

SIX MONTHS ECONOMIC REPORT

First Half 2009

According to the Law 3556/2007

August 2009

TABLE OF CONTENTS

Statements of Administration Board Members (article 5 of the Law 3556/2007)

First Half Report of the Administration Board (Law 3556/2007)

SUPPLEMENTS

Condensed Financial Information (Independent Auditors Report is included)

Financial Figures and Information of the period 1 January 2009 to 30 June 2009
(According to the decisions 6/448/11.10.2007 and 1/480/24.7.2008 of the Hellenic
Capital Market Committee Management Board)

**STATEMENTS OF THE MANAGEMENT BOARD MEMBERS
(according to the article 5 par.2 of the Law 3556/2007)**

The Following Members :

1.Konstantinos Kostoulas ,Chairman of the Management Board

2.Antonios Vartholomaios ,C.E.O

3.Alexios Spiropoulos , member of the Management Board specially designated for this.

According to what is specified in the paragraph 2 of the article 5 of the Law 3556/2007 we hereby declare that from what we know :

a.The Financial Statements of 2009 first half which conducted according to the valid Accounting Standards , trully illustrate Assets and Liabilities figures , Net Worth and Income Statement of E.YD.A.P S.A. , in accordance with the descriptions of the paragraphs 3 to 5 of the article 5 of the Law 3556/2007 and

b.The Six months Report of the Management Board ,trully illustrates the necessary information according to the paragraph 6 of the article 5 of the Law 3556/2007.

Athens , 28 August 2009

The Chairman of the Board of Directors
Konst. Kostoulas
ID No AE 043716

The C.E.O
Ant. Vartholomaios
ID No X 666882

The Member of the
Al.Spyropoulos
ID No Σ 691380

REPORT OF THE BOARD OF DIRECTORS FOR THE FIRST HALF OF 2009

Dear Shareholders,

The present report provides an overview of the financial results, and significant corporate events carried out in the first half of 2009, an analysis of the perspectives and potential risks for the second half of 2009, and significant transactions between the Company and the related parties.

The report is written in accordance with the clauses of paragraph 6 of the article 5 of law 3556/2007 and the relevant decisions 1/434/2007 and 7/448/2007 of the Hellenic Capital Market Committee.

OPERATIONS AND FINANCIAL REVIEW FOR THE PERIOD STARTING AT THE 1ST JANUARY UNTIL 30TH OF JUNE 2009

Water Consumption Progress for the first half of 2009

The **total water consumption** (billed or not) for the first half of 2009 decreased by 0.2% compared to the first half of last year.

Billed consumption increased by 3.6%. The growth of billed consumption, together with the slight decline in total consumption, led to a fall in the ratio of non-billed to total consumption, from 24.8% to 21.8% in the first half of 2009.

With respect to main consumer classes, the class of common consumers – which represents the overwhelming majority of customers – raised by 5.1% during the first half of current year.

The second biggest class – that of Bulk Water Supply to Municipal Networks – surged by 4.3%, while the classes of industrial consumers and State-Local Authorities fell by 14.3% and 5.1% respectively.

The growth in total billed consumption by 5.5 mn m³ was mainly an outcome of the consumption increase in the common consumers class (5.1 mn m³), while the remaining consumer classes marginally influenced the respective figure (0.4 mn m³).

The distribution of consumption indicated slight changes in relation with the respective half of the previous year. Common consumers' share was shaped at 66.61% compared

to 65.68% last year, indicating a share growth by 0.93%, Bulk Water Supply to Municipal Networks occupied 18.09% compared to 17.98%, indicating a marginal growth by 0.11%, while State-Local Authorities reached 5.03% compared to 6.08%, indicating a fall by 1.05% and last but not least industrial consumers obtained 6.13%, compared to 6.70, also indicating share loss by 0.57%.

Billed water consumption reached € 113.9 mn during the first half of 2009 vis a vis € 109.8 mn during the respective half of 2008, indicating a growth of 3.8%.

In terms of consumer classes, during the first half of 2009:

- revenues from common consumers grew by 4.6% to € 71 mn
- revenues from Bulk Water Supply to Municipal Networks soared by 10.7% to € 14.5 mn
- revenues from State-Local Authorities dropped by 11.9% to € 7.9 mn
- revenues from industrial consumers fell by 2.5% to € 9 mn.

Key Financial Data for the first half of 2009

Revenues amounted to € 184 mn from € 178.1 mn the respective half of 2008, up € 6 mn (+3.3%). This growth is mainly due to increased income from sewerage services by 14% as a result of the corresponding rise in the tariffs in relation to the respective period of 2008.

At the same time, cost of sales grew by € 13 mn (+12.4%) and reached € 117.8 mn from € 104.8 mn the respective half of 2008. This rise is mainly due to an increase in the sewerage costs due to the incorporation of the Dehydrated Sludge Desiccation Unit at the Waster Treatment Plan of Psytthalia and the increase of cost-plus and flat rate water supply and sewerage works (new connections, water-meters replacement, etc.).

As a result of all the above, Gross Profit Margin dropped by 9.65% in relation to the respective half of 2008. Gross Profit Margin as percentage of revenues was formed at 36% from 41.2% last year's first half.

Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) were formed at €19.1mn from €26.1mn the respective half of 2008 (-26.8%). Respectively, Earnings before Interest and Taxes declined as well by 54%, and were formed at € 6.8 mn from € 14.8 on 2008. EBITDA margin as percentage of revenues was formed at 10.4% and EBIT margin to 3.7%

All the above contributed to a decrease in pre-tax profits by 52%, reaching €5.6mn from €11.6mn the respective half of 2008. After-tax profits were formed at €3mn from €8.1mn the first half of 2008, down 63.2%. Net Profit Margin was shaped at 1.6%.

BUSINESS HIGHLIGHTS FOR THE FIRST HALF OF 2009

- On April 2009, a new contract for the operation and maintenance of the Waste Water Treatment Plant at Psyttalia was signed between EYDAP and the consortium of the construction companies AKTOR S.A. – ATHINA S.A. – G. & K. GKOLIPOULOS S.A.. The contract amounts up to the sum of € 118 mn., amount that includes VAT and all the estimated revision costs, while the contract duration is estimated at 60 months, effective at the 2nd of April 2009. The budget of the project, which was subject to international tender procedure, amounts € 200 mn. (including VAT and revision). Consequently, the project was awarded to the contractor with a 41% discount.
- The Annual General Meeting approved dividend distribution to the Shareholders for the Company for the fiscal year 2008, amounting € 13,845,000.00, namely € 0.13 per share. Based on the Record Date Rule, shareholders registered in the Dematerialized Securities System on the 8th of July (ex-date 3rd of July at the end of trading) are entitled to receive the dividend.

PERSPECTIVES – RISKS & UNCERTAINTIES FOR THE SECOND HALF OF 2009

Perspectives

The Company continues to pursue its business strategy which is oriented towards the enhancement of the water supply and sewerage services, the environmental protection and modernization of business functions to improve customer service.

Within the second half of 2009, the commercial exploitation of the new under construction hydroelectric power station (820 KW capacity) in Evinos is anticipated to begin. Additionally, an application has been submitted concerning the permission of a 2mwp photovoltaic production station in the Company's installations at Menidi. The production license provided by the Electricity Regulatory Authority is expected within the period 1st May 2009 to 31st December 2009 according to the Law 3734/2009.

