

**PIRAEUS PORT AUTHORITY S.A**

**INTERIM CONDENSED  
FINANCIAL STATEMENTS**

**FOR THE PERIOD**

**JANUARY 1 – MARCH 31, 2011**

(IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL  
REPORTING STANDARDS AS ADOPTED BY THE EUROPEAN UNION)

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(amounts in Euro, unless stated otherwise)

**STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED MARCH 31, 2011**

	<u>Notes</u>	<u>01.01-31.03.2011</u>	<u>01.01-31.03.2010</u>
Revenues	<b>21</b>	22.717.207,67	33.694.845,24
Cost of sales	<b>22</b>	<u>(23.186.063,13)</u>	<u>(27.602.914,13)</u>
<b>Gross profit</b>		<b>(468.855,46)</b>	<b>6.091.931,11</b>
Administrative expenses	<b>22</b>	(4.065.468,79)	(3.874.211,68)
Other operating expenses	<b>23</b>	(795.284,96)	(452.965,45)
Other income	<b>23</b>	2.322.059,03	1.715.679,80
Financial income	<b>24</b>	81.428,74	355.145,51
Financial expenses	<b>24</b>	<u>(373.494,10)</u>	<u>(193.157,67)</u>
<b>Profit before income taxes</b>		<b>(3.299.615,54)</b>	<b>3.642.421,62</b>
Income taxes		<u>380.316,72</u>	<u>(1.917.051,57)</u>
<b>Net profit after taxes (A)</b>		<b><u>(2.919.298,82)</u></b>	<b><u>1.725.370,05</u></b>
<b>Other total comprehensive income after tax (B)</b>		<u>-</u>	<u>-</u>
<b>Total comprehensive income after tax (A)+(B)</b>		<b><u>(2.919.298,82)</u></b>	<b><u>1.725.370,05</u></b>
<b>Profit per share (Basic and diluted)</b>	<b>27</b>	<b>(0,1168)</b>	<b>0,0690</b>
Weighted Average Number of Shares (Basic)		25.000.000	25.000.000
Weighted Average Number of Shares (Diluted)		25.000.000	25.000.000

**The accompanying notes are an integral part of the Financial Statements**

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**STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2011**

	<b>Notes</b>	<b>31.03.2011</b>	<b>31.12.2010</b>
<b>ASSETS</b>			
<b>Non current assets</b>			
Property, Plant and Equipment	<b>4</b>	318.689.195,80	320.538.678,69
Intangible assets		3.276.661,87	3.561.908,89
Investments in subsidiaries	<b>6</b>	190.000,00	120.000,00
Other non-current assets	<b>5</b>	330.500,75	321.161,75
Deferred tax assets	<b>7</b>	15.311.509,67	14.851.330,00
<b>Total non current assets</b>		<b>337.797.868,09</b>	<b>339.393.079,33</b>
<b>Current assets</b>			
Inventories	<b>8</b>	1.632.866,77	1.627.559,44
Trade Receivables	<b>9</b>	17.840.077,54	19.829.103,21
Prepayments and other receivables	<b>10</b>	23.542.614,22	23.607.171,17
Cash and cash equivalents	<b>11</b>	4.924.389,89	8.204.797,83
<b>Total Current Assets</b>		<b>47.939.948,42</b>	<b>53.268.631,65</b>
<b>TOTAL ASSETS</b>		<b>385.737.816,51</b>	<b>392.661.710,98</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	<b>12</b>	50.000.000,00	50.000.000,00
Other reserves	<b>13</b>	76.688.116,70	76.688.116,70
Retained earnings		19.397.622,70	22.316.921,52
<b>Total equity</b>		<b>146.085.739,40</b>	<b>149.005.038,22</b>
<b>Non-current liabilities</b>			
Long-term borrowings	<b>18</b>	90.000.000,00	90.000.000,00
Long-term leases	<b>17</b>	1.183.558,55	1.339.802,78
Government grants	<b>14</b>	21.018.733,10	21.258.653,84
Reserve for staff retirement indemnities	<b>16</b>	9.116.763,50	9.084.831,00
Provisions	<b>15</b>	53.062.328,10	53.329.373,39
Deferred income		44.043.873,61	46.779.326,90
<b>Total Non-Current Liabilities</b>		<b>218.425.256,86</b>	<b>221.791.987,91</b>
<b>Current Liabilities</b>			
Trade accounts payable		4.788.409,27	8.271.823,26
Short-term borrowings		-	-
Short-term leases	<b>17</b>	614.151,36	609.414,04
Income tax payable		1.344.210,98	1.531.967,25
Accrued and other current liabilities	<b>20</b>	14.480.048,64	11.451.480,30
<b>Total Current Liabilities</b>		<b>21.226.820,25</b>	<b>21.864.684,85</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>385.737.816,51</b>	<b>392.661.710,98</b>

