



PIRAEUS PORT AUTHORITY S.A

**INTERIM CONDENSED
FINANCIAL STATEMENTS
FOR THE PERIOD**

JANUARY 1 – JUNE 30, 2016

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

Index to the Interim Condensed Financial Statements

	<u>PAGE</u>
• Statements of the Members of the Boards of Directors	3
• Board of Directors' report on the interim condensed financial statements	4
• Review report on the interim financial information	9
• Interim Condensed Statement of Comprehensive Income (Company-Group)	10
• Interim Condensed Statement of Financial Position(Company-Group)	11
• Interim Condensed Statement of Changes in Shareholders' Equity(Company-Group)	12
• Interim Condensed Cash Flow Statement (Indirect Method)(Company-Group)	13
• Notes to the Interim Condensed Financial Statements	
1. Company's establishment and activity	14
2. Basis of Presentation of Financial Statements	14
3. Principal Accounting Policies	15
4. Property, plant and equipment	16
5. Subsidiaries	16
6. Income tax (current and deferred)	17
7. Inventories	17
8. Trade receivables	18
9. Prepayments and other receivables	18
10. Cash and cash equivalents	19
11. Share capital	19
12. Reserves	20
13. Government grants	20
14. Provisions	21
15. Provision for staff retirement indemnity	23
16. Finance lease obligations	23
17. Long term borrowings	24
18. Dividends	25
19. Accrued and other short term liabilities	26
20. Accrued income	26
21. Segment information	27
22. Revenue	28
23. Analysis of Expenses	28
24. Other operating income/ (expenses)	28
25. Financial income/ (expenses)	29
26. Depreciation-Amortization	29
27. Payroll and related costs	29
28. Earnings per share	30
29. Commitments and contingencies	30
30. Related party transactions	31
31. Financial instruments	32
32. Seasonality	33
33. Subsequent events	33
• Financial Information for the three-month period ended June 30, 2016	34

Statements of the Members of the Boards of Directors

(in accordance with article 5 par. 2 of L. 3556/2007)

The following statements, which are effected in accordance with article 5 par. 2 of the L. 3556/2007, as applicable, are given by the following Members of the Board of Directors of the Company:

1. Wan Min, President of the Board of Directors
2. Fu Chengqiu, Managing Director and
3. Zhu Jianhui, 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, 2016 to June 30, 2016, 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 5 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 of 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 of article 5 of the L. 3556/2007, and the relevant executive Decisions of the Board of Directors of the Capital Market Commission.

Athens, September 26, 2016

WAN MIN

FU CHENGQIU

ZHU JIANHUI

President of the
Board of Directors

Managing Director

Member of the
Board of Directors

Passport No SE0235390

Passport No PE0608737

Passport No PE0844394

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, 2016

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 2nd semester of 2016.
- The transactions and balances between the Company and any related parties, as well as the Board of Directors members' remuneration.

A. REPORT ON 1ST SEMESTER 2016

Period results:

a. Revenues

Total revenues for the a' semester amounted to € 46.2 million, which - compared to the same period of 2015 (€ 48.7 million) - showed a decrease of € 2.5 million or 5.1%. This change, after taking into account the strike of the employees and workers of a month about, is due to the significant decrease in revenue of container terminal, tank and docks sector as well as the decrease to the revenues of the concession arrangement of Pier II+III by 18.2%, 22.9% and 4.1% or by € 1.3 million, € 1.2 million and € 0.8 million respectively. On the contrary, an increase of 7.4% and 9.6% or by approximately € 0.3 million and € 0.4 million occurred in the revenues of coast sector and cruise sector respectively. The revenues of car terminal sector reached approximately the last period's levels.

b. Expenses

The greatest and most significant part of operating expenses are staff salaries which reach 55.3% and in the 1st semester of 2016 significantly decreased by € 23.8 million to € 26.1 million compared to the 1st semester of 2015. 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 well as the strike of employees and workers of a month about which took place from May to June 2016.

As for other operating expenses (except staff salaries), they averaged approximately last year's figures, with "Utilities" showing the greatest decrease, since they amounted to € 6.2 million compared to € 6.9 million the 1st semester of 2015. The change is mainly due to the reduction of electricity cost by € 0.3 million and to costs for repairs and maintenance by € 0.2 million in relation to the corresponding semester of last year.

Depreciation expenses ranged at last year's levels amounting to € 7.0 million (June 30, 2015: € 7.1 million). The consumption of material shown a decrease of 55.6% and amounted to € 0.4 million in the 1st semester of 2016 compared to € 0.9 million in the 1st semester of 2015.

Finally, a significant increase was noted in the provision for bad debts which amounted to € 2.2 million versus € 0.3 million in the same period last year.

c. Total Assets

Total assets at June 30, 2016 amounted to € 359.2 million, lower by 2.4% or € 8.8 million (€ 368.0 million at December 31, 2015).

The decrease in total assets is mainly due to the following: the reduction of property, plant and equipment in the amount of € 6.6 million (due to the current year's depreciation and amortization instead of the current years additions) as well as the decrease in cash and cash equivalents by the amount of € 2.7 million. This decrease was partly offset, mainly by the increase by € 1.8 million in trade receivables compared to December 31, 2015.

d. Total Liabilities

Total liabilities at June 30, 2016 amounted to € 186.1 million, lower by 3.9% or € 7.6 million (€ 193.7 million at December 12, 2015).

The decrease in total liabilities was mainly due to the reduction of the following sub-headings, namely: a reduction to provisions by the amount of € 5.5 million (provision for legal claims by third parties by € 3.4 million and provision for compensation of beneficiaries L.4331/2015 by € 2.1 million), a reduction in deferred income (concession revenue) by € 2.9 million as well as a reduction in "provision for staff leaving indemnities" and "grants" by the amount of € 0.3 and € 0.4 million, respectively. This reduction was partly offset by an increase in accrued and other current liabilities by the amount of € 1.4 million compare to December 31, 2015, due to "dividends payable" of the previous fiscal year and the increase of accrued expenses.

Critical Index numbers:

	A' Semester 2016	A' Semester 2015
GENERAL LIQUIDITY (Current Assets / Short-term Liabilities)	3.16	3.66
QUICK LIQUIDITY [(Current Assets – Inventories) / Short-term Liabilities]	3.09	3.58
EBITDA / Turnover	0.18	0.36
DEBTS (Banking Liabilities / Own Funds)	0.47	0.48

B. Highlights of the 1st semester

- Sale of majority stake

Throughout the course of the a' semester primary objective of the Company's Management was the completion of the majority package shares sale from HRADF to Bidder, through a transparent and legitimate process, and within the time limits raised by the Greek Government.

The success of the whole procedure was not only related with the Piraeus Port development perspective and the further enhancement of its position on the global maritime map, but also related with the multiple benefits for the local community, shareholders and the national economy in general.

In addition to the above, the rewards of the successful completion of the Port of Piraeus privatization process in August 2016 is to strengthen the credibility of the country itself, in the effort to convince international markets that Greece is a safe and attractive investment destination.

- Business activities

The business activities of PPA SA during the a' semester of 2016 would have recorded much better results if the long term strikes of the staff were not taking place (duration 28 days in the May - June period).

