P.P.A. S.A.
PIRAEUS PORT AUTHORITY S.A

ANNUAL REPORT
2006

In accordance with the Capital Market
Commission rule 5/204/2000
as it is reformed and applied

Piraeus, April 2007

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1. Board of Directors Management Report of P.P.A. SA.

Board of Directors Management Report of P.P.A. S.A.
To the General Assembly for the 7th business financial period
(1/1/2006 – 31/12/2006)

The BoD submits its annual report and the company's financial results according to I.F.R.S. for the year ended on 31/12/2006.

Main Activities of the Company

The Company's main activities are the provision of vessels berthing places, the loading / unloading and storage services for goods and vehicles, and the passenger services (for coastal shipping and cruises). Moreover, the Company is responsible for the facilities provision (water supply, electric power supply, telecommunication services, etc.) and the concessions to thirds against payment.

Objectives and Strategy

The Main objectives of the company are:

1. Commercial activity development as a result of increased productivity, through the necessary port infrastructure and investment plans.
2. Competitive position reinforcement through upgraded and improved customer service.
3. Passenger demands satisfaction for quick service, punctual information, safety and comfortable stay at passenger terminals
4. Financial position improvement through cost savings and increased productivity
5. Human resources efficient management through continuous training and adoption of new technologies
6. Real estate exploitation in such a way that promotes the wider social interest and the respect to the environment
7. Company's operation with private sector's standards

Main Resources

For achieving the aforementioned objectives, projects of €533 million are scheduled to be realized through the 2007 – 2011 investment plan, 70% of which concern the full container terminal development aiming at increasing its capacity by 3 times and becoming the most important Mediterranean transshipment hub. Attraction of private

funds is vital and that's why the completion of these projects is expected to be realized through concession of use and exploitation. Another 14% of the investment plan concerns real estate exploitation which will be realized by the same method.
For the remaining part, financing of investment plan is guaranteed through:

1. Long term bank loans
2. Financial leasing and
3. Own Capital

As for the human resources requirements, there is under progress the recruitment program process of the necessary technical and administrative personnel in line with the recent legal framework.

2006 Annual Report

Successful actions of PPA Management during 2005, in organizational and operational issues (manning reduction from 9 to 6 persons per shift, pricing policy revision, new car terminal completion, starting works for pier 1 expansion, etc.) as well as the financial reform (cost savings, overtime reductions, wrecks arrangement) were the starting point for a successful path in 2006. Additionally, since the second quarter of 2006, the commercial policy reinforced through the adoption of Administration measures, such as:

- Application of "rendez vous" system
- Pricing policy revision with adoption of scale discounts based on volumes for transshipments
- Collaborations with important clients in both Car and Container Terminal
- Cruise services upgrade
- Improvement of passenger provided facilities in the passenger terminal

Based on the above mentioned, the sale volumes as well as the financial results had a remarkable improvement up to October 2006, with the container terminal traffic to be increased by 12,5% and the car terminal traffic by 34%, compared to the respective 2005 period, while the results before taxes were increased by 30%. It is mentioned that the net profits before taxes in the first 9-month period of 2006 were €17,3 million, while the revenues were increased by 9,45%. If the strike had been avoided the revenues could reach the €162,4 million and the net profits the €22,2 million, over passing the annual budget of €162,0 and €21,3 million respectively.

The last 2-month strike stopped the up to then successful growth and caused significant revenues losses but also harmed the company's reliability and competitiveness, since customers forwarded their transit cargo to other ports.

As a result profits before taxes presented a marginal increase compared to previous year, mainly due to the container terminal sale losses during the last two months of the year and partly to other activities. In parallel the turnover presents a minor increase of 3%, despite the price – list increased revision by 6% since January 2006 and the 30% increase of car terminal traffic.

Projections for 2007

Strike consequences of 2006 are expected to affect the first half of 2007. Transit cargo that is transferred from Piraeus Container Terminal to other Mediterranean ports needs 4 months to return to Piraeus again. Working peace is considered essential for regaining clients' reliance. The Management's main objective and strategic target for 2007, is to proceed with the Container Terminal development plan, achieving by consensus of the involved parties through constructive dialog which is already in progress. Unions should follow the reform of other competitive ports and contribute to the Management objectives for the port planned growth that will be realized through an enormous investment plan.
Main concerns for 2007 are the Container's terminal productivity increase (Piraeus is still 25% less productive compared to other Mediterranean competitive ports), the improvement of provided services and customers satisfaction, the regaining of port reliability after two years with strikes, the restriction of unions leadership exclusively to their union duties, the change of mentality and regulation and the way of operation in general.

Explanatory report for 11a article (3371/2005 law)

- Company's share capital amounts €50.000.000 and is divided to 25 million registered shares, of a €2 value each.
- Company's statute does not have special restrictions for share holder rights compared to the respective law principles. By exemption, articles 6 par. 2 and 7 par. 1 of company's statute cite that the minimum participation of Greek State to the equity capital, cannot be less than 51%.

- Main share holder is the Greek State by 74,14% . Besides MORGAN STANLEY & CO INTERNATIONAL LIMITED, by the 1394/16.6.2005 letter to the Capital Market Commission, made known that on 10.6.2005 its participation in terms of voting rights reached from 4,88% the 5,27%, with respective change in the company's share holding. According to its statement, MORGAN STANLEY & CO INTERNATIONAL LIMITED is acting on behalf of its clients.
- The below named entities have the right to appoint members in the BoD of P.P.A. S.A. according to statute article 9 par. 1 as following:
  - o Company's employees appoint 2 representatives members. These representatives come from the two biggest unions, one from the employee's side and one from the dock workers side.
  - o Piraeus municipality appoints one member.
  - o One member is elected by the General Assembly and come from Piraeus working class and professional unions.
- Company has nothing to announce to the share holders related with the paragraph 1 data, article 11a law 3371/2005.

After the above mentioned share holders please:

1. Approve the financial results of 2006
2. Release the BoD and the auditors from any responsibility for the 2006 financial annual results according to the law and statute
3. Appoint the new auditors for the 2007 financial annual results

Piraeus, 15-3-2007

The President	The Executive Director
Demetrios Samolis	Nikolaos Anastassopoulos
ID No. Ξ414691	ID No. Ξ625099

CONFIRMATION

The above Directors' report, consisting of 3 pages, is the one we refer to in our Audit report dated 16 March 2007.

