



**PIRAEUS PORT AUTHORITY S.A**

**INTERIM CONDENSED  
FINANCIAL STATEMENTS  
FOR THE PERIOD**

**JANUARY 1 – JUNE 30, 2015**

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

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**Statements of the Members of the Boards of Directors**

(in accordance with article 4 par. 2 of L. 3556/2007)

The following statements, which are effected in accordance with article 4 par. 2 of the L. 3556/2007, as applicable, are given by the following Members of the Board of Directors of the Company:

1. Ioannis Kouvaris, President of the Board of Directors and CEO
2. Stavros Kyramargios, Deputy Managing Director and
3. Stamatis Koilakos, Member of the Board of Directors

The undersigned, in our above-mentioned capacity, and in particular the third as specifically appointed by the Board of Directors of the societe anonyme company under the name "Piraeus Port Authority Societe Anonyme" and trade title "OLP S.A." (hereinafter referred to as "Company" or as "OLP"), we state and we assert that to the best of our knowledge:

- (a) the interim condensed financial statements of the Company and the Group of the societe anonyme company under the name "Piraeus Port Authority Societe Anonyme" and trade title "OLP S.A." for the period from January 1, 2015 to June 30, 2015, which were compiled according to the applicable International Financial Reporting Standards, provide a true and fair view of the assets and the liabilities, the equity and the results of the period of the Company, as well as the companies' which are included in the consolidation, according to that stated in paragraphs 3 to 5 of article 4 of the L.3556/2007 and the relevant executive Decisions of the Board of Directors of the Capital Market Commission.
- (b) the six-month Report of the Board of Directors of the Company and the Group provide a true and fair view the evolution, the achievements and the financial position of the Company, including the description of the main risks and uncertainties they face and relevant information that is required according to paragraphs 6 to 8 of article 4 of the L. 3556/2007, and the relevant executive Decisions of the Board of Directors of the Capital Market Commission.

Athens, August 27, 2015

Ioannis Kouvaris

Stavros Kyramargios

Stamatis Koilakos

President of the  
Board of Directors and CEO  
ID No AE 018479

Deputy  
of CEO  
ID No AZ 128242

Member of the  
Board of Directors  
ID No AH 017129

**BOARD OF DIRECTORS' REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**of**  
**«PIRAEUS PORT AUTHORITY S.A. - OLP S.A.»**  
**(according to the regulations of par. 6 of article 5 of L. 3556/2007)**

Regarding the Interim Condensed Financial Statements  
for the six month period ended June 30, 2015 (Company and Group)

The half year report of the Board of Directors was compiled and is in accordance with the prevailing legislation (par. 6 art. 5 of L.3556/2007) and the administrative decisions of the Capital Market Commission's Board of Directors (1/434/3-7-2007, 7/448/11-10-2007).

The report aims to inform investors about:

- The financial status, results and the general prospects of the company for the aforementioned period as well as changes made.
- The most important events that took place in the first semester of the current financial period and their effect on the half year financial reports (Company and Group).
- The risks and uncertainties that may arise for the company within the second half of 2014.
- The transactions and balances between the Company and any related parties, as well as the Board of Directors members' remuneration.

**A. REPORT ON A' SEMESTER 2015**

**Period results:**

**a. Period revenue**

Total turnover for the first half amounted to € 48.7 million, which - compared to the same period of 2014 (€ 50.2 million) - showed a decrease of € 1.5 million or 3.0%. This change is due to the significant decrease in revenue of container terminal and car terminal by 44.5 and 8.8% respectively. On the contrary, an increase of 8.1%, 6.1% and 40.4% occurred in the coast sector, cruise sector and tank and docks sector respectively. A decrease of 12.7% occurred to the revenues of the concession arrangement of Pier II+III.

**b. Expenses**

The greatest and most significant part of operating expenses are staff salaries which reach 57.7% and in the first half of 2015 were pretty stable amounting to € 26.1 million compared to € 27.4 million the first half of 2014. The decrease is mainly due to the reduction of the number employees and the reduction of overtimes in the container terminal due to the mitigation of works.

As for other non-salary costs, they averaged last year figures, with "Utilities" showing the greatest decrease, since they amounted to € 6.9 million compared to € 8.7 million the first half of 2014. The change is due to the significant reduction in costs for repairs and maintenance in relation to the corresponding half of last year.

Depreciation expenses ranged at last year's levels amounting to € 7.5 million. The consumption of material shown a decrease of 35.7% and amounted to € 0.8 million in the first half of 2015 compared to € 1.4 million in the first half of 2014.

**c. Total Assets**

Total liabilities at June 30, 2015 amounted to € 380.8million, lower by 0.44% (€ 382.5 million at December 12, 2014).

The decrease in total assets is mainly due to the following: the reduction of property, plant and equipment in the amount of € 6.1 million (due to the current year's depreciation and amortization instead of the current years additions), the decrease in trade receivables by the amount of € 1.2 million, as well as the decrease in prepayments and other receivables by € 1.0 million compare to December 31, 2014. Additionally a significant decrease by € 1.7 million occurred in deferred tax assets. This decrease was offset, mainly by the increase in cash and cash equivalents by € 8.1 million compare to December 31, 2014.

**d. Total Liabilities**

Total liabilities at June 30, 2015 amounted to € 207.1 million, lower by 3.18% (€ 213.9 million at December 12, 2014).

The decrease in total liabilities was mainly due to the reduction of the following sub-headings, namely: a reduction to provisions (provision for voluntary retirement) by € 4.8 million, a reduction in deferred income (concession revenue) by the amount of € 2.9 million, a reduction in "long-term borrowings" by the amount of € 3.0 million (it concerns the installment payment of the loan) and a reduction in "suppliers" and "grants" by the amount of € 0.7 and € 0.5 million, respectively. This reduction was offset by an increase in "accrued and other current liabilities" by the amount of € 6.2 million compare to December 31, 2014, due to "dividends payable" of the previous fiscal year and the increase of accrued expenses.

**Critical Index numbers:**

	A' Semester 2015	A' Semester 2014
GENERAL LIQUIDITY (Current Assets / Short-term Liabilities)	3.66	3.07
QUICK LIQUIDITY [(Current Assets – Inventories) / Short-term Liabilities]	3.58	2.99
EBITDA (EBITDA / Turnover)	0.36	0.20
DEBTS (Banking Liabilities / Own Funds)	0.48	0.53

**B. Highlights of the First Semester**

The forced closure of banks and the restrictions on capital movements which were adopted in 28/06/2015, created an unprecedented condition in which the Company immediately took action by allowing electronic payments for every service that the process was not available before. The problems reported thus far are minor and the Company deals with them with positive spirit and in the framework of its regulation.

On 22nd of June 2015, the Annual General Meeting of Shareholders was held and new members of Board of Directors (B.D.) were elected and the same day the B.D. with its new composition met and constituted to elect new President, Managing Director and Deputy Managing Director.

B.D. approved a new two-year Collective Agreement on 24th of June 2015. The new contract ensures working stability in port without modifying the conditions which used to be applied with the previous Collective Agreement that was signed in 2013.

With great success, the 12th annual congress of European Sea Ports Organization (ESPO) was held in May by PPA SA with the participation of all major ports of Europe and representatives of the port industry.

On May 7th, an international call for tenders for the repair and maintenance of the large floating dock of PPA was posted, with a budget of 1.866.500 euros. The call was proved unfruitful and it will be re-announced within August.

Maintenance of the dock consists a precondition for the functioning of the shipbuilding zone (NEZ) in Perama, whose function allows the activity of a great number of ships repair business and enhances employment.

After months of negotiations, in March, PPA SA and Carnival Cruise agreed, that the ship Carnival Vista will use from spring 2016 Piraeus as a home port. The ship Carnival Vista is new (2014) with a capacity of 4000 passengers. With this agreement, which is within PPA's strategic targets for the development of the cruise, the Company contributes to the development of home porting to new increased numbers.

### **C. Prospects and Expected Developments, Main Risks and Uncertainties in the Second Half**

The control of bank deposits and the restriction on capital, which were implemented with Legislative Act published in Government Gazette No. 65 / A / 28-6-15 and their extension up to 19/07/2015 create difficulties in imports and exports. Although a partial lifting of the restrictions was held, it is difficult to assess at present, the overall impact on foreign trade of the country and hence the movement of import and export cargo through the port. The present figures indicate a reduction in domestic demand, which in combination with the difficulties in imports and exports, are likely to negatively affect the volume of cargos. It should, however, be noted that the import and export cargo, both in Container Terminal as well as in the Car Terminal, is comparatively the lowest percentage in traffic volume. Especially in Container Terminal the loaded import and export containers correspond to, approximately, 6 % of the total. In the Car Terminal the import vehicles correspond to, approximately, ¼ of handled cargo and in this sector, in the medium term, the biggest negative impacts are expected.

The possible negative impact of the economic situation of the country in conjunction with existing restrictions on capital movements, are estimated to negatively affect demand in the next six months and will reduce the volume of imports. It is estimated that this reduction will negatively affect the Company's revenues, both in cargo handling revenue and in revenue terms of the concession of piers II & III to Cosco Pacific. In the medium term, however, it is estimated that the signing of a new agreement in order to support Greek economy will create positive conditions of deferred demand which will increase the imports and the revenues of the port and any direct losses will be countered in the medium term.

The present instability in the banking sector, despite the existence of the agreement between Greece and European Commission regarding the initiation of a dialogue on a third support program, creates undefined, in terms of time and depth, liquidity risks as all the available reserves of the Company are positioned in Greek banks. On the other hand, it should be noted that the Company's loans, which concern infrastructure projects, come from the European Investment Bank and there is no risk in serving them based on the existing conditions and the level of reserves.

Apart from the above, the Company has not recorded significant problems in the collectability of receivables and the adequacy of provisions is being examined by the Company on an ongoing basis in order, if necessary, to be modified.

Taking into consideration the above data, continuation of the Company's activity is not in question.

