

Financial Risk Factors

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The Group, by nature of its business and geographical positioning, is exposed to financial risks. The Group's overall financial risk is managed by Group Finance and Treasury units, aiming to minimize the potential unfavorable impact arising from the markets' fluctuations on Group's financial performance. The Group does not engage in speculative transactions or transactions which are not related to its commercial, investing or borrowing activities.

a) Liquidity risk

The Group, in addition to its operating cash flows, maintains sufficient cash and other liquid assets, as well as extensive committed credit lines with several international banks to ensure the fulfilment of its financial obligations. Group Treasury controls Group funding as well as the management of liquid assets.

The table below summarizes the maturity profile of financial liabilities at 31 December 2017 & 2016 based on contractual undiscounted payments.

(all amounts in Euro thousands)

Year ended 31 December 2017

Group	Less than 1 month	1 to 6 months	6 to 12 months	1 to 5 years	>5years	Total
Borrowings	5,680	49,423	26,176	652,886	281,607	1,015,772
Other non-current liabilities	-	-	-	2,394	-	2,394
Trade and other payables	132,656	55,035	9,859	-	-	197,550
	138,336	104,458	36,035	655,280	281,607	1,215,716

Year ended 31 December 2016

Borrowings	100,579	36,979	20,891	848,027	31,172	1,037,648
Other non-current liabilities	-	-	-	1,262	-	1,262
Trade and other payables	162,378	63,798	4,276	-	-	230,452
	262,957	100,777	25,167	849,289	31,172	1,269,362

Year ended 31 December 2017

Company	Less than 1 month	1 to 6 months	6 to 12 months	1 to 5 years	>5years	Total
Borrowings	374	5,822	6,202	313,584	112,932	438,914
Other non-current liabilities	-	-	-	61	65	126
Trade and other payables	17,278	27,718	-	-	-	44,996
	17,652	33,540	6,202	313,645	112,997	484,036

Year ended 31 December 2017

Group	Less than 1 month	1 to 6 months	6 to 12 months	1 to 5 years	>5years	Total
Year ended 31 December 2016						
Borrowings	46,881	3,340	5,846	341,721	-	397,788
Other non-current liabilities	-	-	-	142	-	142
Trade and other payables	25,484	9,197	-	-	-	34,681
	72,365	12,537	5,846	341,863	-	432,611

Borrowings include the floating and fixed rate outstanding principal at year-end plus accrued interest up to maturity.

The amounts that are described as "less than 1 month" are as usual on demand short-term uncommitted facilities and interest accruals.

b) Market risk

Market risk comprises three main types of risk: currency risk, price risk, such as commodity risk and interest rate risk.

Group exposure to exchange rate (FX) risk derives from existing or expected cash flows denominated in currencies other than the Euro (imports / exports) and from international investments.

FX risks are managed using natural hedges, FX derivatives / swaps and FX forwards. Borrowings denominated in the same currency as the assets that are being financed and these create a natural hedge for investments in foreign subsidiaries exposed to FX conversion risk.

However, part of the financing of Group activities in the USA, Egypt, Albania and Turkey, is in different currencies (Euro) than their functional ones. Their refinancing in local currencies along with FX hedging transactions are examined at regular intervals.