Piraeus, 16 March 2007

Certified Accountant

Alexandros Sfarnas
S.O.E.L. member no.: 14841

2. financial statements

PIRAEUS PORT AUTHORITY S.A.
PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2006
(Amounts in Euro)

	Note	01/01-31/12/2006	01/01-31/12/2005
Income from sales and other services	22	144.137.187,25	139.978.021,68
Cost of sales	23	(115.756.114,60)	(115.368.671,70)
Gross profit		**28.381.072,65**	**24.609.349,98**
Administration expenses	23	(16.024.603,54)	(15.375.189,53)
Other operational income	24	7.796.807,23	9.167.365,21
Other operational expenses	24	(2.435.158,91)	(1.091.754,35)
Operational profit		**17.718.117,43**	**17.309.771,31**
Financial results	25	(265.442,43)	(227.047,05)
Profit for the period before taxes		**17.452.675,00**	**17.082.724,26**
Income fax	8	(5.235.711,93)	(5.762.625,93)
Profit for the period after taxes		**12.216.963,07**	**11.320.098,33**
Basic earnings per share	28	**0,49**	**0,45**
Proposed dividend per share	20	**0,16**	**0,15**

PIRAEUS PORT AUTHORITY S.A.
BALANCE SHEET AS AT 31 DECEMBER 2006
(Amounts in Euro)

	Note	31 December 2006	31 December 2005
ASSETS			
Fixed assets and long-term accounts receivable			
Tangible assets	5	192.529.311,22	185.882.580,38
Intangible assets	6	324.582,07	338.344,16
Long term accounts receivable	7	300.880,13	189.972,71
Deferred tax assets	8	8.301.918,80	8.620.781,80
Total fixed assets		**201.456.692,22**	**195.031.679,05**
Current assets			
Inventory	9	5.612.963,12	4.898.296,92
Trade receivable	10	10.804.495,67	12.892.247,27
Other receivable	11	688.884,92	7.630.032,75
Cash on hand and in banks	12	22.618.537,43	12.374.956,25
Total current assets		**39.724.881,14**	**37.795.533,19**
TOTAL ASSETS		**241.181.573,36**	**232.827.212,24**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	13	50.000.000,00	50.000.000,00
Reserves	14	74.203.335,77	73.637.330,85
Retained earnings		36.289.421,82	28.388.463,67
Total Equity		**160.492.757,59**	**152.025.794,52**
Provisions and long-term liabilities			
Fixed assets subsidies	15	9.986.063,68	10.554.826,48
Provision for staff leaving indemnity	17	6.841.646,00	6.657.734,00
Provisions for pending lawsuits	16	19.420.960,58	19.320.960,58
Long-term finance lease obligations	18	7.103.917,75	9.340.417,00
Long-term bank loans	19	8.772.413,80	11.696.551,73
Total long-term liabilities		**52.125.001,81**	**57.570.489,79**

Short-term liabilities			
Trade payable		4.156.869,11	3.974.814,18
Short-term bank loans	**19**	2.924.137,93	2.924.137,93
Short-term finance lease obligations	**18**	2.277.599,79	2.207.681,00
Dividends payable	**20**	0,00	0,00
Other liabilities and accrued expenses	**21**	19.205.207,13	14.124.294,82
Total short-term liabilities		**28.563.813,96**	**23.230.927,93**
TOTAL EQUITY AND LIABILITIES		**241.181.573,36**	**232.827.212,24**

PIRAEUS PORT AUTHORITY S.A.
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2006
(Amounts in Euro)

	01/01-31/12/2006	01/01-31/12/2005
Cash flows from operating activities		
Profit before taxes	17.452.675,00	17.082.724,26
Provisions	283.912,00	407.413,00
Tangible and intangible fixed assets depreciation	9.143.381,09	8.532.591,06
Disposal of fixed assets	123.065,27	1.442.120,29
Interest payable and similar charges	1.036.946,06	810.935,61
	28.039.979,42	**28.275.784,22**
(Increase) Decrease		
Trade receivable	2.087.751,60	(1.162.272,63)
Other receivable	6.941.147,83	3.394.797,43
Inventory	(714.666,20)	(174.605,24)
Long-term receivable	(110.907,42)	8.303,00
Increase (Decrease)		
Suppliers	182.054,93	(12.230.031,15)
Other liabilities and accrued expenses	(6.510.074,55)	(13.904.240,50)
Cash flows from operating activities	**29.915.285,61**	**4.207.735,13**
Cash flows from investing activities		
Acquisition of tangible assets	(16.468.177,91)	(16.356.568,70)
Net cash (used in) investing activities	**(16.468.177,91)**	**(16.356.568,70)**
Cash flows from financing activities		
Issue of short-term finance lease obligations	-	3.909.583,00
Short-term finanse lease obligations payment	(2.166.580,46)	(1.701.902,00)
Issue of long-term finance lease obligations	-	9.340.417,00
Inerest paid	(1.036.946,06)	(810.935,61)
Net cash from/(used in) financing activities	**(3.203.526,52)**	**10.737.162,39**
Net increase/(decrease) in cash and cash equivalents fot the year	10.243.581,18	(1.411.671,18)
Plus: cash and cash equivalents in the beginning of year	12.374.956,25	13.786.627,43
Cash and cash equivalents at end of year	**22.618.573,43**	**12.374.956,25**

PIRAEUS PORT AUTHORITY S.A.
EQUITY STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2006

(amounts in Euro)

	Issued share capital	Statutory reserve	Reserves Other reserves	Total reserves	Retained earnings	Total Equity
1 January 2005	**50.000.000,00**	**3.172.091,68**	**69.715.059,11**	**72.887.150,79**	**22.818.545,40**	**145.705.696,19**
Profit for the period	-	-	-	-	11.320.098,33	11.320.098,33
Statutory reserve		750.180,06			(750.180,06)	0,00
Dividends payable					(5.000.000,00)	(5.000.000,00)
31 December 2005	**50.000.000,00**	**3.922.271,74**	**69.715.059,11**	**73.637.330,85**	**28.388.463,67**	**152.025.794,52**

	Issued share capital	Statutory reserve	Reserves Other reserves	Total reserves	Retained earnings	Total Equity
1 January 2006	**50.000.000,00**	**3.922.271,74**	**69.715.059,11**	**73.637.330,85**	**28.388.463,67**	**152.025.794,52**
Profit for the period	-	-	-	-	12.216.963,07	12.216.963,07
Statutory reserve		566.004,92			(566.004,92)	0,00
Dividends payable						
31 December 2006	**50.000.000,00**	**4.488.276,66**	**69.715.059,11**	**74.203.335,77**	**36.289.421,82**	**160.492.757,59**

notes to the financial statements for the year ended on the 31st December 2006

(according to international financial reporting standards - IFRS)

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 is listed in the Athens stock exchange.

The Company average personnel number in the year ended on the 31st of December 2006 was 1.523 (1.686 on the 31st of December 2005).

2. LEGAL STATUS

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.

3. FINANCIAL STATEMENTS PRESENTATION BASIS

a. Financial Statements Preparation Basis: The attached financial statements have been prepared according to IFRS and the interpretations approved by the European Union up to 31/12/2006, except for IFRS 7, which will be applied from 1/1/2007 onwards.

Interpretations 9 «Reassessment of Embedded Derivatives», 10 «Interim Financial Reporting and Impairment» and 11 «Group and Treasury Share Transactions» issued in 2006 do not apply to the Company.

b. Approval of Financial Statements: The financial statements for the financial year ended the 31st of December 2006 were approved by the PPA S.A. Board of Directors on 15/3/2007.

c. Management Estimations: 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.

4. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

The Company applies the following accounting principles for the preparation of the attached financial statements:

a. Tangible Assets: Buildings, technical projects and other building installations are valued at acquisition cost less accumulated depreciation and possible impairment provision. The privately owned land, machinery and other equipment, acquired before PPA's conversion into an S.A., 1.6.1999, were valued at deemed cost, arising by the Evaluation Committee of article 9 C.L. 2190/1920, while these acquired afterwards are valued at acquisition cost less accumulated depreciation and possible value impairment provision.

Acquisition cost of a building, installation, or equipment consists of purchase price including import duties, plus non-refundable purchase taxes as well as any cost required for the asset to become operational and complete for future use. Repairs and maintenance are posted to the financial period in which they are realised. Significant additions and improvements made at a later stage are capitalized in the relevant asset cost.

Fixed assets constructed by the Company are posted to the self-construction cost which includes subcontractors fees, materials and technicians' payroll costs involved in the construction (including relevant employer contributions) as well as part of general administration expenses.

Assets under construction include fixed assets under construction and are stated at their cost. Assets under construction are not depreciated until the fixed assets are complete and operational.

b. Depreciation: Fixed assets are depreciated on a straight line basis according to the following useful lives per fixed asset category:

Fixed Asset Categories	Useful Life (years)
Buildings, technical & port projects	25-40
Machinery & other equipment	10-30
Motor Vehicles	5-12
Floating transportation means	20-35
Furniture, fixture & fittings	3-5

For the taxable income assessment, the Company calculates depreciation as per Presidential Decree 299/2003, while for the depreciation of electromechanical equipment, used directly or indirectly for port services to any kind of passenger or cargo, for user and floating dockyards security, for port substructure maintenance, for loading and unloading, for any kind of goods transportation and storage inside the Port of Piraeus, the depreciation rates of Law 2937/2001 article 34 are applied.

c. Impairment of assets: According to IAS36, buildings, facilities, equipment and intangible fixed assets must be evaluated for possible value impairment, when there are indications that the asset's accounting value is over its recoverable amount. Whenever an asset's accounting value is over its recoverable amount, its respective impairment loss is posted to the period financial results. An asset's recoverable value is the greater amount between the estimated net realisable value and the value in use. Net realisable value is considered to be the attainable revenue from the disposal of an asset within the bounds of a mutual transaction, where the parties of this transaction are in full knowledge and willingly accede, reduced by any additional direct distribution cost of the asset. Value in use is the present value of the estimated future cash flow, expected to be accomplished by the constant asset use and its disposal at the end of its estimated useful life. When there is no possibility for a company to estimate the asset's recoverable amount, for which there are indications of value impairment, then it assesses the recoverable amount of the unit (to which the asset belongs) which creates cash flows.

Assets loss impairment reversal entry, accounted for in previous years, is possible only if there are valid indications that this impairment does no longer exist or is decreased. Under these circumstances this reversal entry is recognised as revenue.

The Company management estimates that there is no issue of fixed asset equipment impairment and therefore the recoverable property amount is not assessed.

d. Fixed Asset Subsidies: Subsidies are considered as accrued income and are recognised as income at the same depreciation rate as the relevant subsidised fixed assets, are depreciated. This income is deducted from the depreciation in the period financial results.

e. Intangible Assets: Intangible assets concern software purchase cost and any expenditure for software development, in order to become operational. Software depreciation is calculated on a straight line basis and its useful life of 3-4 years.

f. Borrowing Cost: The Company has adopted the basic accounting policy suggested by IAS23, where the borrowing cost (regardless whether it concerns fixed assets and facilities acquisition or construction loans) is posted to the related period financial results.

g. Financial Instruments: Financial assets and liabilities, stated in the balance-sheet, include current cash on hand and in banks, receivable, bank loans and other short-term liabilities. The Company does not use financial instrument derivatives neither for balancing the risk nor for profit purposes. Financial instruments appear as receivable, liabilities or equity based on the contents of the relevant contracts. Interest, dividends, profit and loss resulting from financial instruments, considered as receivable or liabilities are respectively posted as expenditure or income. Dividend distribution to shareholders is posted directly to equity. Financial instruments are set off against each other when the Company, according to the Law, has the legal right and intends to set them off or to recover the asset and at the same time set it off against the liability.

i. *Fair Value:* The amounts appearing in the attached balance-sheets as cash on hand and in banks, short- term receivable and other short-term liabilities, approach their respective actual values because of their short- term nature. Long- term bank loan actual value is not different from their accounting value due to floating interest rates.
ii. Credit Risk: There is no significant credit risk for the Company towards the contracting parties.
iii. Interest Rate and Exchange Risk: The Company bank loans are expressed in Euro and are subject to floating interest rates. The Company does not use derivatives in financial instruments in order to reduce its exposure to interest rate risk fluctuation as at the balance-sheet date. The Company management believes that there is no significant risk resulting from a possible interest rate fluctuation.

h. Cash on hand and in banks: The Company considers as cash (apart from cash on hand) time deposits and liquid investments maturing in three months from the acquisition date.

i. Receivable: Short- term receivable are stated at their nominal value decreased by the provision for doubtful debts. Long- term receivable, receivable at a specific date, were valued at present value applying the discount rate method according to IAS39 and IAS18.

j. Expenditure and Risk Provisions: When the Company has a present legal or presumed commitment as a result of past events, a fund outflow, which incorporates financial benefits, is possible and the relevant commitment amount can be reliably assessed, then provisions are recognised. Provisions are re-examined at the end of each financial period and are adjusted in order to represent the best possible assessments, and when necessary are prepaid at a pre- tax discount rate. Potential liabilities are not posted to the financial statements, but are disclosed, unless the possibility for funds outflow, incorporating financial benefits, is minimum. Potential receivable is not posted to the financial statements, but are disclosed as long as benefit inflow is possible.

k. Income Tax (Current and Deferred): Current and deferred income tax assessment is based on the relevant amounts of the financial statements, according to tax Laws effective in Greece. Current income tax, concerns tax on the Company taxable profits, adjusted according to Greek tax Law and calculated using the current tax rate.

Deferred tax is assessed, using the liability method in all temporary tax differences on the balance- sheet date between the tax base and the accounting value of assets and liabilities.

The expected tax consequences from the temporary tax differences are assessed and stated either as deferred tax liabilities or as deferred tax assets.

Deferred tax assets are posted to the financial statements for all allowable temporary differences and tax losses carried forward, as far as it is likely to set off these allowable temporary differences against available taxable profits

The accounting value of deferred tax assets is revised at each balance- sheet date and it is reduced up to the point that it is not likely to have enough taxable profits, where part or all of the deferred tax assets may be set off against.