**Credit risk**

The Company, does not have an important concentration of credit risk against contracting parties, since, in accordance with its practice receives down payments or letters of guarantee against service provision.

**Currency risk**

The Company is not internationally active, neither has long-term lending obligations in foreign currency and consequently it is not exposed to currency risks resulting from fluctuations in exchange rates.

**Interest-rates risk**

The bank lending of the Company is in Euros and based on floating interest-rates. The company does not use derivatives in order to limit its exposure to risks from changes in interest-rates. The Management estimates that no significant risks exist from interest-rates changes.

**Liquidity risk**

The effective management of liquidity risk is ensuring via the maintenance of adequate cash reserves and the ability of funding if necessary. Corporate liquidity risk management is based on rational management of working capital and cash flows.

**D. RELATED PARTIES:**

- a) 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	Period ended	Sales to related parties	Purchases from related parties
LOGISTICS P.P.A. S.A.	Subsidiary	30.06.2015	-	64,000.00
		30.06.2014	-	-
NAFSOLP S.A.	Subsidiary	30.06.2015	-	90,000.00
		30.06.2014	-	-
	<b>Total</b>	<b>30.06.2015</b>	-	<b>154,000.00</b>
	<b>Total</b>	<b>30.06.2014</b>	-	-

Related party	Relation with the Company	Year/Period ended	Amounts due from related parties	Amounts due to related parties
LOGISTICS P.P.A. S.A.	Subsidiary	30.06.2015	8,768.31	-
		31.12.2014	8,768.31	-
NAFSOLP S.A.	Subsidiary	30.06.2015	-	-
		31.12.2014	-	-
	<b>Total</b>	<b>30.06.2015</b>	<b>8,768.31</b>	-
	<b>Total</b>	<b>31.12.2014</b>	<b>8,768.31</b>	-

As part of its business, the company makes transactions with government owned entities (i.e. electricity, water etc.). All this transactions are performed in commercial terms.



**PIRAEUS PORT AUTHORITY S.A**

Interim Condensed Financial Statements for the period ended June 30, 2015  
(Company-Group)  
(amounts in Euro, unless stated otherwise)

- b) Board of Directors Members Remuneration:** For the period ended at June 30, 2015, remuneration and attendance costs, amounting to € 88,044.22 (June 30, 2014: € 81,405.16) were paid to the Board of Directors members. Furthermore during the period ended at June 30, 2015 emoluments of € 416,144.50 (June 30, 2014: € 417,409.17) were paid to Managers/Directors for services rendered.

Piraeus, August 27, 2015

THE CHAIRMAN OF THE BoD AND MANAGING DIRECTOR

Ioannis Kouvaris

**THIS REPORT IS A FREE TRANSLATION OF THE GREEK ORIGINAL**

**REVIEW REPORT OF THE INTERIM CONDENSED FINANCIAL STATEMENTS**

**To the shareholders of PIRAEUS PORT AUTHORITY S.A (P.P.A. S.A)**

**Introduction**

We have reviewed the accompanying interim condensed separate and consolidated statement of financial position of PIRAEUS PORT AUTHORITY S.A. "P.P.A. S.A." (the "Company") as at 30 June 2015, and the related interim condensed separate and consolidated statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes that comprise the interim financial information, which is an integral part of the six-month financial report of Law 3556/2007. Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Financial Reporting Standards as adopted by the European Union and applies to interim financial reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

**Scope of review**

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information is not prepared, in all material respects, in accordance with IAS 34.

**Emphasis of matter**

We draw your attention to note 2c of the interim condensed financial information which describes the issue of changing conditions in the economic environment in which the Company operates and potential risks resulting from these conditions. Our conclusion is not qualified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

Our review has not identified any inconsistency between the other information contained in the six-month financial report prepared in accordance with article 5 of Law 3556/2007 with the accompanying financial information.

Marousi, August 27, 2015

The Certified Public Accountants

**Panagiotis Papazoglou**

R.N. ICA (GR) 16631

**Vasileios Kaminaris**

R.N. ICA (GR) 20411

ERNST & YOUNG (HELLAS)

CERTIFIED AUDITORS ACCOUNTANTS S.A.

SOEL REG. No: 107

8B, CHIMARRAS MAROUSI

151 25, ATHENS



**STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED JUNE 30, 2015**

		<b>COMPANY-GROUP</b>			
		<b>01.01-30.06.2015</b>	<b>01.01-30.06.2014</b>	<b>01.04-30.06.2015</b>	<b>01.04-30.06.2014</b>
<b>Notes</b>					
Revenues	<b>22</b>	48,711,996.39	50,161,710.27	27,390,750.76	27,440,273.80
Cost of sales	<b>23</b>	(36,676,964.20)	(40,889,008.63)	(18,482,617.18)	(20,973,695.57)
<b>Gross profit</b>		<b>12,035,032.19</b>	<b>9,272,701.64</b>	<b>8,908,133.58</b>	<b>6,466,578.23</b>
Administrative expenses	<b>23</b>	(8,528,260.62)	(7,894,923.23)	(4,615,333.27)	(4,107,400.81)
Other operating expenses	<b>24</b>	(1,468,967.01)	(1,651,264.63)	(1,309,455.74)	(1,096,972.92)
Other income	<b>24</b>	9,228,533.55	3,303,959.44	7,873,766.94	1,387,178.95
Financial income	<b>25</b>	1,016,296.73	1,114,739.83	707,222.28	602,559.39
Financial expenses	<b>25</b>	(351,994.86)	(472,390.75)	(161,767.17)	(237,188.91)
Impairment of investments	<b>5</b>	(980,000.00)	-	(980,000.00)	-
<b>Profit before income taxes</b>		<b>10,950,639.98</b>	<b>3,672,822.30</b>	<b>10,422,566.62</b>	<b>3,014,753.93</b>
Income taxes	<b>6</b>	(3,323,677.84)	(363,952.58)	(3,521,666.28)	(741,886.58)
<b>Net profit after taxes (A)</b>		<b>7,626,962.14</b>	<b>3,308,869.72</b>	<b>6,900,900.35</b>	<b>2,272,867.35</b>
<b>Net other comprehensive income not to be reclassified in profit or loss in subsequent period:</b>					
Actuarial losses	<b>15</b>	(24,894.92)	(11,240.00)	(1,089.92)	3,302.00
Income taxes	<b>6</b>	6,472.68	2,922.40	283.38	(858.52)
<b>Other total comprehensive income after tax (B)</b>		<b>(18,422.24)</b>	<b>(8,317.60)</b>	<b>(806.54)</b>	<b>2,443.48</b>
<b>Total comprehensive income after tax (A)+(B)</b>		<b>7,608,539.90</b>	<b>3,300,552.12</b>	<b>6,900,093.81</b>	<b>2,275,310.83</b>
<b>Profit per share (Basic and diluted)</b>	<b>28</b>	<b>0.3051</b>	<b>0.1324</b>	<b>0.2760</b>	<b>0.0909</b>
Weighted Average Number of Shares (Basic)	<b>28</b>	25,000,000	25,000,000	25,000,000	25,000,000
Weighted Average Number of Shares (Diluted)	<b>28</b>	25,000,000	25,000,000	25,000,000	25,000,000

The accompanying notes are an integral part of the Interim Condensed Financial Statements

**STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2015**

		<b>COMPANY-GROUP</b>	
	<b>Notes</b>	<b>30.06.2015</b>	<b>31.12.2014</b>
<b>ASSETS</b>			
<b>Non current assets</b>			
Property, Plant and Equipment	<b>4</b>	267,257,701.12	273,356,564.78
Investment property		734,338.38	734,338.38
Intangible assets		71,023.78	94,335.44
Investments in subsidiaries	<b>5</b>	-	980,000.00
Other non-current assets		398,789.75	348,789.75
Deferred tax assets	<b>6</b>	13,359,924.70	15,109,449.15
<b>Total non current assets</b>		<b>281,821,777.73</b>	<b>290,623,477.50</b>
<b>Current assets</b>			
Inventories	<b>7</b>	2,252,929.66	2,136,621.95
Trade Receivables	<b>8</b>	25,185,882.01	25,208,189.07
Prepayments and other receivables	<b>9</b>	8,258,569.16	9,264,040.84
Restricted cash	<b>10</b>	816,718.22	816,718.22
Cash and cash equivalents	<b>10</b>	62,516,083.51	54,466,299.36
<b>Total Current Assets</b>		<b>99,030,182.56</b>	<b>91,891,869.44</b>
<b>TOTAL ASSETS</b>		<b>380,851,960.29</b>	<b>382,515,346.94</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	<b>11</b>	50,000,000.00	50,000,000.00
Other reserves	<b>12</b>	76,577,881.31	76,577,881.31
Retained earnings		47,141,293.43	42,007,746.62
<b>Total equity</b>		<b>173,719,174.74</b>	<b>168,585,627.93</b>
<b>Non-current liabilities</b>			
Long-term borrowings	<b>17</b>	77,499,999.99	80,499,999.99
Long-term leases	<b>16</b>	202,942.40	217,707.44
Government grants	<b>13</b>	20,204,681.47	20,611,215.55
Reserve for staff retirement indemnities	<b>15</b>	10,653,652.62	10,694,136.63
Provisions	<b>14</b>	33,099,674.69	37,962,246.87
Deferred income	<b>20</b>	38,664,469.21	41,589,467.91
<b>Total Non-Current Liabilities</b>		<b>180,325,420.38</b>	<b>191,574,774.39</b>
<b>Current Liabilities</b>			
Trade accounts payable		2,454,283.32	3,198,965.53
Short term of long term borrowings	<b>17</b>	6,000,000.00	6,000,000.00
Short-term leases	<b>16</b>	113,919.98	290,074.51
Income tax		2,139,176.19	2,928,029.58
Accrued and other current liabilities	<b>19</b>	16,099,985.67	9,937,874.99
<b>Total Current Liabilities</b>		<b>26,807,365.16</b>	<b>22,354,944.61</b>
<b>Total liabilities</b>		<b>207,132,785.55</b>	<b>213,929,719.00</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>380,851,960.29</b>	<b>382,515,346.94</b>