More particularly:

In the Cruise sector, despite the aforementioned problems, a significant increase of passengers handled recorded, both for home and for transit passengers. A series of operational interventions and investments in infrastructure and equipment was completed in order to ensure the uninterrupted cruise vessels service, such as the high requirements in terms of port facilities provided, newly (321 meters length) Carnival Vista (company Carnival Cruise Lines), which used Piraeus as a starting port (homeporting).

In the coastal shipping sector, the successful management of the refugee crisis contributed on the stabilization of the passenger traffic on the previous year levels, having as a result that Piraeus until today is by far the largest passenger port in Europe, acting not only as a tourism portal, but also as a unique communication channel of Aegean islands with the mainland.

In the car terminal sector, despite the negative conditions (political instability in many Mediterranean countries which are fed by Piraeus hub port, the Crimean crisis, etc.) and the ever-growing port competition through the creation of new terminals in the wider area, the PPA SA Car Terminal maintains a leading position in Eastern Mediterranean.

While at first semester of 2016 marked a reduction in vehicle numbers trafficking in relation to the same period of 2015, it should be pointed out that the representative comparison sample (due to staff strikes) relating to a five months period of the year, recorded an increase for both local and for transit cargo, which is approximately 10%.

The traffic in the container terminal decreased significantly because of the company MSC moved its transshipment cargo from Piraeus to its own terminal in Turkey (ASYAPORT). For this substantial change, which was made without warning from the liner company, the management of PPA could not react.

- Works

A construction contract for the new cruise vessel quay area Ag. Nikolaos Central Piraeus Port, signed in March 2016. The new quay, the inauguration of which will take place early October, has length 281m depth -11,50m and additional available land space 8432 m², increasing the port ability to serve new generation cruise vessels.

As a result of processes acceleration that took place during the 1st semester of 2016, achieved the target of Photovoltaics Park operation in the Piraeus commercial port, of length 1080 m, power 430KWp, which two months ago was connected with the Hellenic Public Power Corporation.

With the construction of this project, the PPA confirm the designation of the European Sea Ports Organization (ESPO) as ECOPORT and proves its interest in energy saving and environmental protection.

C. Prospects and expected developments, Main Risks and Uncertainties in the 2nd semester.

Besides increasing the turnover of discrete port activities as a result of mandatory investments envisaged in the new concession agreement, is estimated that the port privatization and the gradual operation at optimum productivity conditions, combined with the adoption of a more customer-oriented and flexible marketing policy will attract additional freight and passenger project.

In the commercial port (container and car terminals) beyond the further enhancement of the strategic advantage of the port geographical position as a transshipment hub at the crossroads of three continents, there is a large field of exploitation the connection with national and thus the European rail network, which can greatly expand the hinterland of Piraeus, providing access to new markets

In the Cruise sector the development of new cruise stations, the continuous improvement of service provided and the trust to Piraeus port revealed by Carnival Cruise Lines, the company with the largest market share worldwide expressed in passenger traffic and revenues, is expected to attract other large companies, enhancing overall the Greek tourism product and its promotion abroad.

Major planned investments in this sector will not only assist Piraeus to meet the ever increasing demands of the cruise market (enlarge vessels), but also will give to the port leadership characteristics compared to Eastern Mediterranean competing ports.

The planned exploitation of Real Estate Property in the wider Central Port area, apart from the boost to the specific market, is expected to generate interest for the greater duration of stay in the port, both for cruise and ferry passengers.

In the sector of ship repair, beyond the implementation of the announced investment plan that will be implemented over time, the first illustrative example of sector perspective recorded with the arrival of the underwater pipelines floating construction plant «Castoro Sei», and the imminent arrival of a similar type ships.

The company will strive to develop technical solutions with customer-oriented approach, in order to convince that the Perama Ship Repair Zone is the ideal spot for performing the required ship upgrading works, defined in the recently adopted Regulation of International Maritime Organization (IMO), for ballast waste management processing, with entry into force from 1.1.2017.

The above combined with the coordinated effort of internal services reorganization and regulations reform, set in the immediate future the necessary foundations for strengthening the position of PPA at national and international level.

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:

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	30.06.2016	-	-
		30.06.2015	-	64,000.00
NAFSOLP S.A.	Subsidiary	30.06.2016	-	-
		30.06.2015	-	90,000.00
	Total	30.06.2016	-	-
	Total	30.06.2015	-	154,000.00

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	30.06.2016	-	-
		31.12.2015	8,768.31	-
NAFSOLP S.A.	Subsidiary	30.06.2016	-	-
		31.12.2015	-	-
	Total	30.06.2016	-	-
	Total	31.12.2015	8,768.31	-

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, 2016, remuneration and attendance costs, amounting to € 98,868.80 (June 30, 2015: € 88,044.22) were paid to the Board of Directors members. Furthermore during the period ended June 30, 2016 emoluments of € 415,001.80 (June 30, 2015: € 416,144.50) were paid to Managers/Directors for services rendered.

D. CORPORATE GOVERNANCE:

The Audit Committee established by the Board whose members are Mr. Kwong Che Keung Gordon (Chairman), Mr. Feng Boming (member) and Mr. Liagkos Athanasios (member) has received the Interim Condensed Financial Statements together with the Review Report of the external auditors Pricewaterhouse Coopers.

Piraeus, September 26, 2016

THE PRESIDENT OF THE BoD

Wan Min

[Translation from the original text in Greek]

Report on Review of Interim Financial Statements

To the Shareholders of Piraeus Port Authority S.A.

Introduction

We have reviewed the accompanying condensed company statement of financial position of Piraeus Port Authority S.A. as of 30 June 2016 and the related condensed company statements of comprehensive income, changes in equity and cash flows for the six-month period then ended and the selected explanatory notes, that comprise the interim condensed financial information and which form an integral part of the six-month financial report as required by L.3556/2007. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as they have been adopted by the European Union and applied 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 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 financial information is not prepared, in all material respects, in accordance with IAS 34.

Reference to Other Legal and Regulatory Requirements

Our review has not revealed any inconsistency or discrepancy of the other information of the six-month financial report, as required by article 5 of L.3556/2007, with the accompanying interim condensed financial information.

Athens, 26 September 2016

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SOEL Reg. No. 17681

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STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED JUNE 30, 2016

	<u>Notes</u>	<u>01.01-30.06.2016</u>	<u>01.01-30.06.2015</u>
Revenues	22	46,162,060.79	48,711,996.39
Cost of sales	23	(33,451,504.49)	(36,676,964.20)
Gross profit		12,710,556.30	12,035,032.19
Administrative expenses	23	(9,604,121.96)	(8,528,260.62)
Other operating expenses	24	(4,397,452.62)	(1,468,967.01)
Other income	24	2,765,778.43	9,228,533.55
Financial income	25	514,754.72	1,016,296.73
Financial expenses	25	(149,625.58)	(351,994.86)
Impairment of investments	5	-	(980,000.00)
Profit before income taxes		1,839,889.29	10,950,639.98
Income taxes	6	(225,177.37)	(3,323,677.84)
Net profit after taxes (A)		1,614,711.92	7,626,962.14
Net other comprehensive income not to be reclassified in profit or loss in subsequent period:			
Actuarial losses	15	(28,898.68)	(24,894.92)
Income taxes	6	8,380.62	6,472.68
Other total comprehensive income after tax (B)		(20,518.06)	(18,422.24)
Total comprehensive income after tax (A)+(B)		1,594,193.86	7,608,539.90
Profit per share (Basic and diluted)	28	0.0646	0.3051
Weighted Average Number of Shares (Basic)	28	25,000,000	25,000,000
Weighted Average Number of Shares (Diluted)	28	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, 2016