With respect to new operations, the Company's priority is to expand its operations geographically. At the beginning of May 2007, the Company acquired the municipal network of Nea Peramos whereas that of Agios Panteleimonas is expected to be acquired until the 31st of December 2009, once its construction is completed by the local municipal authorities at a minimum price of € 1.25 mn.

At the same time, negotiations for the acquisition and operation of the municipal networks of Megara, Keratea, Vari, Agios Stefanos and the Community of Anoixi and Kryoneri are on progress, while further negotiations for the acquisition of other municipal networks are under discussion.

Risks and Uncertainties for the Second Half of 2009

Financial Risks

As a result of its operations the Company is not exposed to any particular financial risks such as Market risk (changes in exchange rate parities, interest rates or market prices), Credit risk and Liquidity risk. The Company's Financial risk management plan is focused on the minimization of the potential negative effects over the Company's financial position.

Risk management is processed by the Company's Central Economic Department which operates under certain rules approved by the BoD. The BoD provides guidance and directions for general and specific risk management problems such as exchange risk, interest rate risk and credit risk.

(a) Market Risk

Exchange rate risk

The main part of the Company's operations is processed in the Eurozone under Euro. As a result exchange rate risk is immaterial.

Interest rates variability risk

The Company doesn't possess any substantial interest financial items. Thus its operating revenues and cash flows are independent from changes in interest rates. Loan liabilities are based on variable interest rates which are in accordance with market conditions, thus they could either remain variable or convert to fixed.

The Company doesn't use financial derivatives. Loans under variable rate result in cash flow risk for the Company while loans under fixed rates, result in changes in fair value risk. The Company doesn't possess fixed rate loans.

(b) Credit Risk

The Company's exposure to credit risk is confined on its financial Assets.

The Company checks its claims on an ongoing basis either separately or by grouping the respective items, and incorporates these data in credit control procedures. The Company's long-term claims are derive by the State. Consequently, credit risk is immaterial.

Cash flows and cash equivalents do not involve credit risk because they mainly concern deposits in banks with adequate credit rating. Commercial and other claims involve receivables from common consumers, which have the lowest degree of loss mainly because of the extensive dispersion of claims, while for Municipality claims the Company examines the potential to resort to article 16 par.2 of Law 2307/1995 which provides for the collection of municipal debt to EYDAP S.A. through earmarked funds.

None of the Company's financial assets is insured by mortgage or any other form of collateral.

(c) Liquidity Risk

Liquidity risk is managed through sufficient cash reserves and line of credit. The approved line of credit suffices for the company to cover any possible shortage in cash.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Litigations and claims

Lawsuits for civil law cases with claims of an amount of € 63.39 millions have been raised against the Company as at 30 June 2009. These lawsuits are mainly related with damages caused by floods (either because of broken mains or from rainfalls) or they are lawsuits of various trade creditors and subcontractors for violation of contractual terms. There are also pending litigations with employees of around €45.43 millions. Against all these potential losses, when the pending litigation will be finalized, EYDAP has formed a provision of €39.4 millions as at 30 June 2009 and of € 39.9 millions as at 31 December 2008, which are considered as sufficient.

Insurance coverage

The Company's property, plant and equipment are dispersed in many locations, mainly at the Attica region, and therefore risk of a major loss is reduced. The Company does not carry any form of insurance coverage on its assets.

RELATED PARTY TRANSACTIONS

A) Transactions and amounts outstanding with the Members of the Board

There are no changes in the nature of the related party transactions.

	30th of June 2009	30th of June 2008
– Salaries (Chairman & CEO and Executive Directors)	98	99
– Salaries & participation fees of the Members of the Board of Directors	80	72
	<u>178</u>	<u>171</u>

B) Transactions and amounts outstanding with the Greek State and the Municipalities

1) Transactions	30th of June 2009	30th of June 2008
- Revenues	32,146	34,283
- Cost of sales (construction contracts)	(2,824)	(2,227)
2) Outstanding amounts		31st of Dec. 2008
– Long term receivables (construction contracts)	104,266	101,271
– Long term receivables (Arrangements of Municipalities)	13,270	16,255
– Trade receivables	155,205	148,253
– Other receivables (coverage of Employees' end-of service indemnity)	17,921	12,172
	<u>290,662</u>	<u>277,951</u>

The transactions with the Greek State and the Municipalities concern billed and accrued revenues from water supply services.

Outstanding amounts of Greek State and Municipalities receivables have risen during the current period due to a) the delay in the decision publication on behalf of the Greek State concerning the coverage of Employees' end-of-service indemnity and b) the non-collection of trade receivables and construction and maintenance contract receivables.

THE MEMBERS OF THE BOARD OF DIRECTORS

<i>Name</i>	<i>Position</i>
Konstantinos Kostoulas	Chairman – Executive Member
Anthony M. Vartholomeos	Managing Director – Executive Member
Theodoros-Filippos Georgakellos Member	Member
Evangelos Baltas Member	Member
Georgios Mitsioulis Member	Member
Grigorios Zafiropoulos Member	Member
Alexios Spyropoulos Member	Member
Dimosthenis Anagnostopoulos Member	Member
Georgios Mastrangelopoulos Member	Member
Christos Mistriotis Member	Member
Emmanouil Aggelakis	Member
Evangelos Moutafis Member	Member
Elias Chatzithomas	Independent Member

Exact Copy of No 987
Minutes of the Board of Directors
of 28th August 2009

The Managing Director

Anthony M. Vartholomeos

**ATHENS WATER AND SEWERAGE COMPANY S.A.
(E.Y.D.A.P)**

FIRST HALF CONDENSED FINANCIAL STATEMENTS

ACCORDING TO IFRS

ON 30 JUNE 2009

DOMICILIATION

ORPOU 156

GALATSI

TABLE OF CONTENTS

	Σελίδα
GENERAL INFORMATION	1
CONDENSED TOTAL REVENUES STATEMENT FOR THE PERIODS ENDED ON 30 JUNE 2009 & 2008	2
CONDENSED STATEMENT OF TOTAL INCOME FOR PERIODS ENDED ON 30 JUNE 2009 & 2008	3
CONDENSED STATEMENT OF FINANCIAL POSITION ON JUNE 30 2009 AND DECEMBER 31 2008	4
CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED ON JUNE 30 2009 & 2008	5
CONDENSED CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 JUNE 2009 & 2008	6
NOTES TO THE CONDENSED FIRST HALF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009	7-18

The Condensed Financial Statements, page 1 to 18, were approved by the Board of Directors on 28th of August 2009. Under the permission of the Board of Directors the following officers named below sign the Financial Statements:

Athens , August 28th 2009,

The Chairman of the
Board of Directors
Kostoulas
Konstantinos

The Chief Executive
Officer
Vartholomeos Antonios

The Director of
Economic Services
Leventi Maria

The Accounting
Department Supervisor
Spyropoulou Eleni

1. GENERAL INFORMATION FOR THE COMPANY

Name:	EYDAP SA
Domiciliation:	Oropou 156 – Galatsi
Date of Establishment:	25/10/1999
Duration:	100 years
Main Activity:	Water Supply - Sewerage
Registration Number of S.A.:	44724/06/B/99/52
Prefecture:	Athens
Tax Number:	094079101
Members of the Board of Directors:	K.Kostoulas, A.Vartholomeos, Th.Georgakelos, E.Baltas, G.Mitsioulis, G.Zafiropoulos, A.Spiropoulos, E.Agelakis, D.Anagnostopoulos, G.Mastragelopoulos, Ch. Mistriotis, El.Hatzithomas, E.Moutafis
Ending Day of the Period:	30 th June 2009
Period:	6 months
Form of Financial Statements:	Interim Condensed – First Half
Date of Approval of Financial Statements:	28 August 2008
Chartered Public Accountants:	M. Hatzipavlou and E. Giouroukos
Auditing Company:	Deloitte Hatzipavlou, Sofianos & Kampanis Public Accountants and Business Consultants SA
Internet address where the Financial Statements are registered:	www.eydap.gr

