

**PIRAEUS PORT AUTHORITY S.A.**  
**INTERIM PROFIT AND LOSS STATEMENT**  
**FOR THE PERIOD FROM 1 JANUARY UNTIL 30 JUNE 2006**  
**(Amounts in Euro)**

	Note	01/01-30/6/2006	01/01-30/6/2005	01/04-30/6/2006	01/04-30/6/2005
Income from sales and other services	20	74.474.317,31	68.683.768,54	39.960.998,66	32.801.662,96
Cost of sales	21	(60.482.521,35)	(58.949.943,24)	(32.379.594,65)	(28.182.132,28)
<b>Gross profit</b>		<b>13.991.795,96</b>	<b>9.733.825,30</b>	<b>7.581.404,01</b>	<b>4.619.530,68</b>
Administration expenses	21	(7.241.751,93)	(7.240.266,10)	(3.733.439,39)	(3.697.048,12)
Other operational income	22	3.866.475,66	4.922.195,11	1.787.144,61	1.763.910,04
Other operational expenses	22	(342.065,58)	0,00	(258.894,13)	0,00
<b>Operational profit</b>		<b>10.274.454,11</b>	<b>7.415.754,31</b>	<b>5.376.215,10</b>	<b>2.686.392,60</b>
Financial results	23	(224.350,38)	68.596,86	(75.822,89)	67.824,06
<b>Profit for the period before taxes</b>		<b>10.050.103,73</b>	<b>7.484.351,17</b>	<b>5.300.392,21</b>	<b>2.754.216,66</b>
Income tax	6	(2.924.167,15)	(2.342.164,52)	(1.569.703,98)	(855.792,51)
<b>Profit for the period after taxes</b>		<b>7.125.936,58</b>	<b>5.142.186,65</b>	<b>3.730.688,23</b>	<b>1.898.424,15</b>
<b>Basic earnings per share</b>	26	<b>0,29</b>	<b>0,21</b>	<b>0,15</b>	<b>0,08</b>

Piraeus 29 August 2006

PRESIDENT OF THE BOARD OF DIRECTORS

MANAGING DIRECTOR

FINANCIAL DIRECTOR

DIMITRIOS SAMOLIS  
A.A.T. Ε. 414691

NIKOLAOS ANASTASOPOULOS  
A.A.T. Ε. 625099

KONSTANTINOS BALIS  
AP.AA. O.E.E. 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 JUNE 2006  
 (Amounts in Euro)

	Note	30 June 2006	31 December 2005
<b>ASSETS</b>			
<b>Fixed assets and long-term accounts receivable</b>			
Tangible assets	3	188.420.484,20	185.882.580,38
Intangible assets	4	399.542,96	338.344,16
Long term accounts receivable	5	265.761,29	189.972,71
Deferred tax assets	6	8.629.032,95	8.620.781,80
<b>Total fixed assets</b>		<b>197.714.821,40</b>	<b>195.031.679,05</b>
<b>Current assets</b>			
Inventory	7	5.132.837,29	4.898.296,92
Trade receivable	8	18.932.976,54	12.892.247,27
Other receivable	9	2.358.070,30	7.630.032,75
Cash on hand and in banks	10	26.858.278,10	12.374.956,25
<b>Total current assets</b>		<b>53.282.162,23</b>	<b>37.795.533,19</b>
<b>TOTAL ASSETS</b>		<b>250.996.983,63</b>	<b>232.827.212,24</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	11	50.000.000,00	50.000.000,00
Reserves	12	74.203.335,77	73.637.330,85
Retained earnings		31.198.395,33	28.388.463,67
<b>Total Equity</b>		<b>155.401.731,10</b>	<b>152.025.794,52</b>
<b>Provisions and long-term liabilities</b>			
Fixed assets subsidies	13	10.270.445,08	10.554.826,48
Provision for staff leaving indemnity	15	6.897.734,00	6.657.734,00
Provisions for pending lawsuits	14	19.420.960,58	19.320.960,58
Long-term finance lease obligations	16	8.199.171,41	9.340.417,00
Long-term bank loans	17	11.696.551,73	11.696.551,73
<b>Total long-term liabilities</b>		<b>56.484.862,80</b>	<b>57.570.489,79</b>
<b>Short-term liabilities</b>			
Trade payable		3.609.792,92	3.974.814,18
Short-term bank loans	17	2.924.137,93	2.924.137,93
Short-term finance lease obligations	16	2.257.546,75	2.207.681,00
Dividends payable	18	3.750.000,00	0,00
Other liabilities and accrued expenses	19	26.568.912,13	14.124.294,82
<b>Total short-term liabilities</b>		<b>39.110.389,73</b>	<b>23.230.927,93</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>250.996.983,63</b>	<b>232.827.212,24</b>