	<u>Notes</u>	<u>30.06.2016</u>	<u>31.12.2015</u>
ASSETS			
Non current assets			
Property, Plant and Equipment	4	254,464,367.52	261,098,568.04
Investment property		734,338.38	734,338.38
Intangible assets		34,615.96	50,522.36
Investments in subsidiaries	5	-	127,951.68
Other non-current assets		418,834.74	425,254.75
Deferred tax assets	6	14,271,948.94	14,488,745.69
Total non current assets		269,924,105.54	276,925,380.90
Current assets			
Inventories	7	2,135,819.21	2,196,957.54
Trade Receivables	8	22,097,575.89	20,341,478.57
Prepayments and other receivables	9	7,823,300.34	8,264,461.93
Restricted cash	10	475,357.58	816,718.22
Cash and cash equivalents	10	56,775,963.34	59,432,087.51
Total Current Assets		89,308,016.36	91,051,703.77
TOTAL ASSETS		359,232,121.90	367,977,084.67
EQUITY AND LIABILITIES			
Equity			
Share capital	11	50,000,000.00	50,000,000.00
Other reserves	12	76,996,669.02	76,996,669.02
Retained earnings		46,128,335.72	47,319,141.86
Total equity		173,125,004.74	174,315,810.88
Non-current liabilities			
Long-term borrowings	17	71,499,999.99	74,499,999.99
Long-term leases	16	124,908.26	156,404.94
Government grants	13	19,769,827.26	20,195,228.95
Reserve for staff retirement indemnities	15	10,685,686.52	11,005,605.02
Provisions	14	18,605,437.45	24,110,963.41
Deferred income	20	37,319,618.11	40,276,219.76
Total Non-Current Liabilities		158,005,477.59	170,244,422.07
Current Liabilities			
Trade accounts payable		2,773,261.27	2,450,767.29
Short term of long term borrowings	17	9,000,000.00	6,000,000.00
Short-term leases	16	62,191.00	61,310.32
Income tax	6	1,500,000.00	1,500,000.00
Accrued and other current liabilities	19	14,766,187.29	13,404,774.10
Total Current Liabilities		28,101,639.56	23,416,851.71
Total liabilities		186,107,117.15	193,661,273.79
TOTAL LIABILITIES AND EQUITY		359,232,121.90	367,977,084.67

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, 2016

	Notes	Share capital	Statutory reserve	Other reserves	Retained earnings	Total
Total Equity at January 1, 2015		50,000,000.00	8,290,851.78	68,287,029.53	42,007,746.62	168,585,627.93
Net profit after taxes		-	-	-	7,626,962.14	7,626,962.14
Total comprehensive income after income taxes of the period		-	-	-	(18,422.24)	(18,422.24)
Total comprehensive income after income taxes		-	-	-	7,608,539.90	7,608,539.90
Dividends	18	-	-	-	(2,474,993.09)	(2,474,993.09)
Total Equity at June 30, 2015		50,000,000.00	8,290,851.78	68,287,029.53	47,141,293.43	173,719,174.74
Total Equity at January 1, 2016		50,000,000.00	8,709,639.49	68,287,029.53	47,319,141.86	174,315,810.88
Profit after income taxes		-	-	-	1,614,711.92	1,614,711.92
Other comprehensive loss after income taxes		-	-	-	(20,518.06)	(20,518.06)
Total comprehensive income after income taxes		-	-	-	1,594,193.86	1,594,193.86
Dividends paid	18	-	-	-	(2,785,000.00)	(2,785,000.00)
Total Equity at June 30, 2016		50,000,000.00	8,709,639.49	68,287,029.53	46,128,335.72	173,125,004.74

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

CASH FLOW STATEMENT FOR THE PERIOD ENDED JUNE 30, 2016

	<u>Notes</u>	<u>01.01-30.06.2016</u>	<u>01.01-30.06.2015</u>
Cash flows from Operating Activities			
Profit before income taxes		1,839,889.29	10,950,639.98
Adjustments for:			
Depreciation and amortisation	26	7,469,650.60	7,497,117.92
Amortisation of subsidies	26	(425,401.69)	(406,534.08)
Losses on disposal of property, plant & equipment		-	(148,853.03)
Financial income	25	(365,129.14)	(664,301.87)
Provision for staff retirement indemnities	15	367,407.32	367,000.08
Other Provisions		(3,267,472.23)	(3,600,610.76)
Operating profit before working capital changes		5,618,944.15	13,994,458.24
(Increase)/Decrease in:			
Inventories		61,138.33	(116,307.71)
Trade accounts receivable		(3,994,151.03)	(259,654.36)
Prepayments and other receivables		441,161.59	1,005,471.68
Other long term assets		6,420.01	(50,000.00)
Increase/(Decrease) in:			
Trade accounts payable		322,493.98	(744,682.21)
Accrued and other current liabilities		(1,309,827.45)	2,717,973.60
Deferred income		(2,956,601.65)	(2,924,998.70)
Interest paid		(140,433.28)	(351,994.86)
Payments for staff leaving indemnities	15	(716,224.50)	(432,379.01)
Income taxes paid		-	(1,454,837.65)
Net cash from/ (used in) Operating Activities		(2,667,079.85)	11,383,049.02
Cash flow from Investing activities			
Proceeds from the sale of property, plant and equipment		5,000.00	161,646.30
Capital expenditure for property, plant and equipment		(819,543.68)	(1,273,249.41)
Decrease in restricted cash		341,360.64	-
Interest and related income received		514,754.72	969,257.81
Net cash from /(used in) Investing Activities		41,571.68	(142,345.30)
Cash flows from Financing Activities			
Net change in long-term borrowings		-	(3,000,000.00)
Net change in leases		(30,616.00)	(190,919.57)
Net cash used in Financing Activities		(30,616.00)	(3,190,919.57)
Net increase/ (decrease) in cash and cash equivalents		(2,656,124.17)	8,049,784.15
Cash and cash equivalents at the beginning of the period	10	59,432,087.51	54,466,299.36
Cash and cash equivalents of the end of the period	10	56,775,963.34	62,516,083.51

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2016

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 objects based on its article of incorporation is to perform its obligations, conduct its activities and exercise its faculties under or in respect of the concession agreement between the Company and the Hellenic Republic dated 13 February 2002 regarding the use and exploitation of certain areas and assets within the Port of Piraeus, as amended and in force.

For the purpose of attaining its object under paragraph 1 above, the Company may, by way of an illustrative but no means exhaustive list, conduct and engage in the following activities:

- (a) to use all rights assigned to the Company pursuant to the Concession Agreement and maintain, utilize and exploit all concession assets in accordance with the Concession Agreement;
- (b) provide services and facilities to vessels, cargo and passengers, including ship berthing and cargo and passenger handling to and from the port;
- (c) install, organize and exploit all kinds of port infrastructure;
- (d) undertake any activities related to the port and all other commercial activities associated with or reasonably incidental to the operation of the port of Piraeus;
- (e) engage third parties to provide any kind of port services;
- (f) award contracts for works;
- (g) engage in such further activities as are prudent or customary for the proper conduct of its business and operations in accordance with the Concession Agreement; and
- (h) engage in any and all activities, transactions or operations of a type that are conducted by commercial corporations generally.