All amounts in the Interim Condensed Financial Statements and Notes are in euro thousands unless otherwise stated

2. CONDENSED TOTAL REVENUES STATEMENT FOR PERIOD ENDED 30 JUNE 2009 & 2008

Amounts in Thousands of €	NOTES	30.06.2009	30.06.2008	1.04-30.06.09	1.04-30.06.08
Revenue from services rendered	4	184.092	178.134	98.683	93.978
Cost of Services	4	(117.847)	(104.817)	(62.547)	(55.764)
Gross Profit		66.245	73.317	36.136	38.214
Other Operating Income		1.908	871	1.011	496
General and administration expenses	4	(40.379)	(41.198)	(22.371)	(21.782)
Distribution and selling expenses	4	(20.337)	(17.492)	(9.993)	(8.512)
Profit from operating activities		7.437	15.498	4.783	8.416
Other operating expenses		(666)	(707)	(349)	(292)
Finance income net		2.459	1.529	1.354	888
Finance costs net		(3.605)	(4.680)	(1.793)	(2.556)
Profit from ordinary activities before income taxes		5.625	11.640	3.995	6.456
Income tax expense	5	(2.653)	(3.568)	(2.175)	(1.963)
Net profit for the year		2.972	8.072	1.820	4.493
Shares outstanding		106.500	106.500	106.500	106.500
Earnings per share (in €)	6	0,03	0,08	0,02	0,04

The notes referred to the pages 7-18 form an integral part of the condensed first half financial statements.

3.CONDENSED STATEMENT OF TOTAL INCOME FOR PERIOD ENDED 30 JUNE 2009 & 2008

Amounts in Thousands of €	30.06.2009	30.06.2008	1.04-30.06.09	1.04-30.06.08
Profit after taxes	2.972	8.072	1.820	4.493
Other total income after taxes	713	(37)	532	175
Aggregate total income after taxes	3.685	8.035	2.352	4.668

The notes referred to the pages 7-18 form an integral part of the condensed first half financial statements.

4.CONDENSED STATEMENT OF FINANCIAL POSITION ON JUNE 30 2009 AND DECEMBER 31 2008

	NOTES	30.06.2009	31.12.2008
ASSETS			
<i>Amounts in thousands of Euro</i>			
Non-current assets			
Goodwill		3.357	3.357
Other Intangible assets	8	5.083	3.950
Property, plant and equipment, net	8	997.523	992.883
Investment in associates	15	434	444
Available-for-sale Investments		1.852	1.139
Long-term receivables	9	120.581	120.610
Deferred tax assets	16	45.748	46.405
Total non-current assets		1.174.578	1.168.788
Current assets			
Materials and spare parts	10	21.220	19.165
Trade receivables	11	292.012	274.848
Other receivables	12	39.156	29.700
Cash and cash equivalents		20.577	17.780
Total Current assets		372.964	341.493
Total Assets		1.547.542	1.510.281
LIABILITIES AND SHAREHOLDER'S EQUITY			
Equity			
Share Capital	17	63.900	63.900
Share Premium		40.502	40.502
Reserves		379.875	379.162
Retained Earnings	21	335.052	345.925
Total Equity		819.329	829.489
Non-current liabilities			
Reserve for employees benefits	19	198.097	191.134
Provisions	22	39.442	39.869
Investment subsidies and customer contributions		204.535	203.317
Consumers' guarantees		16.889	16.619
Total non-current liabilities		458.963	450.939
Current Liabilities			
Operating Current Liabilities	13	49.025	46.999
Current tax liabilities	20	443	2.273
Short term loans and borrowings	18	188.588	160.515
Other current liabilities	14	31.194	20.066
Total Current Liabilities		269.250	229.853
Liabilities and Shareholder's Equity		1.547.542	1.510.281

The notes referred to the pages 7-18 form an integral part of the condensed first half financial statements.

**5.CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED
JUNE 30 2009 & 2008**

2009	Share Capital	Share Premium	Legal reserve	Other non-taxable reserves	Other reserves	Retained Earnings	Total Equity
Equity Balance at 1/1/2009	63.900	40.502	20.226	358.283	653	345.925	829.489
Net Profit / (Losses)					713	2.972	3.685
Dividends						(13.845)	(13.845)
Equity Balance at the end of 30th of June 2009	63.900	40.502	20.226	358.283	1.366	335.052	819.329

2008	Share Capital	Share Premium	Legal reserve	Other non-taxable reserves	Other reserves	Retained Earnings	Total Equity
Equity Balance at 1/1/2008	63.900	40.502	18.664	358.283	1.183	331.166	813.698
Net Profit / (Losses)					(37)	8.072	8.035
Dividends						(14.710)	(14.710)
Equity Balance at the end of 30th of June 2008	63.900	40.502	18.664	358.283	1.146	324.328	806.823

The notes referred to the pages 7-18 form an integral part of the condensed first half financial statements.

6. CONDENSED CASH FLOW STATEMENT FOR THE PERIOD ENDED JUNE 30 2009 & 2008

	1.01-30.06-2009	1.01-30.06-2008
Cash Flows from operating activities		
Profit before tax	5.625	11.640
Adjustments for:		
Depreciation and amortization	16.803	15.672
Amortization of customers' contributions and subsidies	(4.428)	(4.314)
Revenues from securities	(37)	0
Impairment of participating interests	10	(132)
Provisions	(426)	(1.151)
Interest and related income	(2.432)	(1.397)
Interest and related expense	3.605	4.680
Operating income before working capital changes / changes in operating assets and liabilities		
(Decrease in) Increase in		
Trade receivables	(17.164)	(13.998)
Other receivables	(8.267)	(8.964)
Long-term receivables	30	(8.619)
Materials and spare parts	(2.055)	(1.205)
Increase in (Decrease in)		
Operating Current Liabilities	(13.270)	(14.238)
Other current liabilities	11.128	3.933
Consumers' guarantees	270	388
Reserve for employees benefits	6.963	5.272
Minus:		
Interest and related expenses paid	(4.474)	(3.319)
Income Tax paid	(4.699)	(3.804)
Net cash from operating activities (a)	(12.818)	(19.556)
Cash Flows from investing activities		
Interest and related income received	1.250	1.330
Purchases of property, plant, and equipment	(19.843)	(14.142)
Purchases of intangible assets	(303)	(777)
Proceeds from customers' contributions and subsidies	5.645	2.755
Investments in associates	37	0
Net cash from investing activities (b)	(13.214)	(10.834)
Cash Flows from financing activities		
Proceeds from borrowings	29.000	53.200
Repayments of borrowings	0	(16.833)
Dividends paid	(171)	(5.928)
Net cash from investing activities (c)	28.829	30.439
Net (decrease) increase in cash and cash equivalents (a) + (b) + (c)	2.797	49
Cash and cash equivalents, beginning of period	17.780	14.486
Cash and cash equivalents, end of period	20.577	14.535

The notes referred to the pages 7-18 form an integral part of the condensed first half financial statements.