The accompanying notes are an integral part of the Interim Condensed Financial Statements

**STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY FOR THE PERIOD ENDED JUNE 30, 2015**

	<b>Notes</b>	<b>Share capital</b>	<b>Statutory reserve</b>	<b>Other reserves</b>	<b>Retained earnings</b>	<b>Total</b>
<b>GROUP-COMPANY</b>						
<b>Total Equity at January 1, 2014</b>		<b>50,000,000.00</b>	<b>7,952,657.64</b>	<b>69,715,059.11</b>	<b>38,346,702.88</b>	<b>166,014,419.63</b>
Net profit after taxes		-	-	-	3,308,869.72	3,308,869.72
Total comprehensive income after income taxes of the period		-	-	-	(8,317.60)	(8,317.60)
<b>Total comprehensive income after income taxes</b>		-	-	-	<b>3,300,552.12</b>	<b>3,300,552.12</b>
Dividends	<b>18</b>	-	-	-	(3,000,000.00)	(3,000,000.00)
<b>Total Equity at June 30, 2014</b>		<b>50,000,000.00</b>	<b>7,952,657.64</b>	<b>69,715,059.11</b>	<b>38,647,255.00</b>	<b>166,314,971.75</b>
<b>Total Equity at January 1, 2015</b>		<b>50,000,000.00</b>	<b>8,290,851.78</b>	<b>68,287,029.53</b>	<b>42,007,746.62</b>	<b>168,585,627.93</b>
Profit after income taxes		-	-	-	7,626,962.14	7,626,962.14
Other comprehensive loss after income taxes		-	-	-	(18,422.24)	(18,422.24)
<b>Total comprehensive income after income taxes</b>		-	-	-	<b>7,608,539.90</b>	<b>7,608,539.90</b>
Dividends paid	<b>18</b>	-	-	-	(2,474,993.09)	(2,474,993.09)
<b>Total Equity at June 30, 2015</b>		<b>50,000,000.00</b>	<b>8,290,851.78</b>	<b>68,287,029.53</b>	<b>47,141,293.43</b>	<b>173,719,174.74</b>

The accompanying notes are an integral part of the Interim Condensed Financial Statements

**CASH FLOW STATEMENT FOR THE PERIOD ENDED JUNE 30, 2015**

	Notes	COMPANY-GROUP	
		01.01-30.06.2015	01.01-30.06.2014
<b>Cash flows from Operating Activities</b>			
Profit before income taxes		10,950,639.98	3,672,822.30
Adjustments for:			
Depreciation and amortisation	26	7,497,117.92	7,525,071.56
Amortisation of subsidies	26	(406,534.08)	(406,533.93)
Losses on disposal of property, plant & equipment		(148,853.03)	-
Financial income	25	(664,301.87)	(642,349.08)
Provision for staff retirement indemnities	15	367,000.08	367,291.00
Other Provisions		(3,600,610.76)	131,801.12
<b>Operating profit before working capital changes</b>		<b>13,994,458.24</b>	<b>10,648,102.97</b>
<b>(Increase)/Decrease in:</b>			
Inventories		(116,307.71)	74,892.12
Trade accounts receivable		(259,654.36)	107,074.72
Prepayments and other receivables		1,005,471.68	(123,215.14)
Other long term assets		(50,000.00)	(728.00)
<b>Increase/(Decrease) in:</b>			
Trade accounts payable		(744,682.21)	(424,073.70)
Accrued and other current liabilities		2,717,973.60	(569,758.72)
Deferred income		(2,924,998.70)	(2,894,015.41)
Interest paid		(351,994.86)	(440,769.02)
Payments for staff leaving indemnities	15	(432,379.01)	(117,531.50)
Income taxes paid		(1,454,837.65)	(1,228,196.04)
<b>Net cash from Operating Activities</b>		<b>11,383,049.02</b>	<b>5,031,782.28</b>
<b>Cash flow from Investing activities</b>			
Proceeds from the sale of property, plant and equipment		161,646.30	-
Capital expenditure for property, plant and equipment		(1,273,249.41)	(854,973.38)
Interest and related income received		969,257.81	1,052,634.65
<b>Net cash from / (used in) Investing Activities</b>		<b>(142,345.30)</b>	<b>197,661.27</b>
<b>Cash flows from Financing Activities</b>			
Net change in long-term borrowings		(3,000,000.00)	(1,166,666.67)
Net change in leases		(190,919.57)	(187,846.31)
<b>Net cash used in Financing Activities</b>		<b>(3,190,919.57)</b>	<b>(1,354,512.98)</b>
<b>Net increase in cash and cash equivalents</b>		<b>8,049,784.15</b>	<b>3,874,930.57</b>
<b>Cash and cash equivalents at the beginning of the period</b>	10	<b>54,466,299.36</b>	<b>40,624,049.86</b>
<b>Cash and cash equivalents of the end of the period</b>	10	<b>62,516,083.51</b>	<b>44,498,980.43</b>

The accompanying notes are an integral part of the Interim Condensed Financial Statements

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2015**

### **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, which was revised by L.1559/1950 and was ratified by L.1630/1951 and converted into a Société Anonyme (S.A.) by Law 2688/1999. The Company is located at the Municipality of Piraeus, at 10 Akti Miaouli Street.

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 Regional Development, Competitiveness and Shipping and governed by the principles of Company Law 2190/1920 and the founding Law 2688/1999, as amended by Law 2881/2001.

The Company’s 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 June 30, 2015 amounted to 1,141. At December 31, 2014, the respective number of employees was 1,157.

The Company holds 100% interest in two companies: “DEVELOPING COMBINED TRANSPORT, PORT FACILITIES AND SERVICES S.A.” (trade name “LOGISTICS PPA”) and “SHIP REPAIR SERVICES S.A.” (trade name “NAFSOLP SA”). See Note 5 for more information on these two subsidiaries. The Company together with its subsidiaries referred to thereafter as the “Group”.

### **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 June 30, 2015, 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 2014, which are available on the internet in the address [www.olp.gr](http://www.olp.gr).

As indicated in Note 5, the two subsidiaries are not consolidated in the consolidated financial statements of the Company due to the immateriality of their financials. As the Company has no other subsidiaries, amounts in the financial statements of the Group are identical to those of the Company.

#### **(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 June 30, 2015, on August 27, 2015.

**(c) Significant Accounting Judgments and Estimates:**

The Company makes estimates and judgments concerning the future. Estimates and judgments adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the annual financial statements for the year ended December 31, 2014.

Also, the main sources of uncertainties, which existed during the preparation of annual financial statements, remained the same for the interim financial statements as at 30 June 2015. Exclusion of this is the risks of the latest economic developments in Greece.

The control of bank deposits and the restriction on capital, which were implemented with Legislative Act published in Government Gazette No. 65 / A / 28-6-15 and their extension up to 19/07/2015 create difficulties in imports and exports. Although a partial lifting of the restrictions was held, it is difficult to assess at present, the overall impact on foreign trade of the country and hence the movement of import and export cargo through the port. The present figures indicate a reduction in domestic demand, which in combination with the difficulties in imports and exports, are likely to negatively affect the volume of cargos. It should, however, be noted that the import and export cargo, both in Container Terminal as well as in the Car Terminal, is comparatively the lowest percentage in traffic volume. Especially in Container Terminal the loaded import and export containers correspond to, approximately, 6 % of the total. In the Car Terminal the import vehicles correspond to, approximately, ¼ of handled cargo and in this sector, in the medium term, the biggest negative impacts are expected.

The possible negative impact of the economic situation of the country in conjunction with existing restrictions on capital movements, are estimated to negatively affect demand in the next six months and will reduce the volume of imports. It is estimated that this reduction will negatively affect the Company's revenues, both in cargo handling revenue and in revenue terms of the concession of piers II & III to Cosco Pacific. In the medium term, however, it is estimated that the signing of a new agreement in order to support Greek economy will create positive conditions of deferred demand which will increase the imports and the revenues of the port and any direct losses will be countered in the medium term.

The present instability in the banking sector, despite the existence of the agreement between Greece and European Commission regarding the initiation of a dialogue on a third support program, creates undefined, in terms of time and depth, liquidity risks as all the available reserves of the Company are positioned in Greek banks.

On the other hand, it should be noted that the Company's loans, which concern infrastructure projects, come from the European Investment Bank and there is no risk in serving them based on the existing conditions and the level of reserves.

Apart from the above, the Company has not recorded significant problems in the collectability of receivables and the adequacy of provisions is being examined by the Company on an ongoing basis in order, if necessary, to be modified.

Taking into consideration the above data, continuation of the Company's activity is not in question.

### 3. PRINCIPAL ACCOUNTING POLICIES:

The accounting policies adopted in the preparation of the interim condensed financial statements, are consistent with those followed in the preparation of the annual financial statements of the Company for the year ended December 31, 2014, except for the adoption of new standards and interpretations applicable for fiscal periods beginning at January 1, 2015.

#### **New standards, interpretation and amendments adopted by the Company**

New standards and amendments apply for the first time in 2015. However, they do not have a significant impact on the annual financial statements or the interim condensed financial statements of the Company or they are not applicable for the Company.

- The IASB has issued the **Annual Improvements to IFRSs 2011 – 2013 Cycle**, which is a collection of amendments to IFRSs.
  - **IFRS 3 Business Combinations:** This improvement clarifies that IFRS 3 excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself.
  - **IFRS 13 Fair Value Measurement:** This improvement clarifies that the scope of the portfolio exception defined in paragraph 52 of IFRS 13 includes all contracts accounted for within the scope of IAS 39 Financial Instruments: Recognition and Measurement or IFRS 9 Financial Instruments, regardless of whether they meet the definition of financial assets or financial liabilities as defined in IAS 32 Financial Instruments: Presentation.
  - **IAS 40 Investment Properties:** This improvement clarifies that determining whether a specific transaction meets the definition of both a business combination as defined in IFRS 3 Business Combinations and investment property as defined in IAS 40 Investment Property requires the separate application of both standards independently of each other.