The accompanying notes are an integral part of the Financial Statements

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**STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY FOR THE PERIOD ENDED MARCH 31, 2011**

	<u>Share capital</u>	<u>Statutory reserve</u>	<u>Other reserves</u>	<u>Retained earnings</u>	<u>Total</u>
<b>Total Equity as at January 1, 2010</b>	<b>50.000.000,00</b>	<b>6.620.696,95</b>	<b>69.715.059,11</b>	<b>15.622.069,39</b>	<b>141.957.825,45</b>
Total comprehensive income after income taxes of the period	-	-	-	1.725.370,05	1.725.370,05
	-	-	-	<b>1.725.370,05</b>	<b>1.725.370,05</b>
<b>Total Equity as at March 31, 2010</b>	<b>50.000.000,00</b>	<b>6.620.696,95</b>	<b>69.715.059,11</b>	<b>17.347.439,44</b>	<b>143.683.195,50</b>
 <b>Total Equity as at January 1, 2011</b>	 <b>50.000.000,00</b>	 <b>6.973.057,59</b>	 <b>69.715.059,11</b>	 <b>22.316.921,52</b>	 <b>149.005.038,22</b>
Total comprehensive income after income taxes of the period	-	-	-	(2.919.298,82)	(2.919.298,82)
	-	-	-	<b>(2.919.298,82)</b>	<b>(2.919.298,82)</b>
<b>Total Equity as at March 31, 2011</b>	<b>50.000.000,00</b>	<b>6.973.057,59</b>	<b>69.715.059,11</b>	<b>19.397.622,70</b>	<b>146.085.739,40</b>

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**CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2011**

	<b>01.01-31.03.2011</b>	<b>01.01-31.03.2010</b>
<b>Cash flows from Operating Activities</b>		
Profit before income taxes	(3.299.615,54)	3.642.421,62
Adjustments for:		
Depreciation and amortisation	4.355.769,22	2.901.073,45
Amortisation of subsidies	(239.920,73)	(168.090,70)
Loss on sale of property, plant and equipment	2.160,75	-
Financial (income)/expenses	292.065,36	(161.987,84)
Provision for staff retirement indemnities	234.590,00	229.920,00
Other Provisions	779.086,06	561.060,35
<b>Operating profit before working capital changes</b>	<b>2.124.135,12</b>	<b>7.004.396,88</b>
<b>(Increase)/Decrease in:</b>		
Inventories	(5.307,33)	56.553,60
Trade accounts receivable	817.894,32	(2.460.106,74)
Prepayments and other receivables	93.764,97	(2.295.884,62)
Other long term assets	(9.339,00)	-
<b>Increase/(Decrease) in:</b>		
Trade accounts payable	(3.483.413,99)	(5.102.759,48)
Accrued and other current liabilities	3.095.699,46	(3.747.019,07)
Deferred income	(2.735.453,29)	(2.674.298,76)
Interest paid	(373.494,10)	(193.157,67)
Payments for staff retirement indemnities	(202.657,50)	-
Income taxes paid	(416.549,19)	(880.222,66)
<b>Net cash from/(used in) Operating Activities</b>	<b>(1.094.720,53)</b>	<b>(10.292.498,52)</b>
<b>Cash flow from Investing activities</b>		
Capital expenditure for property, plant and equipment	(2.045.609,24)	(25.015.575,70)
Subsidiaries increase of share capital	(70.000,00)	-
Interest and related income received	81.428,74	355.145,51
<b>Net cash used in Investing Activities</b>	<b>(2.034.180,50)</b>	<b>(24.660.430,19)</b>
<b>Cash flows from Financing Activities</b>		
Net change in long -term borrowings	-	55.000.000,00
Net change in leases	(151.506,91)	(542.484,96)
Dividends paid	-	(786.000,00)
<b>Net cash from/(used in) Financing Activities</b>	<b>(151.506,91)</b>	<b>53.671.515,04</b>
<b>Net increase in cash and cash equivalents</b>	<b>(3.280.407,94)</b>	<b>18.718.586,33</b>
<b>Cash and cash equivalents at the beginning of year</b>	<b>8.204.797,83</b>	<b>33.270.079,96</b>
<b>Cash and cash equivalents of the end of year</b>	<b>4.924.389,89</b>	<b>51.988.666,29</b>

The accompanying notes are an integral part of the Financial Statements

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2011****1. ESTABLISHMENT AND ACTIVITY OF THE COMPANY:**

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

The Company’s 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 subject to supervision by the Ministry of Maritime Affairs, Islands and Fisheries and governed by the principles of Company Law 2190/1920 and the founding Law 2688/1999, as amended 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.

The Company’s number of employees at March 31, 2011 amounted to 1.386. At December 31, 2010, the respective number of employees was 1.396.