Current income tax receivable and liabilities for current and previous financial years are valued at the amount expected to be paid to Tax Authorities (or be refunded by them), using the tax rates (and tax Laws) in force up to the balance- sheet date.

l. Revenue Recognition: All sales income categories are posted to the financial period they concern, while accrued and not invoiced services income is also accounted for at the balance- sheet date. Income is accounted for only if it is possible that financial benefits related to the transaction will inflow to the Company. Rental income is accounted for on a regular basis during the rental period, according to the rental agreement. Interest is accounted for on the accrual basis (taking into account the actual investment return).

m. Inventories: Material and spare parts related to the Company mechanical equipment maintenance, are valued at the lower of acquisition cost and net realisable value and their cost is determined on the weighted average cost basis. Material is posted to inventories on purchase and recognised as expenditure on consumption.

n. Leases: Leases that actually convey to the Company all dangers and benefits relevant to the leased asset are classified as financial leases. Leased fixed assets are capitalized at the beginning of the lease at their fair value or at present value of total minimum finance lease payments, if the latter is lower. Financial lease payments are allocated between financial expenditure and financial liabilities reduction in order to achieve a fixed interest rate for the remaining liability balance. Financial expenditure are debited directly in the period financial results. Capitalized leased fixed assets are depreciated according to their expected useful life.

When the lessor retains all dangers and benefits of fixed asset ownership, then these leases are classified as operational leases. Operational lease payments are recognised as expenditure in the Profit and Loss Statement on a regular basis during the lease.

o. Employee Benefits: According to the collective PPA employee agreement (article 9 CA/2000 and article 5 CA/2004) the Company must pay retirement allowances to permanent C.L.L.C. employees, equal to the total of seven month regular salary. To employees working under employment contract, the Company pays either retirement allowance according to previous regulations or indemnity according to Law 2112/20 as these are revised and effective today, according to each employee's previous employment period. The Company pays indemnity to workers in accordance with article 49 Law 993/79 provisions. The top limit for all the above cases is 15.000 Euro.

The above retirement allowance obligations are estimated at their future benefits discount value, which are accumulated at the end of the year, in accordance with the recognition of employee benefit rights during their expected employment life. The above obligations are estimated in conformity with the financial actuarial acknowledgements analysed in Note 17 and are assessed by the actuarial Projected Unit Method. Financial period net indemnity costs are included in the attached Profit and Loss statement payroll costs and consist of benefit present value accrued during the year, interest on benefit obligations, previous employment cost, actuarial profits of losses and any other additional retirement costs. Previous employment costs are regularly recognised on the average employment period until program benefits are realised. Not recognised actuarial profits and losses, are recognised on the active employee remaining average employment period and are included as part of the annual net retirement cost, if they exceed 10% of future expected benefit obligations in the beginning of the year. Retirement obligations are not funded.

p. National Insurance Programs: The obligation for main or supplementary pension provision is covered by the main National Insurance Department (IKA-Social Insurance Institute) which concerns private sector and provides retirement, medical and pharmaceutical services. Each employee is obliged to contribute part of his salary to the National Insurance Department, while part of the total contribution is paid by the Company. On employee retirement the National Insurance Department is responsible for their pension payments. Therefore, the Company has no legal or presumed obligation for future payments according to this program.

The Company employees are also eligible, on retirement, for a lump sum payment by the Provident Fund according to the Fund's statutory regulations and Law 2084/92. For employee providence, the maximum amount payable is 38.010 Euro in conformity with Presidential Decree 389/1998 (Government Press 268A) which specifies as top limit the 11^{th} salary range for higher education employees in public sector. For longshoremen providence, the payable amount is specified each time based on last decade's contributions and the employee years of service. Each employee is obliged to contribute part of his salary to the Fund, while part of the total contributions are paid by the Company. Provident Fund is a C.L.L.C., responsible for the above payments. Therefore, the Company has no legal or presumed obligation for future payments according to this program.

q. Earnings per Share: Earnings per share are calculated by dividing the financial period net profit, corresponding to ordinary shareholders, by the weighted average number of ordinary shares issued. The attached financial statements did not include any profit decreasing bonds or other stock convertible to shares. Consequently, diluted earnings per share were not calculated.

r. Segment Reporting: The Company operates as a unified provider of port services at the Port of Piraeus. In this context, there was no obligation to prepare and publish financial results by segment, according to the requirements of IAS14 "Segment Reporting". As far as geographical districts are concerned, the Company operates in the area of Piraeus and therefore is regarded as one geographical district.

s. Interest-Bearing Loans: All loans are initially accounted for at the cost that is the actual loan value less the expenditure related to the loan issue. After the above, interest-bearing loans are valued at net book cost on the actual interest rate basis. Net book cost is calculated considering the expenditure related to the loan issue and the difference between the initial and final loan amount. Profits and losses are accounted for at net profit or loss when liabilities are written off or impaired and by depreciation procedure.

t. Dividends: Dividends are accounted for when receipt rights are finalised by the resolution of the Shareholders General Meeting.

u. 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.

This concession was agreed for fixed period, specifically of 40 years initial duration, beginning on the day the agreement was signed and ending on 13.2.2042. It is possible for the initial duration to be extended once or for several times, within Law top limits by a new written agreement and modification of the 4.1 article of the Concession Agreement.

In exchange for the above transfer, Greek Government receives 1% of the Company's consolidated annual income for each of the first 3 years of the agreement. The above percentage will increase to 2% of the Company's consolidated annual income after the 3rd year, on the same calculation basis.

The Company most significant obligations arising from this agreement are:

- Constant port rendering services
- Responsibility for the installation, improvement and maintenance of the security level in the Piraeus Port area.
- Ensure fair deal to all port users
- Payment of maintenance expenditure for all the property included in the Concession Agreement

v. Foreign Currency Conversion: The Company operations are all performed in Euro. Transactions made in foreign currencies are converted into Euro using currency rates effective at the transaction date. Receivable and liabilities in foreign currency are adjusted at the financial statements preparation date in order to state the currency rates effective at that date. Gains or losses arising from these adjustments are included in the attached Profit and Loss Statement foreign exchange gains or losses.

5. TANGIBLE FIXED ASSETS

	Land and Buildings	Machinery and Equipment	Motor Vehicles	Furniture, Fixtures and Fittings	Advances and assets uneder 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	18.937.780,28	676.357,05	13.054,60	525.106,36	13.659.280,94	33.811.579,23
Disposals	0,00	89.625,82	94.380,05	0,00	17.503.646,35	17.687.470,22
Depreciation for the year (Note 26)	3.101.303,98	5.222.358,90	589.875,74	624.780,15	0,00	9.538.318,77
Depreciation set off	0,00	20.218,48	40.722,12	0,00	0,00	60.940,60
Net book value as at 31 December 2006	98.601.925,22	68.790.155,33	11.405.298,47	1.183.590,57	12.548.341,63	192.529.311,22
1 January 2006:						
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	0,00	31.128.824,80
Net book value	82.765.448,92	73.405.564,52	12.035.777,54	1.283.264,36	16.392.525,04	185.882.580,38
31 December 2006:						
Cost	106.416.265,71	94.022.714,56	14.181.703,58	5.966.488,71	12.548.341,63	233.135.514,19
Accumulated Depreciation	7.814.340,49	25.232.559,23	2.776.405,11	4.782.898,14	0,00	40.606.202,97
Net book value	98.601.925,22	68.790.155,33	11.405.298,47	1.183.590,57	12.548.341,63	192.529.311,22

Insurance cover of the Piraeus Port Authority (PPA) tangible fixed assets: The PPA tangible fixed assets are insured with the FINIX METROLIFE EMPORIKI, affiliate COMPANY of the EMPORIKI BANK group of companies. The contact duration is a year, ending on the 31/12/2006. Insurance cover concerns civil liability of plant and machinery and employer, insurance cover for fire and plant and machinery technical damage. Insurance costs for the year 2006 amounted to € 480.683,38 while for the year 2005 was € 490.448,49.