There are no new standards, amendments / improvements or interpretations in addition to those that have been disclosed in the financial statements for the year ended at December 31, 2014.

**IFRS 15 Revenue from Contracts with Customers:** The IASB decided to extend by a year the effective date of the new standard. As a result, IFRS 15, will be applied for fiscal periods beginning at January 1, 2018.

The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

### 4. PROPERTY, PLANT AND EQUIPMENT:

During the period from January 1, 2015 until June 30, 2015, the total investments of the Company's tangible assets amounted to € 1,265,067.00 and referred mainly to the improvement of port infrastructure (at June 30, 2014 amounted to € 854,973.38).

There is no property, plant and equipment that have 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 June 30, 2015 and at December 31, 2014, amounted to € 1,979,897.68 and € 2,053,148.68 respectively.

**5. SUBSIDIARIES:**

Subsidiaries in which OLP SA is involved are as follows:

Subsidiary	Consolidation Method	Participation Relationship	Participation		Balance	
			30.06.2015	31.12.2014	30.06.2015	31.12.2014
NAFSOLP SA.	(1)	Direct	100%	100%	530,000.00	530,000.00
LOGISTIC OLP A.E.	(1)	Direct	100%	100%	450,000.00	450,000.00
					<b>980,000.00</b>	<b>980,000.00</b>
Provision for impairment					(980,000.00)	-
					-	<b>980,000.00</b>

(1) The Company does not consolidate the two subsidiaries in the consolidated financial statements due to the immateriality of financial figures of subsidiaries at June 30, 2015. More specifically, the net assets for "NAFSOLP SA" and "LOGISTICS OLP SA" at June 30, 2015, amounted to € 150,552.77 and € 96,717.94 respectively (at December 31, 2014 amounted to € 114,854.86 and € 83,352.25 respectively).

Both subsidiaries were incorporated in Greece.

The main activities of the subsidiary "DEVELOPMENT OF COMBINED TRANSPORTATIONS, PORT FACILITIES AND SERVICES S.A" (trade name "LOGISTICS PPA S.A.") are:

- The development of combined transportation operations with the establishment, construction and operation of a freight hub in the Attica region in conjunction with the rail infrastructure to be created starting from the Piraeus port.
- Providing services to third parties, related to combined transportation, leasing and rental of space, machinery and transportation and to conduct any relative activity and
- The provision of business advice and studies related to the development and management of port infrastructure, port services – particularly cruise services- tourist boats resorts and marine tourism.

The main activities of the subsidiary "SHIP REPAIRING SERVICES S.A" (trade name "NAFSOLP S.A.") are:

- The organization, development, management and marketing of ship repair and related activities, particularly in the area of the Piraeus Port Authority S.A.
- Providing services for towing, salvage, salvage of ships and other vessels.
- The lease and exploitation of sites.
- The lease to third parties of any means or space owned by the company to run and complete, ship repair, dismantling, salvage towing, salvage of ships and other vessels and
- Providing support services to the established companies in the area in accordance with No. 3901/12.7.2010 Articles of Association of the Company.

On October 22, 2010 the Company paid a part of the initial share capital amounted to € 60,000.00 of the subsidiaries under the names "SHIP REPAIRING SERVICES S.A." (trade name "NAFSOLP S.A.") and "DEVELOPMENT OF COMBINED TRANSPORTATIONS, PORT FACILITIES AND SERVICES SA" (trade name "LOGISTICS PPA S.A."), respectively. During the previous year, the remaining amount of € 140,000.00 of the initial share capital of "NAFSOLP S.A." as well as the amount of € 60,000.00 for the increase of "LOGISTIC OLP S.A." share capital were paid by the Company.

The Extraordinary General Meetings of the two subsidiaries decided to increase their share capital by the amount of € 250.000,00, in two equal installments of € 125.000,00 at April 19, 2012 and April 2, 2013 for “NAFSOLP S.A.” and at June 6, 2012 and April 2, 2013 for “LOGISTIC OLP S.A.” respectively. On November 24, 2014 PPA’s Board of Directors decided to increase the share capital of each subsidiary by € 80,000.00 respectively, which was paid at December 3rd, 2014.

The subsidiaries until the date of the interim financial statements did not start their full activity. Following a review of the purpose and activities of the subsidiaries and taking into account the significant accumulated losses, management intends to put them into liquidation by the end of the current year. For this reason, during the June 30, 2015 the Company proceeded to their impairment.

## 6. INCOME TAX (CURRENT AND DEFERRED):

According to the new Greek tax law 4110/2013, the tax rate for the Societies Anonymes in Greece has changed from 20% to 26%, for the fiscal years beginning January 1, 2013.

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

	<u>30/06/2015</u>	<u>30/06/2014</u>
Current income tax	1,567,680.71	1,140,361.80
Deferred income tax	1,755,997.13	(776,409.22)
<b>Total</b>	<b><u>3,323,677.84</u></b>	<b><u>363,952.58</u></b>
	<u>30/06/2015</u>	<u>30/06/2014</u>
<b><u>Other Comprehensive Income</u></b>		
Deferred income taxes	(6,472.68)	(2,922.40)
<b>Total</b>	<b><u>(6,472.68)</u></b>	<b><u>(2,922.40)</u></b>

Deferred taxes are defined as timing differences that exist in assets and liabilities between the accounting records and tax records (mainly provisions and differences in depreciation rates of fixed assets) and are calculated by applying the official tax rates.

The movement of deferred tax asset is analyzed as follows:

	<u>30/06/2015</u>	<u>31/12/2014</u>
Opening balance	15,109,449.15	14,868,005.47
Income taxes [credit/(debit)]	(1,755,997.13)	(177,604.13)
Income taxes [credit/(debit)] –		
Other Comprehensive Income	6,472.68	419,047.81
<b>Closing balance</b>	<b><u>13,359,924.70</u></b>	<b><u>15,109,449.15</u></b>

The provision for the tax audit differences for the financial years not audited by the Tax Authorities is assessed at € 1,500,000.00.

**7. INVENTORIES:**

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

	<u>30/06/2015</u>	<u>31/12/2014</u>
Consumable materials	997,991.02	1,023,774.70
Fixed assets spare parts	1,254,938.64	1,112,847.25
<b>Total</b>	<b><u>2,252,929.66</u></b>	<b><u>2,136,621.95</u></b>

The total consumption cost for the period 01/01-30/06/2015 amounted to € 850,496.81 while that of the respective period 01/01-30/06/2014 amounted to € 1,404,269.00. There was no inventory devaluation to their net realisable value.

**8. TRADE RECEIVABLES:**

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

	<u>30/06/2015</u>	<u>31/12/2014</u>
Trade debtors	52,692,995.98	52,433,341.62
Cheques overdue	50,734.20	50,734.20
<b>Minus: Provision for doubtful debts</b>	<b>(27,557,848.17)</b>	<b>(27,275,886.75)</b>
<b>Total</b>	<b><u>25,185,882.01</u></b>	<b><u>25,208,189.07</u></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 June 30, 2015. Customer payments in advance of € 1,948,719.74 (December 31, 2014: € 828,011.09) are stated at liabilities in the account "Accrued and other current liabilities".

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

	<u>30/06/2015</u>	<u>30/06/2014</u>
<b>Beginning balance</b>	<b><u>27,275,886.75</u></b>	<b><u>24,568,761.00</u></b>
Provision for the year (Note 23)	281,961.42	131,801.12
Write-off doubtful receivables	-	(26,547.35)
<b>Ending balance</b>	<b><u>27,557,848.17</u></b>	<b><u>24,674,014.77</u></b>

**9. PREPAYMENTS AND OTHER RECEIVABLES:**

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

	<u>30/06/2015</u>	<u>31/12/2014</u>
Personnel loans	723,904.93	745,571.79
Receivable from Project Contractor of Pier I	6,262,356.37	6,535,088.42
Prepaid Expenses	255,781.22	299,216.12
Income Tax advances	-	816,371.63
Other receivable	1,672,626.64	1,523,892.88
<b>Less: Allowance for doubtful other receivables</b>	<u>(656,100.00)</u>	<u>(656,100.00)</u>
<b>Total</b>	<u><b>8,258,569.16</b></u>	<u><b>9,264,040.84</b></u>

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

	<u>30/06/2015</u>	<u>31/12/2014</u>
<b>Beginning balance</b>	656,100.00	-
Provision for the year	-	656,100.00
<b>Ending balance</b>	<u><b>656,100.00</b></u>	<u><b>656,100.00</b></u>

**Personnel loans:** The Company provides interest-free loans to its personnel. The loan amount per employee does not exceed approximately € 3,000.00 and loan repayments are made by withholding monthly installments from the employee salaries.

**Other receivable:** Other receivable includes the receivable from the reductions in the payroll cost according to the L. 4024/2011 of € 471,150.90 (December 31, 2014: € 804,312.17), along with receivables from various third parties and the Greek government amounted to € 1,201,475.74 (December 31, 2014: € 719,580.71).

**Receivables from project contractor of Pier I:** This claim represents the difference found in incorrect data application on some review rates of the Ministry (IPEXODE) and was recognized by the project contractor of Pier I. At March 9, 2012 the Company and the project contractor of Pier I cosigned an "extrajudicial agreement of debt acknowledgment", under which the requirement from the later will be paid in seven (7) installments up to December 31, 2012. Then, by an unanimous decision of the Board of Directors on the 24th of September, 2012, the request of the contractor of the project "Pier I" was partially approved and the debt settled in fourteen (14) monthly instalments starting from September 30, 2012 onwards until October 31, 2013.

Due to non-compliance of settlement, the PPA held in October 2013 in forfeiture contractor's guarantee letters for accrued interest of € 1.5 million and is expected to debate the re-settlement agreement instalments.