**2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS:****(a) Basis of Preparation of Financial Statements:**

The accompanying condensed financial statements that refer to the period ended on March 31, 2011, have been prepared in accordance with the International Financial Reporting Standard (IFRS) 34 “Interim Financial Reporting”.

The accompanying financial statements do not include all the information required in the annual financial statements and therefore should be examined in combination with the published annual financial statements for the year ended 2009, which are available on the internet in the address [www.olp.gr](http://www.olp.gr).

The preparation of financial statements according to the IFRS requires estimations and assumptions to be made by the management, influencing the assets and liabilities amounts, the disclosure of potential receivable and liabilities as at the financial statement’s date, as well as the revenue and expenditure amounts, during the financial period. Actual results may differ from these estimations.

Certain line items of the previous year/period financial statements were reclassified in order to conform to the current period’s presentation.

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The following new and amended IFRS and IFRIC interpretations have been issued but are not effective for the financial year beginning January 1, 2011. They have not been early adopted and the Group and the Company are in the process of assessing their impact, if any, on the financial statements:

### **IFRS 7 Financial Instruments: Disclosures as part of its comprehensive review of off balance sheet activities (Amended)**

The amendment is effective for annual periods beginning on or after 1 July 2011. The purpose of this amendment is to allow users of financial statements to improve their understanding of transfer transactions of financial assets (e.g. securitisations), including understanding the possible effects of any risks that may remain with the entity which transferred the assets. The amendment also requires additional disclosures if a disproportionate amount of transfer transactions are undertaken around the end of a reporting period. The amendment broadly aligns the relevant disclosure requirements of IFRSs and US GAAP. This amendment has not yet been endorsed by the EU. The Company does not expect that this amendment will have an impact on the financial position or performance, however additional disclosures may be required.

### **IFRS 9 Financial Instruments – Phase 1 financial assets, classification and measurement**

The new standard is effective for annual periods beginning on or after 1 January 2013. Phase 1 of this new IFRS introduces new requirements for classifying and measuring financial assets. Early adoption is permitted. This standard has not yet been endorsed by the EU. The Company is in process of assessing the impact of the new standard on the financial position or performance.

### **IAS 12 Deferred tax: Recovery of Underlying Assets (Amended)**

The amendment is effective for annual periods beginning on or after 1 January 2012. This amendment concerns the determination of deferred tax on investment property measured at fair value and also incorporates SIC-21 Income Taxes — Recovery of Revalued Non-Depreciable Assets into IAS 12 for non-depreciable assets measured using the revaluation model in IAS 16. The aim of this amendment is to include a) a rebuttable presumption that deferred tax on investment property measured using the fair value model in IAS 40 should be determined on the basis that its carrying amount will be recovered through sale and b) a requirement that deferred tax on non-depreciable assets, measured using the revaluation model in IAS 16, should always be measured on a sale basis. This amendment has not yet been endorsed by the EU. The Company does not expect that this amendment will have an impact on the financial position or performance.

### **(b) Approval of Financial Statements:**

The Board of Directors of Piraeus Port Authority S.A. approved the condensed financial statements for the period ended at March 31, 2011, on May 23, 2010.

## **3. PRINCIPAL ACCOUNTING POLICIES:**

The financial statements have been prepared using accounting policies consistent with those of the previous year except for the adoption of the following new amended IFRS and IFRIC interpretations which became effective for the accounting period beginning January 1, 2011:

- IFRIC 14 Prepayments of a Minimum Funding Requirement (Amended)
- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments
- IAS 32 Classification on Rights Issues (Amended)
- IAS 24 Related Party Disclosures (Revised)
- In May 2010 the IASB issued its third omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. The effective dates of the improvements are various and



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the earliest is for the financial year beginning July 1, 2010. Early application is permitted in all cases and this annual improvements project has not yet been endorsed by the EU.

- IFRS 3 Business Combinations
- IFRS 7 Financial Instruments: Disclosures
- IAS 1 Presentation of Financial Statements
- IAS 27 Consolidated and Separate Financial Statements
- IAS 34 Interim Financial Reporting
- IFRIC 13 Customer Loyalty Programmes

Their adoption has had no effect on the financial statements of the Company.

**4. PROPERTY, PLANT AND EQUIPMENT:**

During the period from 01.01.2011 until 31.03.2011, the total investments of the Company's tangible assets amounted to € € 2.006.685,64 and refer mainly to the construction of Pier I (at March 31, 2010 amounted to € 25.963.622,82).

There is no property, plant and equipment that has been pledged as security. The title of the capitalized leased assets has been retained by the lessor. The net book value of the Company's capitalized leased assets at March 31, 2011 and at December 31, 2010, amounted to € € 8.016.819,43 and € 8.286.200,31 respectively, which mainly consists of container stowage and transportation vehicles (CSTV) , a port automotive crane, 4 forklift trucks DCE90-45E7 and 10 terminal tractors PT122L HD.