Piraeus 29 August 2006

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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 2006 UNTIL 30 JUNE 2006**  
**(Amounts in Euro)**

	<u>01/01-30/6/2006</u>	<u>01/01-30/6/2005</u>
<b>Cash flows from operating activities</b>		
Profit before taxes	10.050.103,73	7.484.351,17
Provisions	340.000,00	118.844,00
Tangible and intangible assets depreciation	4.466.708,83	4.102.992,08
Investing activity results	112.499,98	-
Interest payable and similar charges	497.298,35	350.861,60
	<b>15.466.610,89</b>	<b>12.057.048,85</b>
(Increase) Decrease		
Trade receivable	(6.040.729,27)	(5.849.295,66)
Other receivable	5.271.962,45	905.065,21
Inventory	(234.540,37)	(217.960,38)
Long-term receivable	(75.788,58)	4.520,00
Increase (Decrease)		
Suppliers	(365.021,26)	(12.617.321,46)
Other liabilities and accrued expenses	9.512.199,01	3.172.957,11
<b>Cash flows from operating activities</b>	<b>23.534.692,87</b>	<b>(2.544.986,33)</b>
<b>Cash flows from investing activities</b>		
Acquisition of tangible assets	(7.462.692,83)	(4.252.585,22)
<b>Net cash (used in) investing activities</b>	<b>(7.462.692,83)</b>	<b>(4.252.585,22)</b>
<b>Cash flows from financing activities</b>		
Issue of short-term finance lease obligations	-	2.592.559,00
Short-term finance lease obligations payment	(1.091.379,84)	(663.315,00)
Issue of long-term finance lease obligations	-	7.870.441,00
Interest paid	(497.298,35)	(350.861,60)
<b>Net cash from/(used in) financing activities</b>	<b>(1.588.678,19)</b>	<b>9.448.823,40</b>
<b>Net increase/(decrease) in cash and cash equivalents for the period</b>	<b>14.483.321,85</b>	<b>2.651.251,85</b>
<b>Plus: cash and cash equivalents at beginning of period</b>	<b>12.374.956,25</b>	<b>13.786.627,43</b>
<b>Cash and cash equivalents at end of period</b>	<b>26.858.278,10</b>	<b>16.437.879,28</b>

Piraeus 29 August 2006

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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 2006 UNTIL 30 JUNE 2006**  
**(amounts in Euro)**

	<u>Issued share capital</u>	<u>Statutory reserve</u>	<u>Reserves</u> <u>Other reserves</u>	<u>Total reserves</u>	<u>Retained earnings</u>	<u>Total Equity</u>
<b>1 January 2005</b>	<b>50.000.000,00</b>	<b>3.172.091,68</b>	<b>69.715.059,11</b>	<b>72.887.150,79</b>	<b>22.818.545,40</b>	<b>145.705.696,19</b>
Profit for the period	-	-	-	-	5.142.186,65	5.142.186,65
Statutory Reserve	-	750.180,06	-	-	(750.180,06)	0,00
Dividends payable	-	-	-	-	(5.000.000,00)	(5.000.000,00)
<b>30 June 2006</b>	<b>50.000.000,00</b>	<b>3.922.271,74</b>	<b>69.715.059,11</b>	<b>73.637.330,85</b>	<b>22.210.551,99</b>	<b>145.847.882,84</b>