Furthermore, due to this non-compliance of settlement, the Company, through its Board of Directors, decided on the 24th of February 2014 to immediately exercise any remedy and recourse to any procedure for the forced recovery of its claim. During the previous year, a provision of 10% was made against the claim from project contractor of Pier I, due to the transfer of this claim to the Tax Authorities (DOY FAE of PIRAEUS).

**10. CASH AND CASH EQUIVALENTS:**

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

	<u>30/06/2015</u>	<u>31/12/2014</u>
Cash in hand	1,267,503.00	545,232.48
Cash at banks and time deposits	61,248,580.51	53,921,066.88
<b>Total</b>	<b><u>62,516,083.51</u></b>	<b><u>54,466,299.36</u></b>
Restricted cash	816,718.22	816,718.22
<b>Total</b>	<b><u>63,332,801.73</u></b>	<b><u>55,283,017.58</u></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 June 30, 2015, amounted to € 691,883.13 (for the period ended June 30, 2014, amounted to € 674,960.73) and are included in the financial income in the accompanying interim condensed financial statements of comprehensive income.

Restricted cash refers to forced configuration of Company's deposits, in favor of various municipalities against which there are pending trials.

**11. SHARE CAPITAL:**

The Company's share capital amounts to € 50,000,000.00, fully paid up and consists of 25,000,000 ordinary shares, of nominal value € 2.00 each. In the Company's share capital there are neither shares which do not represent Company's capital nor bond acquisition rights.

**12. RESERVES:**

Reserves are analyzed as follows:

	<u>30/06/2015</u>	<u>31/12/2014</u>
Statutory reserve	8,290,851.78	8,290,851.78
Special tax free reserve L. 2881/2001	61,282,225.52	61,282,225.52
Specially taxed income reserve	728,128.36	728,128.36
Taxed reserve L. 4171/2013 art. 72	6,087,915.56	6,087,915.56
Taxed reserve based on general provisions	188,760.09	188,760.09
<b>Total</b>	<b><u>76,577,881.31</u></b>	<b><u>76,577,881.31</u></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, € 50.000.000,00 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. Based on Article 72 par.11 of Law 4172/2013 those reserves are subject (from 1 January 2014) to an independent taxation at a rate of 19%. On December 30th, 2014, the Company proceed to the taxation of those reserves which amounted to € 1,428,029.58. After the tax deduction created the taxed reserves of Article 72 N.4172/2013 and the taxed reserve with the general provisions amounting to € 6,087,915.56 and € 188,760.09 respectively.

### 13. SUBSIDIES:

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

	<u>30/06/2015</u>	<u>31/12/2014</u>
Initial value	28,227,209.25	28,227,209.25
Additions for the period	-	-
Closing value	<u>28,227,209.25</u>	<u>28,227,209.25</u>
Accumulated depreciation	<u>(8,022,527.78)</u>	<u>(7,615,993.70)</u>
<b>Net Book Value</b>	<u><b>20,204,681.47</b></u>	<u><b>20,611,215.55</b></u>

Grants which have been received up to December 31, 2011 refer 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 S.A. port station of € 2,590,000.00 and € 681,950.00 respectively.

The grant of € 3,653,518.80 is split to a) € 2,536,168.80, which refers to the widening of the quay Port Alon and b) € 1,117,350.00, which refers to the construction of new dock at the area of Agios Nikolaos in the central port of Piraeus, under the operational program "Improvement of accessibility-energy" of the Attica region.

In the initial value of the grants, is included a grant of the prior year of € 11,492,804.35 which refers to the operational program "Support Accessibility" of the Ministry of Infrastructure, Transport and Network and in particular, two projects have been completed and for which the grant was received at December 2014, reduced by € 1,591,063.90 (€ 9,901,740.43).

### 14. PROVISIONS:

Provisions in the accompanying financial statements are analyzed as follows:

	<u>30/06/2015</u>	<u>31/12/2014</u>
Provisions for legal claims by third parties	18,447,490.00	18,447,490.00
Provision for voluntary retirement	14,074,800.36	18,937,372.54
Provision for tax on investment property	577,384.33	577,384.33
<b>Total</b>	<u><b>33,099,674.69</b></u>	<u><b>37,962,246.87</b></u>

The Company has made provisions for various pending court cases as at June 30, 2015 amounting to € 18,447,490.00 for lawsuits from personnel and other third party.

The Company's 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 movement of the provision is as follows:

	<u>30/06/2015</u>	<u>31/12/2014</u>
<b>Opening balance</b>	18,447,490.00	17,874,887.00
Provision for the period	-	572,603.00
<b>Closing balance</b>	<u><b>18,447,490.00</b></u>	<u><b>18,447,490.00</b></u>

Based on Laws 3654/2008, 3755/2009 and 3816/2010 the voluntary retirement from service program was implemented. The number of employees who made use of the above program on 2009 was 107 persons. On December 31, 2009 the total provision amounted to € 17,910,844.12. During 2010, 17 additional employees and 6 workers made use of the above program and thus the additional provision amounted to € 3,940,495.90. Therefore, the total provision amounted to € 21,851,340.02. During the previous year, part of the provision which dealt with the additional provision that had been made for certain employees compared with the final requirement calculated by the main and supplementary insurance funds and amounted to € 2,913,967.48, was reversed.

In the current period, following a decision of the Minister of Finance and Deputy Ministers of Labour, Social Security and Welfare and the Economy, Infrastructure, Marine and Tourism determined the final consideration of PPA S.A, relating to the voluntary retirement termination of Law, 3654/2008 in favor of IKA-ETAM and the ETEA to € 12,074,800,36 and € 2,000,000,00 respectively, representing a total amount of € 14,074,800,36. The extra amount of € 4.862.572,18 from the total consideration, which was recorded as a provision in prior year, reversed and shown as income from unused provisions in "Other operating income" of the Interim Financial Statements of June 30, 2015 (note 24).

The movement of the provision for voluntary retirement of employees is as follows:

	<u>30/06/2015</u>	<u>31/12/2014</u>
<b>Opening balance</b>	18,937,372.54	18,937,372.54
Reversal of provision (Note 24)	(4,862,572.18)	-
<b>Closing balance</b>	<u><b>14,074,800.36</b></u>	<u><b>18,937,372.54</b></u>

After the recognition of investment property (note 5 of Financial Statements as at December 31, 2014), the Company calculated the potential property tax and the corresponding capital gains taxes in accordance with L.2065 / 1994 and carried out a corresponding provision of the liability arising.

The movement of the provision is as follows:

	<u>30/06/2015</u>	<u>31/12/2014</u>
<b>Opening balance</b>	577,384.33	-
Provision for the period	-	577,384.33
<b>Closing balance</b>	<u><b>577,384.33</b></u>	<u><b>577,384.33</b></u>

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

The relevant provision movement for the period ended on June 30, 2015 and the financial year ended the 31st of December 2014 is as follows:

<b>Liability in Balance Sheet 1.1.2014</b>	<b>8,782,810.63</b>
Current cost of Employment	489,851.00
Interest cost on liability	202,004.65
Actuarial (gains)/loss	1,611,722.35
Benefits paid	(392,252.00)
<b>Liability in Balance Sheet 31.12.2014</b>	<b>10,694,136.63</b>
Current cost of Employment	244,017.50
Interest cost on liability	122,982.58
Actuarial (gains)/loss	24,894.92
Benefits paid	(432,379.01)
<b>Liability in Balance Sheet 30.06.2015</b>	<b>10,653,652.62</b>

The principal actuarial assumptions used are as follows:

	<u>30.06.2015</u>	<u>31.12.2014</u>
Discount Rate	2.3%	2.3%
Salaries increase	0.0%	0.0%
Average annual growth rate of long-term inflation	2.0%	2.0%

**16. FINANCE LEASE OBLIGATIONS:**

- In 2005, the Company acquired through finance leases 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.
- In 2013, the PPA acquired through finance lease 15 commercial trucks VAN type value € 355,620.00. The lease duration is five years and at the end PPA has the right to purchase the assets at the price of € 25,500.00.

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

	<u>30/06/2015</u>	<u>31/12/2014</u>
Finance lease obligations	316,862.38	507,781.95
Minus: Short term	(113,919.98)	(290,074.51)
<b>Long term</b>	<b>202,942.40</b>	<b>217,707.44</b>

**17. LONG AND SHORT-TERM LOANS:**
**a) Long-term Loans**

The Long term loans as at June 30, 2015 and December 31, 2014 respectively, are as follows:

	<u>30/06/2015</u>	<u>31/12/2014</u>
Total of Long-term loans	83,499,999.99	86,499,999.99
Minus: Short term portion of long-term loans	<u>6,000,000.00</u>	<u>6,000,000.00</u>
<b>Long term portion</b>	<b><u>77,499,999.99</u></b>	<b><u>80.499.999,99</u></b>

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 “Container Terminal Pier I”, 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 make payments to the attorney's 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 has 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 “Container Terminal Pier I”, issued on the 10/02/2010.

The repayment of the loan will be in thirty (30) semi-annual instalments, payable from 15 June 2015 up to and including 15 December 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 make payments to the attorney's 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 June 30, 2015 and 2014, amounted to € 201,088.44 and € 292,810.32 respectively and are included in financial expenses, in the accompanying interim condensed financial statements of comprehensive income.

**b) Short-term loans:**

The Company has short-term borrowings with annual variable interest rates of one month Euribor, plus margin 4.5%. The table below presents the credit lines available to the Company as well as the utilised portion.

	<u>June 30, 2015</u>	<u>December 31, 2014</u>
Credit lines available	8,000,000.00	8,000,000.00
Unused portion	<u>8,000,000.00</u>	<u>8,000,000.00</u>
<b>Used portion</b>	<u><u>-</u></u>	<u><u>-</u></u>

**18. 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.

Subject to Articles 43 and 44a of Codified Law 2190/1920 on public limited companies, in accordance with Article 30 "address issues of public revenue" of Law 2579/1998, provided that businesses and organizations whose sole or majority shareholder equity of over sixty percent (60%) is the State, directly or through another company, or organization whose sole shareholder is the State and operate in the form of S.A., are required to have the entire prescribed by statutes or provisions of laws dividend to shareholders.