**5. LONG TERM ACCOUNTS RECEIVABLE:**

This account consists of the following:

	<b>31/3/2011</b>	<b>31/12/2010</b>
Guarantees to third parties	302.557,75	302.557,75
Car leases guarantees	27.943,00	18.604,00
<b>Total</b>	<b>330.500,75</b>	<b>321.161,75</b>

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**6. SUBSIDIARIES:**

Subsidiaries in which OLP SA is involved are as follows:

Subsidiary	Consolidation Method	Participation Relationship	Participation		Balance	
			31.03.2011	31.12.2010	31.03.2011	31.12.2010
NAFSOLP SA.	(1)	Direct	100%	100%	130.000,00	60.000,00
LOGISTIC OLP A.E.	(1)	Direct	100%	100%	60.000,00	60.000,00
					<b>190.000,00</b>	<b>120.000,00</b>

On October 22, 2010 paid by the Company's share capital amount of € 60.000 and € 60.000 respectively of the two subsidiaries under the names "NAFPIGOEPISKEFASTIKES SERVICES SA (with trade title" NAFSOLP SA) and "COMPANY COMBINED TRANSPORT AND MANAGEMENT GOODS SA (with trade title «LOGISTICS OLP SA"

The subsidiaries until the date of the financial statements did not start their business.

- (1) The Company does not prepare consolidated financial statements because of non-materiality of financial figures of subsidiaries at March 31, 2011. Specifically, the net assets for NAFSOLP SA and LOGISTICS OLP SA amounted to € 174.122,58 and 32.757,59, respectively (December, 31<sup>st</sup> 2010: € 164.363,07 και 24.557,68, respectively).

**7. INCOME TAX (CURRENT AND DEFERRED):**

The amounts of income taxes which are reflected in the accompanying interim condensed statements of income are analysed as follows:

	31/3/2011	31/3/2010
Current income tax	(45.137,05)	607.931,46
Deferred income tax	(460.179,67)	1.184.120,11
Provisions for period tax audit differences	125.000,00	125.000,00
<b>TOTAL</b>	<b>(380.316,72)</b>	<b>1.917.051,57</b>

Deferred taxes are defined as timing differences that exist in assets and liabilities between the accounting records and tax records and are calculated by applying the official tax rates.

The movement of deferred tax asset is analysed as follows:

	31/3/2011	31/12/2010
Opening balance	<b>14.851.330,00</b>	16.616.571,95
Amount reflected in the Statement of Comprehensive Income	460.179,67	(1.765.241,95)
Closing balance	<b>15.311.509,67</b>	<b>14.851.330,00</b>

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**8. INVENTORIES:**

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

	<b>31/3/2011</b>	<b>31/12/2010</b>
Consumables	1.124.543,82	1.109.254,75
Fixed assets spare parts	508.322,95	518.304,69
<b>TOTAL</b>	<b>1.632.866,77</b>	<b>1.627.559,44</b>

The total consumption cost for the period 1/1-31/3/2011 amounted to € 421.413,43 while that of the respective period 1/1-31/3/2010 amounted to € 128.396,75. There was no inventory devaluation to their net realisable value.

**9. TRADE RECEIVABLES:**

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

	<b>31/3/2011</b>	<b>31/12/2010</b>
Trade debtors	36.468.995,86	37.286.890,18
<b>Μείον:</b> Provision for doubtful debts	<b>(18.628.918,32)</b>	<b>(17.457.786,97)</b>
	<b>17.840.077,54</b>	<b>19.829.103,21</b>

The Company monitors these trade debtors balances and makes provisions for doubtful debts on an individual basis if its recovery is considered unlikely. As a measure of recovery failure the Company is using the age of balance, of the insolvency of the trade debtor and its objective difficulty. As doubtful debts are also considered most of the amounts claimed by the legal department, regardless of the likelihood of recovery of the amount.

The maximum exposure to credit risk without taking account of guarantees and credit guarantees coincide with the trade receivable book value

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 December 31, 2010. Customer payments in advance of € 889.534,89 are stated at liabilities in the account "Accrued and other current liabilities".

The movement in the allowance for doubtful accounts receivable is analysed as follows:

	<b>31/3/2011</b>	<b>31/3/2010</b>
<b>Beginning balance</b>	17.457.786,97	16.675.714,84
Provision for the year (Note 22)	1.171.131,35	511.060,35
Doubtful debts written off	-	(691.198,49)
<b>Ending balance</b>	<b>18.628.918,32</b>	<b>16.495.576,70</b>

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**10. PREPAYMENTS AND OTHER RECEIVABLES:**

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

	<b>31/3/2011</b>	<b>31/12/2010</b>
Personnel loans	1.013.287,77	734.143,55
Value Added Tax	8.574.062,23	8.934.584,17
Prepaid Expenses	383.020,95	474.106,66
Other receivable	2.079.438,92	1.971.532,44
Receivables from Grants	11.492.804,35	11.492.804,35
	<b>23.542.614,22</b>	<b>23.607.171,17</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.