	<u>Issued share capital</u>	<u>Statutory reserve</u>	<u>Reserves</u> <u>Other reserves</u>	<u>Total reserves</u>	<u>Retained earnings</u>	<u>Total Equity</u>
<b>1 January 2006</b>	<b>50.000.000,00</b>	<b>3.922.271,74</b>	<b>69.715.059,11</b>	<b>73.637.330,85</b>	<b>28.388.463,67</b>	<b>152.025.794,52</b>
Profit for the period	-	-	-	-	7.125.936,58	7.125.936,58
Statutory Reserve	-	566.004,92	-	-	(566.004,92)	0,00
Dividends payable	-	-	-	-	(3.750.000,00)	(3.750.000,00)
<b>30 June 2006</b>	<b>50.000.000,00</b>	<b>4.488.276,66</b>	<b>69.715.059,11</b>	<b>74.203.335,77</b>	<b>31.198.395,33</b>	<b>155.401.731,10</b>

Piraeus 29 August 2006

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

***PIRAEUS PORT AUTHORITY S.A.***

***NOTES TO THE INTERIM FINANCIAL  
STATEMENTS (ACCORDING TO  
INTERNATIONAL FINANCIAL  
REPORTING STANDARDS- IFRS)  
FOR THE PERIOD ENDED ON THE 30<sup>TH</sup>  
OF JUNE 2006***

**PIRAEUS PORT AUTHORITY S.A.**

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

FOR THE PERIOD ENDED ON THE 30<sup>TH</sup> OF JUNE 2006

(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 Societé 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 30<sup>th</sup> of June 2006 was 1.591 (1.592 on the 30<sup>th</sup> of June 2005).

The Company is under the supervision of the Ministry of Mercantile Marine and it is ruled by the principles of Societé 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 35<sup>th</sup> 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 1/1/2006-30/6/2006 are identical to the ones used for the preparation of the financial statements for the year ended on the 31/12/2005.

The attached summary financial statements have been prepared according to I.F.R.S. 34 and should be read together with the year 2005 financial statements which include a detailed description of the Company accounting principles and are available at its website [www.olp.gr](http://www.olp.gr)

**PIRAEUS PORT AUTHORITY S.A.**

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

FOR THE PERIOD ENDED ON THE 30<sup>TH</sup> OF JUNE 2006

(amounts in Euro)

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 amounts, during the financial period. Actual results may differ from these estimations.

The interim financial statements for the period ended on the 30<sup>th</sup> of June 2006 were approved by the PPA S.A. Board of Directors on 29/08/2006.

**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 2006	82.765.448,92	73.405.564,52	12.035.777,54	1.283.264,36	16.392.525,04	185.882.580,38
ADDITIONS	11.567.796,25	592.633,71	3.012,60	274.315,15	5.999.002,49	18.436.760,20
DISPOSALS	-	88.070,43	69.258,99	-	11.117.930,40	11.275.259,82
DEPRECIATION FOR THE PERIOD (NOTE 24)	1.442.470,23	2.607.135,63	296.026,04	322.794,10	-	4.668.426,00
DEPRECIATION SET-OFF	-	19.473,28	25.356,16			44.829,44
NET BOOK VALUE AS AT 30 JUNE 2006	<u>92.890.774,94</u>	<u>71.322.465,45</u>	<u>11.698.861,27</u>	<u>1.234.785,41</u>	<u>11.273.597,13</u>	<u>188.420.484,20</u>
<b>1 JANUARY 2006</b>						
COST	87.478.485,43	93.435.983,33	14.263.029,03	5.441.382,35	16.392.525,04	217.011.405,18
ACCUMULATED DEPRECIATION	4.713.036,51	20.030.418,81	2.227.251,49	4.158.117,99	-	31.128.824,80
NET BOOK VALUE	<u>82.765.448,92</u>	<u>73.405.564,52</u>	<u>12.035.777,54</u>	<u>1.283.264,36</u>	<u>16.392.525,04</u>	<u>185.882.580,38</u>
<b>30 JUNE 2006</b>						
COST	99.046.281,68	93.940.546,61	14.196.782,64	5.715.697,50	11.273.597,13	224.172.905,56
ACCUMULATED DEPRECIATION	6.155.506,74	22.618.081,16	2.497.921,37	4.480.912,09	-	35.752.421,36
NET BOOK VALUE	<u>92.890.774,94</u>	<u>71.322.465,45</u>	<u>11.698.861,27</u>	<u>1.234.785,41</u>	<u>11.273.597,13</u>	<u>188.420.484,20</u>