The finance leased equipment net book value as at 31 December 2006 amounts to:
1) € 8.864.486,16 concerning straddle carriers and
2) € 2.638.360,00 concerning port mobile crane, acquired this period.

6. INTANGIBLE FIXED ASSETS

	Software
Net book value as at 1st of January 2006	338.344,16
Additions	160.063,03
Depreciation for the year (Note 26)	173.825,12
Net book value as at 31st December 2006	324.582,07
1 January 2006	
Cost	3.758.029,76
Accumulated depreciation	3.419.685,60
Net book value	338.344,16
31 December 2006	
Cost	3.918.092,79
Accumulated depreciation	3.593.510,72
Net book value	324.582,07

7. LONG TERM ACCOUNTS RECEIVABLE

This account consists of the following:

	31/12/2006	31/12/2005
Guarantees to third parties	290.367,00	188.751,58
Car leases guarantees	9.292,00	0,00
Fixed Asset Bonds	1.221,13	1.221,13
TOTAL	300.880,13	189.972,71

8. INCOME TAX (CURRENT AND DEFERRED)

(a) Income tax provision

	31/12/2006	31/12/2005
Current income tax	4.916.848,93	4.630.417,42
Deferred income tax	318.863,00	1.132.208,51
TOTAL	5.235.711,93	5.762.625,93

The nominal rate (29% for the financial year ending the 31st of December 2006) does not differ substantially from the actual tax rate because there are not any significant non tax allowable expenditure.

The Greek Tax Legislation and relevant provisions are subject to interpretations from the Tax Authorities. The income tax returns are submitted on an annual basis, but profits or losses declared for tax purposes are considered temporary until the Tax Authorities examine/review the tax returns and the tax payer books and records, time when the relevant tax liabilities are settled. Tax losses, up to the point that they are recognized by the Tax Authorities, can be used for setting off against profits of the next five financial years following the financial year incurred.

Financial years 2003 up to and including 2006 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.

(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:

	31/12/2006	31/12/2005
Opening balance	8.620.781,80	9.752.990,31
Amount in Year Profit and Loss statement	(318.863,00)	(1.132.208,51)
Closing balance (Net amount)	8.301.918,80	8.620.781,80

	Balance Sheet		Year Results	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Deferred tax assets				
Capitalised expenditure accounted for	915.078,75	1.494.625,50	(579.546,75)	(1.046.769,50)
Fixed assets depreciation on a useful life basis	1.034.500,35	1.005.985,90	28.514,45	141.865,90
Writing-off receivables not fulfilling the allowance criteria	4.454.145,00	4.454.145,00	0,00	0,00
Staff Leaving Indemnity	1.710.411,50	1.664.433,50	45.978,00	101.853,50
Other	187.783,20	1.591,90	186.191,30	(329.158,41)
Deferred tax asset	8.301.918,80	8.620.781,80		
Deferred tax in Year Profit and Loss Statement			(318.863,00)	(1.132.208,51)

9. INVENTORY

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

	31/12/2006	31/12/2005
Consumables	2.427.324,19	2.394.740,99
Fixed assets spare parts	3.185.638,93	2.503.555,93
TOTAL	5.612.963,12	4.898.296,92

The total consumption cost of the year 1/1-31/12/2006 amounted to € 4.038.404,85 while that of the respective year 1/1-31/12/2005 amounted to € 4.028.106,02.

10. TRADE RECEIVABLE

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

	31/12/2006	31/12/2005
Customers	3.161.096,78	3.630.960,45
Doubtful Debts - Court Pending Cases	39.388.691,52	38.466.039,30
Less: Provision for doubtful debts	(31.745.292,63)	(29.204.752,48)
TOTAL	10.804.495,67	12.892.247,27

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 31/12/2006. 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:

	31/12/2006	31/12/2005
Opening balance	29.204.752,48	27.874.190,06
Provision for the year (Note 23)	2.540.540,15	1.330.562,42
Closing Balance	31.745.292,63	29.204.752,48

11. OTHER RECEIVABLE

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

	31/12/2006	31/12/2005
Personnel loans	359.093,82	388.632,28
Current Value Added Tax (V.A.T.)	208.461,10	7.192.720,44
Other receivable	121.330,00	48.680,03
TOTAL	688.884,92	7.630.032,75

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 installments from the employee salaries.

V.A.T.: This amount is a V.A.T. refund claim which will be settled next year.

Other receivable: Other receivable includes various payments in advance to suppliers.

12. CASH ON HAND AND IN BANKS

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

	31/12/2006	31/12/2005
Cash on hand	747.527,13	802.375,00
Cash in banks	21.871.010,30	11.572.581,25
TOTAL	22.618.537,43	12.374.956,25

Bank current accounts are in Euro and are subject to floating interest rate depending on the deposit amount, which on the 31st of December 2006 was 1% and increases by 50% for capital over € 440.000,00. Net present value of the current and deposit bank accounts approximates their accounting value because of the floating interest rates and their short term maturity.

Interest income from bank deposit accounts, is recognised on the accrual basis, and amounts to € 472.664,92 and € 200.814,28 for the financial years ended 31st of December 2006 and 2005, respectively, and is included in the financial results of the attached Profit and Loss Statement (Note 25).

13. 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.

14. RESERVES

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

	31/12/2006	31/12/2005
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
	74.203.335,77	73.637.330,85

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 Societé 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.

15. INVESTMENT SUBSIDIES

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

	31/12/2006	31/12/2005
Initial value	11.400.000,00	11.400.000,00
Accumulated depreciation	(1.413.936,32)	(845.173,52)
Net book value	9.986.063,68	10.554.826,48

16. 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 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.

17. PROVISION FOR STAFF LEAVING INDEMNITY

Provision for staff leaving indemnity was determined by actuary study.

The following tables present the net expenditure components for the relevant provision which was posted to the period financial results ended the 31st of December 2006 and 2005 and the movement of the relevant provision accounts for staff leaving indemnity stated in the attached financial statements for the financial year ended the 31st of December 2005 and the financial year ended the 31st December 2005.