**V.A.T.:** This V.A.T. amount resulted from the investment costs for the construction and equipment of Pier I. A refund claim for this amount will be made.

**Other receivable:** Other receivable include subsidies demand from Greek Railways (ΟΣΕ) of € 1.761.200,00, and various third party receivable of € 318.238,92.

**Receivables from Grants:** The grant amounts to € 11.492.804,35 in the Operational Programme "Improvement of accessibility of the Ministry of Infrastructure and Transport Network and in particular, two projects have been completed and for which the grant is approved, which is now recovered.

**11. CASH AND CASH EQUIVALENTS:**

Cash and cash equivalents in the accompanying interim condensed financial statements are analyzed as follows:

	<b>31/3/2011</b>	<b>31/12/2010</b>
Cash in hand	381.269,64	372.654,30
Cash at banks and time deposits	4.543.120,25	7.832.143,53
	<b>4.924.389,89</b>	<b>8.204.797,83</b>

Cash at banks earns interest at floating rates based on monthly bank deposit rates. Interest earned on cash at banks and time deposits is accounted for on an accrual basis and for the period ended March 31, 2011, amounted to € 11.638,49 (for the period ended March 31, 2010, € 316.979,93) and are included in the financial income in the accompanying interim condensed financial statements of comprehensive income.

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**12. SHARE CAPITAL:**

The Company's 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's share capital there are neither shares which do not represent Company's capital nor bond acquisition rights.

**13. RESERVES:**

Reserves are analysed as follows:

	<b>31/3/2011</b>	<b>31/12/2010</b>
Statutory reserve	6.973.057,59	6.973.057,59
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
	<b>76.688.116,70</b>	<b>76.688.116,70</b>

**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 S.A. conversion to a Société Anonyme. The total Company net shareholder funds (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.

**14. GOVERNMENT GRANTS:**

The movement of the account in the accompanying annual condensed financial statements is analyzed as follows:

	<b>31/3/2011</b>	<b>31/12/2010</b>
Initial value	25.482.804,35	13.990.000,00
Government grants received during the period	-	11.492.804,35
Accumulated depreciation	(4.464.071,25)	(4.224.150,51)
<b>Net Book Value</b>	<b>21.018.733,10</b>	<b>21.258.653,84</b>

Grants which have been received up to December 31, 2009 refers to, on the one hand works to meet requirements of the Olympic Games of 2004 (€ 11.400.000,00) and on the other hand in the first two installments of a grant for the construction of infrastructure for the OSE SA port station of € 1.110.000,00 and € 1.480.000,00.

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The grant of the prior year of € 11.492.804,35 refers to the operational program "Support Accessibility" of the Ministry of Infrastructure and Transport Network and in particular, two projects have been completed and have been authorized to grant expected to be recovered.

**15. PROVISIONS:**

Provisions in the accompanying annual financial statements are analyzed as follows:

	<b>31/3/2011</b>	<b>31/12/2010</b>
Provisions for legal claims by third parties	29.735.988,08	30.178.033,37
Provision for unaudited tax years	1.025.000,00	900.000,00
Provision for voluntary retirement	21.851.340,02	21.851.340,02
Provision for the deepening of Port	450.000,00	400.000,00
<b>Total</b>	<b>53.062.328,10</b>	<b>53.329.373,39</b>

The Company has made provisions for various pending court cases as at March 31, 2011 amounting to € 29.735.988,08 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.

For the unaudited financial years 2009 and 2010 the Company has made a provision of € 900.000,00 and additionally € 125.000,00 for the period 1/1-31/03/2011.

The movement of the provision is as follows:

	<b>31/03/2011</b>	<b>31/12/2010</b>
<b>Opening balance</b>	900.000,00	400.000,00
Provision for the period	125.000,00	500.000,00
<b>Closing balance</b>	<b>1.025.000,00</b>	<b>900.000,00</b>

Based on Laws 3654/2008, 3755/2009 and 3816/2010 the voluntary retirement program was implemented. The number of employees who made use of the above program were 107 persons. On December 31, 2010 the total provision amounted to € 21.851.340,02.

Provision of € 400.000,00 refers to an obligation by the concession agreement of the Piers II and III for the deepening of Port Container Terminal. The provision for the period ended March 31, 2011 amounted to € 50.000,00.