**4. INTANGIBLE FIXED ASSETS**Net book value as at 1<sup>st</sup> of January 2006

Additions

Depreciation for the year (Note 24)

Net Book Value as at 30<sup>th</sup> June 2006**SOFTWARE**

338.344,16

143.863,03

82.664,23**399.542,96****1 JANUARY 2006**

Cost

3.758.029,76

Accumulated depreciation

3.419.685,60

Net book value

**338.344,16****30 JUNE 2006**

Cost

3.901.892,79

Accumulated depreciation

3.502.349,83

Net book value

**399.542,96**

**PIRAEUS PORT AUTHORITY S.A.**

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

FOR THE PERIOD ENDED ON THE 30<sup>TH</sup> OF JUNE 2006

(amounts in Euro)

**5. LONG TERM ACCOUNTS RECEIVABLE**

This account consists of the following:

	<u>30/6/2006</u>	<u>31/12/2005</u>
Guarantees to third parties	258.368,16	188.751,58
Car leases guarantees	6.172,00	0,00
Fixed Asset Bonds	1.221,13	1.221,13
<b>TOTAL</b>	<b><u>265.761,29</u></b>	<b><u>189.972,71</u></b>

**6. INCOME TAX (CURRENT AND DEFERRED)**

**(a) Income tax provision**

	<u>30/6/2006</u>	<u>30/6/2005</u>
Current income tax	2.932.418,30	1.657.023,61
Deferred income tax	(8.251,15)	685.140,91
Total	<b><u>2.924.167,15</u></b>	<b><u>2.342.164,52</u></b>

The nominal rate (29% for the financial year ending the 31<sup>st</sup> of December 2006) 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.

The deferred income tax account movement is analysed as follows:

	<u>30/6/2006</u>	<u>30/6/2005</u>
Opening balance	8.620.781,80	9.752.990,31
Amount in Year Profit and Loss statement	8.251,15	(685.140,91)
Closing balance (Net amount)	<b><u>8.629.032,95</u></b>	<b><u>9.067.849,40</u></b>



**PIRAEUS PORT AUTHORITY S.A.**

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

FOR THE PERIOD ENDED ON THE 30<sup>TH</sup> OF JUNE 2006

(amounts in Euro)

**7. INVENTORY**

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

	<u>30/6/2006</u>	<u>30/6/2005</u>
Consumables	2.397.609,60	2.528.729,86
Fixed assets spare parts	2.735.227,69	2.412.922,20
<b>TOTAL</b>	<b><u>5.132.837,29</u></b>	<b><u>4.941.652,06</u></b>

The total consumption cost for the period 1/1-30/6/2006 amounted to € 2.126.148,47 while that of the respective period 1/1-30/6/2005 amounted to € 1.809.945,35.

**8. TRADE RECEIVABLE**

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

	<u>30/6/2006</u>	<u>31/12/2005</u>
Customers	10.734.688,70	3.630.960,45
Doubtful Debts-Court Pending Cases	39.173.928,14	38.466.039,30
<b>Less:</b> Provision for doubtful debts	<u>(30.975.640,30)</u>	<u>(29.204.752,48)</u>
<b>TOTAL</b>	<b><u>18.932.976,54</u></b>	<b><u>12.892.247,27</u></b>

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 30/6/2006. 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>30/6/2006</u>	<u>30/6/2005</u>
<b>Opening balance</b>	29.204.752,48	27.874.190,06
Provision for the year	1.770.887,82	350.000,00
<b>Closing balance</b>	<b><u>30.975.640,30</u></b>	<b><u>28.224.190,06</u></b>

**PIRAEUS PORT AUTHORITY S.A.**

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

FOR THE PERIOD ENDED ON THE 30<sup>TH</sup> OF JUNE 2006

(amounts in Euro)

**9. OTHER RECEIVABLE**

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

	<u>30/6/2006</u>	<u>31/12/2005</u>
Personnel loans	396.290,07	388.632,28
Current Value Added Tax (V.A.T.)	167.833,90	7.192.720,44
Holiday remuneration	1.493.241,41	0,00
Other receivable	300.704,92	48.680,03
<b>TOTAL</b>	<b><u>2.358.070,30</u></b>	<b><u>7.630.032,75</u></b>

**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. These loans are stated at their net present value.

**V.A.T.:** The amount of € 167.833,90 will be set off against future VAT liabilities.

**Other receivable:** Other receivable includes receivable from insurance companies, payments made in advance for expenses, tax prepayments e.t.c.