**Proposal for distribution of dividend for the year 2014:** The Company's General Assembly of the Shareholders approved the proposal of the Board of Directors for a dividend distribution, for the fiscal year 2014, amounted to € 2,474,993.09 or € 0.9899 per share (2013: € 3,000,000.00 or € 0.1200 per share). A tax will be calculated according to the relevant tax rate

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

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

	<u>30/06/2015</u>	<u>31/12/2014</u>
Taxes payable (except Income taxes)	1,753,139.96	1,493,038.04
National insurance and other contribution	1,369,519.08	1,582,597.29
Other short term liabilities	5,194,003.94	5,145,818.93
Liability to "Loan and Consignment Fund"	929,085.87	181,735.87
Customer advance payments	1,948,719.74	828,011.09
Dividend payable	2,474,993.09	-
Accrued expenses	2,430,523.99	706,673.77
<b>Total</b>	<b><u>16,099,985.67</u></b>	<b><u>9,937,874.99</u></b>

**Taxes Payable:** Current period amount consists of: a) Value Added Tax € 1,145,731.41 (December 31, 2014: € 862,351.55) b) Employee withheld income tax € 523,114.95 (December 31, 2014: € 610,652.53) and c) other third party taxes € 84,293.60 (December 31, 2014: € 20,033.96).

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

	<u>30/06/2015</u>	<u>31/12/2014</u>
National Insurance Contributions (IKA)	1,072,562.12	1,252,036.76
Insurance Contributions to Supplementary	145,022.92	167,770.30
Other Insurance Contributions	151,934.04	162,790.23
<b>Total</b>	<b><u>1,369,519.08</u></b>	<b><u>1,582,597.29</u></b>

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

	<u>30/06/2015</u>	<u>31/12/2014</u>
Salaries Payable	527,290.91	324,050.98
Concession Agreement Payment	2,112,564.31	2,112,564.31
Other contribution payable to (TAPIT, NAT etc.)	90,260.65	94,816.52
Other Third Party Short-term obligations	1,169,004.52	1,810,387.12
Regulatory Authority for Ports	490,883.55	-
Greek State committed dividends	804,000.00	804,000.00
<b>Total</b>	<b><u>5,194,003.94</u></b>	<b><u>5,145,818.93</u></b>

**20. ACCUED INCOME:**

On 27/4/2009 paid by the SEP SA amount of € 50,000,000.00, initial one-off consideration, as part of the concession of the port facilities of Piers II and III of SEMPO of PPA (N.3755/2009). From the aforementioned amount, € 2,930,211.41 was offset with the cost of supplies and parts provided by SEP SA, while the remaining amount of € 47,069,788.59 is amortized over the concession period. The initial concession period is thirty (30) years, which may be increased to thirty five (35) years, provided that SEP SA completes the construction of the port infrastructure on the east side of Pier III. The item "deferred income" includes only the net unamortized balance of the consideration at the reporting date.

**21. SEGMENT INFORMATION**

The Company provides crowds port services and operates in Greece. The Company presents the required segment information using as a criteria the services provided. The operating segments are organised and managed separately according to the nature of the services provided with each segment representing a strategic business unit that offers different services.

Transactions between business segments are at arm's length basis in a manner similar to transactions with third parties.

The segment information for the period ended June 30, 2015 and June 30, 2014, is analysed as follows:

30.06.2015	CONTAINER TERMINAL	CAR TERMINAL	COASTING	CRUISE	SHIP REPAIRING (TANKS AND DOCK)	CONSESSION ARRANGEMENT PIER II&III	OTHER SEGMENTS	COMPANY	TOTAL
Revenues	6,878,562.63	5,627,704.15	4,323,197.93	4,203,302.47	5,453,619.90	20,256,279.12	1,969,330.19	-	48,711,996.39
Cost of sales	(15,585,624.10)	(4,022,418.02)	(3,750,090.86)	(3,928,574.20)	(2,613,877.16)	(3,268,338.06)	(3,508,041.79)	-	(36,676,964.20)
Gross profit	(8,707,061.47)	1,605,286.13	573,107.06	274,728.27	2,839,742.73	16,987,941.06	(1,538,711.60)	-	12,035,032.19
Other expenses	(1,129,397.86)	(902,944.66)	(682,325.38)	(653,582.58)	(822,980.39)	(3,053,807.34)	(634,260.90)	(2,117,928.51)	(9,997,227.63)
Other income	-	-	-	-	-	-	2,155,112.37	7,073,421.18	9,228,533.55
Financial income	-	-	-	-	-	-	-	1,016,296.73	1,016,296.73
Financial expenses	(202,216.54)	-	-	-	-	-	-	(149,778.32)	(351,994.86)
Impairment of investments	-	-	-	-	-	-	-	(980,000.00)	(980,000.00)
Profit before income taxes	(10,038,675.87)	702,341.48	(109,218.32)	(378,854.32)	2,016,762.34	13,934,133.72	(17,860.13)	4,842,011.08	10,950,639.98
Income taxes	-	-	-	-	-	-	-	(3,323,677.84)	(3,323,677.84)
Net profit after taxes	(10,038,675.87)	702,341.48	(109,218.32)	(378,854.32)	2,016,762.34	13,934,133.72	(17,860.13)	1,518,333.24	7,626,962.14
Depreciation and amortisation	3,425,075.59	250,484.06	515,615.58	578,889.27	372,175.21	1,628,325.70	320,018.43	-	7,090,583.84
Earnings before income taxes, financial results, depreciation and amortisation	(6,411,383.74)	952,825.54	406,397.26	200,034.95	2,388,937.55	15,562,459.42	302,158.30	3,975,492.67	17,376,921.95

30.06.2014	CONTAINER TERMINAL	CAR TERMINAL	COASTING	CRUISE	SHIP REPAIRING (TANKS AND DOCK)	CONSESSION ARRANGEMENT PIER II&III	OTHER SEGMENTS	COMPANY	TOTAL
Revenues	12,401,462.93	6,169,546.54	4,000,319.94	3,962,077.99	3,884,263.40	17,969,197.75	1,774,841.71	-	50,161,710.27
Cost of sales	(19,186,798.85)	(4,126,498.04)	(3,682,242.91)	(3,826,830.79)	(3,668,344.26)	(3,394,088.43)	(3,004,205.35)	-	(40,889,008.63)
Gross profit	(6,785,335.91)	2,043,048.50	318,077.04	135,247.20	215,919.14	14,575,109.32	(1,229,363.63)	-	9,272,701.64
Other expenses	(1,829,164.36)	(890,269.19)	(572,416.11)	(558,477.85)	(529,048.37)	(2,466,409.61)	(561,285.63)	(2,139,116.75)	(9,546,187.86)
Other income	-	-	-	-	-	-	2,224,427.99	1,079,531.45	3,303,959.44
Financial income	172,741.02	-	-	-	-	-	-	941,998.81	1,114,739.83
Financial expenses	(297,418.87)	-	-	-	-	-	-	(174,971.88)	(472,390.75)
Profit before income taxes	(8,739,178.12)	1,152,779.31	(254,339.07)	(423,230.65)	(313,129.23)	12,108,699.71	433,778.74	(292,558.38)	3,672,822.30
Income taxes	-	-	-	-	-	-	-	(363,952.58)	(363,952.58)
Net profit after taxes	(8,739,178.12)	1,152,779.31	(254,339.07)	(423,230.65)	(313,129.23)	12,108,699.71	433,778.74	(656,510.96)	3,308,869.72
Depreciation and amortisation	3,530,388.64	245,343.08	507,199.06	549,114.61	336,974.33	1,635,132.37	314,385.55	-	7,118,537.63
Earnings before income taxes, financial results, depreciation and amortisation	(5,084,111.64)	1,398,122.39	252,859.98	125,883.96	23,845.10	13,743,832.09	748,164.28	(1,059,585.30)	10,149,010.85

**22. REVENUES:**

Revenues are analyzed as follows:

	<u>01/01-30/06/2015</u>	<u>01/01-30/06/2014</u>
Revenue from:		
Loading and Unloading	9,713,733.45	14,462,971.99
Storage	808,311.41	1,378,426.13
Various port services	17,826,607.90	16,351,114.60
Revenue from concession of liquid wastes' collection and transportation	107,064.52	-
<b>Revenue from Fixed and Variable Consideration:</b>		
Revenue from concession agreement "Pier II+III"	18,219,461.57	15,791,991.69
Other income from Concession agreement	2,036,817.54	2,177,205.86
<b>Total</b>	<b><u>48,711,996.39</u></b>	<b><u>50,161,710.27</u></b>

**23. ANALYSIS OF EXPENSES:**

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

	<u>01/01-30/06/2015</u>	<u>01/01-30/06/2014</u>
Payroll and related costs (Note 27)	26,072,604.62	27,436,531.40
Third party services	711,251.77	569,104.75
Third party fees	6,925,077.90	8,660,142.85
Depreciation- Amortisation (Note 26)	7,090,583.84	7,118,537.63
Taxes and duties	442,955.62	550,475.56
General expenses	2,830,292.84	2,913,069.55
Provision for doubtful receivables	281,961.42	131,801.12
Cost of sales of inventory and consumables	850,496.81	1,404,269.00
<b>Total</b>	<b><u>45,205,224.82</u></b>	<b><u>48,783,931.86</u></b>

The above expenses are analyzed as follows:

	<u>01/01-30/06/2015</u>	<u>01/01-30/06/2014</u>
Cost of sales	36,676,964.20	40,889,008.63
Administrative expenses	8,528,260.62	7,894,923.23
<b>Total</b>	<b><u>45,205,224.82</u></b>	<b><u>48,783,931.86</u></b>

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

The amounts are analyzed as follows:

	<u>01/01-30/06/2015</u>	<u>01/01-30/06/2014</u>
Rental income	2,003,354.68	2,084,368.60
Income from European Union's programs	1,187,891.70	495,454.25
Income from legal cases	245,799.21	-
Income from unused provisions(note 14)	4,862,572.18	-
Various operating income	928,915.78	724,136.59
<b>Total</b>	<b><u>9,228,533.55</u></b>	<b><u>3,303,959.44</u></b>

Income from unused provisions relating to the reversal of the provision for voluntary retirement of employees (N.3654 / 2008) on defining the overall consideration of PPA SA by letter from the competent Ministry (note 14).