The governed by the principles of Company Law 2190/1920 and the founding Law 2688/1999, as amended by Law 2881/2001 and Law 4404/2016.

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, 2016 amounted to 1,099. At December 31, 2015, the respective number of employees was 1,129.

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, 2016, 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 2015, which are available on the internet in the address www.olp.gr.

As indicated in Note 5, the two subsidiaries are not consolidated in the consolidated financial statements as at December 31, 2015 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 interim condensed financial statements for the period ended at June 30, 2016, on September 26, 2016.

(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, 2015.

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, 2015, except for the adoption of new standards and interpretations applicable for fiscal periods beginning at January 1, 2016.

New standards, interpretation and amendments adopted by the Group and the Company

New standards and amendments apply for the first time in 2016 (annual periods beginning on or after January 1, 2016). However, they do not have a significant impact on the annual financial statements or the interim condensed financial statements of the Group and the Company or they are not applicable for the Company.

- **IAS 1: Initiative on disclosures (Amendment)**
- **IAS 16 Property, Plant & Equipment and IAS 38 Intangible assets (Amendment): Clarification of Acceptable Methods of Depreciation and Amortization**
- **IFRS 11 Joint arrangements (Amendment): Accounting for Acquisitions of Interests in Joint Operations**
- **IAS 19 Employee benefits (Amended): Employee Contributions**

The IASB has issued the **Annual Improvements to IFRSs 2010 – 2012 Cycle**, which is a collection of amendments to IFRSs.

- **IFRS 2 Share-based Payment**
- **IFRS 3 Business combinations**
- **IFRS 8 Operating Segments**
- **IFRS 13 Fair Value Measurement**
- **IAS 16 Property Plant & Equipment**
- **IAS 24 Related Party Disclosures**
- **IAS 38 Intangible Assets**

The IASB has issued the **Annual Improvements to IFRSs 2012 – 2014 Cycle**, which is a collection of amendments to IFRSs.

- **IFRS 5 Non-current Assets Held for Sale and Discontinued Operations**
- **IFRS 7 Financial Instruments**
- **IAS 19 Employee Benefits**
- **IAS 34 Interim Financial Reporting**

There are no new standards, amendments / improvements or interpretations, which are applied in the accounting periods beginning after December 31, 2016, in addition to those that have been disclosed in the financial statements for the year ended at December 31, 2015, apart from the below mentioned amendment:

IFRS 2: Classification and Measurement of Share based Payment Transactions (Amendments)

The Amendments are effective for annual periods beginning on or after 1 January 2018 with earlier application permitted. The Amendments provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, for share-based payment transactions with a net settlement feature for withholding tax obligations and for modifications to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. These Amendments have not yet been endorsed by the EU. The Company is in the process of assessing the impact of the new standard on its financial position or performance.

IFRS 16: Leases

Due to the significance of the standard the Company is still in the process of assessing the impact of the new standard on its financial position or performance.

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, 2016 until June 30, 2016, the total investments of the Company's tangible assets amounted to € 818,043.68 and referred mainly to the improvement of port infrastructure (at 01.01-30.06.2015 amounted to € 1,265,067.00).

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, 2016 and at December 31, 2015, amounted to € 253,285.68 and € 271,066.68 respectively.

5. SUBSIDIARIES:

Subsidiaries in which OLP SA is involved are as follows:

Subsidiary	Consolidation Method	Participation Relationship	Participation		Balance	
			30.06.2016	31.12.2015	30.06.2016	31.12.2015
NAFSOLP SA.	(1)	Direct	-	100%	-	530,000.00
LOGISTIC OLP A.E.	(1)	Direct	-	100%	-	450,000.00
					-	980,000.00
Provision for impairment					-	(852,048.32)
					-	127,951.68

(1) The Company until December 31, 2015 did not consolidate the two subsidiaries in the consolidated financial statements due to the immateriality of financial figures of subsidiaries.

Following a review of the purpose and activities of the two subsidiaries at September 2015 and taking into account their significant accumulated losses, the management decided their dissolution and liquidation, which was completed at March 9, 2016. For this reason, at December 31, 2015, the Company proceeded to their impairment in the amount of its participation, reduced by the liquidation of its company. After the liquidation of the subsidiaries, the Company has written off its investment in subsidiaries.

6. INCOME TAX (CURRENT AND DEFERRED):

According to the new Greek tax law L.4334/GGA' 80/16.07.2015, the tax rate for the Societies Anonymes in Greece, was raised from 26% to 29%, for the fiscal years beginning January 1, 2015.

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

	<u>30/06/2016</u>	<u>30/06/2015</u>
Current income tax	-	1,567,680.71
Deferred income tax	225,177.37	1,755,997.13
Total	<u>225,177.37</u>	<u>3,323,677.84</u>
	<u>30/06/2016</u>	<u>30/06/2015</u>
<u>Other Comprehensive Income</u>		
Deferred income taxes	(8,380.62)	(6,472.68)
Total	<u>(8,380.62)</u>	<u>(6,472.68)</u>

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>30/06/2016</u>	<u>31/12/2015</u>
Opening balance	14,488,745.69	15,109,449.15
Income taxes [credit/(debit)]	(225,177.37)	(690,376.22)
Income taxes [credit/(debit)] –		
Other Comprehensive Income	8,380.62	69,672.76
Closing balance	<u>14,271,948.94</u>	<u>14,488,745.69</u>

The provision for the tax audit differences for the financial years not audited (2009 and 2010) 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>30/06/2016</u>	<u>31/12/2015</u>
Consumable materials	924,912.65	980,746.33
Fixed assets spare parts	1,210,906.56	1,216,211.21
Total	<u>2,135,819.21</u>	<u>2,196,957.54</u>

The total consumption cost for the period 01/01-30/06/2016 amounted to € 399,511.59 while that of the respective period 01/01-30/06/2015 amounted to € 850,496.81. There was no inventory devaluation to their net realizable value.

8. TRADE RECEIVABLES:

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

	<u>30/06/2016</u>	<u>31/12/2015</u>
Trade debtors	56,778,773.39	52,784,622.36
Cheques overdue	50,734.20	50,734.20
Minus: Provision for doubtful debts	<u>(34,731,931.70)</u>	<u>(32,493,877.99)</u>
Total	<u>22,097,575.89</u>	<u>20,341,478.57</u>

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, 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, 2016. Customer payments in advance of € 2,140,484.67 (December 31, 2015: € 3,650,737.18) 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>30/06/2016</u>	<u>30/06/2015</u>
Beginning balance	32,493,877.99	27,275,886.75
Provision for the period (Note 23)	2,238,053.71	281,961.42
Ending balance	<u>34,731,931.70</u>	<u>27,557,848.17</u>

9. PREPAYMENTS AND OTHER RECEIVABLES:

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

	<u>30/06/2016</u>	<u>31/12/2015</u>
Personnel loans	634,487.61	683,427.25
Receivable from Project Contractor of Pier I	4,559,882.96	4,972,215.16
Prepaid Expenses	248,937.54	338,047.10
Income Tax advances	1,252,186.56	1,305,444.07
Other receivable	1,586,385.14	1,465,141.04
Less: Allowance for doubtful other receivables	<u>(458,579.47)</u>	<u>(499,812.69)</u>
Total	<u>7,823,300.34</u>	<u>8,264,461.93</u>

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

	<u>30/06/2016</u>	<u>31/12/2015</u>
Beginning balance	499,812.69	656,100.00
Provision for the year	(41,233.22)	(156,287.31)
Ending balance	<u>458,579.47</u>	<u>499,812.69</u>

Personnel loans: The Company provides interest-free loans to its personnel. The loan amount per employee does not exceed approximately € 4,000.00 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 € 18,694.17 (December 31, 2015: € 158,319.28), along with receivables from various third parties and the Greek government amounted to € 1,567,690.97 (December 31, 2015: € 1,306,821.76).

