

PIRAEUS PORT AUTHORITY S.A.
INTERIM PROFIT AND LOSS STATEMENT
FOR THE PERIOD FROM 1 JANUARY UNTIL 30 SEPTEMBER 2008
(Amounts in Euro)

	Note	01/01-30/9/2008	01/01-30/9/2007	01/07-30/9/2008	01/07-30/9/2007
Income from sales and other services	20	78.878.598,20	126.139.869,93	32.721.257,61	44.863.674,33
Cost of sales	21	(70.805.332,06)	(92.173.342,95)	(24.823.802,12)	(31.641.224,21)
Gross profit		8.073.266,14	33.966.526,98	7.897.455,49	13.222.450,12
Administration expenses	21	(12.081.907,07)	(12.249.829,92)	(4.924.630,99)	(4.839.518,64)
Other operational income	22	5.659.339,44	5.838.141,70	1.599.311,92	1.891.647,66
Other operational expenses	22	(1.076.849,56)	(1.264.988,97)	(62.662,47)	(113.692,29)
Operational profit		573.848,95	26.289.849,79	4.509.473,95	10.160.886,85
Financial results	23	349.640,28	443.364,23	37.313,42	94.569,99
Profit for the period before taxes		923.489,23	26.733.214,02	4.546.787,37	10.255.456,84
Income tax	6	(1.492.201,44)	(6.749.669,84)	(749.343,83)	(2.579.952,88)
Profit for the period after taxes		(568.712,21)	19.983.544,18	3.797.443,54	7.675.503,96
Basic earnings (losses) per share	26	(0,02)	0,80	0,15	0,31

Piraeus 27th of November 2008

PRESIDENT OF THE BoD

MANAGING DIRECTOR

FINANCIAL DI

ΝYSIOS BEHRAKIS
ID X. 075485

NIKOLAOS ANASTASSOPOULOS
ID Ξ. 625099

KONSTANTINOS BAI
No Reg HEC. 0005249

The attached notes are an integral part of the above interim Profit and Loss statement

PIRAEUS PORT AUTHORITY S.A.
INTERIM BALANCE SHEET AS AT 30 SEPTEMBER 2008
(Amounts in Euro)

	<u>Note</u>	<u>30 September 2008</u>	<u>31 December 2007</u>
ASSETS			
Fixed assets and long-term accounts receivable			
Tangible assets	3	220.704.188,76	199.828.156,81
Intangible assets	4	177.967,10	281.481,79
Long term accounts receivable	5	317.940,00	317.970,00
Deferred tax assets	6	7.020.033,77	8.512.235,21
Total fixed assets		228.220.129,63	208.939.843,81
Current assets			
Inventory	7	5.694.211,06	5.370.306,35
Trade receivable	8	14.865.027,72	8.164.618,15
Other receivable	9	7.476.905,41	687.546,52
Cash on hand and in banks	10	43.791.691,08	49.007.142,06
Total current assets		71.827.835,27	63.229.613,08
TOTAL ASSETS		300.047.964,90	272.169.456,89
EQUITY AND LIABILITIES			
EQUITY			
Share capital	11	50.000.000,00	50.000.000,00
Reserves	12	76.056.092,14	74.814.183,92
Retained earnings		46.456.117,62	56.516.738,05
Total Equity		172.512.209,76	181.330.921,97
Provisions and long-term liabilities			
Fixed assets subsidies	13	10.100.728,78	10.527.300,88
Provision for staff leaving indemnity	15	6.747.636,00	7.050.466,00
Provisions for pending lawsuits	14	20.735.960,58	20.735.960,58
Long-term finance lease obligations	16	3.733.345,82	5.847.868,05
Long-term bank loans	17	37.924.137,94	5.848.275,87
Total long-term liabilities		79.241.809,12	50.009.871,38
Short-term liabilities			
Trade payable		5.617.919,85	7.924.241,16
Short-term bank loans	17	2.924.137,93	2.924.137,93
Short-term finance lease obligations	16	2.796.779,80	2.663.803,67
Dividends payable	18	0,00	0,00
Other liabilities and accrued expenses	19	36.955.108,44	27.316.480,78
Total short-term liabilities		48.293.946,02	40.828.663,54
Total liabilities		300.047.964,90	272.169.456,89
TOTAL EQUITY AND LIABILITIES		300.047.964,90	272.169.456,89

Piraeus 27th of November 2008

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The attached notes are an integral part of the above interim Balance sheet

PIRAEUS PORT AUTHORITY S.A.
INTERIM CASH FLOW STATEMENT FOR THE PERIOD
FROM 1 JANUARY 2008 UNTIL 30 SEPTEMBER 2008
(Amounts in Euro)

