



Th.P.A. S.A

THESSALONIKI PORT AUTHORITY S.A

**ANNUAL FINANCIAL STATEMENTS
ACCORDING TO THE INTERNATIONAL
FINANCIAL REPORTING ACCOUNTING STANDARDS (I.F.R.S)
OF THE FISCAL YEAR
THAT EXPIRED ON DECEMBER 31,2006**

THESSALONIKI, MARCH 28, 2007

THESSALONIKI PORT AUTHORITY S.A.
Annual Financial Statements
of the fiscal year from January 1, 2006 to December 31, 2006
according to the International Financial Reporting Accounting Standards
(Amounts in Euros)

It is certified that the attached Annual Financial Statements are those that were approved by the Board of Directors of "THPA SA" on 28.03.2007 and published by being uploaded on the internet, at the site address **www.THPA.gr**. It is noted that the summary financial data published in the press aim at supplying the reader with some general financial data but do not provide the completed picture of the Company's financial position and results, according to the International Financial Reporting Standards. It is also noted that, for the sake of simplification, the summary financial data published in the press have been subject to some compression and re-arrangement of the balance sheet items.

THE CHAIRMAN OF THE BoD of THPA SA

LAZAROS KANAVOURAS

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of «Thessaloniki Port Authority S.A.»

Report on the Financial Statements

We have audited the accompanying financial statements of « **Thessaloniki Port Authority S.A.**» (the «Company»), which comprise the balance sheet as of 31 December 2006 and the income statement, statement of changes in shareholders' equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of 31 December 2006 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

In our opinion the content of Board of Directors' Report, is consistent with the accompanying financial statements.

Thessaloniki, 29 March 2007

The Certified Auditors-Accountants

Andreas Dim.Tsamakis
S.O.E.L. Registration Number 17101

Margarita Konstantia Ant. Vassiliadou
S.O.E.L. Registration Number 12861



S.O.E.L. Registration Number 111

ADMINISTRATION REPORT
OF THE BOARD OF DIRECTORS OF THE "THESSALONIKI PORT AUTHORITY
SA"
TO THE ORDINARY GENERAL MEETING

Dear Stockholders,

We hereby submit to your approval the financial statements of the Company THPA SA for the fiscal year 1.1.2006 – 31.12.2006. The fiscal year that ended is the 7th fiscal year of THPA SA as a Public Limited Company and it has been as profitable as the previous ones.

The attached financial statements are the first annual statements drawn up by the Company, according to the International Financial Reporting Accounting Standards adopted by the European Union. The implementation of those standards is mandatory for the Companies that are listed in the Athens Stock Exchange and for the fiscal years that end after the 31.12.2004

1. Nature of activities:

THPA SA is a public utility limited Company with the purpose to serve public interest; it operates based on the regulations of private economy and enjoys administrative and economic independence.

It was established in 1999 by conversion of the "THESSALONIKI PORT AUTHORITY" Legal Person under Public Law into a Limited Company.

1.1. The purpose of the Company is the administration and the exploitation of the port of Thessaloniki as well as of other ports, and more particularly:

- The provision of services related to the anchoring of ships and to the transportation of cargo and passengers to and from the Port.
- The installation, arrangement and exploitation of any type of port infrastructure.
- The undertaking of any activity related to the port works, as well as of any other commercial, industrial, oil industry and business activities, especially including the tourist, the cultural and the piscatorial ones and the study and planning of port facilities.
- Any other responsibility legally assigned to Thessaloniki Port Authority as a Legal Entity under Public Law.

The above purpose of the Company is comprised in its articles of association, as the latter were drawn up with law 2688/1999 (article 8) and amended by the 7th extraordinary General Meeting of the Shareholders on 23.8.2002 (Government Gazette issue 9944/30.9.2002 for Public Limited and Limited Liability Companies). Ever since, no other change of its purpose has taken place.

As regards its corporate operation, THPA SA is still governed by law 2688/1999, as amended and in force, constituting the special institutional framework of its operation, as well as by the Codified Law 2190/20, as amended and in force, with regard to the matters for which there is no special regulation, and by chapter B of law 3429/05.

1.2. The main activities of the Company are:

The provision of services related to the anchoring of ships, loading/unloading, cargo handling and storage, other port services (water supply, power supply, telephone network connections, garbage removal etc), the service of passenger traffic (coastal shipping and cruisers) and the exploitation of areas for cultural and other uses.

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The Company is active in the field of transportation-related and auxiliary activities, as well as in the field of travel agencies' activities (Statistical Classification of Economic Activities '03, code 63). The nature of the company's activities is such that allows its operation only in Greece, regardless of the fact that its clientele also comprises international companies, while, additionally, the Company does not present any other commercial or industrial activities save for the provision of services in the area of the port of Thessaloniki.

Its business activities concern the provision of services:

- to unitised cargos (containers),
- to conventional cargos (bulk, general, RO-RO),
- to coastal shipping and cruisers' passengers
- to ships (anchoring, mooring, berthing and other services),
- to vehicle parking lots.

1.3. The port of Thessaloniki

- is located approximately in the middle of Northern Greece,
- is located at the crossroad of the East – West land transportation networks (Egnatia Avenue) and of the South – North land transportation networks (PATHE and pan-european transportation corridors IX and IV) and is directly connected to them,
- has an international hinterland and serves the cargos of Northern Greece, Former Yugoslavian Republic of Macedonia, Western Bulgaria and of parts of Albania, Romania and of the Black Sea countries and is the biggest transit port of Greece,
- hosts the operation of one of the 27 Free Trading Zones in the European Union. Ever since 1995, its operation has been in full harmony with the Customs code of the European Union. According to the community law, the Free Trading Zones constitute custom institutions that are destined to serve external commerce, allowing the cargo arriving at the domestic customs territory of the European Union to avoid being produced to the customs service and to avoid constituting the object of the regular declaration procedure at the Customs.

The port area of the port of Thessaloniki extends eastward from the lighthouse of Epanomi, without including it, and westward without interruption to the estuary of Axios river.

Within the above area, THPA SA carries on the activities that the Port Authority had as a Legal Person under Private Law, by virtue of the previous legislation, save for the terrestrial port zone of the Port, that is part of the wider area within which the Company exercises the right to use and exploit the lands, buildings, facilities, etc, according to the terms of the Concession Agreement, dated 27-06-2001, the Company signed with the Greek State.

1.4. The competitive environment of the port of Thessaloniki is defined by its geographic location, its attributes, the origin / destination of handled cargos, the quality and cost of rendered services and includes ports of different operational features.

The wider geographic area currently served by the port of Thessaloniki is:

- Macedonia, Thrace and part of Thessaly.
- The FYROM, South-western Bulgaria and Southern Serbia.
- The Countries of the Black Sea.

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The possibility of attracting cargos currently handled by the ports of Alexandroupolis, Kavala, Stavros, Nea Moudania and Volos is limited. Concerning container handling, the competition faced by the port of Thessaloniki is of small extent since no other port of Northern Greece disposes of the equipment and size requested for container handling. The ports of Alexandroupolis and Kavala are expected to claim a small share of the above market once their ambitious plans are carried out.

The integration of the areas of Northern Bulgaria, Central Serbia, Romania and Albania to the zone of influence of the port of Thessaloniki is considered extremely difficult due to the future rapid development of local ports in the above areas, with the use of private capitals.

The intention of THPA SA is to attract new major clients from the FYROM, South-western Bulgaria and Southern Serbia, the economies of which feature a developing and modernising course, especially as regards the increasing transactions with Asia.

- 1.5. The basic clients of the Company are industries, maritime agents, container transportation companies and transit agents (companies undertaking the transportation of freight), while its sales are promoted:
- Via a system of cooperating maritime agents representing third parties (container transportation companies, cereals' trading companies, mineral extracts' trading companies, steelwork companies, etc)
 - Via direct contact and negotiation of the clients' head officers with THPA SA

2. Objectives and strategies

2.1. The port of Thessaloniki is the first transit port of Greece, as regards conventional cargos; it ensures safety for the transported cargos and disposes of a natural sea entrance that may serve full seantling ships. Its advantages comprise the Container Terminal operating round the clock at flat prices, the operation of the conventional Port in two shifts with high level equipment, and the "Free Trading Zone", one of the 27 Free Trading Zones operating within the European Union, in order to facilitate and to allow the development of commercial activities between the member – states of the European Union and, mainly, third countries. It has *sufficiently* deep wharf piers, allowing the service even of the container transportation vessels navigating in regional ports, sufficient outdoor areas and open sheds, as well as road surfaces of special structure, suitable for bulk cargos and for the traffic of heavy vehicles, and mechanical equipment that can perform the loading/ unloading of any type of cargo.

2.2. The company's strategy aspires to increase the property of its shareholders while fulfilling its obligations as a Public Utility Company:

- by preserving the dominant position the port holds in its region, in terms of business dexterity, and by highlighting it as the top port of the Balkans,
- by reinforcing its role in the Eastern Mediterranean, as a centre of combined transportations, and
- by helping it to evolve into a transit hub.

To that end, it pursues:

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- the reinforcement of its competitive position by improving its performance and by adopting an attractive pricing policy,
- the increase of its profitability by improving the operating margin, attracting cargos, reducing the cost and rendering new integrated port logistics services oriented towards the Third Party logistics (3PL) services,
- the improvement of the quality of the rendered services through its investment plan, the updating and extension of the port infrastructure and superstructure, the training of its personnel and the upgrading and extension of the technological infrastructure with the use of advanced software packages and the development of specialised computerised applications.

2.3. The main axis of the Company's pricing policy is the keeping of its services' tariffs at competitive levels, compared to the rest of the region's ports, so as to attract clients. To that end, the prices of the subject cargo loading and transit services have remained at the same levels since 2003.

Having taken into account the competition with reference to the rest of the wider region's ports, the Company adopts a pricing policy that is focused on the attractive pricing of the loading/unloading services for transit cargos, and especially for cargos transported in containers, heavy cargos such as coils, iron plates, mineral extracts' bulk cargos and cargos of other raw materials.

The above services pricing issue is incorporated within the framework of an effort to completely exploit the superstructures and the infrastructures the port disposes of. Moreover, the implementation of the particular pricing policy also aims at increasing cargos' transit transportation to and from the neighbouring Balkan countries. In this field of services, competition is more intense, since the competitive foreign ports, mainly of the Balkan countries, operate at lower personnel cost. In spite of the higher personnel cost, always in comparison with the Balkan competition, the Company achieves the setting of attractive tariffs, by taking advantage of the up-to-date loading/ unloading equipment. The basic element of the THPA SA pricing policy is the granting of reduced tariffs to any cargo consignee transporting identical or similar freight that exceeds a particular weight/ volume per year. Such practice attracts industries transporting important quantities of raw materials, which may achieve significant reduction of the total cost.

2.4. The basic objective is the attraction of new cargos and the provision of value added services, in combination with safe and fast transportation. To that end, the Company makes a constant effort to update and renew its relevantly new mechanical equipment, as well as to further develop its infrastructure, financing the above effort by its monetary assets.

Thus, for the next 3-year period, the Company plans:

- the supply of 3 electric gantry cranes, loading/ unloading plant and other conventional cargo service equipment,
- the erection of buildings and the execution of transportation service works,

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- the extension and integration of the information technology infrastructure for the integrated management of the port as well as of supporting procedures,
- the extension of the 6th pier with simultaneous deepening of the basin and enhancing with suitable electromechanical equipment, totally amounting €100 millions. The project's cost is relevantly high. Especially in case THPA ensures the infrastructure potential for future eventual use of other square management ways and methods, the investment cost may exceed €160 millions. Because of the high project cost, in spite of the equity capital that will be used for the project's construction, the Company is willing to finance it by equity capital that will derive from conventional borrowing from the European Investment Bank, as well as with the use of other investment tools. To that end, the Company has signed a contract with the European Investment Bank for the financing of 50% of the total budget expenses.
With the integration of the investment of the 6th pier in 2010, the Company aspires to serve 700,000 teu's with the applying stacking and square management system.

3. Basic resources, risks and various relations.

3.1. The Company has the exclusive right to use and exploit the lands, buildings and facilities of the Terrestrial Port Zone of the Port of Thessaloniki, which are owned by the Greek State. The above exclusive right was granted to THPA for 40 years pursuant to the concession agreement dated 27-06-2001, concluded between the Greek State (represented by the Ministers of Finance and Mercantile Marine) and THPA SA, which expires in 2041, against a consideration of 1% of the sales for the first 3 years of the contract and 2% of the sales for the remaining years. The main points of the contract are quoted in paragraph 3 of the notes on the financial statements.

3.1.1. The terrestrial port zone of THPA SA covers a surface of approximately 1,550,000m², and a length of approximately 3,500 meters. It has 6,200 meters of wharf, up to 12 meter depth, 6 piers, administration and technical support buildings, warehouses, sheds, special equipment and other facilities.

