.2017**	**1.1.2018 to 31.12.2018**	**1.1.2017 to 31.12.2017**
Fınancial assets at fair value through profit or loss					
-fair value gains		-	15,986.99	-	15,987
-impairment losses in Subsidiaries / Associates/ Joint ventures		-	-	-	(500,000)
Fair value gains/ (losses) of investment property	*8*	(471,663)	1,583,597.92	11,838	1,583,598
Profit / (Loss) from the sale of property, plant and equipment		3,287,516	65,186.17	(9,713)	-
Net foreign exchange (losses) / gains		48,546	(85,025.39)	-	-
Other		2,944,709	(333,368.09)	-	-
		5,809,109	**1,246,377.60**	**2,125**	**1,099,585**

31. Finance income and costs

	Note	Group		Company	
		1.1.2018 to 31.12.2018	**1.1.2017 to 31.12.2017**	**1.1.2018 to 31.12.2018**	**1.1.2017 to 31.12.2017**
Interest expense					
- Bank borrowings		15,194,313	12,762,586	13,035,764	11,385,410
- Interest on difference of loans amortisation		3,588,455	2,271,360	3,588,455	2,271,360
- Interest on bond loans issue expense amortisation		137,464	502,513	137,464	502,513
- Finance leases		17,781	-	-	-
- Other		1,230,339	73,259	-	-
Finance costs		**20,168,351**	**15,609,718**	**16,761,683**	**14,159,283**
Finance income - Interest income on cash at bank		(1,121,196)	(987,557)	(1,069,729)	(940,064)
Finance income - Interest income from trade and other receivables		(130,291)	-	-	-
Finance income		**(1,251,487)**	**(987,557)**	**(1,069,729)**	**(940,064)**
Net finance costs		**18,916,864**	**14,622,161**	**15,691,954**	**13,219,220**

32. Income tax expense

		Group		Company	
	Note	**1.1.2018 to 31.12.2018**	**1.1.2017 to 31.12.2017**	**1.1.2018 to 31.12.2018**	**1.1.2017 to 31.12.2017**
Current tax:					
Current tax on profit for the year		12,507,533	9,510,804.18	10,168,175	8,078,011
Adjustments in respect of prior years		(12,447)	-	-	-
Total current tax		**12,495,085**	**9,510,804.18**	**10,168,175**	**8,078,011**
Deferred tax	*12*	3,890,025	256,226.82	(1,722,522)	(284,447)
Total		**16,385,110**	**9,767,031.00**	**8,445,652**	**7,793,565**

The Group's and Company's income tax differs from the theoretical amount that would arise using the tax rate applicable to profits/losses as follows:

	1.1.2018 to 31.12.2018	**1.1.2017 to 31.12.2017**	**1.1.2018 to 31.12.2018**	**1.1.2017 to 31.12.2017**
Profit before tax	55,193,267	41,392,820.76	35,915,959	30,731,298
Tax calculated at domestic tax rate applicable to profits in the respective countries	12,261,826	10,929,205.69	10,415,628	8,912,077
Changes in tax rates	(725,944)	-	(777,270)	-
Income not subject to tax	(2,482,664)	(1,162,174.69)	(1,763,397)	(1,546,545)
Expenses not deductible for tax purposes	1,512,588	-	570,691	428,033
Utilisation of previously unrecognised tax losses	5,819,304	-	-	-
Tax charge	**16,385,110**	**9,767,031.00**	**8,445,652**	**7,793,565**

33. Securitisation

The company concluded to a medium-term financing by securitization of future receivables amounting to €72.151.771,89 from European Investment Institutions. The funds allow Autohellas to have access to structured medium-term finance to finance car leases in Small and Medium Enterprises operating in Greece.
The securitisation refers to an asset backed securitisation transaction which involves the sale of future lease instalment receivables and the relative residual value of leased vehicles. The outstanding balance will commence to be gradually reduced from 1.1.2020. The securitisation has a maximum duration until 30.09.2030. The cost of the scheme is calculated based on Euribor + Spread.