	<u>01/01-30/9/2008</u>	<u>01/01-30/9/2007</u>
Cash flows from operating activities		
Profit before taxes	923.489,23	26.733.214,02
Provisions	(302.830,00)	350.000,00
Tangible and intangible assets depreciation	7.656.152,91	7.324.355,55
Investing activity results	540.782,27	
Interest payable and similar charges	991.015,23	778.802,29
	<u>9.808.609,64</u>	<u>35.186.371,86</u>
(Increase) Decrease		
Trade debtors	(6.700.409,57)	(5.821.944,25)
Other receivable	(6.789.358,89)	(411.187,89)
Inventory	(323.904,71)	157.454,21
Long-term receivable	30,00	(10.859,00)
Increase (Decrease)		
Trade creditors	(2.306.321,31)	124.221,00
Other liabilities and accrued expenses	(1.535.510,27)	2.917.485,43
Cash flows from operating activities	<u>(7.846.865,11)</u>	<u>32.141.541,36</u>
Cash flows from investing activities		
Fixed assets subsidies	0,00	1.110.000,00
Acquisition of tangible assets	(29.396.024,54)	(11.633.747,73)
Net cash (used in) investing activities	<u>(29.396.024,54)</u>	<u>(10.523.747,73)</u>
Cash flows from financing activities		
Issue of short-term finance lease obligations	0,00	321.849,53
Short-term finance lease obligations payment	(1.981.546,10)	(1.746.844,29)
Issue of long-term loan obligations	35.000.000,00	1.186.520,55
Interest paid	(991.015,23)	(778.802,29)
Net cash from/(used in) financing activities	<u>32.027.438,67</u>	<u>(1.017.276,50)</u>
Net increase/(decrease) in cash and cash equivalents for the period	<u>(5.215.450,98)</u>	<u>20.600.517,13</u>
Plus: cash and cash equivalents at beginning of period	<u>49.007.142,06</u>	<u>22.618.537,43</u>
Plus: cash and cash equivalents at end of period	<u><u>43.791.691,08</u></u>	<u><u>43.219.054,56</u></u>

Piraeus 27th of November 2008

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The attached notes are an integral part of the above interim cash flow statement

PIRAEUS PORT AUTHORITY S.A.
INTERIM EQUITY STATEMENT
FOR THE PERIOD FROM 1 JANUARY 2008 UNTIL 30 SEPTEMBER 2008
(amounts in Euro)

	Issued share capital	Statutory reserve	Reserves Other reserves	Total reserves	Retained earnings	Total Equity
1 January 2007	50.000.000,00	4.488.276,66	69.715.059,11	74.203.335,77	36.289.421,82	160.492.757,59
Profit for the period					19.983.544,18	19.983.544,18
Statutory reserve		610.848,15		610.848,15	(610.848,15)	0,00
Dividends payable					(4.000.000,00)	(4.000.000,00)
30 September 2007	50.000.000,00	5.099.124,81	69.715.059,11	74.814.183,92	51.662.117,85	176.476.301,77

	Issued share capital	Statutory reserve	Reserves Other reserves	Total reserves	Retained earnings	Total Equity
1 January 2008	50.000.000,00	5.099.124,81	69.715.059,11	74.814.183,92	56.516.738,05	181.330.921,97
Profit for the period					(568.712,21)	(568.712,21)
Statutory reserve		1.241.908,22		1.241.908,22	(1.241.908,22)	0,00
Dividends payable					(8.250.000,00)	(8.250.000,00)
30 September 2008	50.000.000,00	6.341.033,03	69.715.059,11	76.056.092,14	46.456.117,62	172.512.209,76

Piraeus 27th of November 2008

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PIRAEUS PORT AUTHORITY S.A.

*NOTES TO THE INTERIM FINANCIAL
STATEMENTS (ACCORDING TO
INTERNATIONAL FINANCIAL REPORTING
STANDARDS- IFRS)
FOR THE PERIOD ENDED ON THE 30TH
OF SEPTEMBER 2008*

PIRAEUS PORT AUTHORITY S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (ACCORDING TO INTERNATIONAL FINANCIAL REPORTING STANDARDS- IFRS)

FOR THE PERIOD ENDED ON THE 30TH OF SEPTEMBER 2008

(amounts in Euro)

1. ESTABLISHMENT AND ACTIVITY OF THE COMPANY

“Piraeus Port Authority S.A” (from now on “PPA” or “Company”) was established in 1930 as Civil Law Legal Corporation (C.L.L.C.) by Law 4748/1930, which was reformed by Law 1559/1950 and validated by Law 1630/1951 and converted into a Société Anonyme (S.A.) by Law 2688/1999.

The Company main activities are ships’ anchoring services, handling cargo, loading and unloading services as well as goods storage and car transportation. The Company is also responsible for the maintenance of port facilities, the supply of port services (water, electric current, telephone connection etc supply), for services provided to travelers and for renting space to third parties.

The Company average personnel number in the period ended on the 30th of September 2008 was 1.602 (1.507 on the 30th of September 2007).