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 installments 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 installments.

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>30/06/2016</u>	<u>31/12/2015</u>
Cash in hand	460,597.28	446,925.30
Cash at banks and time deposits	56,315,366.06	58,985,162.21
Total	<u>56,775,963.34</u>	<u>59,432,087.51</u>
Restricted cash	475,357.58	816,718.22
Total	<u>57,251,320.92</u>	<u>60,248,805.73</u>

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, 2016, amounted to € 268,951.69 (for the period ended June 30, 2015, amounted to € 691,883.13) and are included in the financial income in the accompanying interim condensed financial statements of comprehensive income.

Restricted cash refers to forced seizures of Company's deposits, in favor of various municipalities against which there are pending trials. Subsequent to the period end (see note 33) an additional amount of € 6,285,940.08 cash at bank became restricted.

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>30/06/2016</u>	<u>31/12/2015</u>
Statutory reserve	8,709,639.49	8,709,639.49
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
Total	<u>76,996,669.02</u>	<u>76,996,669.02</u>

Statutory reserve: Under the provisions of Greek corporate Law companies are obliged to transfer at least 5% of their annual net profit, as defined, to a statutory reserve, until the reserve equals the 1/3 of the issued share capital. The reserve is not available for distribution throughout the Company activity.

Special tax free reserve Law 2881/2001: This reserve was created during the PPA 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>30/06/2016</u>	<u>31/12/2015</u>
Initial value	28,655,259.25	28,227,209.25
Additions for the period	-	428,050.00
Closing value	<u>28,655,259.25</u>	<u>28,655,259.25</u>
Accumulated depreciation	<u>(8,885,431.99)</u>	<u>(8,460,030.30)</u>
Net Book Value	<u>19,769,827.26</u>	<u>20,195,228.95</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. During 2015, the rest of third installment of subsidy amounted to € 428,050.00 was invoiced. Until the approval of the interim condensed financial statements an amount of € 265,448.37 has been received.

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. Finally the approved and received grant in December 2013 is amounted to € 9,901,740.45.

14. PROVISIONS:

Provisions in the accompanying financial statements are analyzed as follows:

	<u>30/06/2016</u>	<u>31/12/2015</u>
Provisions for legal claims by third parties	15,872,061.00	19,314,300.00
Provision for compensation of beneficiaries L.4331/2015	2,733,376.45	4,796,663.41
Total	<u>18,605,437.45</u>	<u>24,110,963.41</u>

The Company has made provisions for various pending court cases as at June 30, 2016 amounting to € 15,872,061.00 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>30/06/2016</u>	<u>31/12/2015</u>
Opening balance	<u>19,314,300.00</u>	<u>18,447,490.00</u>
Provision for the period	-	866,810.00
Reversal of provision (Note 24)	(3,442,239.00)	-
Closing balance	<u>15,872,061.00</u>	<u>19,314,300.00</u>

L.4331/2015, specifically article 67, stipulates that in the case of the disposal proceeds of one or more shipwrecks and dangerous or harmful ships via a highest bidder tender, the Port Piraeus Authority, acting on behalf of the shipwreck owner or managing company, is obliged to give part of the proceeds to pay the claims –capital, interest and awarded litigation costs and expenses, raised against the shipwreck owner or managing company by the employees of the above companies, having IKA as their main social security fund and ETEA (Single Compensatory Insurance Fund - former TEAYNPT-TANPY) as the compensatory fund.

Said claims derive from pre existing dependent employment relations due to non payment of salaries, allowances, holiday bonuses, overtime fees, payment for work on Saturday, Sunday and holidays, firing compensations, as said claims arise from the application of labour contracts and general labour provisions. Payment to the beneficiary is made by producing a final decision (“res judicata”) and any other necessary document establishing that the beneficiary is qualified to fall under said provision.

Based on the aforementioned law, the Company made a forecast for the amount of € 4,796,663.41 related to the claims of the employees of "GA Lines SA" Group from the disposal proceeds of its ships. As at June 30, 2016 the amount of € 2,063,286.96 has been paid by the Company for said claim and reversed the related provision of December 31, 2015.

The movement of the provisions for compensation of beneficiaries L.4331/2015, is as follows:

	<u>30/06/2016</u>	<u>31/12/2015</u>
Opening balance	4,796,663.41	-
Provision for the period	-	4,796,663.41
Reversal of provision	(2,063,286.96)	-
Closing balance	<u>2,733,376.45</u>	<u>4,796,663.41</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 2012, 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 prior 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 is as follows:

	<u>30/06/2016</u>	<u>31/12/2015</u>
Opening balance	-	18,937,372.54
Provision for the year	-	(14,074,800.36)
Reversal of provision (Note 24)	-	(4,862,572.18)
Closing balance	<u>-</u>	<u>-</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 amount that finally was paid by the Company on 02/07/2015 amounted to € 189,526.78.

The movement of the provision is as follows:

	<u>30/06/2016</u>	<u>31/12/2015</u>
Opening balance	-	577,384.33
Use of provision	-	(189,526.78)
Reversal of provision	-	(387,857.55)
Closing balance	<u>-</u>	<u>-</u>

15. RESERVE FOR STAFF RETIREMENT INDEMNITIES:

The relevant provision movement for the period ended on June 30, 2016 and the financial year ended the 31st of December 2015 is as follows:

Liability in Statement of Financial Position 1.1.2015	<u>10,694,136.63</u>
Current cost of Employment	470,266.00
Interest cost on liability	258,798.12
Actuarial (gains)/loss	240,250.88
Benefits paid	(657,846.61)
Liability in Statement of Financial Position 31.12.2015	<u>11,005,605.02</u>
Current cost of Employment	234,239.50
Interest cost on liability	133,167.82
Actuarial (gains)/loss	28,898.68
Benefits paid	(716,224.50)
Liability in Statement of Financial Position 30.06.2016	<u>10,685,686.52</u>

The principal actuarial assumptions used are as follows:

	<u>30.06.2016</u>	<u>31.12.2015</u>
Discount Rate	2.42%	2.42%
Salaries increase	0.00%	0.00%
Average annual growth rate of long-term inflation	2.00%	2.00%

16. FINANCE LEASE OBLIGATIONS:

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>30/06/2016</u>	<u>31/12/2015</u>
Finance lease obligations	187,099.26	217,715.26
Minus: Short term	(62,191.00)	(61,310.32)
Long term	<u>124,908.26</u>	<u>156,404.94</u>

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

The Long term loans as at June 30, 2016 and December 31, 2015 respectively, are as follows:

	<u>30/06/2016</u>	<u>31/12/2015</u>
Total of Long-term loans	80,499,999.99	80,499,999.99
Minus:		
Short term portion of long-term loans	<u>9,000,000.00</u>	<u>6,000,000.00</u>
Long term portion	<u>71,499,999.99</u>	<u>74,499,999.99</u>

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 deliver to the Bank 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 installments, 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 deliver to the Bank 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, 2016 and 2015, amounted to € 47,451.96 and € 201,088.44 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% which have not been drawn down. The table below presents the credit lines available to the Company as well as the utilised portion.