NOTES TO THE CONDENSED FIRST HALF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

1. BASIS OF CONDUCTION

The condensed first half financial statements have been conducted in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting".

2. NEW STANDARDS ,INTERPRETATIONS AND REVISIONS IN EXISTING STANDARDS .

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current reporting period and subsequent reporting periods. The Company's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards effective from January 1st 2009

IAS 1 (Revised) "Presentation of Financial Statements"

IAS 1 has been revised to enhance the usefulness of information presented in the financial statements. The revised standard prohibits the presentation of items of income and expenses (that is 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All 'non-owner changes in equity' are required to be shown in a performance statement. Entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). The Company has elected to present two statements. The interim financial statements have been prepared under the revised disclosure requirements.

IFRS 8 "Operating Segments"

This standard supersedes IAS 14, under which segments were identified and reported based on a risk and return analysis. Under IFRS 8 segments are components of an entity regularly reviewed by the entity's chief operating decision maker and are reported in the financial statements based on this internal component classification. Amendment to IFRS 8 does not apply to the Company.

IAS 23 (Amendment) "Borrowing Costs"

This standard replaces the previous version of IAS 23. The main change is the removal of the option of immediately recognising as an expense borrowing costs that relate to assets that need a substantial period of time to get ready for use or sale. This amendment does not have significant impact to the Company's financial statements.

IFRS 2 (Amendment) "Share Based Payment" – Vesting Conditions and Cancellations

The amendment clarifies the definition of "vesting condition" by introducing the term "non-vesting condition" for conditions other than service conditions and performance conditions. The amendment also clarifies that the same accounting treatment applies to awards that are effectively cancelled by either the entity or the counterparty. This amendment does not impact the Company's financial statements.

NOTES TO THE CONDENSED FIRST HALF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

2. New Standards ,interpretations ,and revision in existing standards (continued)

IAS 32 (Amendment) "Financial Instruments: Presentation" and IAS 1 (Amendment) "Presentation of Financial Statements" – Puttable Financial Instruments

The amendment to IAS 32 requires certain puttable financial instruments and obligations arising on liquidation to be classified as equity if certain criteria are met. The amendment to IAS 1 requires disclosure of certain information relating to puttable instruments classified as equity. This amendment does not impact the Company's financial statements.

IAS 39 (Amended) "Financial Instruments: Recognition and Measurement" – Eligible Hedged Items

This amendment clarifies how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation should be applied in particular situations. The amendment doesn't affect the company's financial statements.

Interpretations effective from January 1st 2009

IFRIC 13 – Customer Loyalty Programmes

This interpretation clarifies the treatment of entities that grant loyalty award credits such as "points" and "travel miles" to customers who buy other goods or services. This interpretation is not relevant to the Company's operations.

IFRIC 15 - Agreements for the construction of real estate

This interpretation addresses the diversity in accounting for real estate sales. Some entities recognise revenue in accordance with IAS 18 (i.e. when the risks and rewards in the real estate are transferred) and others recognise revenue as the real estate is developed in accordance with IAS 11. The interpretation clarifies which standard should be applied to a particular case. This interpretation is not relevant to the Company's operations.

IFRIC 16 - Hedges of a net investment in a foreign operation

This interpretation applies to an entity that hedges the foreign currency risk arising from its net investments in foreign operations and qualifies for hedge accounting in accordance with IAS 39. The interpretation provides guidance on how an entity should determine the amounts to be reclassified from equity to profit or loss for both the hedging instrument and the hedged item. This interpretation is not relevant to the Company as the Company does not apply hedge accounting for any investment in a foreign operation.

3. ACCOUNTING PRINCIPLES

The condensed first half financial statements have been conducted under the historical cost convention, except for the revaluation of certain properties and financial instruments.

The basic accounting principles ,estimations and computations followed ,remain unchanged in relation with the company's financial statements of 31 December 2008, with the exception of borrowing cost where the company implements the amendment of IAS 32 according to which the borrowing cost relates to its assets is capitalized for those assets need an important time period to operate or sold.

NOTES TO THE CONDENSED FIRST HALF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

It must be noted that for the current period 1/1/2009 to 30/6/2009 the borrowing cost for capitalization is not substantial.

The company according to the Ministerial Decision of 7 March 1975 (Ministry of Environment, Planning and Public Works) entered an analogy of 5% as overhead industrial costs in works until 31 December 2008. From 1 January 2009 a new cost system is implemented and as a result the works burdened with the real indirect expenditures concerning every activity

However the condensed first half financial statements must be examined in relation with the annual ones which are available in the company's internet address www.eydap.gr

4. RESULTS FOR THE PERIOD

REVENUES

The company's revenues increased by € 6,0 m mainly due to the tariffs increase during the first half of 2009 compared with those of 2008.

COST OF GOODS SOLD

The cost of goods sold increased by € 13,0 m. This increase can be attributed to:

The increase:

- in operation and conservation expenses (mainly for Psytallia work) by € 12,3 m.
- in third party providings (mainly of electrical power and natural gas for the waste treatment in Psytallia work) by € 4,1 m.
- in fixed assets depreciation by € 1,6 m.

The decrease:

- in other expenses (mainly of payroll due to the allocation in works under construction) by € 5,0 m.

Part of this increase is due to a more accurate allocation of expenses as a result of the new cost system implementation as it refers in paragraph 3 "Accounting Principles".

It must be clarified also that:

On February 28 2009 EYDAP signed a deliverance-acceptance protocol with the Ministry of Environment, Planning and Public works concerning the administration of the dehydrated sludge dessication unit thus, having under its pertinence the total facilities of Psitalia sewerage processing centre (Phase A, Phase B, dessication and CETHE). The company has also the responsibility and the operation cost (transportation plus energy development) of the dessicated product.

The operation of CETHE natural gas combustion unit resulted in the rise of natural gas consumption total expense. In parallel revenues coming from sales to DESMIE

NOTES TO THE CONDENSED FIRST HALF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

4. Results for the period (continued)

(Hellenic Operator of Electrical Energy) of surplus electrical energy that is self consumed in Psitalia facilities decreased.

The construction of the expansion works concerning the electrical and thermal energy coproduction station with the combustion of biogas (wattage 4,25 MW) is completed and operates. The construction of the new coproduction station of electrical and thermal energy with the combustion of natural gas (wattage 12,9 MW) is also completed and operates.

ADMINISTRATIVE COSTS

The administrative costs decreased by € 0,8 m. This decrease can be attributed to:

The increase :

- In third party fees and expenses by € 2,3 m.

The decrease :

- In personnel's fees and expenses by € 2,1 m.
- In fixed assets depreciation by € 1,0 m.

Part of this decrease is due to a more accurate allocation of expenses as a result of the new cost system implementation as it refers in paragraph 3 "Accounting Principles".

DISTRIBUTION COSTS

The distribution costs increased by € 2,8 m. This increase can be attributed to:

The increase :

- In personnel's fees and expenses by € 3,1 m.

The decrease :

- in advertising and promotion expenses by € 0,3 m.

Part of this increase is due to a more accurate allocation of expenses as a result of the new cost system implementation as it refers in paragraph 3 "Accounting Principles".