- the indoor warehouses and offices occupy a total surface of approximately 134,000m²,
- the configured open areas cover 500,000m², and may be exploited as open storage premises,
- the open sheds of a total surface of approximately 12,000m²,
- the road network, as well as the railway network 13,350m long, cover the entire concession surface and are connected to the national networks,
- the water supply network branches to all wharfs, just like the sewerage network serving all concession areas.

3.1.2. The Container Terminal constitutes the most recent building complex of THPA SA. It was designed and operates based on the up-to-date technology data and the relevant containers' handling equipment. It is located at the 6th pier, wharf 26, over a length of 600m, and may host ships of draught up to

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12 meters. Its operating interior, extending on a surface of 200,000m², is configured in such way so as to allow container handling, receipt and delivery. With the integration of phase A of the 6th pier extension works, new berthing places will be created for ships carrying containers of all categories, with a draught up to 15 meters.

- 3.1.3.** The part of the Port outside the Container Terminal constitutes its conventional part, served by wharfs No 1-24 and covering a surface of approximately 1,070,000m² and a total of 5 piers. The conventional port is split between the Free Trading Zone (wharfs No 15 to 24), through which third country cargoes are transported, and the rest of the port (wharfs No 1 to 14) for the cargoes of the European Union countries. Simultaneously, within the boundaries of the conventional port and outside the boundaries of the Free Trading Zone, there accost the passenger ships, the hydrofoil crafts and the cruisers serving the passenger traffic through the port of Thessaloniki.
- 3.1.4.** The building premises and the infrastructure works within the port zone, granted by concession of the Greek State, are quoted in detail in the Concession agreement. The status of Warehouses A, B, C, D and 1, has been regulated by the Joint Ministerial Decision no 16968/27.03.2001 Government Gazette 375B/5.04.2001, of the Ministers of Culture and Mercantile Marine. As for those, the Company maintains the right to use and exploit warehouses D and 1, the building complex B2 of warehouse B, warehouse C, as well as the open area of the 1st Pier, for the hosting of fair, music, conference or other related activities. Warehouse B2 operates as a restaurant. The rest of the buildings, i.e. warehouse A and building complex B1 of warehouse B, host the operations of the Thessaloniki Film Museum, the State Museum of Contemporary Art and the Photography Museum.

3.2. The Company's assets comprise:

- 3.2.1.** Four site surfaces to be exploited, located within the concession area, of total value €6,645,000, being:
- The Site Surface Kountouriotou & Salaminos (Thessaloniki), leased to the "Customs Brokers Union of Thessaloniki", of total surface 1,233.49m².
 - The Site Surface Kountouriotou & Fokaias (Thessaloniki), leased to the "Thessaloniki Shipping Agents Association", of total surface 285.50m².
 - The Land Surface of the Old Nares Mine, comprising two granite extraction mines, the deserted buildings of the company that had undertaken their exploitation and the mine products transportation facilities. The mines that operated until the late '50s are currently un-exploited. However, the morphology of the soil and the subsoil forbid any residential exploitation and development of a total surface of 104,023.00m².
 - A Surface Site at Triandria of Thessaloniki, of total surface 165.00m².

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3.2.2. Mechanical and other equipment – facilities, of total value (historical cost) €67,282,000.

Out of the above, the assets that participate at a rate of more than 10% in the provision of services are in summary the following:

- 4 Electric Gantry Cranes, 10 Straddle Carriers, 3 Front Lifts,
- 10 Electric Gantry Cranes of lifting capacity 25-40 tonnes, 40 fork lifts of lifting capacity 6-37 tonnes, 3 Self-moving Cranes of lifting capacity 100-150 tonnes, 15 loaders 0,8-5 M3 and various other loading equipment.

3.2.3. Moreover, the Company has developed one of the most up-to-date digital communication networks, having positioned the optical fibres for the establishment of a Backbone Network, with total length of fibres exceeding 75km.

The Backbone Network is already being used for the communication of 140PCs and 19 Servers, with a broadband of 1.000 Mbps and a theoretically maximum broadband of 16.000 Mbps, to which more than 450PCs may be directly connected, thus gathering all working positions in a single hierarchical computer network. Moreover, the Company proceeded to the implementation of its own Internet Portal and to the activation of an Internet Website and Mailbox Portal.

At the same time, the Company has updated all communication modes with the replacement of the telephone connection network by a digital one, the development of specialised information dissemination and document submission applications, as well as with the promotion of the electronic exchange of documents.

The combination of up-to-date technology infrastructure with state-of-the-art applications allows multiple security levels (internal and external) and direct access to the resources of the new worldwide business practice, as regards the machine work positions.

The specialised software applications that are being used, of total value €1,242,000 (historical cost), already cover a big part of the port works, especially those related to the Financial Services, the Statistical Data process, the Human Resources' Management, the Maintenance, the Documents' Organization and Management and the Container Terminal Management.

3.3. The prime mover of the Company is its personnel, split into white-collars (Administrative, Technical, and Auxiliary) and port workers. In 2006 the Company employed an average of 580 people, instead of the 605 employed in 2005. Their industrial relations are regulated by the State Budget while their pays are defined in Collective Labour Agreements.

The company invests in constant training and information of its personnel by means of training programs and seminars on general

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matters, such as communication, administration, finances, health and safety, etc. To ensure integrated training of the employees at the container and coherent activities terminals, the Company acquired the training program titled Portworkers Development Programme (PDP) for the management of Container Terminals, proceeded to its translation in Greek and appointed trainers, certified by the International Labour Office (I.L.O.) of the United Nations, for the training of its personnel as well as of other interested parties, outside THPA SA. The port workers of the Company are ISO 2002 certified by Lloyds Register Quality Office.

- 3.4. The movable and real estate property of the company has not been encumbered with any restrictive beneficial interests in favour of its creditors. At the time this report was drawn up, THPA SA had not granted any guarantees in favour of third parties.
- 3.5. Moreover, the Company has an important number of clients and suppliers. The provision of services and their pricing is uniform and irrespective of agreements. The conclusion of agreements is incorporated within the framework of the business policy of THPA SA towards the attraction of clients and the increase of the cargos transported via the Port of Thessaloniki. The concluded agreements provide the clients with facilities within the framework of a "Memorandum of Understanding", without any rights of exclusivity to the contracting parties as regards the provision of port services beyond the short-term agreements the company signs for the concession of areas.

The Company implements a strict commercial policy towards its clients, consisting in the collection of a pledge deposit for the cargo transportation and storage dues, before the provision of the service, while at the same time it maintains the right to restrain the cargos delivered for safe-keeping. Due to the increased dispersion of its clientele, there is no danger to depend on a group of clients, since the biggest client currently absorbs an average of only 14.64% of the turnover. The same also applies for its suppliers.

- 3.6. The Company has no loan-related obligations; consequently, its financial expenses are almost zero, while its cash flows are particularly high.
- 3.7. Moreover, and in order to secure its assets, as well as its liability towards third parties, and its personnel towards damages, the company has insured its fixed equipment (machinery – tools – vehicles – vessels, buildings, granted to it by concession of the Greek State) against all risks, public liability and employer liability, as well as its clients cargos' liability, etc, with an annual cost of €630,000.
- 3.8. Being the administrator of the Port facilities and with special awareness with regard to the protection of the environment, the company has been "P.E.R.S." certified by the ESPO & ECOPORTS Foundation; it has drawn up a plan for the removal and management of ship garbage and residues, as well as for the mitigation of incidents related to the pollution of the sea with oil, whereas it spends significant amounts to that end, annually. Moreover, the Company aims at developing an integrated environmental Management system (E.M.A.S.), and to that end, it joined the research program of the Aristotle University of

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Thessaloniki titled "GREEN PORT III". The Company has also adopted the alternative waste, greasing oil, used rubber, batteries' management system and invests in the employees' hygiene and safety by constantly improving the occupational conditions.

- 3.9.** Beyond the obligations and the eventual liabilities comprised in the financial estimates, which are not expected to have a significant impact on the operation of the Company and its financial status, the Company has no engagements related to incidents of the past that could cause resource outflow, nor commitments due to burdensome contracts or reorganization programs that could create risks as regards the future of its operation.

4. Results and expectations.

While breaking down the results of year 2006, it is necessary to mention that during the fiscal year that ended, the port of Thessaloniki served a total of 16,225,979 tonnes, 6,743,697 tonnes of which was dry cargo, 343,727 Teu's (containers), 2804 ships and 129,684 passengers. The Company carried on the procedures for the reconstruction of 2 cranes, the supply of 4 straddle carriers, 8 tracks, the operation of the Container Terminal's Integrated Information System, the group insurance of the personnel, the execution of various infrastructure works, the extension of the insurance coverage of the Company's assets and of the assets granted to it by concession of the Greek State.

The rapidly increasing competition, especially in the field of containers from corresponding port terminals developed in the broader region, with the use of equity capital and under the administration of international specialised port services providers, exercises serious pressures also to the port of Thessaloniki. The continuous reduction of the participation of the Greek Ports' container terminals in the containers' management, from 20% in 1992 to 13.5% in 2005, shows that, for different reasons, the two Greek container terminals failed to attract part of the increased demand for port areas within the above time period, while other ports of the area were developed and updated. On the other hand, the data and forecasts show that the increase, as regards the transportation of goods in the area with the aid of containers, will remain increasing for the next decades, consequently, under certain requirements, the container terminal of Thessaloniki may attract a significant part of the cargo transit. Taking into consideration the entire range of the side components for the materialization of the above objective, the possibility to grant the container terminal by concession to third party private provider of port services was investigated within 2006. As a result, the company saw the mobilization of the employees during the last two-month period of 2006, the consequences of which are indicated in the financial results of the year 2006. Moreover, the credibility of the port was affected by its two-month malfunction. The basic pursuit of the Administration for the year 2007 is to continue with the materialization of the container terminal development, with the consent of the employees, based on a constructive dialogue that has already begun. The employees shall adapt to the development of the other competitive ports, in order to achieve the planned development and to observe the above objectives.

- 4.1.** Compared to the year 2005, the bulk cargos (mainly minerals and scrap) were increased by 5.03%, the unitised cargos (containers) were decreased by 6.07 % in Teu's, the general cargo by 6.11%, the passenger traffic by 40.4%, due to the reduction of itineraries

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within the country, the ships' traffic by 6.84%, just like the RO-RO cargo transportation (-50,9%).

4.1.1. Based on the above data, the Company's turnover decreased by 3.2%, while its profits before taxes decreased by 10.4%, in spite of the retaining of the expenses and the increase of other incomings and incomings from the exploitation of capitals, by 29.9% and 14.42% correspondingly. On the contrary, the profits after taxes appear increased by 5.8%, due to the reduction of the tax coefficient from 32% to 29% for the year 2006.

Moreover, the results of 2006 were enhanced by €362,000 upon the valuation of the investment real estate, while the relevant amount from the valuation of the same real estate for the year 2005 amounted to €80,000.

In spite of the noted reduction, the side results are considered to be satisfactory, taking into account the unexpected events that took place at the end of the year 2006, in combination with the maintenance of the Company's tariffs at the same level for the last couple of years.

4.1.2. As regards the expenses, in spite of the cost retained by the personnel pays that correspond to the biggest part of the expenses, which was increased by only 3.3%, those are totally decreased by 0.75%. This decrease is exclusively due, on the one hand, to the reduction:

- of the depreciations of fixed assets, by €469,000
- of the provisions for personnel severance as well as for the severance paid due to retirement, by €114,000
- of the provisions for bad debts, by €201,000

and, on the other hand, to the co-estimation of the amount of €115,000, from own-production of fixed assets.

4.2. Moreover, during the drawing up of the financial statements at stake, in compliance with the International Accounting Standards and the International Financial Reporting Accounting Standards adopted by the European Union, the Company:

- valued its assets implementing:
 - the reasonable fair value method for the site surfaces (investment real estate), as the latter is defined by an independent valuator,
 - the historical cost method for the tangible and intangible fixed assets,
 - the reasonable fair value or the depreciated cost method for the financial instruments, depending on their classification, held for sale at the end.
 - the reasonable fair value method for the liabilities towards the employers after they leave service, as the latter is defined by an actuary,
- depreciated its fixed assets by implementing the straight-line depreciation with the depreciation coefficients approved by the

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Board of Directors of THPA SA with its decision number 2623/2005, which are higher than the tax coefficients, save for the case of furniture – implements and electronic data processing equipment, where the higher tax rates were implemented.

- Acknowledged the provisions for the non tax-audited fiscal years (2001-2005), amounting to €600,000, and for the fiscal year 2006, amounting to €82,000.

