

№	Question - EN	Answer - EN
1	In PDR file with reference 2.2.5.1 the breakdown of Incentives to airlines does not reconcile to the total amount of incentives listed in the same file. Please elaborate	The difference is due to technical errors in the files for question 2.2.5.1. Please note that the correct files are those from 17.08.2018, vol. 2, answer 3.
2	In PDR file with reference 2.2.5.1 it is stated that during FY2017 a total of 23 new routes eligible for incentives have been initiated from SA. Please explain which are the airlines which operate those new lines and share what is the number of new lines in 2018 until now.	The table for 2.2.5.1 specifies the years for which the incentives are paid and not the years in which the routes were opened. A table listing the routes/airlines new to Sofia Airport for the 2016-2018 period is available for review in the Physical Data Room subject to the conditions and procedure laid down in Clause 5.1. of the Tender Documentation – Attachment 2.17.
3	Please elaborate on the decrease of utility expenses for water in FY2017 (BGN 289 thousand) as opposed to FY2016 (BGN 508 thousand)	A new water-main to Sofia Airport EAD was commissioned in December 2016 and it generates no water losses along the pipeline.
4	Please explain the nature of "Government and Notary fees" according to the breakdown available in the annual financial statements of Sofia Airport for BGN 231 thousand in FY2017	The government and notary fees amounting to BGN 231 thousand indicated in the annual financial statements of Sofia Airport EAD for 2017 consist of: government fees for the issuance of certificates, documents, licences, etc.; the notary fees are for the notarisation of powers of attorney, contracts, declarations, etc.
5	In the breakdown of CoGS for FY2017 and FY2016 included costs which are generated in relation to the Bulgarian Airforce BGN 78th. And BGN 58 thousand respectively. Please explain whether these costs are (have been) subject to reimbursing from the State?	The costs you refer to relate to a commercial airline and not to the Bulgarian Airforce. They have been reimbursed by the airline.
6	Please share your analysis of the collectability of receivables (both public and from commercial activity) from Bulgaria Air as at 31 December 2015, 2016, 2017 and the latest available date of 2018	This question is irrelevant to the subject of the concession.
7	Please provide a breakdown of the public receivables from airport charges as at 31 December 2015, 2016, 2017 and the latest available date of 2018 by invoice - containing invoiced amount, date, counterparty in excel format. Even though you have stated in a previous answer that the public receivables from airport charges is not a subject to the concession as it will remain in the current legal entity's balance sheet, we believe such information is of significant importance to the potential bidders as it would reveal the commercial behaviour of the future counterparties of the airport	We reaffirm our understanding that public receivables from airport charges (if any) collected by the current airport operator have no direct relevance to the subject of the concession or to the future concessionaire. You should also note that this is information concerning third parties. We also note that no claims against counterparties of Sofia Airport EAD shall be considered by the future concessionaire when calculating the amount of airport charges, as the airport charges will be fixed and collected by the concessionaire.

	operator. Furthermore the receivable is inherently connected to the amount of airport charges which are offered as a key revenue stream of the successful bidder. If it is considered that excel format would not be applicable, please provide an aging analysis of the airport charges receivables by counterparty, which splits the balance by up to 30 days from invoice, up to 60, 90, 180, 365, 365+ days.	
8	Please provide a breakdown of court receivables as at 31 December 2015, 2016 and 2017, as well as the latest available date of 2018. Please include a reference to the court cases under which the receivables are formed.	Any receivables as at 31 December 2015, 2016 and 2017 as well as for 2018 to date will remain with the current airport operator. We remind you that this is a concession procedure and not privatisation of the current airport operator Sofia Airport EAD.
9	According to PDR file 7.4.2. the salary expenses of personnel employed in regard to VIP A, Balchik Airport and Kosmos Hotel amount to BGN 657 thousand in 2017. In your answer about the EBITDA effect of VIP A, Balchik Airport and Kosmos Hotel as published on 17.08.2018, you have estimated that the expenditures in relation to those amount to BGN 79,465. What types of expenditures are included in the latter amount? Shall we also consider the amount of BGN 657 thousand as an adjustment to EBITDA, if not why?	The amount of 79,465 is presented in thousands of Bulgarian leva and represents expenses which do not include the expenses for the <i>Kosmos hotel, VIP A and the Balchick Airfield plus depreciation</i> . The amount of 79,465 which you refer to does not include the amount of BGN 657 thousand, which means that when calculating the EBITDA effect, the amount to be taken into account is BGN 79,465 thousand.
10	Please provide a breakdown of Other current liabilities for BGN 6,678 thousand as at 31 December 2017 (as per the audited financial statement). It is stated that BGN 2,202 thousand is due to deposits from rental clients. What lies behind the remaining BGN 4,476 thousand? Please provide the full breakdown of the amount of Other current liabilities as at latest available date in 2018	The information is available for review in the Physical Data Room subject to the conditions and procedure laid down in Clause 5.1. of the Tender Documentation – Attachment 1.17.
11	Please state whether a complete trial balance or interim financial statement as at 31 May 2018 (or another date in 2018) will be provided for the purpose of a more complete view of the current period's financial performance.	The financial statements as at 31.07.2018 are available for review in the Physical Data Room subject to the conditions and procedure laid down in Clause 5.1. of the Tender Documentation, Attachment 1.1.8
12	Please provide the extract from the unitary tax account of the Company showing the repayment of the tax, social and health insurance liabilities of the Company for 2015,	We will not provide this information. It is classified as tax secret.