5. INCOME TAX

Income tax for the current period was assessed as follows:

	30.06.2009	30.06.2008
Profit before tax	5.625	11.640
Income tax assessed based on the current tax rate (25%)	1.406	2.493
Unaudited fiscal years (by public revenue authorities)	516	480
Tax over non-deductible tax expenses	282	595
Impact from tax rates differences between current income tax and deferred tax rates in the time of temporary differences reconciliation	160	0
Claim from Deferred taxes recognised	289	0
	2.653	3.568

NOTES TO THE CONDENSED FIRST HALF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

6. EARNINGS (LOSS) PER SHARE

The calculation of the basic earnings per share is based on the following data:

	30.06.2009	30.06.2008
Earnings	2.972	8.072
Number of shares	106.500	106.500
Earnings per share	0,028	0,076

7. DIVIDENDS

During the first half of the current use the General Shareholders Meeting approved a dividend distribution for 2008 of 13 cents per share (€0,13) , while the corresponding dividend for 2007 was 0,14 € per share .

8.INTANGIBLE AND TANGIBLE ASSETS

During the period 01/01/2009-30/06/2009,the company accomplished investments of € 16,1 m. in order to improve and expand the water supply and sewerage networks as well as it spent € 4,1 m for the acquisition of other fixed assets like machinery ,furnitures and fixtures and other equipment.First half depreciation concerning tangible assets were approximately € 15,6 m.

The company also spent approximately € 2,2 m.for the acquisition of software mainly for the improvement and modernization of its Information Technology system.The depreciation of intangible assets for the period were € 1,1 m.approximately.

9.LONG TERM RECEIVABLES

Long Term receivables includes:

- Municipalities debt settlements decreased by € 3,0 m.(approximately € 13,3 m. on 30/6/2009 relating to € 16,3 m. on 31/12/2008) because of their new classification in short term claims.
- Personnel's long term loans of approximately € 2,4 m.(€ 2,5 m.on 31/12/2008).
- Claims against the Greek State for the construction and maintenace expenditures of his possession works of approximately € 104,3 m.(€ 101,3m.on 31/12/2008).

10. MATERIALS AND SPARE PARTS (STOCK)

The alteration of stock is a result of an increase in fittings needed for the conservation of the water supply and sewerage network.Furthermore stock includes provisions of € 2,1 m.for stock depreciation. The provisons have been formulated for the accurate representation of the stocks account ,which are show up subtractive to their value .

NOTES TO THE CONDENSED FIRST HALF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

11. CUSTOMERS

The customers balance increased in the current period by approximately € 17,2 m because of :

- an increase in claims towards private customers by approximately € 8,8 m as a result of the growth in due claims.
- an increase in claims towards the Greek State ,and Municipalities by approximately € 7,5 m.As a result of the increase in due claims towards Municipalities the Company has proceeded various efforts concerning the collection of these claims

Trade Debtors account involves an amount of € 1,67m that has to do with a claim from the Municipality of New Peramos.This claim, that concerns with the trasferment of the respect water supply network will offset,according to the 5/4/2007 contract terms

a) with the value (up to an amount of € 1,25m) of Agios Panteleimonas settlement which will deliver after its completion within 2009 and b) with the value that incur after the valuation of fixed assets (lands ,water reservoirs etc) which will transfer to the company according to the aforementioned contract. The objective value of these assets was at 5/4/2007 € 18,5 th .

The company in order to confront credit risk concerning its failing to collect its claims has formed provisions for doubtful debts,the amount of which was approximately € 33,9 m at 30/6/2009.

The Direction of Economic Programming and Audit periodically audits and reexamines the company's exposition to credit risk .

Because of the great spreading of its clients (approximately 1.999.045 on 30/6/2009) credit risk is relatively low.

Simultaneously ,the contract terms of water supply and sewerage services are such giving the company the maximum possible degree of collecting its claims from the owners of water supplies.

The provision for doubtful debts that has been formed is mainly based on statistical figures concerning the collection of water supply and sewerage bills per category of billing and furthermore,on Management projections about the possible amount that will collect from claims that will settle in a future period.

12.OTHER CLAIMS

The balance of other claims increased during the current period by approximately € 9,5 m.as a result of a delay in the release of the State's will concerning the personnel's lump sum coverage and the company's policy to pay in advance every June the personnel's vacation leave benefit .

NOTES TO THE CONDENSED FIRST HALF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

13. OPERATING CURRENT LIABILITIES

The operating current liabilities increased by € 2,0 m comparing with those of 31/12/2008. The increase is due to the:

- Increase in dividends payable by approximately € 12,3 m .
- Increase in other taxes-charges by approximately € 0,6 m.
- Decrease in the social security contributions by € 4,0 m because of the Christmas benefit contributions which were included in 2008 use .
- Decrease in suppliers balance by € 6,9 m.

14. OTHER CURRENT LIABILITIES

The other current liabilities increased substantially by € 11 m mainly due to:

- the imputation of the accrued expenses refer to the analogy of the personnel's holiday allowances and vacation leave benefits amounts € 6,6 m. approximately. It must be noted that on 31/12/2009 there are no provisions for personnel's payroll, allowances and vacation benefits.
- an increase in the amount of unpaid checks payable by € 3,1 m.
- an increase in the provision of not taking vacation leave by approximately € 1,3 m.

15. INVESTMENTS IN ASSOCIATES

Investments in associates of € 434 th. include the Participation of the Company at the "Suburbs Gas Company S.A." (E.P.A). On February 2003 the joint-venture of EYDAP S.A., ELLINIKI TECHNODOMIKI-TEV S.A. and AKTOR S.A. was chosen, by EPA Attikis, to promote the project of natural gas connections for households and small professional customers in the north part of Attica basin, as well as a part of the Athens Municipality. For this reason was established the "Gas Company of the Suburbs S.A." and EYDAP participates with a share of 35%

At June 30 2009 the acquisition cost of E.P.A climb to € 542 th. while the loss from the participation in this investment was € 108 th.

Because the company participates only in associate enterprises, the financial statements under IFRS are them where the associate is accounted ,with the equity method. In this case the preparation of individual financial statements , where information about the impact of the method of cost or fair value on the balance sheet and income statement accounts , is not obligatory.(Decision 39 -10/2/2005 Greek Accounting Standards).

The information provided in balance sheet accounts and the statement of income at June 30 2009 will not be materially differentiated if individual financial statements were prepared, as far as there is no significant difference between the acquisition cost (impairments included) and the equity of the associate as these are presented in the current financial statements .

16. DEFERRED TAXATION

The claim coming from deferred taxation on 30/6/2009 and 31/12/2008 was € 45.748 th. and € 46.405 th. respectively .As a result financial statements burdened by € 657 th.

NOTES TO THE CONDENSED FIRST HALF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

17. SHARE CAPITAL

The share capital of the Company at June 30 2009 was equal to €63,9m consisting of 106.500.000 ordinary shares of €0,60 par value. There were no movements in the share capital of the Company in either the current or the prior interim reporting period.

18. SHORT TERM LIABILITIES

The account on the accompanying financial statements is analyzed as follows:

	30 June	31
	2009	December
		2008
Bank Loans	185.446	157.373
Greek State Loans	3.142	3.142
TOTAL	188.588	160.515

Borrowings are payable on demand or within a year and they are included in short term borrowings .

During the current period the Company's short-term borrowings increased totally by € 28,1 m according to the disclosed bank agreements because its liquidity was not sufficient enough for repayment. In the current period there were no loan repayments.