4.2.1. From the implementation of the above, of the necessary adjustments and the re-arrangement of the balance sheet items, required by the tax items in the International Accounting Standards, mainly due to the transfer of intangible assets from the tax standards to the expenses, of the grants of fixed assets in the liabilities of the depreciations with the new coefficients, of the valuation of the investment real estate at its reasonable fair value, in compliance with the International Financial Reporting Accounting Standards, the Company's equity was positively affected by €3,713,000, while the results before taxes were decreased by €13,000, and the results after taxes were increased by €31,000.

4.3. From the comparison of the Balance sheet figures and of the fiscal year's financial results, it occurs that the capital structure and the financial position of the Company are still robust.

4.3.1. The allocation of the Company's capitals in fixed assets and current assets is estimated as satisfactory, given that the fixed assets correspond to 42% of the total Company assets, while the current assets correspond to 46% of the total assets and the remaining 12% of the noncurrent assets corresponds to other financial elements of THPA SA and to postponed tax claims.

As regards the amount of the capital engaged in fixed equipment, it is noted that, as a public utility company, THPA has to invest in high technology mechanical equipment and in infrastructure works, in order to improve the quality of its services and to meet its public utility purposes, therefore, to engage significant amounts of capital to that end.

4.3.2. Thanks to its high inventory, 59.50% of the equity capital, the Company maintains its economic independence and is in a position to finance its investments without borrowing. The equity capital corresponds to 85.5% of its assets, its liabilities (long-term and short-term) correspond to only 14.40% of the liabilities, while the equity capital overbalances the fixed assets, creating extra capital that amounts to approximately €52,535,000 for the financing of its investments.

Because of its increased funds available, the fluid capital of the Company amounts to €44,818,000.

The Company keeps low reserves (materials and spare parts of fixed assets), amounting to €1,735,000, 2.2% of which concerns fuel – oil-grease reserves, 54.5% concerns consumables and 43.2% concerns spare parts of fixed assets.

ANNUAL FINANCIAL STATEMENTS

for the fiscal year that ended on December 31, 2006
(amounts in €, unless it is defined otherwise)

Finally, the revolution speed of the current assets (claims' collection days 36 and 12 days) and of the liabilities (suppliers' payment days 43 days) allow the Company to settle its liabilities at regular dates and to preserve its self-sufficiency and credibility. The Company has no liabilities payable, no short-term loans and no checks receivable in its portfolio.

The Company collects advance payments from its clients before the execution of the works, which amounted to €3,046,000 for the year 2006. Consequently, the actual Company claims amounted to (4,525,000 - 3,046,000) €1,479,000.

4.3.3. The ratios of return on equity capital (ROE) are estimated to be satisfactory, given that they yielded

- 4.95% based on the return before taxes
- 3.53% based on the return after taxes

rates that, converge to the Bank interest rates for 2006, while, compared to the assets (total assets) (ROA) yielded:

- 4.24% based on the return before taxes,
- 3.02% based on the return after taxes.

4.4. The THPA SA share is listed in the max-cap index and in the Transportation Services Economic Activities Classification. During the period 1.1.2006 - 31.12.2006, the share presented a 28.21% increase.

During the same period, the General Index increased by 10.47%, while the price of the share of PPA SA of the same Sector increased by 2.41%.

The price of the share on 19.3.2007 amounted to €13.98. The share's book value (BV) amounted to €10.20, instead of the value of €10.04 of the corresponding period of the year 2005, while the ratio of the share price to the book value (PBV) is 1.66.

The ratio of the share's market value on 19.3.2007 to the gross profits/ share on 31.12.2006 (P/E) is 33.29, while, compared to the net profits/ share, the relevant ratio is 47.17.

4.5. The dividend policy of the Company aims at satisfying the shareholders while increasing its inventory for the financing of its investments. From the net profits of the fiscal year 2006, the total amount suggested to be distributed is €2,016,000, i.e. €0.20 /share.

4.6. As it occurs from the Company's turnover so far, the current fiscal year will also be profitable, while the turnover will be at the same levels with the turnover of the year 2006.

The turnover for the first two-month period of the year 2007 appears increased by 15.9%, compared to the corresponding turnover of the previous year 2006.

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for the fiscal year that ended on December 31, 2006
(amounts in €, unless it is defined otherwise)

5. Profitability measurement and ratios.

For the integrated and better information of the financial results of the fiscal year 2006, the following ratios are hereafter demonstrated.

- Evolution ratios
 - Turnover: -3.2%
 - Total income: -1.9%
- Yield and Profitability Ratios (Profit Margin Ratios)
 - Gross profit margin
{Sales-Sales cost/ Turnover (%)} 16.20%
 - Margin of profit before taxes – interests - depreciations (EBITDA)
{Profits before taxes–interests-depreciations /Turnover (%)} 14.99%
 - Operating profits (EBIT)
{(Profits before taxes – interests /Turnover (%) } (EBIT) 7.05%
 - Net profit margin (EBT)
{Profits before taxes /Turnover (%)} 11.10%
 - Margin after taxes
{Profits after taxes/Turnover (%)} 7.92%

The above ratios demonstrate the sales' profit margins.

- Capital profitability ratios
 - Net profits before taxes/equity capital } (ROE) 4.95%
 - Net profits after taxes/equity capital } 3.53%
 - Net profits before taxes /Capital Employed } (ROCE) 4.69%
 - Net profits after taxes /capital employed } 3.35%
 - Net profits before taxes /Total of Assets (ROA) 4.24%
 - Net profits after taxes /Total of Assets 3.02%

The above ratios demonstrate the yield (%) in the net profits of the equity – employed – total capital.

- Liquidity ratios
 - General Liquidity
{Current Assets/Short-term Liabilities } 4.94
 - Actual Liquidity
{Current Assets -Reserves/ Short-term Liabilities } 4.79
 - Direct Liquidity
{Funds Available & Cash Equivalent/ Short-term Liabilities } 4.19
 - Defence time period (turnover???)
{Funds Available +Claims/Daily operational expenses} 493 days

The above ratios demonstrate the economic independence of the Company.

ANNUAL FINANCIAL STATEMENTS

for the fiscal year that ended on December 31, 2006
(amounts in €, unless it is defined otherwise)

- Capital Structure and Viability Ratios
- Equity Capital/ Total capital 85.59 %
- Equity Capital / Borrowed capital 100 %
- Equity Capital / Net fixed assets 2.35 %

The above ratios define the long-run financial status and the viability of the Company.

- Investment ratios
- Profits per share after taxes 0.36
- Profits per share before taxes 0.51
- Net asset share value (book value)(B/V) 10.19
- Share market value */Share book value (P.B.V.) 1.66
- Share dividend * 1.8%

-
- *Share market value on the 19.3.07 €16.98*

FOR THE BOARD OF DIRECTORS

THE CHAIRMAN

THE CHIEF EXECUTIVE OFFICER

LAZAROS KANAVOURAS

IOANNIS TSARAS



THESSALONIKI PORT AUTHORITY

FINANCIAL RESULTS STATEMENT OF THE 31.12.2006

	Notes	1.01-31.12.2006	1.01-31.12.2005
Sales	(ke),6	45,946,950	47,462,190
Sales cost	7,11	(38,502,767)	(38,806,687)
Gross profit		7,444,183	8,655,503
Other income	8	1,276,713	982,801
Administration and operating expenses	9,11	(4,957,982)	(4,395,605)
Disposal operating expenses	10,11	(485,581.00)	(1,076,495)
Other expenses	13	(39,564.00)	(96,258.00)
Operating profits		3,237,769	4,069,946
Financial income (net)	(ke),14	1,860,412	1,625,913
Net period profits before taxes		5,098,181	5,695,859
Income tax	(h)15	(1,458,999)	(2,257,650)
Net period profits		3,639,183	3,438,209
Profits after taxes per share in Euros	(kat'),16	0.36	0.34

THE CHAIRMAN OF THE BoD/TH.P.A. S.A.
L. KANAVOURAS

THE CEO OF TH.P.A. S.A.
I. TSARAS

THE FINANCE DIRECTOR
N. MASMANIDIS

THE ACCOUNTANT
M. CHONDROUDAKI

ID CARD NO AB 717218/06

ID CARD NO P723030/95

ID CARD NO A.E.195768/07

LICENSE NO 0039369

The following notes numbered 1 – 37 and annex I constitute an integral part of the financial statements

ANNUAL FINANCIAL STATEMENTS for the fiscal year that expired on the 31st of December
2006 (amounts in Euros unless otherwise specified)



**THESSALONIKI PORT AUTHORITY
BALANCE SHEET OF THE 31.12.2006**

	Amounts in Euros Notes	31.12.2006	31.12.2005
ASSETS			
<i>Fixed assets</i>			
Real estate investments	(c),17	6,645,000	6,282,800
Tangible fixed assets	(d)(e),18	43,091,156	45,806,204
Intangible fixed assets	(f)(e),19	539,965	455,166
Other financial elements	(g),20	11,500,000	14,008,000
Long-term claims	(a),21	18,270	18,120
Financial elements available for sale	(g),20	1,095,700	4,902,817
Postponed tax claims	(h),15	1,041,714	896,229
Total of fixed assets		<u>63,931,806</u>	<u>72,369,337</u>
Current assets			
Inventory	(i),22	1,735,096	1,705,096
Customer claims	(j),23	4,524,740	6,597,757
Advance payments and other claims	24	2,223,455	1,761,716
Fund availables and cash equivalents	(k),25	47,691,888	36,496,585
Total of current assets		<u>56,175,180</u>	<u>45,561,154</u>
Total of assets		<u>120,106,986</u>	<u>118,930,491</u>
EQUITY CAPITAL			
EQUITY CAPITAL			
Share Capital	(ka),26	30,240,000	30,240,000
Reserves	27	61,175,742	60,960,333
Profits brought forward		11,394,969	9,987,195
Total of equity capital		<u>102,810,710</u>	<u>101,187,527</u>
LIABILITIES			
Long-term liabilities			
Provisions for liabilities towards employees	(kb),28	4,272,669	4,226,152
Fixed assets' grants	(kc),29	73,502	100,914
Other provisions	(kb),30	1,557,650	1,445,650
Other long-term liabilities		35,378	34,501
Total of long – term liabilities		<u>5,939,199</u>	<u>5,807,217</u>
Short-term liabilities			
Liabilities towards suppliers	(a),31	1,563,348	1,200,570
Clients' advance payments	(a),32	3,045,835	4,089,397
Current income tax	(h),33	-	865,427
Dividends payable	(kd),34	31,120	29,531
Other liabilities and expenses earned	(a),35	6,716,773	5,750,822
Total of Short-term Liabilities		<u>11,357,077</u>	<u>11,935,747</u>
Total of Equity Capital and Liabilities		<u>120,106,986</u>	<u>118,930,491</u>
THE CHAIRMAN OF THE BoD/TH.P.A. S.A.	THE CEO OF TH.P.A. S.A.	THE FINANCE DIRECTOR	THE ACCOUNTANT
L. KANAVOURAS	I. TSARAS	N. MASMANIDIS	M. CHONDRODAKI

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The following notes numbered 1 – 37 and annex I constitute an integral part of the financial statements

ANNUAL FINANCIAL STATEMENTS for the fiscal year
that expired on the 31st of December 2006 (amounts
in Euros unless otherwise specified)



THESSALONIKI PORT AUTHORITY
EQUITY CAPITAL CHANGE STATEMENT OF THE 31.12.2005 AND OF THE 31.12.2006

Amounts in Euros

	Share capital	Fiscal year dividends available for increase of the share capital	Statutory reserves	Tax-free reserves	Total reserves	Accumulated profits	Total
Equity at the beginning of the period (1.1.2005)	30,240,000	1,063,536	816,739	59,080,058	60,960,333	8,564,986	99,765,319
Period profits after taxes	-	-	-	-	-	3,438,209	3,438,209
Dividends distributed						(2,016,000)	(2,016,000)
Equity at the end of the period (31.12.2005)	30,240,000	1,063,536	816,739	59,080,058	60,960,333	9,987,195	101,187,528
Equity at the beginning of the period (1.1.2006)	30,240,000	1,063,536	816,739	59,080,058	60,960,333	9,987,195	101,187,528
Period profits after taxes	-	-	-	-	-	3,639,183	3,639,183
Brought to Reserves			166,989	48,419	215,408	(215,408.00)	0
Dividends distributed		-	-	-	-	(2,016,000)	(2,016,000)
Equity at the end of the period (31.12.2006)	30,240,000	1,063,536	983,728	59,128,477	61,175,741	11,394,969	102,810,711

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THESSALONIKI PORT AUTHORITY
CASH FLOW

	2006	2005
<i>Operating activities</i>		
Profits before taxes	5,098,181.29	5,695,859.33
Plus/minus adjustments for:		
Depreciations	3,648,823.52	4,118,157.31
Provisions	46,517.28	(976.26)
Profits from the readjustment of investment real estate at reasonable values	(362,200.00)	(80,000.00)
Results (income, expenses, profits and losses) of investing activities		
Debit interests and coherent expenses		
Plus/minus adjustments for changes on the fluid capital accounts or related to the operating activities:		
Decrease / (increase) in reserves	(30,000.27)	184,174.51
Decrease / (increase) in receivables	<u>1,472,143.00</u>	<u>(255,857.37)</u>
(Decrease)/ increase in liabilities (save for banks' liabilities)	(1,952,203.01)	(1,356,322.49)
Minus:		
Debit interests and coherent expenses paid		
Taxes paid		
Total of inflows/ (outflows) from operating activities (a)	7,921,261.81	8,305,035.03
<i>Investing activities</i>		
Acquisition of subsidiaries, related, joint ventures and other investments		
Purchase of tangible and intangible fixed assets	(1,025,075.21)	(1,213,742.68)
Money collection from the sale of tangible and intangible fixed assets		
Decrease / (increase) of long-term financial fixed assets	6,315,116.58	(139,731.13)
Dividends collected		
Total of inflows/ (outflows) from investing activities (b)	5,290,041.37	(1,353,473.81)
<i>Financing activities</i>		
Money collection from the increase of the share capital		
Money collection from issued/ undertaken loans		
Loan take up		
Repayment of liabilities from leasing (annual repayment)		
Dividends paid	(2,016,000.00)	(2,016,000.00)
Total of inflows/ (outflows) from financing activities (c)	(2,016,000.00)	(2,016,000.00)
Net increase / (decrease) in the funds available and cash equivalents (a) + (b) + (c)	11,195,303.18	4,935,561.22
Funds available and cash equivalents at the beginning of the period	36,496,585.28	31,561,024.06
Funds available and cash equivalents at the end of the period	47,691,888.46	36,496,585.28

THE CHAIRMAN OF THE BoD/TH.P.A. S.A.
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THESSALONIKI PORT AUTHORITY S.A.