Rental income concerns land and building rents.

**OTHER OPERATING EXPENSES:**

	<u>01/01-30/06/2015</u>	<u>01/01-30/06/2014</u>
Third parties compensation	187,086.66	947,321.16
Research and development cost	197,806.61	27,800.00
Expenses from European Union's programs	864,009.00	297,811.21
Losses on sale of fixed assets	7,063.00	4,316.36
Other expenses	213,001.74	374,015.90
<b>Total</b>	<b><u>1,468,967.01</u></b>	<b><u>1,651,264.63</u></b>

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

The amounts are analyzed as follows:

	<u>01/01-30/06/2015</u>	<u>01/01-30/06/2014</u>
Interest income and related financial income	691,883.13	847,701.75
Interest expense and related financial expenses	(351,994.86)	(472,390.75)
<b>Total</b>	<b><u>339,888.27</u></b>	<b><u>375,311.00</u></b>
Interest income from overdue balances	<b><u>324,413.60</u></b>	267,038.08
<b>Total</b>	<b><u>664,301.87</u></b>	<b><u>642,349.08</u></b>

Included in interest income and related financial income of the current period is accrued interest receivable from the project contractor of "Pier I" amounting to € 0.00 (June 30, 2014:€ 172,741.02).

**26. DEPRECIATION- AMORTISATION:**

The amounts are analyzed as follows:

	<u>01/01-30/06/2015</u>	<u>01/01-30/06/2014</u>
Depreciation of property, plant and equipment	7,472,313.76	7,489,270.77
Software depreciation	24,804.16	35,800.79
Depreciation of fixed assets received under government grants	(406,534.08)	(406,533.93)
<b>Total</b>	<b><u>7,090,583.84</u></b>	<b><u>7,118,537.63</u></b>

**27. PAYROLL AND RELATED COSTS:**

The amounts are analyzed as follows:

	<u>01/01-30/06/2015</u>	<u>01/01-30/06/2014</u>
Wages and salaries	20,184,658.53	20,979,318.66
Social security costs	5,011,519.60	5,550,608.52
Other staff costs	509,426.41	550,553.22
Provision for staff leaving indemnities	367,000.08	356,051.00
<b>Total</b>	<b><u>26,072,604.62</u></b>	<b><u>27,436,531.40</u></b>

**28. EARNINGS PER SHARE:**

The amounts are analyzed as follows:

	<u>01/01-30/06/2015</u>	<u>01/01-30/06/2014</u>
<b>Profit /(Loss) for the year</b>	7,626,962.14	3,308,869.72
Weighted number of shares	25,000,000	25,000,000
<b>Earnings/ (Loss) per share</b>	<b><u>0.3051</u></b>	<b><u>0.1324</u></b>

**29. 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 operating results or financial position.

The most important of pending litigation (166) against the Company amounting to € 117 million approximately, concern to paralimnious Municipalities.

For these cases, the Company's management believes that it will have an impact on the financial statements in addition to the already recorded provision of € 2.6 million approximately.

**(b) Financial Years not audited by the Tax Authorities:** Financial years 2009 and 2010 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 surcharge. The provision for the tax audit differences for the financial years not audited by the Tax Authorities is assessed at € 1,500,000.00.

The tax audit for the year 2014 was held by the auditors of the company, in accordance with the provisions of Article 65a of L.4174/2013. No significant additional tax liabilities was arisen, after the completion of the tax audit, in excess of those provided for and disclosed in the financial statements.

**(c) Liabilities arising from letters of Guarantee:** The Company has issued letters of guarantee amounting to € 10,855,934.68 (December 31, 2014: € 10,855,934.68), of which € 10,791,422.68 (December 31, 2014: € 10,791,422.68) are in favor of the General Directorate of Customs (E' and F' Customs Office) of the Ministry of Economy and Finance for the operation of all warehouses for temporary storage of goods PPA S.A.

**(d) Operating leases:** The Company has entered into commercial operating lease agreements for the lease of transportation means. These lease agreements have an average life of 3 to 5 years with renewal terms included in certain contracts. Future minimum rentals payable under non-cancellable operating leases as at June 30, 2015 and at December 31, 2014, are as follows:

	<u>June 30,</u> <u>2015</u>	<u>December 31,</u> <u>2014</u>
Within one year	198,846.00	366,333.00
2-5 years	117,161.00	70,710.00
<b>Total</b>	<b>316,007.00</b>	<b>437,043.00</b>

**(e) Future minimum rentals receivable:** Future minimum rentals receivable, under non-cancellable operating leases as at June 30, 2015 and at December 31, 2014, are as follows:

	<u>June 30,</u> <u>2015</u>	<u>December 31,</u> <u>2014</u>
Within one year	3,950,397.98	4,605,585.18
2-5 years	3,339,762.34	3,456,476.22
Over 5 years	2,978,152.07	3,280,891.73
<b>Total</b>	<b>10,268,312.39</b>	<b>11,342,953.13</b>

(f) **Contractual commitments:** The outstanding balance of the contractual commitments with suppliers on significant infrastructure projects (construction, maintenance, improvements, etc.) at June 30, 2015 amounted to approximately € 7.3 million (December 31, 2014: approximately € 8.7 million).

(g) **Special Contribution to Social Insurance Institute (IKA – ETAM):** On November 7, 2011 the Company notified the management of IKA its intention to stop paying the special contribution in favor of the assistant fund of PPA's S.A. employees, since after the merger of IKA with IKA – TEAM the management of the Company considers that there is no further obligation. After not getting any official answer, the Company decided to cease the payments of those contributions, starting at October 2013. If the payment of the contribution has not been ceased, then as at June 30, 2015, this contribution will be amounted to around € 1.467 thousands (December 31, 2014: around € 1.148 thousands). Since the approval date of the condensed financial statements, there were no official reply from the management of the Social Insurance Institute. The management of the Company believes that this contingent liability could be settled without significant adverse effects on its financial position.

### 30. 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:

<u>Related party</u>	<u>Relation with the Company</u>	<u>Period ended</u>	<u>Sales to related parties</u>	<u>Purchases from related parties</u>
LOGISTICS P.P.A. S.A.	Subsidiary	30.06.2015	-	64,000.00
		30.06.2014	-	-
NAFSOLP S.A.	Subsidiary	30.06.2015	-	90,000.00
		30.06.2014	-	-
	<b>Total</b>	<b>30.06.2015</b>	-	<b>154,000.00</b>
	<b>Total</b>	<b>30.06.2014</b>	-	-

<u>Related party</u>	<u>Relation with the Company</u>	<u>Year/Period ended</u>	<u>Amounts due from related parties</u>	<u>Amounts due to related parties</u>
LOGISTICS P.P.A. S.A.	Subsidiary	30.06.2015	8,768.31	-
		31.12.2014	8,768.31	-
NAFSOLP S.A.	Subsidiary	30.06.2015	-	-
		31.12.2014	-	-
	<b>Total</b>	<b>30.06.2015</b>	<b>8,768.31</b>	-
	<b>Total</b>	<b>31.12.2014</b>	<b>8,768.31</b>	-

The Company, as part of its business, has transactions with government owned entities (e.g. PPC, EYDAP etc.), which are performed on commercial terms.

**Board of Directors Members Remuneration:** For the period ended on June 30, 2015, remuneration and attendance costs, amounting to € 88,044.22 (June 30, 2014: € 81,405.16) were paid to the Board of Directors members. Furthermore during the period ended June 30, 2015 emoluments of € 416,144.50 (June 30, 2014: € 417,409.17) were paid to Managers/Directors for services rendered.

### 31. FINANCIAL INSTRUMENTS

**Fair Value:** The carrying amounts reflected in the accompanying sheets of financial position for cash and cash equivalents, trade and other accounts receivable, prepayments, trade and other accounts payable and accrued and other current liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

The fair value of variable rate loans and borrowings approximate the amounts appearing in the statements of financial position.

The Company categorized its financial instruments carried at fair value in three categories, defined as follows:

Level 1: Quoted (unadjusted) values from active financial markets for identical negotiable assets or liabilities.

Level 2: Other techniques for which all inflows that have a significant impact on the recorded fair value are identified or determined directly or indirectly from active financial markets.

Level 3: Techniques that use inflows that have a significant impact on the recorded fair value and are not based on quoted prices from active financial markets.

During the period ended June 30, 2015, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

As at June 30, 2015 and December 31, 2014, the Company held the following financial instruments measured at fair value:

<b>June 30, 2015</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial liabilities</b>				
Interest bearing loans and borrowings (including short term portion)	-	83,499,999.99	-	<b>83,499,999.99</b>
<b>December 31, 2014</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial liabilities</b>				
Interest bearing loans and borrowings (including short term portion)	-	86,499,999.99	-	<b>86,499,999.99</b>

### 32. SEASONALITY:

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

**33. SUBSEQUENT EVENTS:**

According to the new Greek tax law N.4334/GG A' 80/16.07.2015, the tax for the Societies Anonymes in Greece, was raised from 26% to 29% for the fiscal years beginning January 1, 2015. The law was enacted after the reporting date of the Interim Financial Statements and therefore the calculation of income tax and deferred tax, for the current period, was carried out by a factor of 26%. The effect of the change in the tax rate if the calculation had been carried out by 29% would result to the increase by € 182,997.82 of income tax and the reduction of deferred tax by €1,541,529.77 in the accompanying statement of comprehensive income.