The Company is under the supervision of the Ministry of Mercantile Marine and it is ruled by the principles of Société Anonyme (S.A.) Law 2190/1920 and the establishment Law 2688/1999 as it was reformed by Law 2881/2001.

The Company duration period is one hundred (100) years from the effective date of Law 2688/1999. This period may be extended by special resolution of the shareholders general meeting.

CONCESSION AGREEMENT

In persuasion of the 35th article of 2932/2001 Law, Greek Government and the Company signed on 13.2.2002 the Concession Agreement, by which the government transfers its exclusive right of use and exploitation of port zone lands, buildings and facilities of Piraeus Port to the Company for a period of forty (40) years, which can be extended. In exchange for the above Concession Greek Government receives 1% of the Company’s consolidated annual income adjusted to 2% after the first 3 years of the agreement.

2. ACCOUNTING PRINCIPLES

The accounting principles used for the preparation of the interim financial statements for the period 1/1/2008-30/9/2008 are identical to the ones used for the preparation of the financial statements for the year ended on the 31/12/2007.

The Company operates as an indivisible unit of port services in Piraeus Port. Within this framework there is no requirement to produce and publicise financial records by activity according to IAS 14 “Segmental Reporting”. It is noted that as far as geographical areas reporting is concerned, the Company total activities regard the broad range of Piraeus and therefore is considered as one geographical area.

The attached summary financial statements have been prepared according to I.F.R.S. 34 and should be read together with the year 2007 financial statements which include a detailed description of the Company accounting principles and are available at its website www.olp.gr

The preparation of financial statements according to the IFRS requires estimations and assumptions to be made by the management, influencing the assets and liabilities amounts, the disclosure of potential receivable and liabilities as at the financial statement’s date, as well as the revenue and expenditure

PIRAEUS PORT AUTHORITY S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (ACCORDING TO INTERNATIONAL FINANCIAL REPORTING STANDARDS- IFRS)

FOR THE PERIOD ENDED ON THE 30TH OF SEPTEMBER 2008

(amounts in Euro)

amounts, during the financial period. There was no change in estimations used in relation to the financial statements for the year ended 31/12/2007. Actual results may differ from these estimations.

The interim financial statements for the period ended on the 30th of September 2008 were approved by the PPA S.A. Board of Directors on the 27/11/2008.

3. TANGIBLE FIXED ASSETS

	LAND AND BUILDINGS	MACHINERY AND EQUIPMENT	MOTOR VEHICLES	FURNITURE , FIXTURES AND FITTINGS	ADVANCES AND ASSETS UNDER CONSTRUCTION	TOTAL
NET BOOK VALUE AS AT						
1 January 2008	101.036.618,90	65.989.770,81	10.498.610,74	1.613.253,58	20.689.902,78	199.828.156,81
ADDITIONS	4.068.289,91	1.167.033,79	87.539,20	750.257,48	26.649.164,16	32.722.284,54
DISPOSALS	-	686.720,46	836.683,79	-	3.357.810,00	4.881.214,25
DEPRECIATION FOR THE PERIOD (NOTE 24)	2.804.543,87	4.134.993,42	439.308,59	568.814,44	-	7.947.660,32
DEPRECIATION SET OFF	-	433.372,44	549.249,54	-	-	982.621,98
NET BOOK VALUE AS AT						
30 September 2008	102.300.364,94	62.768.463,16	9.859.407,10	1.794.696,62	43.981.256,94	220.704.188,76
1 January 2008						
COST	112.419.151,36	96.849.412,83	14.204.491,29	7.040.071,32	20.689.902,78	251.203.029,58
ACCUMULATED DEPRECIATION	11.382.532,46	30.859.642,02	3.705.880,55	5.426.817,74	-	51.374.872,77
NET BOOK VALUE	101.036.618,90	65.989.770,81	10.498.610,74	1.613.253,58	20.689.902,78	199.828.156,81
30 September 2008						
COST	116.487.441,27	97.329.726,16	13.455.346,70	7.790.328,80	43.981.256,94	279.044.099,87
ACCUMULATED DEPRECIATION	14.187.076,33	34.561.263,00	3.595.939,60	5.995.632,18	-	58.339.911,11
NET BOOK VALUE	102.300.364,94	62.768.463,16	9.859.407,10	1.794.696,62	43.981.256,94	220.704.188,76

4. INTANGIBLE FIXED ASSETS

	<u>SOFTWARE</u>
Net book value as at 1 st of January 2008	281.481,79
Additions	31.550,00
Depreciation for the period (Note 24)	135.064,69
Net Book Value as at 30 th of September 2008	<u><u>177.967,10</u></u>
1 January 2008	
Cost	4.080.166,92
Accumulated depreciation	3.798.685,13
30 September 2008	<u><u>281.481,79</u></u>

PIRAEUS PORT AUTHORITY S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (ACCORDING TO INTERNATIONAL FINANCIAL REPORTING STANDARDS- IFRS)