The Company's bank borrowings are denominated in € and consequently are not subject to foreign currency risk. Bank borrowings are subject to floating interest rates and consequently the Company is subject to the risk of future cash flows but not on the risk of the fair value of the debt. The Company does not utilize derivative financial instruments in order to reduce its risk exposure, as at the balance sheet date, because management is of the opinion that there are no significant risks from interest rates changes.

The fair values of loans approximate their existing carrying amounts due to floating exchange rates.

NOTES TO THE CONDENSED FIRST HALF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

19. LIABILITIES FOR EMPLOYEES BENEFITS

The account is analyzed as follows:

	30 June	31 December
	2009	2008
Employees' end-of-service indemnities	26.132	26.575
Employees healthcare scheme	168.520	161.419
Special Employees' end-of-service indemnity	3.445	3.140
	<u>198.097</u>	<u>191.134</u>

Income charges concerning each of the previous mentioned liabilities programmes separately are based on costs estimation resulted from the actuarial study of 31/12/2008.

20. CURRENT TAX LIABILITIES

Income tax movement shows up on the following table :

Balanc e on 1-1-2009	2.272
First half instalments payment	(3.309)
Income tax assessed on the the current tax profits	1.479
Total current tax liabilities	443

Provisions of € 1,63 m. for unaudited (by Public Revenue Services) tax uses concerning the period 1/1/2008 to 30/06/2009 .

21. RETAINED EARNINGS

Balance at 01.01.2008	331.166
Dividends payable	(14.910)
Profit after taxes for the period	<u>8.072</u>
Balance at 30.06.2008	<u>324.328</u>
Balance at 01.01.2009	345.925
Dividends payable	(13.845)
Profit after taxes for the period	<u>2.972</u>
Balance at 30.06.2009	<u>335.052</u>

NOTES TO THE CONDENSED FIRST HALF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

22. PROVISIONS

The Provisions formed up to June 30 2009 concern:

Provisions for litigations and claims amounting approximately € 39,4 m. More specific ,Lawsuits for civil law cases with claims of an amount of € 63,39 m have been raised against the Company These lawsuits are mainly related with damages caused by floods (either because of broken mains of from rainfalls) or they are lawsuits of various trade creditors and contractors for violation of contractual terms.

There are also pending litigations with employees of around €45,43 m Against all these potential losses, if the pending litigation will be finalized, EYDAP has formed a provision of € 39,40 m. as on June 30 2009 and of € 39,9 m as on 31st December 2008, which are considered as sufficient.

23. COMMITMENTS AND CONTINGENT LIABILITIES –ASSETS

LIABILITIES

Contingent liabilities are not recorded in the financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is minimal.

Insurance coverage

The Company's property, plant and equipment are dispersed in many locations, mainly at the Attica region, and therefore risk of a major loss is reduced. The Company does not carry any form of insurance coverage on its assets.

Committments from unexecuted contracts :

The company's committments concerning with expansions ,improvements, and conservation of networks and installations as also supply works of electrical and thermal coproduction units are € 192 mil.at June 30 2009.

ASSETS

Investment program:

a)The Company according to its establishment Law 2744/99, has signed a contract with the Greek State, according to which the Greek State undertakes the commitment for the subsidization of EYDAP either from the Community Funds or from the Program of Public Investments for the coverage of the 60% of the capital expenditure, which EYDAP pays for the maintenance, restoration, improvement or the expansion of the water supply and sewerage network system for the 8 years period 2000-2008. Against the aforementioned investment program of around €1,22 billion, that includes, also the maintenances, the Company has spent for capital expenditures until December 31 2008 an amount of € approximately 432,49 millions, for which it has the right to receive a subsidy of around €259,49 millions (432,49*60%), while for the maintenance expenditures the Company claims the corresponding subsidy.

The Company against the subsidy that has the right to receive has received until 30 June 2009 an amount of €9,08 millions. On the basis of the above the claim of the Company from the Greek State is raised to at least €250,41 millions (259,49-9,08).

NOTES TO THE CONDENSED FIRST HALF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

23. Commitments and contingent liabilities –assets (continued)

Therefore this amount has not recorded in the accounts receivables with an equal debit of the long-term liabilities accounts, the carrying amount of which is gradually transferred in the profit/loss of the period in proportion to the depreciation rate of the subsidized water supply and sewerage network system.

If the aforementioned entries were carried out then the profit/loss account of the current period would be improved by around €2,60 m while the previous period by € 2,40 m approximately and the net equity would be improved by around € 37,2 m.

It must noted that under a decision taken by the special shareholders meeting of August 10 2004 ,the company's investment program amended, however without affecting the company's claim against the Greek State.

It must be noted that after the company's prompt to the Greek State ,which is anticipated in the supplement 4 of the aforementioned contract between the company and the State ,the company is eligible for a subsidy of approximately € 13,2 m. for all the capital expenditures accomplished during the period 1/1/2009 to 30/6/2009 which amount approximately € 22 m (22*60%).

b)In addition to these claims the Company has a claim for a subsidy relates to the maintenance expenditures according to the contract with the Greek State. From the total amount of expenditures concerning operation and maintenance of installations which is € 704,43 millions it is not feasible to extract the exact amount corresponding to maintenance thus the subsidy amount corresponding to maintenance expenses has not been finalized between the company and the State until the conduction date of these financial statements.

24. EVENTS AFTER THE BALANCE SHEET DATE

One work is under construction :The new hydroelectric power station of 820 KW in Evinos place.The commercial use of the above mentioned work is estimated to begin in the second half of 2009.

An application has been submitted concerning the permission of a 2mwp photovoltaic production station in the company's installations in Menidi.The production licence given by the Electricity Regulatory Authority is expected within the period 1st May 2009 to 31st December 2009 according to the Law 3734/2009.

In the section of its operations development EYDAP has set as a priority its geographical expansion In the beginning of May 2007 the company incorporated the water supply network of New Peramos Municipality in its network apart from the network of Agios Panteleimonas settlement which will be delivered fully completed by the Municipality until the 31st of December 2009 based on a reparative delivery agreement with a minimum agreed in advance price of € 1,25m.

NOTES TO THE CONDENSED FIRST HALF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

24. EVENTS AFTER THE BALANCE SHEET DATE (CONTINUED)

E.YD.A.P has already run the take over and embodiment of the water sully networks of Megara ,Keratea, Vari, ,Agios Stefanos Municipalities together with Anixi and Krioneri communities ,as discussions for further network co-optations continue.

25. RELATED PARTY TRANSACTIONS

A) Transactions and amounts outstanding with the Members of the Board

	30th June 2009	30th June 2008
– Salaries (Chairman & CEO and Executive Consulants)	98	99
– Salaries & participation fees of the Members of the Board of Directors	80	72
	<u>178</u>	<u>171</u>

B) Transactions and amounts outstanding with the Greek State and the Municipalities

1) Transactions	30th June 2009	30th June 2008
– Revenues	32.146	34.283
– Cost of sales (construction works cost)	(2.824)	(2.227)
2) Outstanding amounts		<u>Dec.2008</u>
– Long term receivables (Works(construction contracts) for third parties))	104.266	101.271
– Long term receivables (Arrangements of Municipalities)	13.270	16.255
– Trade receivables	155.205	148.253
– Other receivables (coverage of Employees' end-of-service indemnity)	17.921	12.172
	<u>290.662</u>	<u>277.951</u>

The transactions with the Greek State concern priced and accrued water supply revenues as well as accrued revenues coming from the construction cost of works towards the Ministry of Environment,Planning and Public Works and the Public Entity << E.YD.AP Fixed Assets Company>>.