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

	31/12/2006	31/12/2005
Current employment and financial cost	183.912,00	407.413,00

The relevant provision movement for the financial year ended the 31st of December 2005 and the financial year ended the 31st of December 2004 is as follows:

	31/12/2006	31/12/2005
Opening balance	6.657.734,00	6.250.321,00
Provision for the year (Note 27)	1.801.218,00	1.693.722,00
Staff leaving indemnity paid	(1.617.306,00)	(1.286.309,00)
Closing balance	6.841.646,00	6.657.734,00

The main actuary assumptions used for the relevant provision calculation (staff leaving indemnity and medical and pharmaceutical care) are summarised as follows:

	31/12/2006	31/12/2005
Discount interest rate	4%	5%
Expected salary rise	4%	4%
Estimated average future employment period	15,33	14,38

18. FINANCE LEASE OBLIGATIONS

In 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 5,27%.

The minimum future finance lease payments as well as the present value of minimum net finance lease payments on the 31st of December 2006 are analysed as follows:

	Minumum payments	Payments Pressent Value
Within next year	2.381.539,80	2.047.376,60
Within 2-5 years	5.160.002,90	4.848.799,76
Total	7.541.542,70	6.896.176,36
Less: financial charges	(645.366,34)	0,00
Current value of minimum finance lease payments	6.896.176,36	6.896.176,36

2) One (1) new port automotive 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 4,75%.

The minimum future finance lease payments as well as the present value of minimum net finance lease payments on the 31st of December 2006 are analysed as follows:

	Minumum payments	Payments Pressent Value
Within next year	359.528,64	230.223,19
Within 2-5 years	1.438.114,56	1.058.289,00
After 5 years	1.318.271,68	1.196.828,99
Total	3.115.914,88	2.485.341,18
Less: financial charges	(630.573,70)	0,00
Current value of minimum finance lease payments	2.485.341,18	2.485.341,18

19. 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 Terminal in N. Ikonio.

The loan repayment is to be made in ten (10) annual consecutive installments, beginning the 15th of September 2001 and ending the 15th of September 2010. Up to date six installments have been paid up, while the seventh has been transferred to the Company short term liabilities. The loan balance outstanding as at 31st of December 2006 is €11.696.551,73, divided in a) € 8.772.413,80 "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 year ended the 31st of December 2006, amounted to € 419.274,49 (€ 372.184,82 on the 31st of December 2005) and is included in the financial results (Note 25) in the attached Profit and Loss statement.

20. 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 2006: The Board of Directors suggested for the financial year 2006 the distribution of dividends to the shareholders of € 4.000.000,00 or € 0,16 per share. The distribution of dividends will be authorised by the annual Ordinary Shareholders General Meeting.

21. OTHER LIABILITIES AND ACCRUED EXPENSES

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

	31/12/2006	31/12/2005
Taxes payable	4.019.355,49	2.443.253,39
National insurance and other contribution	2.446.256,07	2.998.715,63
Other short term liabilities	7.308.159,11	6.294.915,26
Customer advance payments	5.411.590,67	2.370.242,54
Accrued expenses	19.845,79	17.168,00
	19.205.207,13	14.124.294,82

Taxes Payable: Current period amount consists of: a) financial year 2006 income tax (corporation tax) € 2.068.419,83 (less tax payed in advance) b) Employee withheld income tax € 1.742.927,66 c) other third party taxes € 208.008,00.

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

	31/12/2006	31/12/2005
National Insurance Contributions (IKA)	1.815.682,01	2.199.126,78
Insurance Contributions to Supplementary Funds	505.007,80	673.944,25
Other Insurance Contributions	125.566,26	125.644,60
	2.446.256,07	2.998.715,63

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

	31/12/2006	31/12/2005
Salaries Payable	840.830,01	1.618.367,82
Concession Agreement Payment for 2006	3.007.253,62	2.943.096,82
Other contribution payable to (TAPAEL, NAT etc.)	774.550,72	582.772,53
Various Advance Payments (leases e.t.c.)	23.816,66	21.967,62
Other Third Party Short-term obligations	2.661.708,10	1.128.710,47
	7.308.159,11	6.294.915,26

Accrued Expenses: The amounts below are analysed as follows:

	31/12/2006	31/12/2005
European Investment Bank Loan Interest	19.845,79	17.168,00

22. SALES

Sales are analysed as follows:

	31/12/2006	31/12/2005
Income from:		
Loading and unloading	85.478.866,45	81.169.676,48
Storage	24.570.319,61	28.014.767,55
Various other port services	34.088.001,19	30.793.577,65
	144.137.187,25	139.978.021,68

23. EXPENSES ALLOCATION AT OPERATIONS

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

	Year ended on 31/12/2006		
	Cost of Sales	Administration Expenses	Total
Payroll Costs (Note 27)	82.115.336,49	11.821.804,73	93.937.141,22
Third Party Services	10.598.280,55	2.052.498,37	12.650.778,92
Third Party Fees	1.752.219,02	270.104,14	2.022.323,16
Depreciation (Note 26)	8.578.620,79	564.760,30	9.143.381,09
Taxes and Duties	144.281,77	22.241,00	166.522,77
General Expenses	6.309.082,45	972.543,53	7.281.625,98
Provisions of Doubtful Debt	2.219.888,68	320.651,47	2.540.540,15
Consumables	4.038.404,85	0,00	4.038.404,85
	115.756.114,60	16.024.603,54	131.780.718,14

	Year ended on 31/12/2005		
	Cost of Sales	Administration Expenses	Total
Payroll Costs (Note 27)	84.376.048,95	12.212.521,55	96.588.570,50
Third Party Services	10.949.433,57	1.580.104,29	12.529.537,86
Third Party Fees	965.279,96	139.714,05	1.104.994,01
Depreciation	8.096.217,40	436.373,66	8.532.591,06
Taxes and Duties	137.533,17	19.906,47	157.439,64
General Expenses	5.653.740,63	818.319,09	6.472.059,72
Provisions of Doubtful Debt	1.162.312,00	168.250,42	1.330.562,42
Consumables	4.028.106,02	0,00	4.028.106,02
	115.368.671,70	15.375.189,53	130.743.861,23

24. OTHER OPERATIONAL INCOME AND EXPENDITURE:

1) OTHER OPERATIONAL INCOME:

Amounts are analysed as followed:

	Year ended on	
	31/12/2006	31/12/2005
Rental income	5.174.803,25	6.189.199,68
Other income	2.622.003,98	2.978.165,53
	7.796.807,23	9.167.365,21

Rental income concerns land and building rents.