FOR THE PERIOD ENDED ON THE 30TH OF SEPTEMBER 2008

(amounts in Euro)

30 September 2008

Cost	4.111.716,92
Accumulated depreciation	<u>3.933.749,82</u>
Net book value	<u>177.967,10</u>

5. LONG TERM ACCOUNTS RECEIVABLE

This account consists of the following:

	<u>30/9/2008</u>	<u>31/12/2007</u>
Guarantees to third parties	290.367,00	290.367,00
Car leases guarantees	27.573,00	27.603,00
TOTAL	<u>317.940,00</u>	<u>317.970,00</u>

6. INCOME TAX (CURRENT AND DEFERRED)**(a) Income tax provision**

	<u>30/9/2008</u>	<u>30/9/2007</u>
Current income tax	-	6.398.670,18
Deferred income tax	1.492.201,44	350.999,66
Total	<u>1.492.201,44</u>	<u>6.749.669,84</u>

The nominal rate (25% for the financial year ending the 31st of December 2007) does not differ substantially from the actual tax rate because there are not any significant non tax allowable expenditure.

(b) Deferred income tax:

Deferred income taxes arise from temporary differences between accounting values and tax bases of assets and liabilities and are calculated on the basis of the current income tax rate.

Based on article 19 of Law 3697 publicised on Government paper on the 25/9/2008 the income tax rates of Limited Companies is as follows:

Financial year 2008: 25%, Financial year 2009:25%, Financial year 2010: 24%, Financial year 2011: 23%, Financial year 2012: 22%, Financial year 2013: 21%, Financial year 2014: 20% and for financial year 2015 onwards 20%. With reference to the above article the deferred income tax was recalculated based on the income tax rates applicable at the time of assets realisation and liabilities settlement which resulted at 30/09/2008 to an increase of the deferred tax liability (loss) of € 481.525,80. This loss was recognised as an increase in deferred income tax in the profit and loss statement.

The deferred income tax account movement is analysed as follows:

PIRAEUS PORT AUTHORITY S.A.**NOTES TO THE INTERIM FINANCIAL STATEMENTS (ACCORDING TO INTERNATIONAL FINANCIAL REPORTING STANDARDS- IFRS)**FOR THE PERIOD ENDED ON THE 30TH OF SEPTEMBER 2008

(amounts in Euro)

	<u>30/9/2008</u>	<u>30/9/2007</u>
Opening balance	8.512.235,21	8.301.918,80
Amount in Year Profit and Loss statement	<u>(1.492.201,44)</u>	<u>(350.999,66)</u>
Closing balance (Net amount)	<u>7.020.033,77</u>	<u>7.950.919,14</u>

7. INVENTORY

This account is analysed in the attached financial statements as follows:

	<u>30/9/2008</u>	<u>31/12/2007</u>
Consumables	2.529.866,09	2.332.997,83
Fixed assets spare parts	3.164.344,97	3.037.308,52
TOTAL	<u>5.694.211,06</u>	<u>5.370.306,35</u>

The total consumption cost for the period 1/1-30/9/2008 amounted to € 1.877.188,31 while that of the respective period 1/1-30/9/2007 amounted to € 2.977.752,95. There was no inventory devaluation in its net realizable value.

8. TRADE DEBTORS

This account is analysed in the attached financial statements as follows:

	<u>30/9/2008</u>	<u>31/12/2007</u>
Customers	10.523.614,14	3.132.921,47
Doubtful Debts-Court Pending Cases	37.852.149,20	38.172.432,30
Less: Provision for doubtful debts	<u>(33.510.735,62)</u>	<u>(33.140.735,62)</u>
TOTAL	<u>14.865.027,72</u>	<u>8.164.618,15</u>

The account "Doubtful Debts- Court Pending Cases" includes credit customers outstanding for an over ten day period.

The Company receives payments in advance for services rendered on an ordinary basis, which are then settled on a regular basis. Each sales ledger account is credited by those payments in advance and debited by invoices of the specific services rendered. These invoices correspond to a credit balance of the payments in advance as at 30/9/2008. Customer payments in advance are stated at liabilities in the account "Other liabilities and accrued expenses".

The Provision for doubtful debts account is stated as follows:

	<u>30/9/2008</u>	<u>30/9/2007</u>
Opening balance	33.140.735,62	31.745.292,63
Provision for the year	370.000,00	2.367.406,52
Closing balance	<u>33.510.735,62</u>	<u>34.112.699,15</u>

PIRAEUS PORT AUTHORITY S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (ACCORDING TO INTERNATIONAL FINANCIAL REPORTING STANDARDS- IFRS)

FOR THE PERIOD ENDED ON THE 30TH OF SEPTEMBER 2008

(amounts in Euro)

9. OTHER RECEIVABLE

This account is analysed in the attached financial statements as follows:

	<u>30/9/2008</u>	<u>31/12/2007</u>
Personnel loans	144.262,57	282.057,24
Current V.A.T	3.052.897,92	387.606,10
Income tax 2008 payment in advance	3.514.040,35	-
Other receivable	765.704,57	17.883,18
TOTAL	<u>7.476.905,41</u>	<u>687.546,52</u>

Personnel loans: The Company provides interest-free loans to its personnel. The loan amount per employee does not exceed approximately € 3.000 and loan repayments are made by withholding monthly instalments from the employee salaries.