34. Contingencies

The Group has contingent liabilities towards banks, other guarantees and other issues that might arise. No material charges are expected from these contingent liabilities. The unaudited fiscal years are as follows:

AUTOHELLAS ATEE	-
AUTOTECHNICA LTD	2012-2018
AUTOTECHNICA (CYPRUS) LIMITED	2012-2018
AUTOTECHNICA FLEET SERVICES S.R.L.	2015-2018
A.T.C. AUTOTECHNICA (CYPRUS) LTD	2012-2018
AUTOTECHNICA SERBIA DOO	2016-2018
AUTOTECHNICA MONTENEGRO DOO	2013-2018
AUTOTECHNICA FLEET SERVICES LLC	2015-2018
AUTOHTECHNICA FLEET SERVICES DOO	2016-2018
AUTOTECHNICA HELLAS ATEE	-
HYUNDAI HELLAS P&R DAVARI SA	-
AUTODEAL P&R DAVARI SA	-
ANTERRA DOO	2015-2018

The corporate income tax rate of legal entities in Greece is currently set at 29% for fiscal year 2018, but it will be gradually reduced by 1% per annum as follows:

- 28% for fiscal year 2019
- 27% for fiscal year 2020
- 26% for fiscal year 2021
- 25% for fiscal year 2022 and onwards

The respective rate for international activity is as follows: :

Bulgaria	10%
Cyprus	12.5%
Romania	16%
Serbia	15%
Montenegro	9%
Ukraine	18%
Croatia	20%

Greek tax regulations and related clauses are subject to interpretation by the tax authorities and administrative courts of law. Tax returns are filed annually. The profits or losses declared for tax purposes remain provisional until such time as the tax authorities examine the returns and the records of the tax payer and a final assessment is issued. From the financial year 2011 and onwards, the tax returns are subject to the audit tax certificate process (described below). Net operating losses which are tax deductible, can be carried forward against taxable profits for a period of five years from the year they are generated.

The Company establishes provisions for taxes that may arise from the non-audited fiscal years based on its experience. Provisions as at 31.12.2018 amount to € 118,802 for the Group and the Company.

In 2017, the tax audit for 2008 was completed, that brought up an added payable tax amount of €81,736, which was recorded as a reduction of the already established provision for unaudited fiscal years.

Tax audit certificate

Regarding the Company and the subsidiaries based in Greece, the years 2011 to 2017 have been audited by the elected by K.N. 2190/1920, in accordance with article 82 of L. 2238/1994 and article 65A of Law 4771/13, and the relevant tax compliance reports. According to POL. 1006/05.01.2016, companies who submitted a tax compliance report without remarks for tax violations are not excluded from conducting a regular tax audit by tax authorities. Therefore, it is possible that tax authorities will demand to conduct their tax audit on the company's books. However, the Company's management estimates that the results from potential regular tax audits from tax authorities, if conducted, will not have a significant effect on the company's financial position. Similarly, the tax audit for the Parent Company and subsidiaries based in Greece for the year 2018 is carried out by the statutory auditor. Upon completion of the tax audit, management does not expect to incur significant tax liabilities other than those recorded and reflected in the financial statements.

35. Commitments

(a) Capital commitments

There are no capital commitments regarding Asset acquisition.

(b) Non-cancellable operating leases

The Group leases various offices, warehouses and retail stores under non-cancellable operating leases expiring within 1 to 5 years.

	Group	**Company**
	31.12.2018	**31.12.2018**
No later than 1 year	4,666,265	2,135,240
Later than 1 year but no later than 5 years	11,182,764	1,739,482
Later than 5 years	2,724,541	38,687
	18,573,570	**3,913,409**

36. Related party transactions

The Group is controlled by Autohellas SA which is the immediate parent company. Interests in subsidiaries are set out in note 10.

(i) Key management personnel

	Group		**Company**	
	1.1.2018 to 31.12.2018	**1.1.2017 to 31.12.2017**	**1.1.2018 to 31.12.2018**	**1.1.2017 to 31.12.2017**
Key management compensation				
- Short term benefits	3,455,043	3,737,148	2,015,045	3,255,520

(ii) Transactions with other Group entities

	Group		Company	
	1.1.2018 to 31.12.2018	**1.1.2017 to 31.12.2017**	**1.1.2018 to 31.12.2018**	**1.1.2017 to 31.12.2017**
Sales of goods				
- Subsidiaries	-	-	13,198,063	10,669,620
- Associates & Joint Ventures	2,479,936	2,454,924	211,454	250,494
Sales of services				
- Subsidiaries	-	-	2,043,674	1,920,633
- Associates & Joint Ventures	187,039	223,154	186,131	223,154
- Other related companies	1,339,759	1,270,959	1,306,302	1,260,905
Purchases of goods				
- Subsidiaries	-	-	39,030,483	24,328,642
- Associates & Joint Ventures	2,829,651	2,628,038	65,689	63,698
Purchases of services				
- Associates & Joint Ventures	411,085	171,104	178,875	171,104
- Other related companies	1,109,012	1,096,234	1,064,385	1,062,422
Sales of fixed assets				
- Subsidiaries	-	-	3,211,901	1,953,408
Rental Income				
- Subsidiaries	-	-	1,520,666	1,379,617
- Associates & Joint Ventures	73,920	77,880	73,920	77,880
- Other related companies	462,984	480,898	462,984	480,898
Rental Expense				
- Other related companies	8,250	4,500	8,250	4,500
Dividends				
- Subsidiaries	-	-	1,500,000	2,000,000
- Associates & Joint Ventures	-	-	-	-
- Other related companies	4,580,679	3,331,403	4,580,679	3,331,403
	16,937,356	**15,476,242**	**70,658,503**	**52,433,898**

