



PIRAEUS PORT AUTHORITY S.A.

Piraeus 16/12/2009

The Board of Directors of PPA SA at its meeting on 14.12.09 approved the Memorandum of Understanding between the Company's unions (employees & dockworkers) and the President & CEO Mr Giorgos Anomeritis.

The main issues that they were discussed and agreed were the following:

1. Establishment of Regulatory Authority for Ports. The Regulatory Authority will monitor and resolve all issues arising from the different status of port service provision in the various ports. It is noted that today in Greece exist 365 ports of which 43 are private.

2. The inclusion of all personnel in the article 12 paragraph 4a of Law 2688/1999. This means that all personnel fall under the provisions of indefinite employment contract in case of dismissal.

3. Integration of all personnel categories. In accordance with L.3429/2005, a special status was formed for P.P.A. S.A, compared with other Public Utility Companies. With the annulment of the Common Ministerial Decisions, PPA SA will come in line with the other Public Utility Companies

The above cases 1, 2 & 3 do not bear a cost for the Company.

4. Incentives for retirement by agreement with the company. New agreement for voluntary retirement, beyond those provided for with the law ratifying the Concession Agreement (L.3564/08).

5. Voluntary Retirement – Personnel transfer L.3654/2008. Extension of the deadline provided for until 01.06.2010. New applications will be submitted until 28/02/2010. Issuance of a clarifying circular from the Social Security Organisation (IKA). Recruitment of a special advisor to the Personnel.

Cost estimation for the cases 4 and 5 above can not be made unless the deadline for applications that according to the amendment expires by the end of February 2010, is reached.

The cost does not form any direct personnel remuneration since it concerns social insurance contributions that will be paid to the Insurance Organisations and they are not in a position to determine the amount of contributions unless they are provided with the exact list and particulars of the specific personnel applying for voluntary retirement.

On the contrary the Company will benefit by avoiding payroll cost (salaries, overtimes etc), that can not also be estimated precisely.

In any case the estimation of the actuarial study that was performed by an independent actuary (2007) is valid and based on this the cost of the voluntary

retirement scheme, provided all eligible personnel is retired, amounts to €56 mil, the benefit amounts to €67 mil and thus there is a positive result of €11 mil.

6. Ensuring equivalent working conditions and remuneration of PPA S.A. personnel following the operation of Pier I. The aim is to partially counter the possible loss of income for personnel after the concession of the Container Terminal (Pier II) to PCT SA (COSCO). Estimated cost €10.1 million within two years.

7. Subcontracting Agreement.

PPA S.A Management will negotiate with PCT SA (COSCO) specific matters relating to labour and trade issues arising during the cohabitation period as well as in the first years after this period.

The negotiations between PPA S.A and PCT SA (COSCO) continue and a new cooperation agreement is expected to be reached by the end of the year.

This is a response to H.C.M.C inquiry.