Current VAT : Debit V.A.T balance which will be set off in future financial periods..

Other receivable: Other receivable includes prepayments for next periods expenditures.

10. CASH ON HAND AND IN BANKS

This account is analysed in the attached financial statements as follows:

	<u>30/9/2008</u>	<u>31/12/2007</u>
Cash on hand	1.746.774,04	930.815,56
Cash in banks	42.044.917,04	48.076.326,50
TOTAL	<u>43.791.691,08</u>	<u>49.007.142,06</u>

11. SHARE CAPITAL

The Company share capital amounts to € **50.000.000**, fully paid up and consists of **25.000.000** ordinary shares, of nominal value € 2 each. In the Company share capital there are neither shares which do not represent Company capital nor bond acquisition rights.

12. RESERVES

This account is analysed in the attached financial statements as follows:

	<u>30/9/2008</u>	<u>31/12/2007</u>
Statutory reserve	6.341.033,03	5.099.124,81
Special tax free reserve N 2881/2001	61.282.225,52	61.282.225,52
Untaxed income reserve	7.704.705,23	7.704.705,23
Specially taxed income reserve	728.128,36	728.128,36
	<u>76.056.092,14</u>	<u>74.814.183,92</u>

PIRAEUS PORT AUTHORITY S.A.

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FOR THE PERIOD ENDED ON THE 30TH OF SEPTEMBER 2008

(amounts in Euro)

Statutory reserve: Under the provisions of Greek corporate Law companies are obliged to transfer at least 5% of their annual net profit, as defined, to a statutory reserve, until the reserve equals the 1/3 of the issued share capital. The reserve is not available for distribution throughout the Company activity.

Special tax free reserve Law 2881/2001: This reserve was created during the PPA conversion to a Société Anonyme. The total Company net shareholder equity was valued, by the article 9 Committee of the Codified Law 2190.1920, at € 111.282.225,52, € 50.000.000 out of which was decided by Law 2881/2001 to form the Company share capital and the remaining € 61.282.225,52 to form this special reserve.

Untaxed or specially taxed income reserve: This is interest income which was either not taxed or taxed by withholding 15% tax at source. In case these reserves are distributed, they are subject to tax on the general income tax provision basis. At present time the Company does not intend to distribute the above mentioned reserves and consequently and in accordance with IAS 12 deferred tax has not been assessed.

13. INVESTMENT SUBSIDIES

This account is analysed in the attached financial statements as follows:

	30/9/2008	31/12/2007
Initial value	12.510.000,00	11.400.000,00
Fixed assets subsidies for period		1.110.000,00
Accumulated depreciation	(2.409.271,22)	(1.982.699,12)
Net Book Value	10.100.728,78	10.527.300,88

14. PROVISIONS FOR PENDING LAWSUITS

The Company has made provisions at 31/12/2007 for various pending court cases amounting to € 20.735.960,58 for lawsuits from personnel and other third party. The Company Management and legal department estimated the probability of negative outcome, as well as the probable settlement payments in order to account for this provision. Apart from the above, the Company is involved in (as plaintiff and defendant) various court cases that fall within the scope of its normal activity. The Company Management and legal department estimate that these pending court cases are expected to be settled without significant negative effect to the Company financial position or to its operation results.

PIRAEUS PORT AUTHORITY S.A.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (ACCORDING TO INTERNATIONAL FINANCIAL REPORTING STANDARDS- IFRS)

FOR THE PERIOD ENDED ON THE 30TH OF SEPTEMBER 2008

(amounts in Euro)

15. PROVISION FOR STAFF LEAVING INDEMNITY

Provision for staff leaving indemnity recognised in the period financial results:

	<u>30/9/2008</u>	<u>30/9/2007</u>
Current employment and financial cost	<u>(302.830,00)</u>	<u>350.000,00</u>

The relevant provision movement for the period ended on the 30th of September 2008 and the financial year ended the 31st of December 2007 is as follows:

	<u>30/9/2008</u>	<u>31/12/2007</u>
Opening balance	7.050.466,00	6.841.646,00
Provision for the period (Note 25)	<u>(302.830,00)</u>	<u>208.820,00</u>
Closing balance	<u>6.747.636,00</u>	<u>7.050.466,00</u>

The negative provision amount is due to the increased number of retired employees during the current period.