	2016, 2017 and for the period January - July 2018.	
1 3	Please provide a copy of a certificate issued to the Company during the last 6 months on the presence/absence of obligations under Article 87, para.6 of the Corporate tax law.	We have provided a scanned copy of a certificate issued by the National Revenue Agency (NRA) on 01.08.2018 – available for review in the Physical Data Room subject to the conditions and procedure laid down in Clause 5.1. of the Tender Documentation, Attachment 1.19.
1 4	Please provide copy of letters to/from the RA containing instructions regarding the application of tax legislation as well as tax advice and advice provided by tax advisors and or auditors of the Company. Please indicate whether the relevant instructions/advice have been applied in practice by the Company, as well as indicate the reasons if this has not been done.	Sofia Airport EAD observes tax legislation in accordance with the nature of its business and applies the instructions on the implementation of tax legislation published on the website of the NRA.
1 5	Please provide us with information regarding the taxation periods which have not yet been a subject to tax audit by the Taxation authority	The information concerned is irrelevant to the subject of the concession – the taxation periods which have not been audited by the taxation authority will not relate to the future concessionaire and only concern Sofia Airport EAD.
1 6	Please provide a copy of any tax audit reports issued in relation to the latest tax audits (for each type of tax, namely corporate tax, withholding tax, VAT, personal income tax, social and health insurance, etc.) as well as any related court decisions (if applicable).	We will not provide this information. It is classified as tax secret.
1 7	Please provide a copy of any tax recovery acts issued by the Revenue Authority for each of 2015, 2016, 2017 and January-June 2018.	No tax recovery acts have been issued for 2015, 2016, 2017 and January-June 2018.
1 8	Please provide information about any ongoing tax audits that the Company is subject to.	There are no ongoing tax audits of Sofia Airport EAD.
1 9	Please provide annual corporate income tax returns in accordance with art. 92 of the Corporate tax law for the fiscal years 2013, 2014, 2015, 2016 and 2017 together with documents evidencing the timely submission of these returns.	The annual corporate income tax returns in accordance with art. 92 of the Corporate Income Tax Act for the fiscal years 2013, 2014, 2015, 2016 and 2017 were provided with Q&A_17.08.10_2 and are available for review in the Physical Data Room subject to the conditions and procedure laid down in Clause 5.1. of the Tender Documentation – in the folder ‘Answers published on 17.08.2018’.
2 0	Please provide working files and documents containing detailed information and explanations about the adjustments made to the accounting financial result for tax purposes as reported in the respective annual corporate income tax returns.	The information concerned is irrelevant to the subject of the concession – implementing tax law is an obligation of the company Sofia Airport EAD, and the latter abides by such law in accordance with the taxation regulations applicable to the nature of its business. This