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**16. RESERVE FOR STAFF RETIREMENT INDEMNITIES:**

The relevant provision movement for the period ended on March 31, 2011 and the financial year ended the 31st of December 2010 is as follows:

	<b>31/3/2011</b>	<b>31/12/2010</b>
<b>Opening balance</b>	<b>9.084.831,00</b>	<b>11.485.080,00</b>
Provision for the period (Note 26)	234.590,00	2.352.205,47
Provision utilised	(202.657,50)	(4.752.454,47))
<b>Closing balance</b>	<b>9.116.763,50</b>	<b>9.084.831,00</b>

**17. FINANCE LEASE OBLIGATIONS:**

1. In 2005, the Company acquired by finance lease the following assets: One (1) new port automotive crane type HMK 300K 100T worth € 2.787.000,00. The finance lease duration is ten years and at the end PPA S.A. has the right to buy this asset at the price of € 100,00.
2. In July 2007 OLP S.A. entered into a finance lease contract (sale and lease back of fixed assets) amounted to € 1.508.370,08 that is:  
Four (4) Forklift trucks type DCE90-45E7 net book value of € 739.670,08.  
Ten (10) Terminal tractors type PT122L HD worth € 768.700,00.

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

More specific the finance lease obligations are analyzed to the following table:

	<b>31/3/2011</b>	<b>31/12/2010</b>
Finance lease obligations	1.797.709,91	1.949.216,82
Minus: Short term	(614.151,36)	(609.414,04)
<b>Long term</b>	<b>1.183.558,55</b>	<b>1.339.802,78</b>

**18. LONG-TERM BORROWINGS:**

The account balance of "Long term loans" concerns the following loans between the Company and the European Investment Bank:

1. Loan of € 35.000.000,00 for the construction of Pier I in South Terminal Ikonio issued on the 30/7/2008. The repayment of the loan will be in thirty (30) semi-annual installments, payable from December 15, 2013 up to and including June 15, 2028. The loan bears a floating interest rate, interest payable quarterly. From this contract there are obligations and restrictions for the company, the most important of which are summarized as follows: (i) required to submit the annual and half-yearly financial report within 1 month of publication, audited by a recognized firm of chartered accountants, accompanied each time by Certificate of Compliance for the years 2011 and 2012 and the annual financial report within 1 month of publication, for the rest of the fiscal years until the end of the contract, and (ii) to hold throughout the duration of the loan and until fully repaid the loan, the following economic indicators, calculated on annual, audited by certified auditors, the issuer's financial statements for each financial year for the duration of the loan.

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The agreement concerning the financial ratios is as follows:

1. EBITDA [Profit / (loss) before interest, taxes depreciation and amortization] / Interest greater than or equal to 3.
  2. Total net bank debt / EBITDA [Profit / (loss) before interest, taxes depreciation and amortization] less than or equal to 4.25.
  3. Total shareholders' equity greater than or equal to 140 million
2. Loan of € 55.000.000,00 for the construction of Pier I in Ikonio Terminal issued on the 10/02/2010. The repayment of the loan will be in thirty (30) semi-annual instalments, payable from 15 December 2015 up to and including 15 June 2029. The loan bears a floating interest rate, interest payable quarterly.

From this contract there are obligations and restrictions for the company, the most important of which are summarized as follows: (i) required to submit the annual and half-yearly financial report within 1 month of publication, audited by a recognized firm of chartered accountants, accompanied each time by Certificate of Compliance for the years 2011 and 2012 and the annual financial report within 1 month of publication, for the rest of the fiscal years until the end of the contract, and (ii) to hold throughout the duration of the loan and until fully repaid the loan, the following economic indicators, calculated on annual, audited by certified auditors, the issuer's financial statements for each financial year for the duration of the loan.

The agreement concerning the financial ratios is as follows:

1. EBITDA [Profit / (loss) before interest, taxes depreciation and amortization] / Interest greater than or equal to 3.
2. Total net bank debt / EBITDA [Profit / (loss) before interest, taxes depreciation and amortization] less than or equal to 4.25.
3. Current assets / current liabilities greater than or equal to 1.2.
4. Total shareholders' equity greater than or equal to 140 million

Total interest expenses on long-term loans for the periods ended March 31, 2011 and 2010, amounted to € 361.165,76 and € 176.025,53 respectively and are included in financial expenses, in the accompanying interim condensed financial statements of comprehensive income.

## 19. DIVIDENDS:

According to Greek Trade Law, the Companies are required to distribute every year dividends calculated at least as 35% of their net annual profit after taxes. This requirement does not apply if decided by the general meeting by holders of at least 70% of the paid up share capital.

Moreover, no dividend can be distributed to shareholders, if Company Equity reported in financial statements is or will be after the distribution, less than the paid-up capital plus non distributable (retained) reserves.