The balance of other claims (for the coverage of the personnel's compensation deficit) increased as a result of the delay in the State's will towards the personnel's end of service lump sum coverage .

The increase in claims from related parties is due to the delay of their debts repayments.

ATHENS WATER AND SEWERAGE COMPANY S.A. (E.Y.D.A.P)

Company's No 44724/06/B/99/52 in the register of Societes Anonyms

Oropou 156 -11156 Galatsi

FINANCIAL STATEMENTS INFORMATION FOR THE PERIOD FROM 1st January 2009 to 30st June 2009
(according to the Rule 4/507/28.04.2009 of the Capital Market Commission)

The figures illustrated below provide summary information about the financial position of E.Y.D.A.P. S.A. We advise the reader before taking any investment decision or other transaction concerning the company, to visit the Company's web site where the financial statements are presented according to International Financial Reporting Standards together with the auditor's report, whenever it is required.

COMPANY'S STATUTORY INFORMATION		STATEMENT OF CHANGES IN EQUITY				
Company's web Site www.evdap.gr		Amounts in thousands of Euro				
Date of Approval of by the Board of Directors of the interim financial information for the period ended as at June 30st,2009		30.06.2009				30.06.2008
August 28th, 2009						
Chartered Public Accountants: M. Hatzipaulou and E. Giouroukos		Equity opening balance		829.489		813.698
Auditing Company: Deloitte Hatzipaulou,Sofianos & Kampanis		Comprehensive income after taxes		2.972		8.072
Public Accountants and Business Consultants SA		Profit of the year, after tax				
Type of Auditor's Report: Unqualified Opinion -Emphasis of matter		Net income directly charged to equity		713		(37)
		Comprehensive income after taxes		3.685		8.035
		Distributed Dividends		(13.845)		(14.910)
		(30.06.2009 and 30.06.2008 respectively)		819.329		806.823
STATEMENT OF FINANCIAL POSITION		STATEMENT OF CASH FLOWS				
Amounts in thousands of Euro		Amounts in thousands of Euro				
	30.06.2009	31.12.2008	1.01.-30.06.2009	1.01.-30.06.2008		
ASSETS						
Tangible assets	997.523	992.883	Cash Flows from operating activities			
Intangible assets	5.083	3.950	Profit before taxes	5.625	11.640	
Other non current assets	171.972	171.955	Adjustments for:			
Inventories	21.220	19.165	Depreciation and amortization	16.803	15.672	
Trade receivables	292.012	274.848	Amortization of customers' contributions and subsidies	(4.428)	(4.314)	
Other current assets	59.732	47.480	Investment income	(37)	0	
TOTAL ASSETS	1.547.542	1.510.281	Impairment of investments	10	(132)	
TOTAL EQUITY AND LIABILITIES			Provisions	(426)	(1.151)	
Share capital	63.900	63.900	Credit Interest and related income	(2.432)	(1.397)	
Other items of Shareholders' Equity	755.429	765.589	Debit Interest and related expense	3.605	4.680	
Total Shareholders' Equity (a)	819.329	829.489	Operating income before working capital changes			
Minority interests (b)	0	0	/ changes in operating assets and liabilities			
Total Equity (c)=(a)+(b)	819.329	829.489	(Decrease in) Increase in			
Reserves for employee benefits	198.097	191.134	Trade receivables	(17.164)	(13.998)	
Deferred subsidies and customer contributions	204.535	203.317	Other receivables	(8.267)	(8.964)	
Provisions and other long-term liabilities	56.331	56.488	Long-term receivables	30	(8.619)	
Short-term borrowings	188.588	160.515	Materials and spare parts	(2.055)	(1.205)	
Other Short-term borrowings	80.662	69.338	Increase in (Decrease in)			
Total liabilities (d)	728.213	680.792	Operating Current Liabilities	(13.270)	(14.238)	
TOTAL EQUITY AND LIABILITIES (c) + (d)	1.547.542	1.510.281	Other current liabilities	11.128	3.933	
			Consumers' guarantees	270	388	
			Reserve for employees benefits	6.963	5.272	
			Minus:			
			Interest and related expenses paid	(4.474)	(3.319)	
			Income Tax paid	(4.699)	(3.804)	
			Net cash from operating activities (a)	(12.818)	(19.556)	
			Cash Flows from investing activities			
			Purchases of property, plant, and equipment	(19.843)	(14.142)	
			Purchases of intangible assets	(303)	(777)	
			Proceeds from customers' contributions and subsidies	5.645	2.755	
			Interest and related income received	1.250	1.330	
			Dividends received	32	0	
			Net cash from investing activities (b)	(13.214)	(10.834)	
			Cash Flows from financing activities			
			Proceeds from borrowings	29.000	53.200	
			Repayments of borrowings	0	(16.833)	
			Dividends paid	(171)	(5.928)	
			Net cash from investing activities (c)	28.829	30.439	
			Net (decrease) increase in cash and cash equivalents (a) + (b) + (c)	2.797	49	
			Cash and cash equivalents, beginning of period	17.780	14.486	
			Cash and cash equivalents, end of period	20.577	14.535	
STATEMENT OF COMPREHENSIVE INCOME						
Amounts in thousands of Euro						
	1.01-30.06.2009	1.01-30.06.2008	1.04-30.06.2009	1.04-30.06.2008		
Turnover	184.092	178.134	98.683	93.978		
Gross profit	66.245	73.317	36.136	38.214		
Earnings before tax, financial, and investment results	6.771	14.791	4.433	8.124		
Profit before tax	5.625	11.640	3.995	6.456		
Profit after tax (A)	2.972	8.072	1.820	4.493		
Other comprehensive income, net of tax (B)	713	(37)	532	175		
Total Comprehensive income for the period (A+B)	3.685	8.035	2.352	4.668		
Attributable to						
Shareholders	3.685	8.035	2.352	4.668		
Earnings per share after tax (in euro) - basic	0.03	0.08	0.02	0.04		
Earnings before tax, financial, investment results and depreciation and amortization	19.146	26.149	10.655	13.793		
ADDITIONAL DATA AND INFORMATION						
1. The Company has been audited by the tax authorities up to 2007 (included).						
2. There is no burden on the Company's fixed assets.						
3. The number of employees as at 30-06-2008 and 30-06-2009 was 3.568 and 3.386 respectively.						
4. The Provisions formed up to June 30 2009 concern: a)Provisions for litigations and claims amounting approximately Euro 39.4 m.More specific, Lawsuits for civil law cases with claims of an amount of Euro 63.39 m. have been raised against the Company.These lawsuits are mainly related with damages caused by floods (either because of broken mains or from rainfalls) or they are lawsuits of various trade creditors and contractors for violation of contractual terms.There are also pending litigations with employees of around Euro 45.43 m.Against all these potential losses, if the pending litigation will be finalized, EYDAP has formed a provision of Euro 39.4 m. as at June 30 2009 and of Euro 39.9 m. as at 31st December 2008, which are considered as sufficient.b) Provisions of Euro 1.63m. for unaudited (by Public Revenue Services) tax uses and c) Other provisions of Euro 36.0m.						
5.The Company according to its establishment Law 2744/99, has signed a contract with the Greek State, according to which the Greek State undertakes the commitment for the subsidization of EYDAP either from the Community Funds or from the Program of Public Investments for the coverage of the 60% of the capital expenditure, which EYDAP pays for the maintenance, restoration, improvement or the expansion of the water supply and sewerage network system for the 8years period 2000-2008. Against the aforementioned investment program of around Euro1,22 billion, that includes, as already mentioned, also the maintenances, the Company has spent for capital expenditures as at 31 December 2008 an amount of Euro 432.49 millions, for which it has the right to receive a subsidy of around Euro 259.49 millions (432,49*60%), while for the maintenance expenditures the Company claims the corresponding subsidy. The Company against the subsidy that has the right to receive has received as at 30 June 2009 an amount of Euro 9,08 millions. On the basis of the above the claim of the Company from the Greek State has been raised to Euro 250,41 millions (259,49 - 9,08). Therefore this amount has not recorded in accounts receivables with an equal credit in long-term liabilities, the carrying amount of which is gradually transferred in the profit/loss account of the period according to the depreciation rate of the subsidized water supply and sewerage network system. If the aforementioned jour crew were carried out then the profit/loss of the current and the previous period would have been improved by around Euro 2.6m and 2.4 m respectively and the net equity would have been improved by around Euro 37.2 millions.It must be clarified that the company's investment program modified as a result of a decision taken by the 10-8-2004's Extraordinary Shareholders General Meeting. However this doesn't affect the company's claim towards the greek state.						
6.In addition the Company has a claim concerning a subsidy for the maintenance expenditures according to the contract with the Greek State. However, since it is not feasible to extract the amount that corresponds to maintenance from the total amount of expenditures that are related with the operation and maintenance of installations that is Euro 704.43 millions the corresponding subsidy has not been finalized between the company and the State until the conduction of the present financial statements .						
7.Transactions with related parties (Amounts in thousands of Euro)						
Cumulative amounts from the beginning of the current period concerning purchases and sales together with the company's claims and liabilities at the end of the current period that have been resulted from its transactions with related parties in the sense of the IAS 24 are as follows :						
	2009	2008				
i)Revenues (1/1-30/6/2009 και 1/1-30/6/2008 respectively).	32.146	34.283				
ii)Claims (30/6/2009 and 31/12/2008 respectively)	290.662	277.951				
iii)Transactions and Payrolls of Directors and Members of the Administration (1/1-30/6/2009 και 1/1-30/6/2008 respectively).	178	171				
8. Total Comprehensive income of 713 th. at 30/06/2009, concerns non current assets appropriated for sale (portfolio revaluation).						
9. Until the approval date of the condensed first half financial statements events that could substantially affect its assets structure or its activities process have not been occurred.						
10. The emphasis matters of the Auditors Report refer to the above mentioned data under the footnotes 5 & 6 as also in the fact that assigned fixed assets of a total undepreciated value of approximately € 657 ml had not been transferred to the Public Entity "EYDAP fixed assets company".						
Athens, August 28th, 2009						
The Chairman of the Board of Directors	The Chief Executive Officer		The Chief Financial Officer	The Chief Accounting Officer		
Kostoulas Konstantinos	Vartholomeos Antonios		Leventi Maria	Spyropoulou Eleni		
I.D. No AE 043716	I.D. No X 666882		I.D. No Σ 099991	I.D. No Σ 194321		