16. FINANCE LEASE OBLIGATIONS

A. Within the year 2005, the Company acquired by finance lease the following assets:

1) eighteen (18) straddle carriers worth € 10.463.000. The finance lease duration is five years and at the end the Company has the right to buy these assets at the price of € 11,93.

The average finance lease interest rate for the period was 6,67%.

2) One (1) new port mobile crane type HMK 300K 100T worth € 2.787.000. The finance lease duration is ten years and at the end PPA has the right to buy this asset at the price of € 100,00.

The average finance lease interest rate for the period was 6,22%.

The minimum future finance lease payments as well as the present value of minimum net finance lease payments on the 30th of September 2008 are analysed as follows:

1) FINANCE LEASE OF STRADDLE CARRIERS

	<u>Minimum Payments</u>	<u>Payments Present Value</u>
Within next year	2.413.551,24	2.266.841,88
Within 2-5 years	<u>1.005.646,35</u>	<u>989.311,85</u>
Total	<u>3.419.197,59</u>	<u>3.256.153,73</u>
Less: financial charges	<u>163.043,86</u>	
Current value of minimum Finance lease payments.....	<u>3.256.153,73</u>	<u>3.256.153,73</u>

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(amounts in Euro)

2) FINANCE LEASE PORT MOBILE CRANE

	<u>Minimum Payments</u>	<u>Payments Present Value</u>
Within next year	376.443,48	244.829,98
Within 2-5 years	1.505.773,92	1.162.675,84
After 5 years	721.516,67	678.679,98
Total	<u>2.603.734,07</u>	<u>2.086.185,80</u>
Less: financial charges	<u>517.548,27</u>	
Current value of minimum finance lease payments	<u>2.086.185,80</u>	<u>2.086.185,80</u>

B. In July 2007 PPA S.A. activated a finance lease (sale and buy back of fixed assets) of total value € 1.508.370,08 that is:

- 1) four (4) heavy-duty forklifts type DCE90-45E7 of net book value € 739.670,08
- 2) ten (10) tractors type PT122L HD worth € 768.700,00

The finance lease duration is five years and at the end PPA has the right to buy these assets at the price of € 1,00.

The average finance lease interest rate for the period was 5,30%.

The minimum future finance lease payments as well as the present value of minimum net finance lease payments on the 30th of September 2008 are analysed as follows:

FINANCE LEASE OF 4 HEAVY DUTY FORKLIFTS AND 10 TRACTORS

	<u>Minimum Payments</u>	<u>Payments Present Value</u>
Within next year	346.043,88	285.107,94
Within 2-5 years	980.457,66	902.678,15
Total	<u>1.326.501,54</u>	<u>1.187.786,09</u>
Less: financial charges	<u>138.715,45</u>	
Current value of minimum finance lease payments	<u>1.187.786,09</u>	<u>1.187.786,09</u>

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17. BANK LOANS

The account balance of “Long term bank loans” concerns the following two loans:

1. A loan between the Company and the European Investment Bank issued in 1996 of € 29.200.000 for the West part of Peer II of the Container Terminal construction in N. Ikonio. The loan repayment is to be made in ten (10) annual consecutive instalments, beginning the 15th of September 2001 and ending the 15th of September 2010. Up to date eight instalments have been paid up, while the ninth has been transferred to the Company short term liabilities. The loan balance outstanding as at 30th of September 2008 is € 5.848.275,87, divided in a) € 2.924.137,93 “Long term bank loans” and b) € 2.924.137,93 “Short term bank loans”.

This loan bears interest based on the European interest rate (EURIBOR), plus a margin of 1,50%, payable every three months. The loan interest for the period ended on the 30th of September 2008 amounted to € 388.008,70 (€ 353.718,71 on the 30th of September 2007) and is included in the financial results in the attached interim Profit and Loss statement.

2. A loan issued in 30/07/2008 of € 35.000.000 for Peer I of the Container Terminal construction in N. Ikonio. The loan repayment is to be made in thirty (30) six-monthly consecutive instalments, beginning the 15th of December 2013 and ending the 15th of June 2028.

This loan bears a “VSFR” which is a variable-spread floating interest rate, that is to say an annual interest rate determined by the Bank for each VSFR Reference Period in accordance with the applicable principles from time to time laid down by the governing bodies of the Bank for loans made at a floating rate of interest, not determined by reference to EURIBOR. The VSFR can not exceed EURIBOR plus thirteen basis points (0,13%), while interest is paid quarterly. The loan interest for the period ended on the 30th of September 2008 amounted to € 217.048,61 (interest rate 4,94%) and is included in the financial results in the attached interim Profit and Loss statement.

18. DIVIDENDS

According to Greek Trade Law, the Companies are required to distribute every year dividends calculated at least as the 35% of their net annual profit after taxes. In addition, Greek Law requires certain conditions to be fulfilled in order to distribute dividend:

- (a) No dividends can be distributed to the shareholders, if the Company equity, represented in its financial statements, is or will be after the distribution, lower than issued share capital and non-distributable reserves.
- (b) No dividends can be distributed to the shareholders, if the net book value of “Establishment Expenses”, represented in its financial statements, is greater than the total of optionally distributed reserves and retained earnings.