**10. CASH ON HAND AND IN BANKS**

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

	<u>30/6/2006</u>	<u>31/12/2005</u>
Cash on hand	1.825.764,03	802.375,00
Cash in banks	25.032.514,07	11.572.581,25
<b>TOTAL</b>	<b><u>26.858.278,10</u></b>	<b><u>12.374.956,25</u></b>

**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:

**PIRAEUS PORT AUTHORITY S.A.**

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

FOR THE PERIOD ENDED ON THE 30<sup>TH</sup> OF JUNE 2006

(amounts in Euro)

	<u>30/6/2006</u>	<u>31/12/2005</u>
Statutory reserve	4.488.276,66	3.922.271,74
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>74.203.335,77</u>	<u>73.637.330,85</u>

**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:

	<u>30/6/2006</u>	<u>31/12/2005</u>
Initial value	11.400.000,00	11.400.000,00
Accumulated depreciation	(1.129.554,92)	(845.173,52)
<b>Net Book Value</b>	<u>10.270.445,08</u>	<u>10.554.826,48</u>

### 14. PROVISIONS FOR PENDING LAWSUITS

The Company has made provisions for various pending court cases amounting to € **19.420.960,58** for lawsuits from personnel and other third party. The Company Management and legal department estimated the probability of negative

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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.

**15. PROVISION FOR STAFF LEAVING INDEMNITY**

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

	<u>30/6/2006</u>	<u>30/6/2005</u>
Current employment and financial cost	240.000,00	118.844,00

The relevant provision movement for the period ended on the 30<sup>th</sup> of June 2006 and the financial year ended the 31<sup>st</sup> of December 2005 is as follows:

	<u>30/6/2006</u>	<u>31/12/2005</u>
<b>Opening balance</b>	6.657.734,00	6.250.321,00
Provision for the period (Note 25)	240.000,00	407.413,00
<b>Closing balance</b>	<u>6.897.734,00</u>	<u>6.657.734,00</u>

**16. FINANCE LEASE OBLIGATIONS**

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 4,54%.

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.

The average finance lease interest rate for the period was 3,97%.

The minimum future finance lease payments as well as the present value of minimum net finance lease payments on the 30 of June 2006 are analysed as follows:

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(amounts in Euro)

**1) FINANCE LEASE OF STRADDLE CARRIERS**

	<u>Minimum Payments</u>	<u>Payments Present Value</u>
Within next year	2.333.976,36	2.018.596,72
Within 2-5 years	6.223.936,96	5.851.844,54
Total	<u>8.557.913,32</u>	<u>7.870.441,26</u>
Less: financial charges	<u>(687.472,06)</u>	<u>-</u>
Current value of minimum Finance lease payments	<u>7.870.441,26</u>	<u>7.870.441,26</u>

**2) FINANCE LEASE PORT MOBILE CRANE**

	<u>Minimum Payments</u>	<u>Payments Present Value</u>
Within next year	337.034,52	238.950,03
Within 2-5 years	1.348.138,08	1.055.208,68
After 5 years	1.404.310,50	1.292.118,19
Total	<u>3.089.483,10</u>	<u>2.586.276,90</u>
Less: financial charges	<u>503.206,20</u>	<u>-</u>
Current value of minimum finance lease payments	<u>2.586.276,90</u>	<u>2.586.276,90</u>

**17. BANK LOANS**

The account balance of "Long term bank loans" concerns 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 Station construction in N. Ikonio.

The loan repayment is to be made in ten (10) annual consecutive installments, beginning the 15<sup>th</sup> of September 2001 and ending the 15<sup>th</sup> of September 2010. Up to date five installments have been paid up, while the sixth has been transferred to the Company short term liabilities. The loan balance outstanding as at 30<sup>th</sup> of June 2006 is € 14.620.689,66, divided in a) € 11.696.551,73 "Long term bank loans" and b) € 2.924.137,93 "Short term bank loans".