	<u>June 30, 2016</u>	<u>December 31, 2015</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>
Used portion	<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 2015: The Company's General Assembly of the Shareholders approved the proposal of the Board of Directors for a dividend distribution, for the fiscal year 2015, amounted to € 2,785,000.00 or € 0.1114 per share (2014: € 2,474,993.09 or € 0.0989 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>30/06/2016</u>	<u>31/12/2015</u>
Taxes payable (except Income taxes)	807,272.15	1,790,266.57
National insurance and other contribution	883,090.93	1,577,054.96
Other short term liabilities	4,927,729.26	4,969,684.46
Liability to "Loan and Consignment Fund"	77,271.48	117,371.48
Customer advance payments	2,140,484.67	3,650,737.18
Dividend payable	2,785,000.00	-
Indemnity for absence leave	486,589.31	486,589.31
Accrued expenses	2,658,749.49	813,070.14
Total	<u>14,766,187.29</u>	<u>13,404,774.10</u>

Taxes Payable: Current period amount consists of: a) Employee withheld income tax € 251,377.51 (December 31, 2015: € 580,812.52), b) Value Added Tax € 471,862.73(December 31, 2015: € 1,031,460.96) and c) other third party taxes € 84,031.91 (December 31, 2015: € 177,993.09).

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

	<u>30/06/2016</u>	<u>31/12/2015</u>
National Insurance Contributions (IKA)	686,415.42	1,228,154.66
Insurance Contributions to Supplementary	94,820.88	167,739.68
Other Insurance Contributions	101,854.63	181,160.62
Total	<u>883,090.93</u>	<u>1,577,054.96</u>

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

	<u>30/06/2016</u>	<u>31/12/2015</u>
Salaries Payable	222,741.36	346,070.28
Concession Agreement Payment	2,015,909.80	2,015,909.80
Other Third Party Short-term obligations	1,556,114.96	1,474,741.24
Regulatory Authority for Ports	328,963.14	328,963.14
Greek State committed dividends	804,000.00	804,000.00
Total	<u>4,927,729.26</u>	<u>4,969,684.46</u>

Indemnity for absence leave: During the current year the company proceeded to the calculation of provision for indemnity relating to the remaining days of leave of its employees, for the year 2015. After reassessment of this indemnity with reference date on June 30, 2016 there was no need to record additional provision.

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 five (35) years. 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, 2016 and June 30, 2015, is analysed as follows:

30.06.2016	CONTAINER TERMINAL	CAR TERMINAL	COASTING	CRUISE	SHIP REPAIRING (TANKS AND DOCK)	CONSESSION ARRANGEMENT PIER II&III	OTHER SEGMENTS	COMPANY	TOTAL
Revenues	5,624,135.67	5,633,459.95	4,643,711.60	4,607,210.90	4,206,353.05	19,429,629.70	2,017,559.91	-	46,162,060.79
Cost of sales	(12,940,320.42)	(3,738,483.00)	(3,538,980.83)	(4,121,281.93)	(2,346,791.63)	(3,354,043.13)	(3,411,603.55)	-	(33,451,504.49)
Gross profit	(7,316,184.75)	1,894,976.95	1,104,730.77	485,928.98	1,859,561.42	16,075,586.57	(1,394,043.64)	-	12,710,556.30
Other expenses	(857,820.31)	(849,122.07)	(690,459.23)	(695,549.55)	(592,600.98)	(2,737,292.26)	(575,816.52)	(7,002,913.66)	(14,001,574.58)
Other income	-	-	-	-	-	-	1,994,075.62	771,702.81	2,765,778.43
Financial income	-	-	-	-	-	-	-	514,754.72	514,754.72
Financial expenses	(47,451.96)	-	-	-	-	-	-	(102,173.62)	(149,625.58)
Profit before income taxes	(8,221,457.02)	1,045,854.88	414,271.54	(209,620.57)	1,266,960.44	13,338,294.31	24,215.46	(5,818,629.75)	1,839,889.29
Income taxes	-	-	-	-	-	-	-	(225,177.37)	(225,177.37)
Net profit after taxes	(8,221,457.02)	1,045,854.88	414,271.54	(209,620.57)	1,266,960.44	13,338,294.31	24,215.46	(6,043,807.12)	1,614,711.92
Depreciation and amortisation	3,416,022.51	252,952.98	503,895.65	608,103.32	347,302.99	1,596,775.73	319,195.73	-	7,044,248.91
Earnings before income taxes, financial results, depreciation and amortisation	(4,757,982.56)	1,298,807.86	918,167.19	398,482.75	1,614,263.43	14,935,070.04	343,411.19	(6,231,210.85)	8,519,009.06

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

22. REVENUES:

Revenues are analyzed as follows:

	<u>01/01-30/06/2016</u>	<u>01/01-30/06/2015</u>
Revenue from:		
Loading and Unloading	8,198,465.69	9,713,733.45
Storage	1,449,221.77	808,311.41
Various port services	16,968,607.15	17,826,607.90
Revenue from concession of liquid wastes' collection and transportation	116,136.48	107,064.52
Revenue from Fixed and Variable Consideration:		
Revenue from concession agreement "Pier II+III"	17,258,943.87	18,219,461.57
Other Income from Concession agreement	2,170,685.83	2,036,817.54
Total	<u>46,162,060.79</u>	<u>48,711,996.39</u>

23. ANALYSIS OF EXPENSES:

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

	<u>01/01-30/06/2016</u>	<u>01/01-30/06/2015</u>
Payroll and related costs (Note 27)	23,802,415.41	26,072,604.62
Third party services	464,755.20	711,251.77
Third party fees	6,248,031.50	6,925,077.90
Depreciation- Amortisation (Note 26)	7,044,248.91	7,090,583.84
Taxes and duties	428,847.31	442,955.62
General expenses	2,429,762.82	2,830,292.84
Provision for doubtful receivables (Note 8)	2,238,053.71	281,961.42
Cost of sales of inventory and consumables	399,511.59	850,496.81
Total	<u>43,055,626.45</u>	<u>45,205,224.82</u>

The above expenses are analyzed as follows:

	<u>01/01-30/06/2016</u>	<u>01/01-30/06/2015</u>
Cost of sales	33,451,504.49	36,676,964.20
Administrative expenses	9,604,121.96	8,528,260.62
Total	<u>43,055,626.45</u>	<u>45,205,224.82</u>

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

The amounts are analyzed as follows:

	<u>01/01-30/06/2016</u>	<u>01/01-30/06/2015</u>
Rental income	1,849,395.53	2,003,354.68
Income from European Union's programs	12,592.12	1,187,891.70
Income from legal cases	-	245,799.21
Income from unused provisions(note 14)	442,239.00	4,862,572.18
Various operating income	461,551.78	928,915.78
Total	<u>2,765,778.43</u>	<u>9,228,533.55</u>

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). The income from unused provisions of € 442,239.00 in the current period is mainly refer to the reversal of provisions for legal claims by third parties.