Dividend distribution for the financial year 2006: The Board of Directors suggested for the financial year 2007 the distribution of dividends to the shareholders of € 8.250.000,00 or € 0,33 per share. The distribution of dividends suggestion was accepted by the annual Ordinary Shareholders General Meeting on the 26th of June 2008.

PIRAEUS PORT AUTHORITY S.A.

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FOR THE PERIOD ENDED ON THE 30TH OF SEPTEMBER 2008

(amounts in Euro)

19. OTHER LIABILITIES AND ACCRUED EXPENSES

This account is analysed in the attached financial statements as follows:

	<u>30/9/2008</u>	<u>31/12/2007</u>
Taxes payable	2.921.563,18	9.295.911,95
National insurance and other contribution	1.498.063,84	2.963.026,49
Other short term liabilities	5.544.977,07	10.396.198,69
Customer advance payments	3.788.189,87	3.340.983,19
Accrued expenses	8.053.165,49	1.320.360,46
Sale discounts under settlement	15.149.148,99	-
	<u>36.955.108,44</u>	<u>27.316.480,78</u>

Taxes Payable: Current period amount consists of: a) Income tax for the year 2007 € 2.148.912,21 b) Employee withheld income tax € 565.148,85 and c) Other third party taxes € 207.502,12.

Insurance and Other Contributions: This amount mainly consists of employer contribution to insurance funds and is analysed as follows:

	<u>30/9/2008</u>	<u>31/12/2007</u>
National Insurance Contributions (IKA)	1.232.049,84	2.156.686,26
Insurance Contributions to Supplementary Funds	170.999,78	504.275,62
Other Insurance Contributions	95.014,22	302.064,61
	<u>1.498.063,84</u>	<u>2.963.026,49</u>

Other short- term liabilities: The amounts below are analysed as follows:

	<u>30/9/2008</u>	<u>31/12/2007</u>
Salaries Payable	1.085.197,63	2.142.147,55
Concession Agreement Payment for 2006	-	3.543.392,25
Other contribution payable (TAPAEL, NAT etc.)	451.997,93	457.548,31
Various Prepayments (rents etc.)	540.931,82	7.100,58
Other Third Party Short-term obligations	1.876.849,69	2.656.010,00
Greek state committed dividends	1.590.000,00	1.590.000,00
	<u>5.544.977,07</u>	<u>10.396.198,69</u>

PIRAEUS PORT AUTHORITY S.A.**NOTES TO THE INTERIM FINANCIAL STATEMENTS (ACCORDING TO INTERNATIONAL FINANCIAL REPORTING STANDARDS- IFRS)**FOR THE PERIOD ENDED ON THE 30TH OF SEPTEMBER 2008

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Accrued expenses: The amount of € 8.053.165,49 concerns a proportion of personnel salary (Christmas bonus and employee backpay, portion of holiday remuneration etc.) as well as other operating expenses (proportion of concession agreement payment, water, electricity, telephone provisions, third party compensation etc.)

20. SALES

Sales are analysed as follows:

	<u>30/9/2008</u>	<u>30/9/2007</u>
Income from:		
Loading and unloading	33.625.467,04	72.168.020,00
Storage	13.444.380,60	23.990.313,78
Various other port services	31.808.750,56	29.981.536,15
	<u>78.878.598,20</u>	<u>126.139.869,93</u>

21. EXPENSES ALLOCATION AT OPERATIONS

Expense accounts are allocated in cost of sales, administration and distribution operations in the attached financial statements as follows:

	<u>Period ended on 30/9/2008</u>		
	<u>Cost of Sales</u>	<u>Administration Expenses</u>	<u>Total</u>
Payroll Costs (Note 25)	45.806.508,05	7.926.644,20	53.733.152,25
Third Party Fees	1.598.584,97	365.132,00	1.963.716,97
Third Party Services	9.432.309,47	2.075.962,16	11.508.271,63
Depreciation (Note 24)	6.885.279,28	770.873,63	7.656.152,91
Taxes and Duties	115.908,59	26.474,62	142.383,21
General Expenses	4.788.350,90	848.022,95	5.636.373,85
Consumables	1.877.188,31	-	1.877.188,31
Provisions of Doubtful Debts	301.202,49	68.797,51	370.000,00
	<u>70.805.332,06</u>	<u>12.081.907,07</u>	<u>82.887.239,13</u>