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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 30<sup>th</sup> of June 2006, amounted to € 204,535,75 (€ 194.345,92 on the 30<sup>th</sup> of June 2005) 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 greater amount arising between the 35% of their net annual profit after taxes and the 6% of their issued share capital.

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 2005:** The Board of Directors suggested for the financial year 2005 the distribution of dividends to the shareholders of € 3.750.000,00 or € 0,15 per share. The distribution of dividends was authorised by the annual Ordinary Shareholders General Meeting held on the 23<sup>rd</sup> of June 2006.

## 19. OTHER LIABILITIES AND ACCRUED EXPENSES

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

	<u>30/6/2006</u>	<u>31/12/2005</u>
Taxes payable	1.449.759,69	2.443.253,39
National insurance and other contribution	1.931.692,49	2.998.715,63
Other short term liabilities	7.427.396,58	6.294.915,26
Customer advance payments	8.382.765,23	2.370.242,54
Accrued expenses	7.377.298,14	17.168,00
	<u><b>26.568.912,13</b></u>	<u><b>14.124.294,82</b></u>

**Taxes Payable:** Current period amount consists of: a) Employee withheld income tax € 1.277.431,88 and b) other third party taxes € 172.327,81.

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(amounts in Euro)

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

	<u>30/6/2006</u>	<u>31/12/2005</u>
National Insurance Contributions (IKA)	1.422.341,83	2.199.126,78
Insurance Contributions to Supplementary Funds	415.674,13	673.944,25
Other Insurance Contributions	93.676,53	125.644,60
	<u><b>1.931.692,49</b></u>	<u><b>2.998.715,63</b></u>

**Accrued expenses:** The amount of € 7.377.298,14 concerns a proportion of personnel salary (holiday remuneration, Christmas bonus etc.) as well as other operating expenses (proportion of transfer agreement payment, water, electricity, telephone provisions)

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

	<u>30/6/2006</u>	<u>31/12/2005</u>
Salaries Payable	1.749.676,74	1.618.367,82
Concession Agreement Payment for 2005	2.943.096,82	2.943.096,82
Other contribution payable to (IKA – TEAM, TAPAEL , NAT e.t.c.)	693.342,62	582.772,53
Various Advance Payments (rents e.t.c.)	0,00	21.967,62
Other Third Party Short-term obligations	900.332,30	1.128.710,47
Next year advance payments for renting space	1.140.948,10	0,00
	<u><b>7.427.396,58</b></u>	<u><b>6.294.915,26</b></u>

**20. SALES**

Sales are analysed as follows:

	<u>30/6/2006</u>	<u>30/6/2005</u>
Income from:		
Loading and unloading	45.213.629,45	40.127.263,81
Storage	13.477.532,28	14.171.330,95
Various other port services	15.783.155,58	14.385.173,78
	<u><b>74.474.317,31</b></u>	<u><b>68.683.768,54</b></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:.

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(amounts in Euro)

	<b>Period ended on 30/6/2006</b>		
	<b>Cost of Sales</b>	<b>Administration Expenses</b>	<b>Total</b>
Payroll Costs (Note 25)	43.336.755,15	5.352.075,71	48.688.830,86
Third Party Services	5.212.184,44	981.170,34	6.193.354,78
Third Party Fees	661.533,90	98.917,15	760.451,05
Depreciation (Note 24)	4.208.417,78	258.291,05	4.466.708,83
Taxes and Duties	44.696,86	6.683,39	51.380,25
General Expenses	3.189.582,66	476.928,56	3.666.511,22
Provisions of Doubtful Debt	1.703.202,09	67.685,73	1.770.887,82
Consumables	2.126.148,47	0,00	2.126.148,47
	<b>60.482.521,35</b>	<b>7.241.751,93</b>	<b>67.724.273,28</b>