NOTES ON THE ANNUAL FINANCIAL STATEMENTS Of the fiscal year that expired on December 31, 2006 (amounts in € unless otherwise defined)

1. COMPANY ESTABLISHMENT AND ACTIVITIES

The public limited company with registered name "THESSALONIKI PORT AUTHORITY S.A." and trade name "THPA SA" was established in 1999, by conversion of the Legal Entity under Public Law "Thessaloniki Port Authority" into a public limited company, according to law 2688/1999.

The Company is active in the field of transportation-related and auxiliary activities, as well as in the field of travel agencies' activities (Statistical Classification of Economic Activities '03, code 63), consisting in the rendering of cargo loading/ unloading, storage services, other port facilities, passenger traffic services, etc.

The Company's personnel on December 31, 2006 and December 31, 2005, a period that expired on March 1, counted 570 and 591 people respectively.

ANNUAL FINANCIAL STATEMENTS

for the fiscal year that ended on December 31, 2006
(amounts in €, unless it is defined otherwise)

2. LEGAL FRAMEWORK

The Company is under the supervision of the Ministry of Mercantile Marine and is governed by the provisions of law 2688/1999 (G.G. A' 40), as amended and supplemented later on with the provisions of article 15 of law 2881/2001 and of article 17 of law 2892/2001, the provisions of the codified law 2190/1920 on limited companies, as well as legislative decree 2551/1953, as in force each time. THPA SA is a limited public utility company with the purpose to serve public interest. It operates according to the regulations of private economy and enjoys administrative and economic independence.

The purpose of the Company is the administration and the exploitation of the Port of Thessaloniki as well as of other ports. The boundaries of the Port of Thessaloniki, including the Free Trading Zone, are set by the provisions in force each time.

The purpose of the Company, specified in article 3 of its articles of association, particularly comprises:

- The rendering of ship anchoring services and services related to the transportation of cargo and passengers from and to the port.
- The installation, organisation and exploitation of any kind of port infrastructure.
- The undertaking of any activity related to the port works, as well as of any other commercial, industrial, oil industry and business activities, especially including the tourist, the cultural and the piscatorial ones and the study and planning of port facilities.
- Any other responsibility lawfully assigned to the Thessaloniki Port Authority as a Legal Person under Public Law.

The above purpose of the Company is comprised in its articles of association, as the latter were drawn up by law 2688/1999 (article 8) and amended by the 7th extraordinary General Meeting of the Shareholders on 23.8.2002 (Government Gazette issue 9944/30.9.2002 for Public Limited and Limited Liability Companies). Ever since, no other change of its purpose has taken place.

As regards its corporate operation, THPA SA is still governed by law 2688/1999, as amended and in force, constituting the special institutional framework of its operation, as well as by the Codified Law 2190/20, as amended and in force, as regards the matters for which there is no special regulation, and by Law 3016/2002, as in force.

ANNUAL FINANCIAL STATEMENTS

for the fiscal year that ended on December 31, 2006
(amounts in €, unless it is defined otherwise)

3. THESSALONIKI PORT'S TERRESTRIAL PORT ZONE USE AND EXPLOITATION RIGHT CONCESSION AGREEMENT.

The Company has the exclusive right to use and exploit the lands, buildings and facilities of the Terrestrial Port Zone of the Port of Thessaloniki, which are owned by the Greek State. The above exclusive right was granted to THPA for 40 years by virtue of the concession agreement concluded on 27-06-2001 between the Greek State (represented by the Ministers of Finance and Mercantile Marine) and THPA SA, which expires in 2041.

The main points of the agreement are the following:

- **The right of use of all covered and open sections of land, existing buildings, technical – port works, alluvial deposits and embankments, internal roads, the railway network, all supply networks, extensions of areas – works, the sea zone of the port, and generally all the components of the land port zone ground plan, with the exception of the buildings serving public service needs, the sections of the terrestrial and marine port areas serving the Hellenic Armed Forces for national security reasons, and the especially configured buildings of pier A and of the surrounding area.**
- **The right of use and exploitation consists in the capability of THPA to occupy, use and exploit the terrestrial port zone, the buildings and the facilities, during the term of the contract, in compliance with the special definitions of paragraph 3 of the contract.**
- **The initial 40-year concession term may be extended upon a new written agreement signed by both parties (article 4 of the Contract).**
- **The contract may be terminated and dissolved before the expiry of the agreed term.**
- **Its termination or expiry ex officio implies the obligation of THPA SA to deliver the concession items to the Greek State, in the state foreseen in article 6.4. of the contract.**
- **The paid valuable consideration is defined as a rate over the total of the Company's consolidated income (save for the extraordinary one, the income of previous fiscal years and for the income from financial management), amounting to 1% for the first three fiscal years and to 2% for the remaining fiscal years. Additional valuable consideration is paid:**
 - **in case of extension of the concession areas,**
 - **in case of exploitation of the facilities for other purposes,**
and
 - **in case of re-negotiation of the contract.**
- **THPA SA is liable:**
 - **for the preventive maintenance of the concession works – buildings and for the restitution and repair of damages,**
 - **for the preservation of the concession's strategic, social and business orientation,**

ANNUAL FINANCIAL STATEMENTS

for the fiscal year that ended on December 31, 2006
(amounts in €, unless it is defined otherwise)

- for ensuring a sufficient and safe infrastructure and facilities,
 - for the secure demarcation and protection of the Free Trading Zone,
 - for the fair treatment of users,
 - for the protection of the terrestrial and the marine environment,
 - for the constant upgrading of the level of the services rendered to the users.
- The Greek State is liable for supplying any necessary assistance for:
 - the fulfilment of the concession purpose, and
 - the financing of national interest works, according to the definitions of article 11 of the Contract.

(More information on the agreement is provided in annex I to the financial statements)

ANNUAL FINANCIAL STATEMENTS

for the fiscal year that ended on December 31, 2006
(amounts in €, unless it is defined otherwise)

4. BASIS FOR THE PRESENTATION OF THE FINANCIAL STATEMENTS

(a) *Basis for the drawing up of the Financial Statements:* The attached financial statements have been drawn up according to the historical cost principle, save for the valuation of the Company's investment real estate that was valued at its reasonable fair value, while for the rest of fixed assets, an adjustment was used, which was previously performed during the listing of the Authority in the Athens Stock Exchange (May 2000), as a cost imputed on that date and with the assumption that the company will pursue its business activities regularly (going concern assumption). The financial statements have been drawn up according to the International Financial Reporting Accounting Standards (I.F.R.S.) issued by the International Accounting Standards Board, and the Interpretations that have been supplied by the Standing Interpretations Committee, and adopted by the European Union. The Company drew up financial statements, in compliance with the International Financial Reporting Standards, for the first time for the fiscal year that ended on December 31, 2005. Those attached financial statements are based on the financial statements drawn up by the Company, in compliance with the Greek Commercial Law, and adjusted to suitable statistical entries in order to conform to the International Financial Reporting Standards.

(b) *First fiscal year for which the I.F.R.S. were used:* According to the European Legislation 1606/2002 and based on Law 3229/04 (as amended by Law 3301/04) the Greek companies that are listed in any Stock Market (national or foreign), must prepare their statutory financial statements for the fiscal years from January 1, 2005 and on, in compliance with the I.F.R.S. Based on I.F.R.S. 1 and the above mentioned Greek legislation, the above mentioned companies must present comparative financial statements, in compliance with the I.F.R.S.s, for at least one fiscal year (December 31, 2004).

THPA SA published its first complete financial statements, based on the I.F.R.S.s, for the fiscal year that expired on December 31, 2005, with transition date January 1, 2004. Consequently, the Company implemented I.F.R.S. 1 during the drawing up of its first annual financial statements, as well as of the interim financial statements covered by the first complete financial statements based on the I.F.R.S. More particularly, the Company proceeded to the following exceptions as regards the implementation of other Standards:

- as imputed acquisition cost, it used the re-adjusted values of valuation of the fixed equipment, as defined by the relevant valuation of the committee of article 9 of the Codified Law 2190/1920, performed during the conversion of THPA from a Legal Entity under Public Law into a Public Limited Company and the listing of the Company in the Athens Stock Exchange during the fiscal year 2001, as a cost imputed on that date (Note 18).
- it acknowledged the total of accumulated, on January 1, 2004 (transition date), actuarial profits/ losses that occurred during the actuarial estimation of the provisions for liabilities towards the personnel (severance provision) (Note 28).

ANNUAL FINANCIAL STATEMENTS

for the fiscal year that ended on December 31, 2006
(amounts in €, unless it is defined otherwise)

The rest of optional exceptions of paragraph 13 and the mandatory exceptions of paragraph 26 of I.F.R.S. 1, had no implementation in the financial statements of the fiscal year 2004.

(c) *Statutory Financial Statements:* The Company keeps its accounting books and records and draws up its financial statements according to the Greek Commercial Law 2190/1920, the Greek General Accounting Plan and the tax legislation. The attached financial statements have been based on the above statutory financial statements and have been suitably adjusted and reformed based on the statistical entries, in order to conform to the I.F.R.S.

(d) *New international financial report standards and interpretations of the International Financial Reporting Interpretations Committee*

The International Accounting Standards Board (IASB), as well as the International Financial Reporting Interpretations Committee (IFRIC), have already issued a series of new accounting standards and interpretations, the implementation of which is mandatory for the fiscal years from January 1, 2006 and on (unless it is otherwise indicated hereafter).

The Company's estimation as regards the impact of those new standards and interpretations is the following:

I.A.S. 19 (amendment): Employee benefits

It has no implementation on the Company and shall not affect its Financial Statements.

I.A.S. 21: Changes in foreign exchange rates

It has no implementation on the Company and shall not affect its Financial Statements.

I.A.S. 39 (amendment): Cash Flow Hedge Accounting of Forecast Intragroup Transactions

It has no implementation on the Company and shall not affect its Financial Statements.

I.A.S. 39: Recognition and measurement of the Reasonable fair value

It has no implementation on the Company and shall not affect its Financial Statements.

I.A.S. 39 & I.F.R.S. 4: Insurance contracts – Financial guarantee contracts

It has no implementation on the Company and shall not affect its Financial Statements.

I.F.R.S. 2: Share-based payments

It has no implementation on the Company and shall not affect its Financial Statements.

I.F.R.S. 1 & I.F.R.S. 6: Exploration for and Evaluation of Mineral Assets

It has no implementation on the Company and shall not affect its Financial Statements.

I.A.S. 1 & I.F.R.S. 7: Financial Instruments Disclosures

The above standard must be compulsorily implemented for the accounting periods from the January 1, 2007 and on. It is not expected to significantly affect the Company's Financial Statements. This standard mainly demands additional communication as regards the financial instruments.

ANNUAL FINANCIAL STATEMENTS

for the fiscal year that ended on December 31, 2006
(amounts in €, unless it is defined otherwise)

I.F.R.S. 8: Operating segments

It has no implementation on the Company and shall not affect its Financial Statements.

IFRIC 3: Emission Rights

It has no implementation on the Company and shall not affect its Financial Statements.