		answer is based on our understanding that the positive and negative adjustments made to the tax returns and the advance tax payments are unique to each year and are the result of one-off events unique to each period, meaning that they specifically relate to the current airport operator's business.
2 1	Please provide information on the advance payments of corporate tax (including calculation of the advance instalments and documents evidencing the timely remittance) as well as copies of declarations for changes of the amount of the advance corporate tax instalments for the period 2015-2017.	The information concerned is irrelevant to the subject of the concession – implementing tax law is an obligation of the company Sofia Airport EAD, and the latter abides by such law in accordance with the taxation regulations applicable to the nature of its business.
2 2	Please provide Tax Depreciation Schedule for the fiscal years 2015, 2016 and 2017 (excel format)	The information is available for review in the Physical Data Room subject to the conditions and procedure laid down in Clause 5.1. of the Tender Documentation – Attachment 1.1.9.
2 3	Please provide information regarding the treatment of the social costs provided in kind to employees during 2015-2017.	The treatment of social benefits provided in kind to employees in 2015-2017 is in line with the applicable provisions of Art. 204 of the Corporate Income Tax Act (CITA).
2 4	Please provide a breakdown of the remuneration accrued to persons which are subject to taxation in foreign jurisdictions falling within the scope of Art. 12 of CITA for the years 2015, 2016, 2017 (if applicable).	This information cannot be provided since the details about the remuneration of foreign individuals covered by Art. 12 of the CITA concern third-party rights and legitimate interests protected by law – Article 37 of the Competition Protection Act.
2 5	Please provide monthly VAT returns for the fiscal years 2015, 2016, 2017 and January-July 2018 and documents evidencing their timely submission and payment of the VAT liabilities.	The information concerned is irrelevant to the subject of the concession – implementing tax law, including the submission of VAT returns and the payment of tax, is an obligation of the company Sofia Airport EAD, and the latter abides by such law in accordance with the applicable taxation regulations. Any information on this issue might lead economic operators to false conclusions due to the difference of airport charge calculation methods between the current airport operator and the concessionaire. In that regard, please refer to the previous answers concerning the 'calculation' of airport charges by the current operator and the future concessionaire. Please note that the current airport operator Sofia Airport EAD does not account for airport charge revenues as income, as described in detail in the contract between Sofia Airport EAD and the Ministry of Transport, Information Technology and Communications

		from September 2016, which has been made available to economic operators.
2 6	Please provide reconciliation prepared on an annual basis for each fiscal year covered by the tax due diligence between (i) the amount of the VAT charged as reported in the monthly VAT returns and (ii) the GL accounts where the VAT bases of the respective supplies have been accounted for.	The information concerned is irrelevant to the subject of the concession – the amount of VAT levied only concerns the business of the company Sofia Airport EAD.
2 7	Please provide, for each major type of service/product supplied by the Company, information about the types of supporting documentation collected and stored by the Company, in connection with estimating the applicable VAT treatment (as long as such documents are provided for in the VAT Legislation).	The information concerned is irrelevant to the subject of the concession – the applicable VAT treatment only concerns the business of the company Sofia Airport EAD, and is in line with the taxation provisions of the VAT Act applicable to the nature of its business.
2 8	Please provide description and presentation of the payroll function of the Companies. Confirmation whether the payroll team uses a specialized payroll software and how is the connection between that software and the accounting software of the Companies achieved.	The Payroll Department processes salaries in the specialised software Omex Payroll (in Bulgarian: Омекс- Заплати).
2 9	Please provide information on the submission dates of forms 1 and 6, as well as the payments dates in respect of the same documents for the period 2015-2017 and January-July 2018.	In line with the time limits under Ordinance No. H-8 of 29.12.2005 on the content, time limits, methods and procedure for submission and storage by employers and entities providing social insurance of data concerning the persons insured by them, also applicable to self-employed persons.
3 0	Please provide information in a tabular format summarizing all real estate owned by the Company in the period 2015-2017. The table should contain at least the following information: -Description of the respective real estate; -Acquisition and net book value of the respective estate; -A reference number of the declaration, submitted to the Municipal fees in relation to the respective real estate.	The information is available for review in the Physical Data Room subject to the conditions and procedure laid down in Clause 5.1. of the Tender Documentation - Attachment 5.1.7.
3 1	Please provide information (declarations under the Local taxes law) on real estate tax and garbage collection fees (if any) and evidence for their timely payment for 2015-2017.	The information is available for review in the Physical Data Room subject to the conditions and procedure laid down in Clause 5.1. of the Tender Documentation – Attachment 1.20.