(iii) Outstanding balances arising from sales/purchases of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	Group		Company	
	31.12.2018	**31.12.2017**	**31.12.2018**	**31.12.2017**
Receivables				
- Subsidiaries	-	-	1,591,312	2,662,526
- Associates & Joint Ventures	385,001	184,953	48,254	44,825
- Other related companies	191,232	192,363	191,232	192,363
- Key management	-	-		-
	576,233	**377,315**	**1,830,797**	**2,899,714**
Payables				
- Subsidiaries	-	-	3,082,990	2,067,470
- Associates & Joint Ventures	160,185	199,730	15,497	25,025
- Other related companies	105,172	102,614	94,725	86,955
	265,357	**302,344**	**3,193,213**	**2,179,450**

(iv) Loans to/from related parties

Loans to subsidiaries

	31.12.2018	**31.12.2017**	**31.12.2018**	**31.12.2017**
Balance at beginning of the year	-	-	781,527	1,000,000
Loans given during the period	-	-	-	2,321,199
Loans repaid during the period	-	-	(710,000)	(2,539,671)
Interest charged	-	-	22,783	50,391
Interest received (actual cash receipts)	-	-	(22,783)	(50,391)
Balance at end of the year	**-**	**-**	**71,528**	**781,527**

(v) Terms and conditions

As related parties, according to IAS 24, are, subsidiaries, companies under the same ownership and/or management with the company, affiliated companies and joint - ventures, as well as Members of the Board of Directors, and managerial personnel of the company. The company purchases from related parties goods and services while it offers goods and services to them too.
Company sales to related parties mainly concern consulting services, managerial support, vehicles sales and vehicles renting. Sale prices are usually defined by market terms. Sales of services and goods, to the company, are mainly maintenance services and car repair as well as vehicle sales which are usually conducted under market terms.
The following table, analyzes the balance of receivables, payables and transactions of the company regarding the related parties as they are defined by IAS 24.

37. Earnings per share

	Group		Company	
	2018	**2017**	**2018**	**2017**
Profit attributable to the ordinary equity holders of the company	38,248,131	31,625,790	27,470,307	22,937,734
Weighted average number of ordinary shares	12,156,191	12,156,191	12,156,191	12,156,191
Basic earnings per share	**3.1500**	**2.6016**	**2.2598**	**1.8869**

There are no dilutive potential ordinary shares for either the Group or the Company, as a result diluted earnings per share equal basic earnings per share.

38. Events occurring after the reporting period

Since the Balance Sheet date and until the approval of the Financial Statements from the Board of Directors the following events occurred:

- On 6/3/2019, the company decided to restart spin-off procedures for the import and dealership segment of new SEAT cars and spare parts and its corresponding contribution to a company established for this purpose. Spin-off procedure was initially decided on 10.07.2018 by the Board of Directors and announced to investors on 11.07.2018 but was postponed for a short period due to procedural matters. The 31th of December 2018 has been set as the balance sheet date for the valuation of assets of the spin-off segment. The spin-off essentially aims at the organizational segregation and at the specialization of the Group's business activities. The completion of the establishment of the new company with the contribution of the spin-off segment will be finalized after the undertaking of the appropriate decisions by the Board of Directors, based on the consent of the General Shareholders' Meeting of AUTOHELLAS S.A. that will finalize the process and will eventually approve the intended spin-off, and after obtaining the approval of the competent authorities for this purpose.
- On 14/3/2019, the company has reached and signed an agreement for the issuance of a Bond Loan amounting to €160 m., whose biggest portion will be used in order to repay short-term borrowings of an amount of €97,82 m. The rest amount will be used to cover the future operational needs of the company . The term of the loan has been set in 3 years following its issuance and can be extended for one additional year for up to two times.
- On 14/3/2019, the company which indirectly through its subsidiary AUTOTECHNICA HELLAS S.A., holds 50% of ELTREKKA SA, has agreed to increase its direct and indirect participation in ELTREKKA SA to 100% of the share capital, by acquiring from the other shareholder, ELTRAK SA, the remaining 50% which accounts for the total shares held by the latter including those that will arise after the imminent capital increase. The agreement is subject to the approval of the Hellenic Competition Commission and to the usual provisions for corresponding transactions. The shares will be transferred for a symbolic price and Autohellas SA, after the coverage of the capital increase of 7 million Euro by Eltrak SA, which will take place before the completion of the transaction, will undertake the guarantees of the remaining -following the share capital increase- debt of Eltrekka SA.