IFRIC 4: Determining whether an arrangement contains a lease

It has no implementation on the Company and shall not affect its Financial Statements.

IFRIC 5: Rights to Interests arising from Decommissioning, Restoration and Environmental Funds

It has no implementation on the Company and shall not affect its Financial Statements.

IFRIC 6: Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment

It has no implementation on the Company and shall not affect its Financial Statements.

IFRIC 7: Applying the Restatement Approach under IAS 29 (references to excessive inflation economies).

It has been in force since 1/3/2006. It has no implementation on the Company and shall not affect its Financial Statements.

IFRIC 8: Scope of IFRS 2.

It has been in force since 1/5/2006. It shall not affect the Company's Financial Statements.

IFRIC 9: Reassessment of embedded derivatives.

It has been in force since 1/6/2006. It has no implementation on the Company and shall not affect the Company's Financial Statements.

IFRIC 10: Interim Financial Reporting and Impairment.

It has been in force since 1/11/2006. It has not been adopted by the European Union. It has no implementation on the Company and shall not affect the Company's Financial Statements.

IFRIC 11 & I.F.R.S. 2: Group and Treasury Share Transactions.

It has been in force since 1/3/2007. It has no implementation on the Company and shall not affect the Company's Financial Statements.

IFRIC 12: Service concession arrangements.

It shall be in force from 1/1/2008. It has not been adopted by the European Union.

- (e) *Approval of Financial Statements:* The financial statements of the twelve month period that ended on 31.12.2006 were drawn up according to the I.F.R.S. and were approved by the Board of Directors on 28/3/2007 (resolution BoD/THPA SA 3327/28-3-2007). The annual amended financial statements of the fiscal year 2005, published in April 2006, were approved with the decision number 2976/4-4-2006 of the Board of Directors of THPA SA.
- (f) *Administration Estimations:* The drawing up of the financial statements, according to the International Financial Reporting Standards, obligates the Company's Administration to proceed to assumptions and estimations that affect the balances of the Assets and Liabilities accounts, the communication of eventual claims and liabilities at the date of drawing up of the financial statements, as well as the income and expenses presented during the fiscal year

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under examination. Consequently, the actual results may differ from the above estimations.

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5. SUMMARY OF BASIC ACCOUNTING PRINCIPLES

The basic accounting principles implemented by the Company for the drawing up of the attached financial statements are the following:

- (a) *Financial products:* The financial assets and liabilities (primary) of the balance sheet comprise the funds available, the claims and the rest of short-term liabilities. The Company does not use derivative financial products for counterbalancing the risks, nor for profit-making purposes. The accounting principles for the acknowledgement and valuation of those elements are indicated in the relevant accounting principles that are presented in this note. The financial products are presented as claims, liabilities or equity elements, based on the substance and the content of the relevant contracts from which they derive. The interests, dividends, profits and losses, occurring from the financial products characterised as claims or liabilities, are accounted for as expenses or income, correspondingly. The distribution of dividends to the shareholders is directly accounted for in the equity. The financial products are counterbalanced if the Company, according to the law, is legally entitled and willing to counterbalance them on an equity basis (with each other) or to repossess the asset and counterbalance the liability at the same time.
- (i) *Reasonable Fair Value:* The amounts indicated in the attached Balance Sheets for the funds available, the short-term claims and the rest of short-term liabilities approach their relevant reasonable fair values because of their short-term character.
- (ii) *Credit risk:* The Company faces no credit risks towards the contracting parties because of the extended dispersion of its clientele and the advance payments it collects from its clients before the beginning of its works. Its maximum exposure to credit risk corresponds to the amount of the claims indicated in the balance sheet.
- (b) *Exchange conversions*
- (i) *Operating currency and presentation currency:* The elements of the Company's Financial Statements are valued using the currency of the financial environment within which the Company operates (operating currency). The Financial Statements are drawn up in Euros, the latter being the operating currency of the Company.
- (ii) *Transactions and balances:* There were no transactions and balances of the Company in foreign currencies during the periods covered by the dates of the attached financial statements.
- (c) *Investments in real estate:* The Company owns four site surfaces located outside the Port Zone, used for the collection of leases or for the increase of its capital. The Company selected the "reasonable fair value" method for the valuation of its investment real estate.

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The profit or the loss that occurs from any change in the reasonable fair value of the investment in real estate is included in the net profit or loss of the fiscal year during which it occurs.

- (d) **Tangible fixed assets:** Upon implementing the provisions of I.F.R.S. 1: "First Time Adoption of the International Financial Reporting Standards", the Company implemented the exception as regards the valuation of the tangible fixed assets during the drawing up of the Balance Sheet of the Transition to the I.F.R.S. on January 1, 2004. Within this context, the Company considers, as imputed cost (deemed) for the purposes of the drawing up of the Balance Sheet of the Transition to the I.F.R.S. on January 1, 2004, the readjusted values of the tangible fixed assets, as the latter were defined by the committee of article 9 of the Codified Law 2190/1920 in May 2000, during the conversion of THPA into a Public Limited Company and the listing of the Company in the Stock Market.

After the transition date, the tangible fixed assets are valued using the imputed cost or the acquisition cost (for the additions), minus the accumulated depreciations and their eventual decreases.

The fixed assets' acquisition cost consists of the market price, including the import customs duties, if existing, and the non refunded purchase taxes, as well as any cost necessary in order to make the fixed asset operating and ready for future use. The repairs and maintenances are recorded in the expenses of the period during which they were performed. Important posterior additions and improvements are capitalised at the cost of the relevant fixed assets.

The fixed assets constructed by THPA SA are recorded at the self-help construction cost, including the expenses paid to sub-contractors, the materials and the technicians' payroll expenses with reference to the constructions (including relevant employer contributions), as well as a ratio of the general management expenses.

The immobilizations in progress comprise the fixed assets in progress and are reflected in their cost. The immobilizations in progress can not be depreciated until the fixed asset is completed and available for its designated production operation.

The sites are not depreciated. The depreciations of the rest of tangible fixed assets are accounted for by implementing the straight line depreciation method, based on the following operational life times per category of fixed assets:

<u>Fixed asset</u>	<u>Operational life time (years)</u>
Buildings – Technical works	15-40
Mechanical Installations	8-10
Gantry cranes-Self moving and Electronic Cranes	30-40
Loaders	7-15

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Machinery	10-15
Loading Tools	15
Fork Lifts	10-15
Floating Transportation Means	10-20
Furniture and other equipment	6-10
PCs and electronic elements – Office machinery	3-5

The depreciations concerning the fixed assets that existed before January 1, 2004 are calculated at the imputed cost, as the latter was defined by the committee of article 9 of the Codified Law 2190/1920 in May 2000, during the conversion of THPA into a Public Limited Company and the listing of the Company in the Stock Market.

In order to define the taxable income, THPA SA calculated the depreciations based on the depreciation coefficients of article 34 of Law 2937/2001 and the higher coefficients foreseen in Presidential Decree 299/2003.

The operational life times of the tangible fixed assets are subject to re-examination for the drawing up of every annual balance sheet. No residual values are defined by the Company, for, based on article 32 of Law 3153/2003, the product from the sale of fixed assets is collected by the State.

The Company's non exploited fixed assets are separated:

- in lost, which are erased,
- in available for sale, according to I.F.R.S. 5, for which no depreciations are performed,
- in those that do not meet the above criteria, for which depreciations are performed.

(e) Decrease of the Fixed Assets' Value: According to I.A.S. 36, the real estate, the facilities, the equipment, and the intangible fixed assets shall be evaluated for possible decrease of their value when there are indications that the book value of the fixed asset exceeds its retrievable amount. Whenever the book value of a fixed asset exceeds its retrievable amount, its corresponding decrease loss is recorded in the fiscal year results. The retrievable value of a fixed asset is the maximum amount between the estimated net sale value and the value in use. The net sale value is considered to be the realizable proceeds from the sale of a fixed asset within the context of a mutual transaction, of which the parties have complete knowledge and voluntarily establish it, after the deduction of any additional fixed asset direct disposal cost, while the value in use is the current value of the estimated future cash flows that are expected to occur from the constant use of a fixed asset and from its disposal at the end of its estimated operational life time. If an enterprise is not in a position to estimate the retrievable amount of a fixed asset, for which there is indication of decrease of its value, it defines the retrievable amount of the fixed asset unit that does create cash flows.

The contra entry of a loss from the decrease of the fixed assets' value accounted for in previous years is performed only when there are sufficient indications that the above decrease no longer exists or it has been reduced. In those cases, the above contra entry is accounted for as income.

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The Administration estimates that there is no matter of loss of the Company's fixed equipment, therefore, it has not proceeded to the calculation of the retrievable amounts of its fixed assets.

- (f) *Intangible fixed assets:* The intangible fixed assets concern the software purchase cost as well as any other expenses that have been made during the software development, in order for the latter to become operative. The software depreciation is accounted for based on the straight line method and within a period of 3-5 years.
- (g) *Financial elements:* The financial elements are classified into the following categories:
 - (i) *Financial elements preserved until the expiration:* They comprise the non derivative financial assets, with fixed or defined payments and particular expiration that the Company is willing and capable of preserving until their expiration.
 - (ii) *Financial assets available for sale:* They comprise non derivative financial assets that cannot be classified into any other category of I.A.S. 39. Those elements are comprised in the non current assets, provided that the Administration does not intend to liquidate them within 12 months from the date of the Balance Sheet.

The purchases and sales of investments are recorded on the date of the commercial transaction, the latter being also the date on which the Company commits to purchase or sell the financial element. The investments are initially recorded at their reasonable fair value, plus the expenses directly related to the transaction, with the exception of the elements valued at their reasonable fair value, with changes recorded in the results, as regards the expenses directly related to the transaction. The investments are erased upon the expiration or the transfer of the cash flow right, and provided that the Company has substantially transferred all the risks and the remunerations the property implies. The financial elements available for sale are valued at their reasonable fair value and the relevant profits or losses are recorded in the results. The reasonable fair values of the financial assets that are negotiable in active markets are defined by their current values. As regards the non negotiable elements, the reasonable fair values are defined with the use of valuation techniques, such as the discounting of future cash flows.

The investments preserved until the expiration are later on valued at the non depreciated cost, with the implementation of the actual interest rate.

On every balance sheet date, the Company estimates whether there are objective indications leading to the conclusion that the financial assets are decreased. As regards the equity securities classified as financial elements available for sale, such indication could be the significant decrease of the reasonable fair value, compared to the acquisition cost. If the decrease is substantiated, the loss accumulated at the equity capital, being the difference

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between the acquisition cost and the reasonable fair value, is transferred to the results. The equity securities' decrease losses that are recorded in the results are not reversed through the results.

Interest bearing - Interest free personnel loans: The Company issues interest bearing and interest free loans to its personnel. All personnel loans are initially recorded in the cost, the latter being the actual value of the collected consideration, minus the loan related issuing expenses. After the initial record, the loans are valued at their cost, which does not differ significantly from their non depreciated cost, implementing the actual interest rate method.

- (h) *Income taxation (Current and Postponed):* The current and postponed income taxes are calculated based on the relevant funds of the financial statements and according to the taxation-related law that is in force in Greece. The current income tax is a tax on the Company's taxable profits, as the latter were reformed according to the taxation law requirements, and calculated based on the applying tax coefficient.

The postponed taxation is calculated using the liability method in all temporary tax differences that were observed on the date of the balance sheet between the tax basis and the book value of the assets and liabilities.

The expected tax effect from the temporary tax differences is defined and presented either as future (postponed) tax liabilities, or as postponed tax - related claims.

Postponed tax - related claims are recorded for all the abased temporary differences and the transferred tax losses, to the extent that it is thought likely for an available tax profit to exist, against which, the abased temporary difference could be utilized.

The book value of the postponed tax - related claims is reviewed on every balance sheet date and decreased to the extent it is not thought likely for enough taxable profits to exist, against which part or the total of postponed tax - related claims could be used.

The current tax - related claims and liabilities for the current, as well as for the previous fiscal years, are valued at the amount that is expected to be paid to the tax authorities (or retrieved by them), with the use of the tax coefficients that were instituted or materially instituted until the date of the Balance Sheet.

- (i) *Inventory:* The consumables and the spare parts, related to the maintenance of the company's mechanical equipment, are valued at the minimum value between their cost and their net liquid value, while their cost is defined based on the average weighted cost. Upon their purchase, those consumables are recorded in the inventory and after their placement they are recorded in the expenses or they are capitalised. At the end of every fiscal year, the Company re-examines the eventual loss of its

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inventory and accounts for a corresponding provision or proceeds to their erasure (Note 22).