Rental income concerns land and building rents.

OTHER OPERATING EXPENSES:

	<u>01/01-30/06/2016</u>	<u>01/01-30/06/2015</u>
Third parties compensation	195,560.00	187,086.66
Research and development cost	141,710.00	197,806.61
Expenses from European Union's programs	-	864,009.00
Losses on sale of fixed assets	4,316.36	7,063.00
Other expenses	229,377.09	213,001.74
Compensation to municipality	3,826,489.17	-
Total	<u>4,397,452.62</u>	<u>1,468,967.01</u>

The compensation to the municipality concerns to municipal charges and surcharges, which concerns the period 1995-1999 and 19-5-2000 until 16-6-2000 . The fines amounted to € 6,826,489.17 for which a provision had been made in the prior years, amounting to € 3,000,000.00 (Note 14).

25. FINANCIAL INCOME/ (EXPENSES):

The amounts are analyzed as follows:

	<u>01/01-30/06/2016</u>	<u>01/01-30/06/2015</u>
Interest income and related financial income	268,951.69	691,883.13
Interest expense and related financial expenses	(149,625.58)	(351,994.86)
Total	<u>119,326.11</u>	<u>339,888.27</u>
Interest income from overdue balances	<u>245,803.03</u>	<u>324,413.60</u>
Total	<u>365,129.14</u>	<u>664,301.87</u>

26. DEPRECIATION- AMORTISATION:

The amounts are analyzed as follows:

	<u>01/01-30/06/2016</u>	<u>01/01-30/06/2015</u>
Depreciation of property, plant and equipment	7,452,244.20	7,472,313.76
Software depreciation	17,406.40	24,804.16
Depreciation of fixed assets received under government grants	(425,401.69)	(406,534.08)
Total	<u>7,044,248.91</u>	<u>7,090,583.84</u>

27. PAYROLL AND RELATED COSTS:

The amounts are analyzed as follows:

	<u>01/01-30/06/2016</u>	<u>01/01-30/06/2015</u>
Wages and salaries	18,372,771.29	20,184,658.53
Social security costs	4,579,681.43	5,011,519.60
Other staff costs	482,555.37	509,426.41
Provision for staff leaving indemnities	367,407.32	367,000.08
Total	<u>23,802,415.41</u>	<u>26,072,604.62</u>

28. EARNINGS PER SHARE:

The amounts are analyzed as follows:

	<u>01/01-30/06/2016</u>	<u>01/01-30/06/2015</u>
Profit /(Loss) for the year	1,614,711.92	7,626,962.14
Weighted number of shares	25.000.000	25.000.000
Earnings/ (Loss) per share	<u><u>0.0646</u></u>	<u><u>0.3051</u></u>

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.

Number of cases against the Company amounting to € 124.6 million approximately, concern to paralimienious Municipalities.

For the above mentioned judicial claims, the management of the Company estimates that will have no significant effect to the financial statements and thus no related provision of expense has been made in the financial statements.

(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 2015 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, 2015: € 10,855,934.68), of which € 10,791,422.68 (December 31, 2015: € 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, 2016 and at December 31, 2015, are as follows:

	<u>June 30,</u> <u>2016</u>	<u>December 31,</u> <u>2015</u>
Within one year	127,908.00	130,914.00
2-5 years	404,552.00	153,654.00
Total	<u><u>532,460.00</u></u>	<u><u>284,568.00</u></u>

- (e) **Future minimum rentals receivable:** Future minimum rentals receivable, under non-cancellable operating leases as at June 30, 2016 and at December 31, 2015, are as follows:

	<u>June 30,</u> <u>2016</u>	<u>December 31,</u> <u>2015</u>
Within one year	1,582,883.55	3,009,575.87
2-5 years	4,931,678.37	3,820,391.97
Over 5 years	10,174,288.54	3,511,744.34
Total	<u>16,688,850.46</u>	<u>10,341,712.18</u>

- (f) **Contractual commitments:** The outstanding balance of the contractual commitments with suppliers on significant infrastructure projects (construction, maintenance, improvements, etc.) at June 30, 2016 amounted to approximately € 28.3 million (December 31, 2015: approximately € 8.7 million).

- (g) **Special Contribution to Social Insurance Institute (IKA – TEAM):** 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, 2016, this contribution will be amounted to around € 2,4 millions (December 31, 2015: around € 2,0 millions). 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	30.06.2016	-	-
		30.06.2015	-	64,000.00
NAFSOLP S.A.	Subsidiary	30.06.2016	-	-
		30.06.2015	-	90,000.00
	Total	30.06.2016	-	-
	Total	30.06.2015	-	<u>154,000.00</u>

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	30.06.2016	-	-
		31.12.2015	8,768.31	-
NAFSOLP S.A.	Subsidiary	30.06.2016	-	-
		31.12.2015	-	-
	Total	30.06.2016	-	-
	Total	31.12.2015	8,768.31	-

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, 2016, remuneration and attendance costs, amounting to € 98,868.80 (June 30, 2015: € 88,044.22) were paid to the Board of Directors members. Furthermore during the period ended June 30, 2016 emoluments of € 415,001.80 (June 30, 2015: € 416,144.50) 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, 2016, 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, 2016 and December 31, 2015, the Company held the following financial instruments measured at fair value:

June 30, 2016	Level 1	Level 2	Level 3	Total
Financial liabilities				
Interest bearing loans and borrowings (including short term portion)	-	80,499,999.99	-	80,499,999.99

December 31, 2015	Level 1	Level 2	Level 3	Total
Financial liabilities				
Interest bearing loans and borrowings (including short term portion)	-	80,499,999.99	-	80,499,999.99

32. SEASONALITY:

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

33. SUBSEQUENT EVENTS:

- On August 12, 2016 Piraeus Port Authority S.A. announced the notification received from Hellenic Republic Asset Development Fund S.A. (hereinafter referred to as HRADF) and China COSCO Shipping Corporation Limited (hereinafter referred to as COSCO Shipping Group) in relation to an over the counter transaction, made on August 10th, 2016, the percentage of voting rights in the Piraeus Port Authority S.A. directly held by HRADF has fallen from 74,14% to 23.14%, after the transfer of 51.00% to COSCO (Hong Kong) Group Limited (hereinafter referred to as COSCO Hong Kong). By controlling 100% of the "Hellenic Republic Asset Development Fund SA", the Greek Government indirectly controls the aforementioned voting rights. COSCO Hong Kong is 100% held by China Ocean Shipping (Group) Company, which is 100% held by COSCO Shipping Group, a Chinese state-owned company. As a result, COSCO Shipping Group, by indirectly holding 100% of COSCO Hong Kong, indirectly holds 51% of the voting rights in PPA.

It is also noted that after a period of five years, should have been fulfilled certain conditions set out in the Share Purchase Agreement for the Sale and Purchase of 16,750,000 Shares in Piraeus Port Authority S.A. (SPA) signed with COSCO Hong Kong, including COSCO Hong Kong's successful completion of a mandatory investment up to € 293,783,800 into PPA, HRADF will further decrease its PPA stake to 7.14% by transferring additional 16.00% of PPA shares to COSCO Hong Kong.