Piraeus, August 27, 2015

PRESIDENT OF THE BOARD OF DIRECTORS  
AND MANAGING DIRECTOR

DEPUTY OF MANAGING  
DIRECTOR

FINANCIAL DIRECTOR

IOANNIS KOUVARIS  
I.D. AE 018479

STAVROS KYRAMARGIOS  
I.D. AZ 128242

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

# PIRAEUS PORT AUTHORITY S.A

Interim Condensed Financial Statements for the period ended June 30, 2015  
(amounts in Euro, unless stated otherwise)

## FINANCIAL INFORMATION FOR THE PERIOD ENDED JUNE 30, 2015

 <b>PIRAEUS PORT AUTHORITY SOCIETE ANONYME</b> <b>PPA S.A.</b> <b>Company Registration Number 44259307000, Akti Miaouli 10 - Piraeus P.C. 185 38</b> <b>FINANCIAL DATA AND INFORMATION FROM JANUARY 1, 2015 TO JUNE 30, 2015</b> <b>In accordance with the Decision 4/507/28.04.2009 of the Board of Directors of the Capital Market Commission</b>		
<p>The purpose of the following information and financial data is to provide users with general financial information about the financial position and the results of operations of PIRAEUS PORT AUTHORITY S.A. ("Company"). Therefore, we recommend the use of the financial data and information, before making any investment decision or proceeding to any transaction with the Company, to obtain the necessary information from the website, where the separate financial statements, prepared in accordance with International Financial Reporting Standards as adopted by the E.U., are available, together with the auditors' report, when required.</p>		
<b>(Amounts in Euro)</b>		
<b>Company's Web Site:</b> <a href="http://www.olp.gr">www.olp.gr</a> <b>Date of approval of interim financial statements from the Board of Directors:</b> August 27, 2015 <b>Certified Auditor Accountants:</b> Paraskefís Papatzioglou, Vasileios Kaminaris <b>Auditing firm:</b> ERNST & YOUNG <b>Type of auditor's report :</b> Unqualified - Emphasis of matter	<b>Board of Directors:</b> Kouvaris Ioannis, President and Managing Director Kyramargios Stavros, Deputy Managing Director Liagos Athanasios, Member (executive) Kollakos Stamatios, Member (non executive) Stavrov Draconididis, Member (non executive) Roidis Georgios, Member (non executive) Korkidis Vasileios, Member (non executive) Fragou Apostolia, Member (non executive)	
<b>Tsalkidou Olympia, Member (non executive)</b> <b>Kastellanos Georgios, Member (non executive)</b> <b>Georgakopoulos Georgios, Member (non executive)</b> <b>Georgiou Nikolaos, Member (non executive)</b> <b>Moralis Ioannis, Member (non executive)</b>		
<b>DATA FROM STATEMENT OF FINANCIAL POSITION (COMPANY AND GROUP)</b>		
	<b>30.06.2015</b>	<b>31.12.2014</b>
<b>ASSETS</b>		
Property, plant and equipment	267.257.701,12	273.356.564,78
Investment property	734.338,38	734.338,38
Intangible assets	71.023,78	94.335,44
Other non current assets	13.758.714,45	16.438.238,90
Inventories	2.252.929,66	2.136.621,95
Trade receivables	25.185.882,01	25.208.189,07
Other current assets	71.591.370,89	64.547.058,42
<b>TOTAL ASSETS</b>	<b>380.851.960,29</b>	<b>382.515.346,94</b>
<b>EQUITY AND LIABILITIES</b>		
Share Capital (25.000.000 shares of € 2,00 each)	50.000.000,00	50.000.000,00
Other equity items	123.719.174,74	118.585.627,93
<b>Equity attributable to shareholders of the parent (a)</b>	<b>173.719.174,74</b>	<b>168.585.627,93</b>
Long term borrowings	77.499.999,99	80.499.999,99
Provisions/ Other long term liabilities	102.825.420,39	111.074.774,40
Short term borrowings	6.000.000,00	6.000.000,00
Other short term liabilities	20.807.365,16	16.354.944,61
<b>Total liabilities (b)</b>	<b>207.132.785,55</b>	<b>213.929.719,00</b>
<b>TOTAL EQUITY AND LIABILITIES (a)+(b)</b>	<b>380.851.960,29</b>	<b>382.515.346,94</b>
<b>DATA FROM STATEMENT OF CHANGES IN EQUITY (COMPANY AND GROUP)</b>		
	<b>01.01 - 30.06.2015</b>	<b>01.01 - 30.06.2014</b>
Total equity at the beginning of the period (01.01.2015 and 01.01.2014 respectively)	168.585.627,93	166.014.419,63
Profit after income taxes	7.626.962,14	3.308.869,72
Other comprehensive loss after income taxes	(8.127,24)	(8.317,60)
Dividends payable	(2.474.993,00)	(3.000.000,00)
Total equity at the end of the period (30.06.2015 and 30.06.2014 respectively)	<b>173.719.174,74</b>	<b>166.314.971,75</b>
<b>DATA FROM STATEMENT OF CASH FLOWS (COMPANY AND GROUP)</b>		
	<b>01.01 - 30.06.2015</b>	<b>01.01 - 30.06.2014</b>
<b>Operating activities</b>		
Profit/ (Loss) before tax (continuing activities)	10.950.639,98	3.672.822,30
Adjustments for:		
Depreciation and amortisation	7.099.503,84	7.118.537,63
Losses on disposal of property, plant & equipment and intangible assets	(148.853,03)	-
Provisions	(3.233.610,68)	499.092,12
Financial income	(664.301,87)	(642.349,08)
Decrease / (increase) in inventories	(116.307,71)	74.892,12
Decrease/ (increase) in accounts receivable	695.817,32	(16.888,42)
Decrease in liabilities (except borrowings)	(951.707,21)	(3.887.847,83)
Minus:		
Interest and related expenses paid	(351.994,86)	(440.769,02)
Payments for staff leaving indemnities	(432.379,01)	(117.531,30)
Tax apaid	(1.454.837,65)	(1.228.196,04)
<b>Net cash flows from operating activities (a)</b>	<b>11.383.049,02</b>	<b>5.031.782,28</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(1.273.249,41)	(854.973,38)
Proceeds from the sale of property, plant and equipment	161.646,30	-
Interest received	969.257,81	1.052.634,65
<b>Net cash flows from/ (used in) investing activities (b)</b>	<b>(142.345,30)</b>	<b>197.661,27</b>
<b>Financing activities</b>		
Net change in long-term borrowings	(3.000.000,00)	(1.166.666,67)
Settlement of obligation from finance leases	(190.919,57)	(187.846,31)
<b>Net cash flows used in financing activities (c)</b>	<b>(3.190.919,57)</b>	<b>(1.354.512,98)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (a) + (b) + (c)</b>	<b>8.049.784,15</b>	<b>3.874.930,57</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>54.666.299,36</b>	<b>40.624.099,06</b>
<b>Cash and cash equivalents at end of the period</b>	<b>62.516.083,51</b>	<b>44.499.029,63</b>
<b>ADDITIONAL DATA AND INFORMATION</b>		
<ol style="list-style-type: none"> <li>The Certified Public Accountants' emphasis of matter in the review report of the interim condensed financial statements refers to the changing conditions in the economic environment in which the Company operates and potential risks resulting from these conditions.</li> <li>The Company has not been audited by the Tax Authorities for the years 2009 and 2010. The provision for unaudited years by the Tax Authorities amounted to € 1.500.000,00 (Note 2b).</li> <li>The Company's permanent and seasonal personnel as at 30.06.2015 amounted to 1.133 &amp; 8 employees respectively (1.149 &amp; 8 employees at 31.12.2014)</li> <li>At the end of the current period there are no treasury shares held by the Company.</li> <li>For pending lawsuits or cases submitted in arbitration, the Company has made relevant provisions of € 18,447,490.00. The provision for unaudited years by the Tax Authorities amounted to € 1,500,000.00</li> <li>The Company's provision for personnel voluntary retirement amounted to € 14,074,800.36. Finally a provision for contingent property tax amounted to € 577,384.33 has been recorded.</li> <li>There is no property, plant and equipment that has been pledged as security.</li> <li>During the year 2010 the Company established two subsidiaries named "SHIP REPAIR SERVICES P.P.A S.A." (NAYS P.P.A S.A.) and "INTERMODAL TRANSPORT AND LOGISTICS COMPANY S.A.", (LOGISTICS P.P.A. S.A.) The subsidiaries until the preparation of these financial statements has not yet commenced its operations. The Company does not prepare consolidated financial statements due to material net assets of its subsidiaries as at June 30, 2014 (note 5)</li> <li>There are no other comprehensive income / (loss) of the Company that recorded directly to the Shareholders' Equity as at June 30, 2015.</li> <li>The Company's capital expenditure for the period ended June 30, 2015 is disclosed to the note 4 of the financial statements.</li> <li>The subsequent events after the June 30, 2015 are disclosed to the note 33 of the financial statements.</li> <li>The accumulated income and expenses since the beginning of the current period as well as the Company's trade accounts receivable and payable balances at the end of the current fiscal year that have resulted from the transactions with their related parties, and payable balances at the end of the current fiscal year that have resulted from the transactions with their related parties, according to IAS 24, are as follows:</li> </ol>		
	(Amounts in Euro)	
a) Income	0	
b) Expense	154.000,00	
c) Receivables	8.768,31	
d) Liabilities	0	
e) Fees of Managers and members of the Board of Directors	594.188,72	
f) Amounts owed by Managers and members of the Board of Directors	0	
g) Amounts due to Managers and members of the Board of Directors	0	
Piraeus, August 27, 2015		
<b>THE CHAIRMAN OF THE BoD AND MANAGING DIRECTOR</b>	<b>DEPUTY MANAGING DIRECTOR</b>	<b>FINANCIAL DIRECTOR</b>
<b>IOANNIS KOUVARIS</b> I.D. AE 018479	<b>STAVROS KYRAMARGIOS</b> ID Number: AZ 128242	<b>EKATERINI VENARDOU</b> License No. O.E.E. 0003748