- (j) **Claims:** The short-term claims are accounted for at the value of their commercial transaction, decreased by the provisions for bad debts. The long-term claims with specific settlement date were valued at their acquisition cost, which does not differ significantly from their current value, by implementing the discount rate method, in implementation of the provisions of I.A.S. 39 and I.A.S.18.
- (k) **Funds available and cash equivalents:** The funds available and cash equivalents comprise the cash, the site deposits, the short-term investments and the term deposits of high liquidation and zero risk.
- (ka) **Share capital:** The share capital comprises the Company's common shares.
- (kb) **Provisions for risks and expenses and eventual liabilities:** Provisions for risks and expenses are acknowledged when the company has a current legal or appearing-to-exist charge, as a result of past events, or when an outflow of resources, incorporating economic benefits, is possible, and the amount of the relevant charge may be credibly estimated. The provisions for risks and expenses are re-examined at the end of every fiscal year and are adjusted in such way so as to reflect the best possible estimations. In case it is necessary, they are discounted based on a pre-tax discount rate.
The eventual liabilities are not recorded in the financial statements but they are communicated, unless the possibility of outflow of recourses incorporating economic benefits is minimal. The possible liabilities are not recorded in the financial statements, but they are communicated, provided that the outflow of recourses, incorporating economic benefits, is possible.
- (kc) **State grants:** The Company has been subsidised by community programs for the acquisition of intangible and tangible fixed assets. The grants are acknowledged when there is reasonable guarantee that the grant will be collected and that all relevant terms will be observed. The grants related to assets are acknowledged as income of future fiscal years and are depreciated according to the operational life time of the granted fixed asset. The depreciations of the granted fixed assets appear among the "Other Income" elements on the Fiscal Year Results Statement. The grant of part of the paid expenses that are collected by the Greek Manpower Employment Organization for the occupation of stagers and by the ESF, is recorded among the "Other Income" elements (Note 8).
- (kd) **Dividends:** The dividends are accounted for when the shareholders' collection right is substantiated upon a decision of the General Meeting of the Shareholders.
- (ke) **Income Acknowledgment:** The income is valued at its commercial transaction value and accounted for in the fiscal year it

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concerns. On the dates of drawing up of the intermediate Financial Statements, the accrued and non invoiced expenses of any nature that occur from the rendering of services are accounted for in the period they concern (income from the rendering of services or from funds, etc). The most significant Company income categories are:

- **Income from unitised cargo transport comprising:**
 - **income from Container Terminal services,**
 - **income from Container services**
- **Income from conventional cargo transport comprising:**
 - **income from loading / unloading services of the conventional port**
 - **income from the provision of hull S/S services**
 - **income from stalling services**
 - **income from the provision of SILO Services**
- **Income from services to passengers of coastal and cruise ships comprising:**
 - **income from other services (special duty) on tickets**
 - **income from vehicle passage**
- **Income from services to ships and other services comprising:**
 - **income from mooring and berthing**
 - **income from other services (DEI, OTE, garbage collection, use of sites)**
- **Income from the operation of organised vehicle parking lots.**

(kf) **Profits per Share:** The profits per share are calculated by dividing the fiscal year's net profit that corresponds to the common shareholders by the number of common shares circulating during the fiscal year. There were no bonds convertible into shares or other conditional assets convertible into shares that decreased the profits during the periods to which the attached financials statements refer; consequently, no decreased profits have been calculated per share.

(kg) **Reporting per field of activity:** The Company operates as a single unit rendering port services at the port of Thessaloniki. Within this context, the Company is not obliged to produce and communicate financial elements per field of activity, in compliance with the requirements of I.A.S. 14: "Segment Reporting".

It is noted that, as regards the reference made to geographical regions, the total of the Company's activities concerns the wider region of Thessaloniki; consequently, it is considered as one geographical region.

(kh) **Benefits to the personnel after leaving service:** The benefits after leaving service comprise plans of defined benefits. The accrued cost of the defined contributions plans is recorded as an expense of the period it concerns.

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The company pays severance to its retiring employees, according to the stipulations of the applying Collective Labour Agreements, and with maximum limit the limit foreseen by Law 173/67, article 2, as in force each time.

The liability that is recorded in the balance sheet for the defined benefit plans is the current value of the charge for the defined benefit and the changes that occur from the non acknowledged actuarial profits and losses and the cost of previous service. The charge of the defined benefit is annually calculated by an independent actuary, with the use of the projected unit credit method.

The actuarial profits and losses that occur from the readjustments, performed based on the historical data, and that are around 10% of the accumulated liability, are recorded in the results, in the expected average insurance term of the plan participants. The previous service cost is recorded in the results, except for the case where the plan changes depend on the employees' remaining service term. In that case, the previous service cost is recorded in the results, using the straight line method, within the maturity term.

- (ki) Leases: The leases, where the lessor materially maintains all the benefits and risks resulting from the asset's ownership, are classified as operating leases. The payments – collections of the rents for the operating leases are regularly recorded as expenses – income in the results, during the term of the lease.**

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6. SALES

	December 31 2006	December 31 2005
Income from container terminal services	7,060,468	7,833,539
Income from conventional port loading/ unloading services	12,561,504	11,611,879
Income from hull S/S services	1,793,948	2,750,633
Income from containers' services	18,593,092	19,484,575
Income from mooring and berthing	1,307,712	1,266,520
Income from silo services	565,883	492,260
Income from the exploitation of organised parking lots	1,008,836	897,729
Income from other services	3,055,507	3,125,055
Total	45,946,950	47,462,190

7. SALES' COST (SOLD ITEMS' COST)

	December 31 2006	December 31 2005
Personnel remunerations and expenses (Note 12)	27,027,637	26,304,617
Third parties' remunerations and expenses	399,023	517,488
Third parties' benefits	5,034,259	5,921,625
Taxes - fees	152,453	113,162
Other expenses	94,943	83,615
Depreciations (Note 11)	3,479,929	3,887,810
Severance provision (Note 28)	267,898	-
Materials – spare parts' consumption	2,161,622	1,928,626
Reserves' undervaluation provision	-114,997	49,744
Total	38,502,767	38,806,687

8. OTHER INCOME

	December 31 2006	December 31 2005
GMEO Grants	75,183	25,319
Income from rents	590,982	623,987
Income from the provision of services	45,454	71,912
Traffic rules' fines	61,304	40,066
Fixed assets grants' depreciations	27,412	13,622
Next fiscal year insurance fees	272,384	
Other	203,994	207,895
Total	1,276,713	982,801

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9. ADMINISTRATIVE OPERATION EXPENSES

The amounts are detailed as follows:

	December 31 2006	December 31 2005
Personnel remunerations and expenses (Note 12)	3,308,875	3,060,707
Third parties' remunerations and expenses	641,015	498,224
Third parties' benefits	496,774	417,226
Taxes - fees	7,121	2,481
Other expenses	220,168	160,012
Depreciations (Note 11)	166,964	218,882
Severance provision (Note 28)	44,864	-
Materials – spare parts' consumption	72,200	38,073
Total	4,957,982	4,395,605

10. DISPOSAL OPERATION EXPENSES

The amounts are detailed as follows:

	December 31 2006	December 31 2005
Personnel remunerations and expenses (Note 12)	206,566	196,401
Third parties' remunerations and expenses	800	9,594
Third parties' benefits	7,339	18,441
Taxes - fees	22,652	24,765
Other expenses	440,189	232,471
Depreciations (Note 11)	1,931	9,923
Severance provision	6,762	-
Bad debt provision	-200,658	584,900
Materials – spare parts' consumption	-	-
Total	485,581	1,076,495

11. DEPRECIATIONS

The amounts are detailed as follows:

	December 31 2006	December 31 2005
Tangible Immobilizations' Depreciations (Note18)	3,589,224	4,077,859
Intangible Fixed Assets' Depreciations (Note19)	59,600	40,298
Total	3,648,824	4,118,157

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12. PAYROLL COST

The amounts are detailed as follows:

	December 31 2006	December 31 2005
Pays	15,114,028	14,247,189
Employer's contributions to security funds	2,714,608	2,612,640
Sequential Benefits	356,825	270,784
Severance provisions	27,575	0
Subtotal	18,213,035	17,130,613
Day wages	9,359,147	9,349,850
Employer's contributions to security funds	2,776,239	2,835,343
Sequential Benefits	135,718	
Severance provisions	58,941	245,919
Subtotal	12,330,045	12,431,112
Total	30,543,080	29,561,725

THPA's personnel on December 31, 2006 and December 31, 2005 counted 570 and 591 people respectively.

13. OTHER EXPENSES

	December 31 2006	December 31 2005
Tax Fines and Increments	534	372
Losses from the decrease of fixed assets	8,000	13,214
Other expenses	30,000	82,672
Total	39,564	96,258

14. FINANCIAL INCOME / EXPENSES (NET)

The amounts are detailed as follows:

	December 31 2006	December 31 2005
Credit interests from banks	1,874,755	1,627,780
Plus/minus: bond valuation (reasonable fair value)	-13,100	1,627,780
Subtotal	1,861,655	
Debit interests and coherent expenses	-1,243	-1,867
Subtotal	-1,243	-1,867
Total	1,860,412	1,625,913

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15. INCOME TAX (CURRENT AND POSTPONED)

The income tax of the Period's Results Statement is detailed as follows:

	December 31 2006	December 31 2005
Current result tax	1,522,483	2,400,898
Postponed income tax	-145,485	-183,248
Provision for non tax audited fiscal years	82,000	40,000
Total	1,458,998	2,257,650

According to the tax legislation, the tax coefficient implemented by companies until December 31, 2005 was thirty two percent (32%), for profits occurring from administration periods from January 1, 2006 to December 31 of the same year the tax coefficient is set to twenty nine per cent (29%), and for profits occurring from administration periods from January 1, 2007 and on the tax coefficient is set to twenty five per cent (25%) (L. 3296/2004).

The tax returns are submitted annually, readjusting the book profits with the tax return differences and the profits or losses indicated in the tax return are considered as temporary until the relevant tax authorities have performed the tax audit and issued the corresponding report, finalizing the tax liabilities. The tax losses that are transferred from previous fiscal years, to the extent they are accepted by the tax authorities, may be counterbalanced by the profits of the next five fiscal years.

The following table indicates the agreement between the nominal and the actual tax coefficient.

	December 31 2006	December 31 2005
Profits before income taxes	5,098,181	5,695,859
Income tax calculated based on the applying tax coefficient of 32% and 35% respectively	-1,494,016	-1,822,675
Tax effect of allowable expenses	-267,675	-864,266
Tax effect of non taxable income	105,038	15,494
Tax coefficient decrease effect	279,654	413,797
Tax provision for non tax-audited fiscal years	-82,000	-
Income tax expenses in the fiscal year's statement of results	-1,458,999	-2,257,650

Postponed income taxes are calculated in all temporary tax differences, using the tax coefficient that applies during the period an asset is realized or a liability is settled, and taking into account the tax coefficients that have been instituted up to the Balance Sheet date.

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The movement in the postponed income taxes' account is as follows:

	December 31 2006	December 31 2005
Balance at the beginning	896,229	712,981
Postponed taxation in the result	145,485	183,248
Balance at the expiration	<u>1,041,714</u>	<u>896,229</u>

The charge for postponed income taxes (postponed tax liability), in the attached fiscal year results' accounts, contains the temporary tax differences occurring mainly from the accounted for income – profits to be taxed in the future. The credit for postponed taxes (postponed tax claim) mainly contains the temporary tax differences occurring from specific provisions, that are tax allowable during their realization.

The debit and credit balances of the postponed taxation are counterbalanced when they are legally entitled to be counterbalanced, while the postponed tax - related claims and liabilities concern income taxes collected by the same tax authority.

The postponed assets and liabilities' income taxes occur from the following elements:

	Balance Sheet		Period Results
	31/12/2006	31/12/2005	31/12/2006
Postponed tax - related claims			
Tangible immobilizations (change of operational life time)	959,877	953,360	206,517
Fixed assets grants	-25,654	-44,455	18,801
Provision for previous years' concession price	211,413	211,412	1
Severance provision	1,068,167	1,056,538	11,629
Bad debt provision	67,050	-	67,050
Provision for moral compensation	7,500	-	7,500
Accrued expenses	45,900	-	45,900
Gross postponed tax claim	<u>2,334,253</u>	<u>1,976,855</u>	<u>357,398</u>
Postponed tax liabilities			
Differences occurring from the valuation of investment real estate at reasonable fair value	(1,376,569)	(1,286,019)	(90,550)
Differences from intangible fixed assets	84,030	190,967	(106,937)
Provision for inventory devaluation	-	14,426	(14,426)
Gross postponed tax liability	<u>(1,292,539)</u>	<u>(1,080,626)</u>	<u>(211,913)</u>
Postponed tax in the fiscal year			<u>145,485</u>

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results

Net postponed tax claim

1,041,714

896,229

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16. PROFITS PER SHARE

The basic profits per share are calculated by dividing the fiscal year's net profit corresponding to the common shareholders by the number of common shares circulating during the fiscal year. There were no bonds convertible into shares or other conditional assets convertible into shares that decreased the profits during the periods to which the attached financials statements refer, consequently, no decreased profits have been calculated per share. The basic profits per share on December 31, 2006 were calculated as follows:

	December 31 2006	December 31 2005
Net profit corresponding to the shareholders	3,639,183	3,438,209
Weighted average number of shares	10,080,000	10,080,000
Basic profits per share (Euros per share)	0.36	0.34

17. INVESTMENT REAL ESTATE

	December 31 2006	December 31 2005
Balance at the Beginning	6,282,800	6,202,800
Fiscal year income	362,200	80,000
Balance at the Expiration	6,645,000	6,282,800

The Company owns four site surfaces located outside the Port Zone, used for the collection of leases or for the increase of its capital. The Company selected the "reasonable fair value" method for the valuation of its investment real estate.