39. Audit Fees

Audit fees for 2018 for the Company amounted to € 82.000 for statutory audit and € 33.000 for tax audit. As far as the Group is concerned, audit fees amounted to € 225.100 for statutory audit and € 55,000 for tax audit. Other services are not provided.

Kifissia, 20 March 2019

Chairman	Vice President & Managing Director	Chief Financial Officer	Accounting Manager
Emmanuelle Vassilakis ICN: AK 121875	Eftichios Vassilakis ICN: AN 049866	Antonia Dimitrakopoulou ICN: AB 348453	Constantinos Siambanis ICN: Φ 093095

INFORMATION BASED ON ARTICLE 10 OF LAW3401/2005 PUBLISHED BY THE COMPANY DURING THE 2018 FISCAL YEAR.

AUTOHELLAS SA had disclosed the following information over the period 01/01/2018 – 31/12/2018, which are posted on the company's website www.autohellas.gr as well as the website of the Athens Exchange www.athex.gr

Date	Subject	Website
05/02/2018	Announcement according to law 3556/2007	www.ase.gr (Daily official list announcements) www.hertz.gr
06/02/2018	Announcement according to law 3556/2007	www.ase.gr (Daily official list announcements) www.hertz.gr
07/02/2018	Announcement according to law 3556/2007	www.ase.gr (Daily official list announcements) www.hertz.gr
08/02/2018	Announcement according to law 3556/2007	www.ase.gr (Daily official list announcements) www.hertz.gr
01/03/2018	Financial Calendar 2018	www.ase.gr (Daily official list announcements) www.hertz.gr
12/03/2018	Press Release Year 2017 Financial Results	www.ase.gr (Daily official list announcements) www.hertz.gr
12/03/2018	Autohellas S.A. Corporate Presentation 2018	www.ase.gr (Daily official list announcements) www.hertz.gr
23/03/2018	Announcement according to law 3556/2007	www.ase.gr (Daily official list announcements) www.hertz.gr
23/03/2018	Notification concerning changes in voting rights under Law 3556/2007	www.ase.gr (Daily official list announcements) www.hertz.gr
04/04/2018	Invitation to the Annual General Meeting	www.ase.gr (Daily official list announcements) www.hertz.gr
04/04/2018	Agenda and draft Decisions	www.ase.gr (Daily official list announcements) www.hertz.gr
04/04/2018	Instrument of Proxy	www.ase.gr (Daily official list announcements) www.hertz.gr
18/04/2018	Amendment of Financial Calendar 2018	www.ase.gr (Daily official list announcements) www.hertz.gr
25/04/2018	Decisions of the Shareholders Meeting	www.ase.gr (Daily official list announcements) www.hertz.gr
25/04/2018	Dividend Payment for 2017 25.04.2018	www.ase.gr (Daily official list announcements) www.hertz.gr
22/05/2018	Notification for the change of composition of the Board of Directors	www.ase.gr (Daily official list announcements) www.hertz.gr
22/05/2018	Announcement Regulatory Information – Notification of acquisition of major holdings pursuant to law 3556/2007	www.ase.gr (Daily official list announcements) www.hertz.gr
22/05/2018	Press Release 1st Quarter 2018	www.ase.gr (Daily official list announcements) www.hertz.gr
11/07/2018	Announcement for segment Spin-Off	www.ase.gr (Daily official list announcements) www.hertz.gr
12/09/2018	New Board Member Election in replacement of resigned	www.ase.gr (Daily official list announcements) www.hertz.gr
12/09/2018	Press Release 1st Semester 2018	www.ase.gr (Daily official list announcements) www.hertz.gr
31/10/2018	Release Date of Third Quarter 2018 Trading Update	www.ase.gr (Daily official list announcements) www.hertz.gr
12/11/2018	Amendment in Release Date of Third Quarter 2018 Trading Update	www.ase.gr (Daily official list announcements) www.hertz.gr
12/11/2018	Tax Audit 2017 and Tax Certificate Issuance	www.ase.gr (Daily official list announcements) www.hertz.gr
21/12/2018	Election of new member of the Audit Committee in replacement	www.ase.gr (Daily official list announcements) www.hertz.gr

E. WEBSITE FOR THE PUBLICATION OF THE FINANCIAL STATEMENTS OF SUBSIDIARY COMPANIES

The annual Financial Statements and the Independent Auditor’ s Report for the period 01.01.2018 – 31.12.2018 have been published in the company’s web address : Http://www.autohellas.gr