- The Municipality of Piraeus imposed to the Company as of July 4, 2016 a forced seizure held by a bank, for an amount of € 6,285,940.08 which concerns to imposed municipal cleaning - lighting fees and municipal charges on electrified sites of past years. The bank proceeded to the legal restriction of this amount. The Company through its legal advisors has proceeded to any appeal in order to repeal the forced seizure.
- Following an order by the Ministry of Finance on 15 September 2016, a tax audit for the Company's fiscal years 2009 and 2010 is in progress.
- Piraeus Container Terminal S.A., subsidiary of COSCO, will become a related party after COSCO shareholding in PPA S.A.

Piraeus, September 26, 2016

PRESIDENT OF THE BOARD OF DIRECTORS

MANAGING DIRECTOR

FINANCIAL DIRECTOR

WAN MIN

Passport No SE0235390

FU CHENGQIU

Passport No PE0608737

EKATERINI VENARDOU

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

FINANCIAL INFORMATION FOR THE PERIOD ENDED JUNE 30, 2016

**PIRAEUS PORT AUTHORITY SOCIETE ANONYME
PPA S.A.**
**Company Registration Number 44259307000, Akti Miaouli 10 - Piraeus P.C. 185 38
FINANCIAL DATA AND INFORMATION FROM JANUARY 1, 2016 TO JUNE 30, 2016**
In accordance with the Decision 4/507/28.04.2009 of the Board of Directors of the Capital Market Commission

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 users 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.

(Amounts in Euro)

		30.06.2016	31.12.2015
DATA FROM STATEMENT OF FINANCIAL POSITION (COMPANY AND GROUP)			
ASSETS			
Property, plant and equipment		254,464,367.52	261,098,568.04
Investment property		734,338.38	734,338.38
Intangible assets		34,615.96	50,522.36
Other non current assets		14,690,783.68	15,041,952.12
Inventories		2,135,819.21	2,196,957.54
Trade receivables		22,097,575.89	20,341,478.57
Other current assets		65,074,621.26	68,513,267.66
TOTAL ASSETS		359,232,121.90	367,977,084.67
EQUITY AND LIABILITIES			
Share Capital (25,000,000 shares of € 2,00 each)		50,000,000.00	50,000,000.00
Other equity items		123,125,004.74	124,315,810.88
Equity attributable to shareholders of the parent (a)		173,125,004.74	174,315,810.88
Long term borrowings		71,499,999.99	74,499,999.99
Provisions/ Other long term liabilities		86,505,477.60	95,744,422.08
Short term borrowings		9,000,000.00	6,000,000.00
Other short term liabilities		19,101,639.56	17,416,851.71
Total liabilities (b)		186,107,117.15	193,661,273.79
TOTAL EQUITY AND LIABILITIES (a) + (b)		359,232,121.90	367,977,084.67
DATA FROM STATEMENT OF COMPREHENSIVE INCOME (COMPANY AND GROUP)			
		01.01 - 30.06.2016	01.01 - 30.06.2015
Turnover		46,162,060.79	48,711,996.39
Gross profit		12,710,556.30	12,025,022.19
Profit before taxes, investment and financial activities		1,474,760.15	10,286,338.11
Profit before tax		1,839,889.29	10,950,639.98
Profit after tax (A)		1,614,711.92	7,626,962.14
Other comprehensive income after taxes (B)		(20,518.06)	(18,422.24)
Total comprehensive income after taxes (A) + (B)		1,594,193.86	7,608,539.90
Earnings per share - basic and diluted (in €)		0.0646	0.3051
Profit before taxes, investment, financial activities and depreciation and amortisation		8,519,009.06	17,376,921.95
DATA FROM STATEMENT OF CHANGES IN EQUITY (COMPANY AND GROUP)			
		01.01 - 30.06.2016	01.01 - 30.06.2015
Operating activities			
Profit/ (Loss) before tax (continuing activities)		1,839,889.29	10,950,639.98
Adjustments for:			
Depreciation and amortisation		7,044,248.91	7,090,583.84
Gains on disposal of property, plant & equipment and intangible assets		-	(148,853.03)
Provisions		(2,900,064.91)	(3,233,610.68)
Financial income		(365,129.14)	(664,301.87)
Decrease / (increase) in inventories		61,138.33	(116,307.71)
Decrease/ (increase) in accounts receivable		(3,546,569.43)	695,817.32
Decrease in liabilities (except borrowings)		(3,943,935.12)	(951,707.31)
Minus:			
Interest and related expenses paid		(140,433.28)	(351,994.86)
Payments for staff leaving indemnities		(716,224.50)	(432,379.01)
Tax paid		-	(1,454,837.65)
Net cash flows from operating activities (a)		(2,667,079.85)	11,383,049.02
Investing activities			
Purchase of property, plant and equipment and intangible assets		(819,543.68)	(1,273,249.41)
Proceeds from the sale of property, plant and equipment		5,000.00	161,646.30
Interest received		514,754.72	969,257.81
Decrease in restricted cash		341,360.64	-
Net cash flows from/ (used in) investing activities (b)		41,571.68	(142,345.30)
Financing activities			
Net change in long-term borrowings		-	(3,000,000.00)
Settlement of obligation from finance leases		(30,616.00)	(190,919.57)
Net cash flows used in financing activities (c)		(30,616.00)	(3,190,919.57)
Net increase/ (decrease) in cash and cash equivalents (a) + (b)		(2,656,124.17)	8,049,784.15
Cash and cash equivalents at the beginning of the period		59,432,087.51	54,466,299.36
Cash and cash equivalents at end of the period		56,775,963.34	62,516,083.51

ADDITIONAL DATA AND INFORMATION

- 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 29b and 33).
- The Company's permanent and seasonal personnel as at 30.06.2016 amounted to 1,091 & 8 employees respectively (1,121 & 8 employees at 31.12.2015).
- At the end of the current period there are no treasury shares held by the Company.
- For pending lawsuits or cases submitted in arbitration, the Company has made relevant provisions of € 15,872,061.00. The provision for unaudited years by the Tax Authorities amounted to € 1,500,000.00. In addition, a provision amounted to € 2,733,376.45 related to the compensation of beneficiaries of L-4331/2015 (GA Ferries S.A.) has been recorded (Note 14).
- There is no property, plant and equipment that has been pledged as security.
- 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 Company does not prepare consolidated financial statements due to material net assets of its subsidiaries as at December 31, 2015. During the prior year decided the liquidation of the subsidiaries and the Company recorded an equal provision for their impairment (Note 5).
- There are no other comprehensive income / (loss) of the Company that recorded directly to the shareholders' equity as at June 30, 2015.
- The Company's capital expenditure for the period ended June 30, 2016 is disclosed to the note 4 of the financial statements.
- The subsequent events after the June 30, 2016 are disclosed to the note 33 of the financial statements.
- 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:

		(Amounts in Euro)
a) Income		0
b) Expense		0
c) Receivables		8,768.31
d) Liabilities		0
e) Fees of Managers and members of the Board of Directors		513,870.60
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, September 26, 2016

THE CHAIRMAN OF THE BOARD
MANAGING DIRECTOR
FINANCIAL DIRECTOR
WAN MIN
 PASSPORT No SE0235390

FU CHENGQIU
 PASSPORT No PE0608737

EKATERINI VENARDOU
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