**Proposal for distribution of dividend for the year 2010:** For the year 2010, the Board of Directors has proposed a dividend amounted to €504.145,43 or € 0,02 per share to be distributed and a tax will be calculated according to the relevant tax rate. The dividend is subject to final approval of the Company's General Assembly of the Shareholders.



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**20. ACCRUED AND OTHER CURRENT LIABILITIES:**

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

	<b>31/3/2011</b>	<b>31/12/2010</b>
Taxes payable (except Income taxes)	655.873,84	822.437,93
National insurance and other contribution	1.528.557,04	1.836.871,37
Other short term liabilities	9.401.146,66	7.764.395,12
Customer advance payments	889.534,89	832.389,15
Accrued expenses	2.004.936,21	195.386,73
	<b>14.480.048,64</b>	<b>11.451.480,30</b>

**Taxes Payable:** Current period amount consists of: a) Employee withheld income tax € 521.533,03 and b) other third party taxes € 134.340,81.

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

	<b>31/3/2011</b>	<b>31/12/2010</b>
National Insurance Contributions (IKA)	1.184.059,00	1.399.559,34
Insurance Contributions to Supplementary funds	264.121,05	318.899,89
Other Insurance Contributions	80.376,99	118.412,14
	<b>1.528.557,04</b>	<b>1.836.871,37</b>

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

	<b>31/3/2011</b>	<b>31/12/2010</b>
Salaries Payable	1.192.722,87	746.660,11
Concession Agreement Payment	2.050.733,97	2.050.733,97
Other contribution payable to (TAPAEI, NAT etc.)	372.239,53	388.101,57
Other Third Party Short-term obligations (water company, electricity company etc.)	4.981.450,29	3.774.899,47
Greek State committed dividends	804.000,00	804.000,00
	<b>9.401.146,66</b>	<b>7.764.395,12</b>

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**21. REVENUES:**

Revenues are analysed as follows:

	<b>1/1-31/3/2011</b>	<b>1/1-31/3/2010</b>
Revenue from:		
Loading and Unloading	6.706.283,37	2.919.528,58
Storage	1.251.006,89	895.573,96
Various port services	7.645.678,82	9.757.964,11
Stable and variable revenue from concession agreement Pier II+III	6.553.490,54	5.709.948,04
Other income from Concession	560.748,05	1.163.953,19
Services provided at the Pier II (SEP)	-	13.247.877,36
<b>Total</b>	<b>22.717.207,67</b>	<b>33.694.845,24</b>

**22. ANALYSIS OF EXPENSES:**

Expenses (cost of sales and administrative expenses) in the accompanying interim condensed financial statements are analysed as follows:

	<b>1/1-31/3/2011</b>	<b>1/1-31/3/2010</b>
Payroll and related costs (Note 26)	16.410.295,83	22.839.758,33
Third party services	3.166.803,64	3.115.096,42
Third party fees	374.178,21	359.724,37
Depreciation- Amortisation (Note 24)	4.115.848,49	2.732.982,75
Taxes and duties	37.051,97	25.325,73
General expenses	1.504.809,00	1.714.781,11
Other provisions	50.000,00	50.000,00
Provision for doubtful receivables	1.171.131,35	511.060,35
Consumables	421.413,43	128.396,75
	<b>27.251.531,92</b>	<b>31.477.125,81</b>

The above expenses are analyzed as follows:

	<b>1/1-31/3/2011</b>	<b>1/1-31/3/2010</b>
Cost of sales	23.186.063,13	27.602.914,13
Administrative expenses	4.065.468,79	3.874.211,68
<b>Total</b>	<b>27.251.531,92</b>	<b>31.477.125,81</b>

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**23. OTHER OPERATING INCOME / EXPENSES:****OTHER OPERATING INCOME:**

The amounts are analyzed as follows:

	<b>1/1-31/3/2011</b>	<b>1/1-31/3/2010</b>
Rental income	1.564.832,30	1.300.476,13
Various operating income	757.226,73	415.203,67
<b>Total</b>	<b>2.322.059,03</b>	<b>1.715.679,80</b>

Rental income concerns land and building rents.

**OTHER OPERATING EXPENSES:**

	<b>1/1-31/3/2011</b>	<b>1/1-31/3/2010</b>
Third parties compensation	582.533,30	2.728,66
Research and development cost	102.978,80	-
Prior years salaries (three months payment etc.)	-	377.523,40
Custom duties penalties	3.072,00	69.124,80
Losses on sale of fixed assets	2.160,75	-
Other expenses	104.540,11	3.588,59
<b>Total</b>	<b>795.284,96</b>	<b>452.965,45</b>

**24. FINANCIAL INCOME/ (EXPENSES):**

The amounts are analyzed as follows:

	<b>1/1-31/3/2011</b>	<b>1/1-31/3/2010</b>
Interest income and related financial expenses	81.428,74	355.145,51
Interest expense and related financial income	(373.494,10)	(193.157,67)
<b>Total</b>	<b>(292.065,36)</b>	<b>161.987,84</b>