Minimum Future Rents: The minimum future rental income receivable, arising from the existing rental agreements are as follows:

Payable	31/12/2006
Within 1 year	2.855.762,44
Between 1-5 years	5.595.960,68
Over 5 years	8.289.301,75
	16.741.024,87

2) OTHER OPERATIONAL EXPENSES:

The amounts are analysed as follows:

	31/12/2006
Research and Development expenses	789.311,91
Provisions for pending lawsuits	100.000,00
Third party indemnity payments	1.167.569,86
Other expenses	328.277,14
Total	2.435.158,91

	31/12/2005
Net Book Value of machinery sold	1.393.695,38
(Less) Income from sale of machinery	(727.007,23)
	666.688,15
Research and Development expenses	425.066,20
Total	1.091.754,35

25. FINANCIAL INCOME/ EXPENDITURE

Amounts are analysed as follows:

	Year ended on	
	31/12/2006	31/12/2005
Bank Interest Income	472.664,92	200.814,28
Bank Interest Expenses	(1.036.946,06)	(810.935,61)
	(564.281,14)	(610.121,33)
Credit Interest	298.838,71	383.074,28
Total	(265.442,43)	(227.047,05)

26. DEPRECIATION:

Amounts are analysed as follows:

	Year ended on	
	31/12/2006	31/12/2005
Intangible Asset Depreciation (Note 5)	9.538.318,77	8.987.414,65
Software Depreciation (Note 6)	173.825,12	109.681,26
Fixed Asset Subsidies Depreciation (Note 15)	(568.762,80)	(564.504,85)
	9.143.381,09	8.532.591,06

27. PAYROLL COST:

Amounts are analysed as follows:

	Year ended on	
	31/12/2006	31/12/2005
Wages and Salaries	78.376.119,91	81.081.724,87
Employer Contribution to National Insurance Departments	12.382.029,04	12.427.216,02
Other payments	1.377.774,22	1.385.907,80
Staff leaving indemnity	1.617.306,05	1.286.308,81
Provision for staff leaving indemnity (Note 17)	183.912,00	407.413,00
	93.937.141,22	96.588.570,50

28. EARNINGS AND DILUTED EARNINGS PER SHARE:

Basic Earnings per Share on the 31st of December is calculated as follows:

	31/12/2006	31/12/2005
Net Profit attributed to Company Shareholders	12.216.963,07	11.320.098,33
Weighted Average Number of Shares	25.000.000	25.000.000
Basic Earnings per Share	0,49	0,45

29. 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 up to and including 2006 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.

c) Finance Lease Obligations: The Company future obligations for finance lease payments, as they arise from existing finance lease contracts, are analysed as follows:

Payable	31st of December 2006
Within 1 year	535.218,41

30. RELATED PARTY TRANSACTIONS

Board of Directors Members Remuneration: During the year ended on the 31st of December 2006, remuneration and attendance costs, amounting € 338.399,17 (€ 356.927,02 on 31.12.2005), were paid to the Board of Directors members. Furthermore during the year ended 31/12/2006 emoluments of € 872.616,81 were paid to Managers/ Directors for services rendered.

3. auditor's report

AUDITOR'S REPORT

To the shareholders of Piraeus Port Authority S.A.

Report on the Financial Statements

We have audited the accompanying financial statements of Piraeus Port Authority S.A., which comprise the balance sheet as at December 31, 2006, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. This responsibility also includes selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Hellenic Standards on Auditing that are adjusted with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects the financial position of Piraeus Port Authority S.A. as of December 31, 2006, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards adopted from the E.U.

Report on Other Legal and Regulatory Requirements

The content of the Board of Directors' report is consistent with the accompanying financial statements.

Piraeus, 16 March 2007
CERTIFIED ACCOUNTANT

ALEXANDROS P. SFARNAS
SOEL MEMBER NO: 14841

PKF EUROAUDITING S.A.

4. summary financial information

PIRAEUS PORT AUTHORITY SOCIETE ANONYME

PPA S.A.

SUMMARY FINANCIAL INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2006 (published on the basis of Law 2190, article 135 for companies preparing annual financial statements, consolidated or not, according to IFRS)

The financial information below intend to give a general view of the financial position and results of "PIRAEUS PORT AUTHORITY SOCIETE ANONYME" S.A. The reader requiring a detailed analysis of the Company financial position and results, should gain access to the annual financial statements prepared according to International Financial Reporting Standards and the independent auditor's report. All this information can be viewed at the Company internet address.

COMPANY INFORMATION

Company Address:	Akti Miaouli 10, P.C. 185 38, Piraeus
Company Register Number:	42645/06/B/99/24
Relevant Prefecture:	Piraeus Prefecture
Date of Approval of Financial statements where from this summary information was derived:	15/3/2007
Auditor / Certified Accountant:	Alexandros P. Sfarnas
Audit firm:	PKF Euroauditing S.A.
Form of Auditor's report:	unqualified
Company internet address:	www.olp.gr

Board of Directors Members

Dimitrios Samolis	President (Non executive member)
Antoniou Christos	Vice-President (Non exec. member)
Nikolaos Anastasopoulos	Managing Director (Exec. member)
Likourgos Aretaios	member)
Georgios Galliakis	member)
Nikolaos Filippas	Member (Non executive member)
Georgios Hairetis	Member (Non executive member)
Hlias Filippakopoulos	Member (Non executive member)
Panagiotis Fasoulas	Member (Non executive member)
Petros Kiriakou	Member (Non executive member)
Eustratios Balabanidis	Member (Non executive member)
Georgios Nouhoutidis	Member (Non executive member)
Georgios Kasimatis	Member (Non executive member)

I. BALANCE SHEET
as of 31/12/2006 (Amounts in Euro)

ASSETS	31/12/2006	31/12/2005
Fixed Assets	201.456.692,22	195.031.679,05
Inventory	5.612.963,12	4.898.296,92
Trade Receivable	10.804.495,67	12.892.247,27
Other assets	23.307.422,35	20.004.989,00
TOTAL ASSETS	**241.181.573,36**	**232.827.212,24**
LIABILITIES		
Long term liabilities	52.125.001,81	57.570.489,79
Short term liabilities-banks	2.924.137,93	2.924.137,93
Other short-term liabilities	25.639.676,03	20.306.790,00
Total Liabilities (a)	**80.688.815,77**	**80.801.417,72**
Share capital	50.000.000,00	50.000.000,00
Other equity	110.492.757,59	102.025.794,52
Total Equity (b)	**160.492.757,59**	**152.025.794,52**
TOTAL EQUITY AND LIABILITIES (a) + (b)	**241.181.573,36**	**232.827.212,24**

II. PROFIT AND LOSS STATEMENT
for the year ended 31 December 2006 (Amounts in Euro)

	1/1-31/12/2006	1/1-31/12/2005
Sales	144.137.187,25	139.978.021,68
Gross profit / (loss)	28.381.072,65	24.609.349,98
Profit / (loss) before taxes, financial and investment results	18.507.429,34	18.401.525,66
Profit / (loss) before taxes, financial and investment results and depreciation	27.650.810,43	26.934.116,72
Profit / (loss) before taxes,	17.452.675,00	17.082.724,26
Less taxes	(5.235.711,93)	(5.762.625,93)
Profit / (loss) after taxes	**12.216.963,07**	**11.320.098,33**
Earnings after taxes per share - (in €)	0,49	0,45
Proposed dividend per share - (in €)	0,16	0,15