The profit or the loss that occurs from any change in the reasonable fair value of the investment in real estate is included in the net profit or loss of the fiscal year during which it occurs.

It is noted that the independent valuator's report for one of the Company's sites located in the area of Triandria sets an "implicitly" reasonable fair value instead of the precise reasonable fair value, due to the fact that there is no sufficient information defining its exact position and condition, which is also the reason why it was not comprised in the Financial Statements. The value of the above site in the financial statements amounts to €0.01. Moreover, and whereas the estimation study was elaborated for the purposes of the International Accounting Standards, all the future eventual developments that could increase or decrease the value of the real estate (undersea tunnel, etc) were ignored. The real estate was estimated as it is, i.e. as surface areas within the city plan.

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18. TANGIBLE IMMOBILIZATIONS

	Buildings- Fields	Machinery & Mechanical equipment	Transport means	Furniture and other equipmen t	Advance payments & works in progress	Total
Non depreciated value on January 1 2005	7,772,281	33,223,153	2,411,283	1,263,232	4,104,267	48,774,216
Fiscal year's additions	98,532	326,112	2,461	262,441	529,684	1,219,229
Decreases/ erasures	-	(9,495)	(119)	(3,500)		(13,214)
Transfers	901,214	-	-	20,828	(1,018,210)	(96,168)
Fiscal Year Depreciations (Note 11.)	423,723	2,964,863	367,953	321,321	-	4,077,860
Non depreciated value on December 31, 2005	8,348,304	30,574,907	2,045,672	1,221,580	3,615,741	45,806,204
Fiscal year's additions	49,225	104,800	44,997	236,793	444,860	880,675
Decreases/ erasures					(6,500)	(6,500)
Transfers	644,882				(644,882)	-
Fiscal Year Depreciations (Note 11.)	455,368	2,697,410	134,004	302,441		3,589,223
Non depreciated value on December 31, 2006	8,587,043	27,982,297	1,956,665	1,155,932	3,409,219	43,091,156
January 1, 2005:						
Cost	8,797,507	46,089,771	4,162,114	2,177,378	4,104,268	65,331,038
Accumulated depreciations	1,025,227	12,866,618	1,750,831	914,146	-	16,556,822
Net non depreciated value	7,772,280	33,223,153	2,411,283	1,263,232	4,104,268	48,774,217
December 31, 2005:						
Cost	9,797,254	49,392,801	4,163,694	2,449,339	3,615,741	66,418,828
Accumulated depreciations	1,448,950	15,817,894	2,118,022	1,227,759	-	20,612,625
Net non depreciated value	8,348,304	30,574,907	2,045,672	1,221,580	3,615,741	45,806,204
December 31, 2006						
Cost	10,491,36 1	46,497,401	4,208,691	2,674,975	3,409,219	67,281,647
Accumulated depreciations	1,904,318	18,515,104	2,252,026	1,519,043	-	24,190,491
Net non depreciated value	8,587,043	27,982,297	1,956,665	1,155,932	3,409,219	43,091,156

The fixed assets of the Company are not burdened by construction liens. The Company has fully depreciated fixed assets of total acquisition value €2,750,090, out of which it continues to use fixed assets of acquisition value €559,144. Out of the rest, fixed assets of acquisition value €93,370 will be erased due to demerit and remaining fixed assets have been integrated in a sale program (Decision 3149/29-9-06). Since 1/7/2006, the Company has signed insurance policies, covering possible risks due to earthquakes, fires and other nature element-related risks, policies covering its general liability as regards the electromechanical equipment and the buildings granted to it by concession of the Greek State, as well as policies covering its employer's liability as regards the machinery, vehicles, the Electric Gantry Cranes and the Gantry Cranes.

19. INTANGIBLE FIXED ASSETS

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	Software	Advance payments	Total
Non depreciated value on January 1, 2005	25,779	379,004	404,783
Fiscal year additions	26,772		26,772
Transfers / Decreases	197,912	(134,004)	63,908
Fiscal Year Depreciations (Note 11.)	40,297	-	40,297
Non depreciated value on December 31, 2005	210,166	245,000	455,166
Fiscal year's additions	27,399	117,000	144,399
Transfers / Decreases			
Fiscal Year Depreciations (Note 11.)	59,600		59,600
Non depreciated value on December 31, 2006	177,965	362,000	539,965
January 1, 2005			
Cost	626,827	379,004	1,005,830
Accumulated depreciations	601,048	-	601,048
Net non depreciated value	25,779	379,004	404,782
December 31, 2005			
Cost	851,512	245,000	1,096,512
Accumulated depreciations	641,346	-	641,346
Net non depreciated value	210,166	245,000	455,166
December 31, 2006			
Cost	878,562	362,000	1,240,562
Accumulated depreciations	700,597	-	700,597
Net non depreciated value	177,965	362,000	539,965

The intangible fixes assets concern the software purchase cost, as well as any other expenses that have been made during the development of the software, in order for the latter to become operative. The software depreciation is accounted for based on the straight line method and within a period of 3-5 years.

20. NON CURRENT FINANCIAL ELEMENTS

	December 31 2006	December 31 2005
Other financial elements		
Structured bank products	11,500,000	14,008,000
	11,500,000	14,008,000
Available for sale		
Mutual funds' shares	0	3,784,017
Bank bonds	1,095,700	1,108,800
Participations in:		10,000
Hellenic Ports Association	8,000	
Minus Devaluation Provision	-8,000	-

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Total	<u><u>1,095,700</u></u>	<u><u>4,902,817</u></u>
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21. LONG-TERM CLAIMS

The account is detailed in the attached financial statements as follows:

	<u>December 31 2006</u>	<u>December 31 2005</u>
PPC guarantees	17,608	17,608
Thessaloniki Water Supply and Sewerage Co S.A. guarantees	512	512
Batteries' collection guarantees	150	-
Total	<u><u>18,270</u></u>	<u><u>18,120</u></u>

22. INVENTORY

The account is detailed in the attached financial statements as follows:

	<u>December 31 2006</u>	<u>December 31 2005</u>
Consumables	985,078	924,205
Spare parts	750,018	830,635
Minus decrease provision	0	-49,744
Total	<u><u>1,735,096</u></u>	<u><u>1,705,096</u></u>

23. CLIENTS' CLAIMS

The account is detailed in the attached financial statements as follows:

	<u>December 31 2006</u>	<u>December 31 2005</u>
Clients' claims	5,557,942	7,832,769
Minus: Bad debt provision	-1,033,201	-1,235,012
Total	<u><u>4,524,740</u></u>	<u><u>6,597,757</u></u>

The "bad debt –sub judice Clients" account includes clients and debtors.

Whereas it is the Company's policy to collect advance payments (pledges) for its works, paid off at regular time intervals, therefore, the actual claims from clients amounted to €1,478,905 (€4,524,740 - €3,136,951) on the 31/12/2006. Each client's account is debited and credited with the collection of the advance payments and the settlement of the specific works to which the pending balance of those advance payments corresponds. At the end of each fiscal year/ period the above balance is recorded in the liabilities, in the "Clients' Advance Payments" account.

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24. ADVANCE PAYMENTS AND OTHER CLAIMS

The account is detailed in the attached financial statements as follows:

	December 31 2006	December 31 2005
Advance payments to the personnel	386,251	379,607
Loans granted to the personnel	122,016	140,517
Greek State grants	352,165	352,165
Other Greek State claims	532,438	491,863
Fiscal year income receivable	426,893	290,545
Bad debt debtors	682,128	772,521
Minus: Bad debt provisions	-682,128	-772,521
Advance payments to suppliers	0	16,800
Various Creditors	81,930	87,714
-Next periods' expenses	321,762	2,505
Total	2,223,455	1,761,716

The deferred income originates from: a) income from Greek Manpower Employment Organization Students' grants for 2006, equal to €11,610, b) accrued capital income, equal to €412,703.

Personnel loans: The Company grants interest bearing and interest free loans to its personnel. The total amount of the interest bearing loans that may be annually granted to the personnel (white collars and port workers) has been approved by the Board of Directors of THPA S.A. (decision number C 1106/17-12-2001) and may not annually exceed the amount of €117,388.11. During the granting of the loans, a stamp duty of 2.4% is withheld, while in the case of interest bearing loans, the calculated interest rate equals the applying interest rate of the three month Treasury bills. The interest bearing loans per employee do not exceed the amount of approximately €3,000 and the instalments are withheld from the employees' salaries. The loans are granted at their nominal value, which is similar to their reasonable fair value.

Advance payments to the personnel: The regular personnel pays are paid in advance, on the 1st and on the 16th of each month. The indicated balance sheet item concerns the advance payment of the regular personnel's payroll for the month of January 2007.

25. FUNDS AVAILABLE AND CASH EQUIVALENTS

The account is detailed in the attached financial statements as follows:

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	December 31 2006	December 31 2005
Funds	330,440	377,363
Site deposits	8,431,122	8,326,914
Term deposits	38,930,326	14,488,251
Repos	0	13,304,057
Total	47,691,888	36,496,585

The site and term deposit accounts are in Euros and bear floating interest rates depending on the deposit amount. The floating interest rates on December 31, 2006 varied from 2.00% to 4.00% (2.02% to 2.95% on December 31, 2005). The current value of the above site and term deposits approaches their book value because of their floating interest rates and short-term expirations.

The income of rates from bank deposits is acknowledged based on the accrued principle and amounts to €1,861,655 for the period that ended on December 31, 2006 and to €1,627,780 for the fiscal year that ended on December 31, 2005 correspondingly, while it is comprised in the financial income/ expenses, in the attached fiscal year results' accounts. The income appears decreased because of the valuation of the bond at its reasonable fair value on 31-12-2006 (Note 14).

26. SHARE CAPITAL:

The share capital of THPA SA amounts to thirty million two hundred and forty thousand Euros (30,240,000) and it is divided in ten million eighty thousand (10,080,000) common nominal shares, each one of value amounting to three Euros (3.00). The share capital on 31/12/2006 was paid in full. The Share capital contains no shares that do not represent corporate capital, nor rights related to the acquisition of bonds.

With its decision, dated March 1, 2007, the General Extraordinary Meeting of the Company's Shareholders decided to increase the share capital by one million sixty three thousand five hundred and thirty six Euros (1,063,536.00), by capitalization of fiscal year 2000 dividend a', and by one million nine hundred sixty thousand four hundred and sixty four Euros (1,960,464.00), by capitalization of equal amount of a part of the special non taxable reserves of L. 2881/2001, which has not been completed yet, due to the fact that the Ministry of Development has not yet approved the increase at stake.

27. RESERVES

The account is detailed in the attached financial statements as follows:

	December 31 2006	December 31 2005
Statutory reserves	983,727	816,739
Special Non Taxable Reserves L.2881/01	57,063,116	57,063,116
Reserves from Non Taxable	1,692,536	1,644,115

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Income		
Reserves from Income Taxable in a Special Way	372,827	372,827
Amounts designated for capital increase	1,063,536	1,063,536
	61,175,742	60,960,333

Statutory reserves: According to the Greek commercial law, the companies shall transfer at least 5% of their annual net profits in statutory reserves, until the latter equal 1/3 of the paid share capital. The statutory reserves cannot be distributed during the company's term of activities.

Special non taxable reserves of L.2881/2001: Those reserves came from the non capitalised portion of the equity that occurred during the valuation of the Company's assets on the 31/5/2000.

Reserves from non taxable or specially taxable income: They concern income from rates that where not taxed or cases where a 15% "pay as you earn" system was implemented. If distributed, they are subject to taxation, based on the general income tax provisions. In this phase, the Company is not willing to distribute the above reserves, consequently, and according to I.A.S. 12, no postponed taxation has been calculated.

Amount designated for share capital increase: It concerns a dividend of fiscal year A' that has not been paid and that shall be disposed for share capital increase. The General Extraordinary Meeting of March 1, 2007 decided the capitalization of the above amount, which has not been completed yet, due to the fact that the Ministry of Development has not yet approved the increase at stake.