**25. DEPRECIATION- AMORTISATION:**

The amounts are analyzed as follows:

	<b>1/1-31/3/2011</b>	<b>1/1-31/3/2010</b>
Depreciation of property, plant and equipment	4.031.598,70	2.873.248,02
Software depreciation	324.170,64	27.825,43
Depreciation of fixed assets received under government grants	(239.920,73)	(168.090,70)
<b>Total</b>	<b>4.115.848,49</b>	<b>2.732.982,75</b>

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**26. PAYROLL AND RELATED COSTS:**

The amounts are analyzed as follows:

	<b>1/1-31/3/2011</b>	<b>1/1-31/3/2010</b>
Wages and salaries	13.037.242,13	17.193.393,71
Social security costs	2.800.273,85	3.407.776,57
Other staff costs	243.469,35	210.491,96
Staff retirement indemnities	94.720,50	-
Provision for staff leaving indemnities	234.590,00	2.028.096,09
	<b>16.410.295,83</b>	<b>21.041.582,24</b>

**27. EARNINGS PER SHARE:**

The amounts are analyzed as follows:

	<b>1/1-31/3/2011</b>	<b>1/1-31/3/2010</b>
<b>Profit /(Loss) for the year</b>	(2.919.298,82)	1.725.370,05
Weighted number of shares	25.000.000	25.000.000
<b>Earnings/ (Loss) per share</b>	<b>(0,1168)</b>	<b>0,0690</b>

**28. COMMITMENTS AND CONTINGENCIES:**

- (a) **Litigation and Claims:** The Company is currently involved in a number of legal proceedings and has various claims pending arising in the ordinary course of business. Based on currently available information, management and its legal counsel believe that the outcome of these proceedings will not have a significant effect on the Company's financial position.
- (b) **Financial Years not audited by the Tax Authorities:** Financial year 2010 and 2009 has 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. The provision for the tax audit differences as at March, 31<sup>st</sup> 2011 not audited by the Tax Authorities is assessed at € 1.025.000,00.
- (c) The Company has issued letters of guarantee amounting to € € 16.349.760,20 (December 31, 2010: € 14.562.155,77), of which € 14.049.760,22 (December 31, 2010: € 12.262.155,77) in favor of the General Directorate of Customs (E 'and F' Customs Office) of the Ministry of Economy for the operation of all warehouses for temporary cargo storage in PPA S.A.

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**29. RELATED PARTIES:**

The Company provides services to certain related parties in the normal course of business. The Company's transactions and account balances with related companies are as follows:

Related party	Relation with the Company	Year ended	Sales to related parties	Purchases from related parties
LOGISTICS P.P.A. S.A.	Subsidiary	31.03.2011	-	-
		31.03.2010	-	-
NAFSOLP S.A.	Subsidiary	31.03.2011	-	-
		31.03.2010	-	-
	<b>Total</b>	<b>31.03.2011</b>	-	-
	<b>Total</b>	<b>31.03.2010</b>	-	-

Related party	Relation with the Company	Year ended	Amounts due from related parties	Amounts due to related parties
LOGISTICS P.P.A. S.A.	Subsidiary	31.03.2011	6.790,83	-
		31.12.2010	6.790,83	-
NAFSOLP S.A.	Subsidiary	31.03.2011	6.151,44	-
		31.12.2010	6.151,44	-
	<b>Total</b>	<b>31.03.2011</b>	<b>12.942,27</b>	-
	<b>Total</b>	<b>31.12.2010</b>	<b>12.942,27</b>	-

**Board of Directors Members Remuneration:** For the period ended on March 31, 2011, remuneration and attendance costs, amounting to € 26.712,83 (31/03/2010: € 65.558,76) were paid to the Board of Directors members. Furthermore during the period ended March 31, 2011 emoluments of € 225.934,22 (31/03/2010: € 208.905,73) were paid to Managers/Directors for services rendered.

**30. SEASONALITY:**

There is no significant seasonality to the Company's activities.

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**31. SUBSEQUENT EVENTS:**

- a) On May 12, 2011 the Company claim a Value Added Tax amounted to € 7.500.000,00.
- b) In accordance the Board of Directors Meeting which was held on May 23, 2011 a dividend amounted to € 504.145,43 or € 0,02 per share was proposed to be distributed. A tax on the distributed dividend will be calculated according to the relevant tax rate.

Piraeus, May 23, 2011

PRESIDENT OF THE BOARD OF  
DIRECTORS AND MANAGING DIRECTOR

FINANCIAL DIRECTOR

GEORGIOS ANOMERITIS  
I.D AZ 553221

EKATERINI VENARDOU  
License No. O.E.E. 0003748  
A' Class

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