III. STATEMENT OF EQUITY CHANGES
for the year ended 31/12/2006

	31/12/2006	31/12/2005
Equity in the beginning of year (01.01.2006 and 01.01.2005 respectively)	152.025.794,52	145.705.696,19
Profit for the year after taxes	12.216.963,07	11.320.098,33
Dividends payable	(3.750.000,00)	(5.000.000,00)
Equity at the end of year	**160.492.757,59**	**152.025.794,52**

IV. CASH FLOW STATEMENT (2nd alternative method)
for the year ended 31 December 2006 (Amounts in Euro)

	1/1-31/12/2006	1/1-31/12/2005
Cash flows from operating activities		
Profit before taxes	17.452.675,00	17.082.724,26
Plus / Less adjustments for:		
Depreciation	9.143.381,09	8.532.591,06
Provisions	283.912,00	407.413,00
Interest payable and similar charges	1.036.946,06	810.935,61
Interest receivable	(771.503,63)	(583.888,56)
Investing activity results	123.065,27	1.442.120,29
Plus / Less adjustments for changes in working capital or related to operating activities:		
(Increase) / Decrease in invetory	(714.666,20)	(174.605,24)
(Increase) / Decrease in receivable	8.917.992,01	2.240.827,80
(Decrease)/Increase in liabilities (apart from bank)	3.633.130,77	(11.026.003,92)
Less:		
Interest and similar charges paid	(1.036.946,06)	(810.935,61)
Taxes paid	(3.287.012,46)	(7.184.129,80)
Net cash from / (used in) operating activities (a)	**34.780.973,85**	**10.737.048,89**
Cash flows from investing activities		
Acquisition of tangible and intangible fixed assets	(16.468.177,91)	(16.356.568,70)
Interest received	771.503,63	583.888,56
Net cash (used in) / from investing activities (b)	**(15.696.674,28)**	**(15.772.680,14)**
Cash flows from financing activities		
Procceds from the issue of bank loans / finance lease contracts	0,00	13.250.000,00
Bank loans payments	(2.924.137,93)	(2.924.137,93)
Payments of finance lease liabilities (sinking fund)	(2.166.580,46)	(1.701.902,00)
Dividends paid	(3.750.000,00)	(5.000.000,00)
Net cash from / (used in) financing activities (c)	**(8.840.718,39)**	**3.623.960,07**
Net increase/(decrease) in cash and cash equivalents for the period (a) + (b) + (c)	**10.243.581,18**	**(1.411.671,18)**
Cash and cash equivalents in the beginning of year	**12.374.956,25**	**13.786.627,43**
Cash and cash equivalents at end of year	**22.618.537,43**	**12.374.956,25**

VI. ADDITIONAL INFORMATION

a) The company has been audited by the tax authorities up to 31/12/2002. b) The company personnel,permanent and temporary as at 31/12/2006 amounted to 1523 people (1686 at 31/12/2005).

c) There are no mortgages on the Company assets. d) There was no change in the accounting policies used in the preparation of the Company financial statements for the year ended 31/12/2006.

e) For pending lawsuits or cases submitted in arbitration, the Company has made relevant provisions.

f) Sales and purchases amounts accumulated from the beginning of the financial year and Company receivable balances at the current year end, arising from related party transactions, as defined by IFRS 2, are as follows:

(Amounts in Euro)

a) Sales of goods and services	0
b) Purchases of goods and services	0
c) Receivable	0
d) Payable	0
e) Transactions and Management and Board of Directors emoluments	1.211.015,98
f) Receivable from Management and Board of Directors Members	0
g) Payable to Management and Board of Directors Members	0

Piraeus 15 March 2007

THE PRESIDENT OF THE B.O.D.	THE MANAGING DIRECTOR	THE FINANCIAL DIRECTOR
DIMITRIOS SAMOLIS	NIKOLAOS ANASTASOPOULOS	KONSTANTINOS BALIS
Α.Δ.Τ Ξ. 414691	Α.Δ.Τ. Ξ. 625099	ΑΡ.ΑΔ. O.E.E. 0005249

5. information regarding the article 10 of law 3401/2005

Information regarding the article 10 of law 3401/2005

Announcement	Web adress	Date
Comments concerning press articles	www.ase.gr www.olp.gr	5/12/2006
Comments on Financial Statements of the third quarter 2006	www.ase.gr www.olp.gr	29/11/2006
Financial Statements of the third quarter 2006	www.ase.gr www.olp.gr	29/11/2006
Comments concerning press articles	www.ase.gr www.olp.gr	28/11/2006
Announcement-Concession of Port Installations	www.ase.gr www.olp.gr	16/11/2006
Comments concerning press articles	www.ase.gr www.olp.gr	2/10/2006
Presentation of PPA in the 1st Annual Greek Roadshow in London	www.ase.gr www.olp.gr	21/9/2006
Comments on Financial Statements of the first half 2006	www.ase.gr www.olp.gr	30/8/2006
Financial Statements of the first half 2006	www.ase.gr www.olp.gr	30/8/2006
Press Release concerning the Competition Commission	www.ase.gr www.olp.gr	23/8/2006
Appointment of General Manager	www.ase.gr www.olp.gr	31/7/2006
Shareholders General Meeting resolutions	www.ase.gr www.olp.gr	23/6/2006
Election of Managing Director and ratification of election of two new members of the Board of Directors	www.ase.gr www.olp.gr	23/6/2006
Announcement concerning the ex-dividend date	www.ase.gr www.olp.gr	23/6/2006
Invitation for the General Meeting of Shareholders	www.ase.gr www.olp.gr	31/5/2006
Comments on Financial Statements of the first quarter 2006	www.ase.gr www.olp.gr	31/5/2006
Financial Statements of the first quarter 2006	www.ase.gr www.olp.gr	31/5/2006
Announcement concerning changes in the schedule of intended corporate actions for the year 2006	www.ase.gr www.olp.gr	15/5/2006
Announcement concerning the analyst's briefing at the Association of Greek Institutional Investors	www.ase.gr www.olp.gr	3/5/2006
Annual Report 2005	www.ase.gr www.olp.gr	28/4/2006

Announcement concerning the annual financial statements for the year 2005	www.ase.gr www.olp.gr	31/3/2006
Comments on Financial Statements for the year 2005	www.ase.gr www.olp.gr	31/3/2006
Financial Statements for the year 2005	www.ase.gr www.olp.gr	30/3/2006
Press Release - Signing of "Sea-Air Link" agreement	www.ase.gr www.olp.gr	22/3/2006
Schedule of intended corporate actions for the year 2006	www.ase.gr www.olp.gr	28/2/2006
Disclosure of transaction	www.ase.gr www.olp.gr	15/2/2006
Comments concerning press articles	www.ase.gr www.olp.gr	31/1/2006

6. availability of the Financial Statements

6. Availability of the Financial Statements

The Financial Statements of P.P.A S.A , accompanied by their Audit Report and Annual Report of the Board of Directors and Auditor’s Report are available at the website: http:/www.olp.gr

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