	<b>Period ended on 30/6/2005</b>		
	<b>Cost of Sales</b>	<b>Administration Expenses</b>	<b>Total</b>
Payroll Costs (Note 25)	43.299.710,69	5.706.103,14	49.005.813,83
Third Party Services	5.891.006,93	816.922,76	6.707.929,69
Third Party Fees	440.764,17	61.122,03	501.886,20
Depreciation (Note 24)	3.941.517,68	161.474,40	4.102.992,08
Taxes and Duties	48.975,71	6.791,60	55.767,31
General Expenses	3.210.645,50	445.229,38	3.655.874,88
Provisions of Doubtful Debt	307.377,21	42.622,79	350.000,00
Consumables	1.809.945,35	0,00	1.809.945,35
	<b>58.949.943,24</b>	<b>7.240.266,10</b>	<b>66.190.209,34</b>

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

Amounts are analysed as followed:

	<b>Year ended on</b>	
	<b>30/6/2006</b>	<b>30/6/2005</b>
Rental income	3.043.882,44	3.898.803,51
Other Income	822.593,22	1.023.391,60
	<b>3.866.475,66</b>	<b>4.922.195,11</b>

Rental income concerns land and building rents.



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(amounts in Euro)

**2) Other Operational Expenses:**

	<u><b>30/6/2006</b></u>
Studies and research expenses	199.542,56
Provision for pending lawsuits	100.000,00
Other expenses	<u>42.523,02</u>
	<b>342.065,58</b>

**23. FINANCIAL INCOME/ EXPENDITURE**

Amounts are analysed as follows:

	<b>Period ended on</b>	
	<u><b>30/6/2006</b></u>	<u><b>30/6/2005</b></u>
Bank Interest Income	270.166,02	387.849,46
Personnel loan interest	2.781,95	31.609,00
Bank Interest Expenses	<u>(497.298,35)</u>	<u>(350.861,60)</u>
	<b><u>(224.350,38)</u></b>	<b><u>68.596,86</u></b>

**24. DEPRECIATION**

Amounts are analysed as follows:

	<b>Period ended on</b>	
	<u><b>30/6/2006</b></u>	<u><b>30/6/2005</b></u>
Intangible Asset Depreciation	4.668.426,00	4.337.214,57
Software Depreciation	82.664,23	45.900,97
Fixed Asset Subsidies Depreciation	<u>(284.381,40)</u>	<u>(280.123,46)</u>
	<b><u>4.466.708,83</u></b>	<b><u>4.102.992,08</u></b>

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(amounts in Euro)

**25. PAYROLL COST**

Amounts are analysed as follows:

	Period ended on	
	30/6/2006	30/6/2005
Wages and Salaries	41.593.014,58	42.117.233,76
Employer Contribution to National Insurance Departments	6.215.693,93	6.102.109,01
Other payments	640.122,35	667.627,06
Provision for staff leaving indemnity (Note 15)	240.000,00	118.844,00
	<b>48.688.830,86</b>	<b>49.005.813,83</b>

**26. EARNINGS PER SHARE**

	30/6/2006	30/6/2005
Net Profit attributed to Company Shareholders	7.125.936,58	5.142.186,65
Weighted Average Number of Shares	25.000.000,00	25.000.000,00
<b>Basic Earnings per Share</b>	<b>0,29</b>	<b>0,21</b>

**27. COMMITMENTS AND CONTINGENT LIABILITIES**

**a) Pending Lawsuits:** The Company has made provisions for various pending court cases amounting to € **19.420.960,58** 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, 2004 and 2005 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

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(amounts in Euro)

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 June 2006, remuneration and attendance costs, amounting to € **169.312,00** (€ 159.603,75 on 30/6/2005) were paid to the Board of Directors members. During the same period ended on the 30th of June 2006 no payments were made to the Board of Directors members for services rendered according to their employment terms (€ 7.844,19 on 30.6.2005).

Piraeus, 29 August 2006

PRESIDENT OF THE  
BOARD OF  
DIRECTORS

MANAGING DIRECTOR

FINANCIAL DIRECTOR

DIMITRIOS  
SAMOLIS  
Α.Δ.Τ. Ξ 414691

NIKOLAOS  
ANASTASOPOULOS  
Α.Δ.Τ. Ξ 625099

KONSTANTINOS  
BALIS  
ΑΠ. ΑΔ. Ο.Ε.Ε. 0005249