(TRANSLATION)
Report on Review of Interim Financial Information
To the Shareholder's of the Athens Water Supply and Sewerage SA (E.YD.A.P. S.A.)

Introduction

We have reviewed the accompanying condensed statement of financial position of the "Athens Water Supply and Sewerage S.A. (E.YD.A.P. S.A.)" (the "Company") as of 30 June, 2009 and the related condensed income statement, statement of comprehensive income, changes in equity and cash flows for the six-month period then ended, and selective explanatory notes which comprise the interim condensed financial information, which represents an integral part of the six month financial report as provided by Law 3556/2007. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standards as adopted by the European Union and applicable to interim financial reporting (International Accounting Standard "IAS" 34). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Without qualifying our report, we draw your attention to the following:

1. The Company according to its establishment Law 2744/99, signed an Agreement with the Greek State whereby the State committed to granting E.YD.A.P. S.A. either from European Union's financial resources or from the State's Programme of Public Investments funds to cover 60% of the capital expenditure that E.YD.A.P. S.A. will spend for the maintenance, renovation, improvement and or the expansion of the water supply and sewerage system for the eight year period from 2000 to 2008. Against the above mentioned Investment Programme, amounting to approximately Euro 1,22 billion, which includes maintenance expenses, the Company as of 31.12.2008 has incurred expenses for capital expenditure amounting to approximately Euro 432 million for which it should receive a subsidy amounting to approximately Euro 259 million (ie $432 \times 60\%$) while in accordance with the aforementioned contract the Company claims is also a subsidy for maintenance expenses. The Company against the subsidy to which it is entitled to, has received as of 30.06.2009 an amount of approximately Euro 9 million. In accordance with the principle of prudence, the above receivable of the Company from the Greek State amounting to Euro 250 million approximately (259 million – 9 million) has not been accounted for as a receivable and as a long term liability, from which it would be gradually transferred to the income statement in accordance with the depreciation rate of the subsidised water supply and sewerage system. If the aforementioned accounting entries had been included, then the current year's financial results would have been improved (profit) by Euro 2,6 million approximately, the previous year's results by Euro 2,4 approximately and Shareholders' Equity as of 30.06.2009 increased by Euro 37,2 million approximately.

Conclusion – Continued

It is clarified that based on the decision of 10.08.2004 of the Extraordinary General Assembly of shareholders the Investment program of company was modified; however such modification does not affect the above company's claim against the Greek State.

It is also noted that, during the period 01.01.2009-30.06.2009, the Company has incurred expenses for capital expenditure amounting to approximately Euro 22 million for which, according to Appendix 4 of the

aforementioned Agreement, it should receive a subsidy amounting to approximately Euro 13,2 (22 X 60%), after the submission of application

2. As already mentioned in our above matter of emphasis number 1, the amount of approximately Euro 250 million does not include the receivable arising from the subsidisation of maintenance expenses, because from the total expenses relating to operations and maintenance up to 31.12.2008 amounting to Euro 704 million approximately, it was not possible to isolate the amount related to maintenance expenses. Even though in the relevant contract signed by the Company and the Greek State (Appendix 4 – Financial commitments under the title “Subsidies for capital expenditure guaranteed by the State”) it is mentioned that the State guarantees the granting to E.YD.AP S.A. of a subsidy amount representing 60% of the capital expenditure incurred by the Company relating to maintenance, renovation, improvement or expansion of the water supply and sewerage system for any year from 2000 to 2008, as of the date of completion of our audit, the amount due by the State relating to the subsidy for maintenance expenses had not been agreed upon between the Company and the State.
3. As of the date of the issue of this audit report, the legal transfer of the ownership of the assets to the Company “Fixed Assets E.YD.A.P S.A.”, amounting to Euro 657 million approximately, had not been completed.

Report on Other Legal and Regulatory Requirements

Based on our review we noted that the content of the six month financial report as provided by article 5 of Law.3556/2007 is consistent with the accompanying interim condensed financial information.

Athens, August 28, 2009

The Certified Public Accountants

Michael K. Hadjipavlou
RN SOEL 12511

Epaminondas H. Giouroukos
RN SOEL. 10351

Deloitte.

Hadjipavlou Sofianos & Cambanis S.A.
Assurance & Advisory Services
250-254 Kifissias Ave.
152 31 Halandri
Reg. No. SOEL: E 120