	<u>Period ended on 30/9/2007</u>		
	<u>Cost of Sales</u>	<u>Administration Expenses</u>	<u>Total</u>
Payroll Costs (Note 25)	64.730.868,32	8.826.969,14	73.557.837,46
Third Party Fees	1.318.895,55	211.734,79	1.530.630,34
Third Party Services	9.122.604,72	1.805.856,54	10.928.461,26
Depreciation (Note 24)	6.799.115,25	525.240,30	7.324.355,55
Taxes and Duties	125.663,12	20.173,89	145.837,01
General Expenses	4.817.493,87	773.397,91	5.590.891,78
Consumables	2.977.752,95	-	2.977.752,95
Provisions of Doubtful Debt	2.280.949,17	86.457,35	2.367.406,52
	<u>92.173.342,95</u>	<u>12.249.829,92</u>	<u>104.423.172,87</u>

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(amounts in Euro)

22. OTHER OPERATIONAL INCOME AND EXPENDITURE:**1) Other Operational Income:**

Amounts are analysed as followed:

	Period ended on	
	30/9/2008	30/9/2007
Rental income	3.763.277,97	3.645.474,66
Other Income	1.896.061,47	2.192.667,04
	5.659.339,44	5.838.141,70

Rental income concerns land and building rents.

2) Other Operational Expenses:

	Period ended on	
	30/9/2008	30/9/2007
Third party compensation	824.041,29	735.578,65
Studies and research expenses	187.390,00	457.550,00
Other expenses	65.418,27	71.860,32
	1.076.849,56	1.264.988,97

23. FINANCIAL INCOME/ EXPENDITURE

Amounts are analysed as follows:

	Period ended on	
	30/9/2008	30/9/2007
Bank Interest Income	1.340.655,51	1.222.166,52
Bank Interest Expenses	(991.015,23)	(778.802,29)
	349.640,28	443.364,23

24. DEPRECIATION

Amounts are analysed as follows:

	Period ended on	
	30/9/2008	30/9/2007
Intangible Asset Depreciation (Note 3)	7.947.660,32	7.594.692,34
Software Depreciation (Note 4)	135.064,69	156.235,31
Fixed Asset Subsidies Depreciation (Note 13)	(426.572,10)	(426.572,10)
	7.656.152,91	7.324.355,55

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25. PAYROLL COST

Amounts are analysed as follows:

	Period ended on	
	30/9/2008	30/9/2007
Wages and Salaries	44.726.703,11	63.199.557,53
Employer Contribution to National Insurance Departments	8.402.123,29	9.159.361,75
Other payments	907.155,85	848.918,18
Provision for staff leaving indemnity (Note 15)	(302.830,00)	350.000,00
	53.733.152,25	73.557.837,46

26. EARNINGS PER SHARE

	30/9/2008	30/9/2007
Net Profit attributed to Company Shareholders	(568.712,21)	19.983.544,18
Weighted Average Number of Shares	25.000.000	25.000.000
Basic Earnings per Share	(0,02)	0,80

27. COMMITMENTS AND CONTINGENT LIABILITIES

a) **Pending Lawsuits:** The Company has made provisions for various pending court cases amounting to € 20.735.960,58 for lawsuits from personnel and other third party. The Company Management and legal department estimated the probability of negative outcome, as well as the probable settlement payments in order to account for this provision. Apart from the above, the Company is involved in (as plaintiff and defendant) various court cases that fall within the scope of its normal activity. The Company Management and legal department estimate that these pending court cases are expected to be settled without significant negative effect to the Company financial position or to its operation results.

b) **Financial Years not audited by the Tax Authorities:** Financial years 2003, up to and including 2007 have not been audited by the Tax Authorities. In a possible future tax audit, the Tax Authorities may disallow certain expenditure, thus increasing the Company taxable income and imposing additional taxes, penalties and surcharges. It is not possible, at the present time to assess accurately the amount of additional taxes and penalties that may be imposed as this depends on the tax audit findings and the following negotiations. This is the reason why no relevant provision has been made in the attached financial statements, however the Company management estimates that there will be no significant effect on the Company equity.

28. RELATED PARTY TRANSACTIONS

Board of Directors Members Remuneration: During the period ended on the 30th of September 2008, remuneration and attendance costs, amounting to € 298.615,90 (€ 237.570,65 on 30/9/2007) were paid to the Board of Directors members. During the same period ended on the 30th of

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September 2008 total fees of € 767.674,02 (€ 661.893,48 on 30/9/2007) were paid to Management staff for their remuneration.

29. SEASONAL TRADE

There is no significant seasonal trade in the Company activity. It is worth noting that personnel strikes during the 9 month period resulted to the drastic reduction of services rendered and consequently to the substantial reduction of income.

Piraeus, 27th of November 2008

PRESIDENT OF THE
BOARD OF DIRECTORS

MANAGING DIRECTOR

FINANCIAL DIRECTOR

DIONYSIOS
BEHRAKIS
ID. X 075485

NIKOLAOS
ANASTASOPOULOS
ID. Ξ 625099

KONSTANTINOS
BALIS
No Reg.HEC. 0005249