28. PROVISIONS FOR LIABILITIES TOWARDS THE EMPLOYEES

The account is detailed in the attached financial statements as follows:

	December 31 2006	December 31 2005
Liability from actuarial design 31/12/2006	3,869,256	4,226,152
Actuarial profits that are not recorded	403,413	0
Severance Provision	4,272,669	4,226,152
Total	4,272,669	4,226,152

The Company calculates the severance provision reserve, according to the stipulations of the Corporate Collective Labour Agreement (C.C.L.A.). More particularly, for its regular personnel, on January 1, 2004 and on December 31, 2004, the Company set the personnel severance provision reserve based on three (3) monthly wages for 2003 and seven (7) monthly wages for 2004, 2005 and 2006, correspondingly, with maximum severance limit amounting to €15,000. For its regular port workers'

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personnel, on January 1, 2004, December 31, 2004, December 31, 2005, and December 31, 2006, and in accordance with the stipulations of the Corporate Collective Labour Agreement (C.C.L.A.), the Company set the personnel severance provision reserve based on seventy five (75) day wages for 2003 and one hundred seventy five (175) day wages for 2004, 2005 and 2006, correspondingly, with maximum severance limit amounting to €15,000.

The liabilities, as regards the personnel severance, were set on 31-12-2006 through an actuarial design, based on which the actuarial profits amounted to €403,413. The said profits are under the 10% margin, therefore, and, in accordance with the accounting principle (Note kh), selected by the Company, they are not recorded in the results.

The movement of the relevant provision during the period 1.1 - 31.12.2006 and the fiscal year that ended on December 31, 2005 is as follows:

	December 31 2006	December 31 2005
Balance at the beginning	4,226,152	4,227,128
Fiscal year's provision	319,524	433,265
Paid severances	-273,007	(434,241)
Balance at the expiration	<u>4,272,669</u>	<u>4,226,152</u>

The main actuarial assumptions implemented for the calculation of the relevant provisions are the following:

	December 31 2006	December 31 2005
Time preference rate	4.207%	3.76 %
Anticipated income increase	5%	5%
Estimated average future service	14.50	11.77

29. INVESTMENT GRANTS

In the attached financial statements, the movement in the account is detailed as follows:

	December 31 2006	December 31 2005
Balance at the beginning	100,914	68,597
Transfer to the results	-27,412	-13,622
Period's additions	-	45,939
Balance at the expiration	<u>73,502</u>	<u>100,914</u>

30. OTHER PROVISIONS

In the attached financial statements, the movement in the account is detailed as follows:

	December 31 2006	December 31 2005
Balance at the beginning	1,445,650	560,000
Previous fiscal years' price payment provision	-	845,650
Tax audit provisions	82,000	40,000

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Severance provisions	<u>30,000</u>	<u>-</u>
Balance at the expiration	<u>1,557,650</u>	<u>1,445,650</u>

THPA SA has not been tax audited since 2001. For those fiscal years the Company proceeded to the relevant provisions, per case, and adjusted its financial statements respectively (Note 36).

31. SHORT-TERM LIABILITIES

	December 31 2006	December 31 2005
Suppliers	1,563,348	1,200,570
Clients' advance payments	3,045,836	4,089,397
Current income tax	-	865,427
Dividends paid	31,120	29,530
Other liabilities and accrued expenses	6,716,773	5,750,822
Total	<u>11,357,077</u>	<u>11,935,746</u>

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32. CLIENTS' ADVANCE PAYMENTS

The Company collects advance payments from its clients before the rendering of services, which are settled with the repayment of the invoices.

33. INCOME TAX

	December 31 2006	December 31 2005
Balance at the beginning	865,427	1,954,091
Previous fiscal year's income tax payment	-865,427	-1,954,091
Current fiscal year's tax (Note15)	1,458,999	2,400,898
Tax counterbalancing	-1,476,864	-1,556,928
Stamp duty + levy on behalf of the Agricultural Security Organization, rents	17,865	21,457
Balance at the expiration	<u>0</u>	<u>865,427</u>

34. DIVIDENDS

According to the Greek commercial law, the companies must annually distribute dividends, calculated, at least, at the maximum amount that derives between the 35% of net annual profits after taxes and the 6% of the paid share capital. Upon the unanimous decision of all its shareholders, the company may not distribute dividends.

Moreover, and in order for a dividend to be distributed, the Greek law requires the observance of some requirements:

- (a) No dividends may be distributed to the shareholders, if the company's equity capital, which is indicated in its financial statements, is, or it is expected to be, after the distribution, lower than the paid capital, plus the non distributed reserves.
- (b) No dividends may be distributed to the shareholders, if the non depreciated balance of the "Installation expenses", which is indicated in the financial statements, exceeds the total of provisionally distributable reserves, minus the profits brought forward.

35. OTHER LIABILITIES AND ACCRUED EXPENSES

In the attached financial statements, the account is detailed as follows:

	December 31 2006	December 31 2005
Value Added Tax	83,770	156,834
Taxes – Personnel and third parties' remuneration fees	1,567,148	1,139,706
Other taxes, fees	41,406	31,674
Liabilities towards security funds	1,494,666	1,450,235
Personnel salaries payable	1,733,965	1,279,142
Remunerations' beneficiaries	7,611	4,775
Accrued expenses	1,618,163	1,504,652

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Other short-term liabilities	<u>170,044</u>	<u>183,804</u>
	<u>6,716,773</u>	<u>5,750,822</u>

Taxes withheld: The amount mainly concerns taxes withheld from the personnel's payroll, which are usually paid during the month following the withholding, in accordance with the stipulations of the tax legislation.

Security Funds: The amount mainly consists of contributions – deductions to the security funds, as they occur from the payroll and are detailed hereunder:

	<u>December 31 2006</u>	<u>December 31 2005</u>
Social Security Institute- Other		
Main Security Institutes	959,369	969,748
Contributions to	518,212	463,440
supplementary funds		
Other security contributions	<u>17,085</u>	<u>17,047</u>
	<u>1,494,666</u>	<u>1,450,235</u>

The Company has no matured debts towards the security Funds.

Accrued expenses: The following amounts are detailed as follows:

	<u>December 31 2006</u>	<u>December 31 2005</u>
Personnel remunerations	-	-
Third parties' remunerations	90,300	39,600
Third parties' benefits	542,000	501,837
Taxes - Fees	25	-
Concession price	932,238	963,215
Other	<u>53,600</u>	
	<u>1,618,163</u>	<u>1,504,652</u>

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36. CHARGES AND EVENTUAL LIABILITIES - CLAIMS

i. Charges. The Company is bound by agreements entered into with third parties for the provision of services, and listed in the following table:

1	Cleaning of open and covered ThPA SA sites	Contractual counterpart	01/07/06 – 30/04/06	K. SAMOUILIDIS.
2	Provision of services related to the collection of ship garbage and residues at the Port of Thessaloniki	€740,000 annually	Signed on the 12/02/04-01/03/04-28/02/09	NORTH AEGEAN SLOPS – IL. ORFANIDIS
3	Operation of a Nursery Centre for the Children of the Employees	€21,693 + VAT annually	16/08/06 – 15/08/07	Psariai Sofia
4	GREENPORT III	Total price €20,000.00		A.U.TH.
5	Maintenance of the equipment, fire detection systems, alarm systems, elevators, cashier security	Total price €18,584	1 to 2 years	C.P.I. – M.D.I. S.A. DRASIS S.A, V. KYNIGOPOULOS & CO, "ANELKYSTIRES LTD", CH. VEREMIS – OTIS AVETE, IOANNIS N. KARRAS
6	Design – Production of the "LIMIN" printout	Total price €54,450.00	05/01/04-04/01/07	IOANNIS CHRISOGENIS
7	Supply – printing of printouts, Stationary, cleaning materials	Total price €24,171	1 year	TYPO-EXPRESS N. MOURATOGLOU & CO OE, G. MEGALOI BROS & CO, DIMITRIOS BEROS & CO EE, LISTRON S.A., MIHAILIDOI BROS OE, EMM. PAPAPOPOULOS & SONS OE, Spanou Bros OE, Tsintoglou-Psaropoulos OE, Kakolyris Georgios
8	Milk Supply	Total price €16,442.40	01.01.06-31.12.06	MEVGAL MACEDONIAN MILK INDUSTRY S.A.
9	Application for the confrontation of sea pollution, ThPA SA	Total price €71,280	01/06/05-31/05/06	NORTH AEGEAN SLOPS – IL. ORFANIDIS

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10	competency Provision of services related to the maintenance and to the technical support of the equipment and the application software and to the support of the ThPA SA users. Design and development of new applications	Contractual counterpart & €36,626	1 year	"ALPHATECH" VEKOPOULOS I. – MAGRIOTIS D. O.E. Information Technology Systems – COMPUTERS, "EPIKOINONIA LTD", A. MOUTSOURIS – CH. DIMITRIADIS – A. TZITZAS LTD, DIINEKIS PLIROFORIKI S.A., SINGULAR INTERGRATOR S.A. INTELISSYS LTD
11	Scientific collaborator on Occupational Medicine matters	Contractual counterpart	01/07/06- 31/12/06	STOIKOU GARYFALIA OCCUPATIONAL PHYSICIAN
12	Execution – for twenty four (24) months – of the Repair Works on the Electric Motors, as indicated in the attached tables A and B	Contractual counterpart based on the offer table	08/08/05- 07/08/07	"PAVLOU KON. DOLIAS" "INDUSTRIAL SHIP ELECTRICAL WORKS WHOLESALE TRADE OF ELECTRICAL MATERIALS
13	Handling of bulk dry cargos of nickelferous laterite and solid fuel	Contractual counterpart based on the handling	16/06/05- 15/06/07	"DIAMONDS LTD"
14	Cargo handling	Contractual counterpart based on the handling	15/7- 31/12/06	"FERSPEDE AD SKOPJE" FERTRADE FANDELS GMBH
15	Cargo handling	Contractual counterpart based on the handling	01/01/06- 31/12/06	"K.E. KALAMARAKIS ABEE"
16	Rendering of consulting services on matters related to Public Relations, Corporate Announcements, insurance and	€22,718	Indefinite 1 to 3 years	E.F.G. EURO-BANK- ERGASIAS ADVERTISING COMPANY LIVE PRESS PROMOTION AND PUBLICITY CENTER LTD EUROBROKERS

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	accounting, and Share Registry services			INSURANCE BROKERS S.A. SOL CONSULTING S.A. FORTHNET SA HELLENIC COMPANY OF TELECOMMUNICATIONS AND TELEMATIC APPLICATIONS PAPADOPOULOS PANAGIOTIS ETEP
17	ThPA SA Internet access and use services	€32,252	13/04/06 - 13/04/08	ARGYRIOS S. SENEKIS & SONS LTD PANEL CONSTRUCTION AND TRADE
18	Supply of one (1) Open Area 250-500kVA Substation	Total price €17,750.00	17/04/06-17/04/07	SENEKIS FOTIS VONDIKAKIS IRAKLIS ALTERNATIVE BATTERY MANAGEMENT SYSTEM
19	Management of the used batteries produced at the ThPA SA areas and premises	Contractual counterpart	19/04/06-17/04/07	NORTH AEGEAN SLOPS ILIAS S. ORFANIDIS COLLECTION, TRADE OF WASTE & INDUSTRIAL CLEANING SERVICES
20	Collection, transportation and disposal of the oil waste produced at the ThPA SA areas and premises	Contractual counterpart	19/04/06-19/04/09	ILIAS ORFANIDIS MOTORIST
21	Management of used rubber produced at the ThPA SA areas and premises	Contractual counterpart	03/08/06-03/05/09	ECOELASTIKA ECOLOGICAL RUBBER MANAGEMENT SA ALTERNATIVE RUBBER MANAGEMENT ANDRITSOS ANDREAS AGGELIDIS IOANNIS 35 & VAS. KONSTANTINOU
22	Lease of one (1) split truck in the exclusive ownership, possession and occupation of ThPA SA	€19,200.00	01/06/06-01/06/08	KOKKINAKIS KONSTANTINOS
23	Cargo handling	Contractual counterpart based on the handling	15/10/06-31/12/06	ROMYLOS DAVELOPOULOS SA MARINE COMMERCIAL WORKS

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24	Presentation of ThPA SA on the 24 th , 25 th , and 26 th of July 2006 in Germany	€12,300.00 + VAT	Presentation of ThPA SA on the 24 th , 25 th , and 26 th of July 2006 in Hamburg, Frankfurt and Munich correspondingly	"GUARDIAN TRUST A.C.H.E.P.E.Y."
25	Rendering of consulting services to ThPA SA, on matters related to competition	€89,305.00 + VAT working day value €1,865.00 + VAT	27/11/06-26/11/07	"OCEAN SHIPPING consultants limited"
26	Quality translation of the total of the educational material of the code of practice titled "Health and Safety at the Ports" of ILO. In compliance with the Memorandum of agreement between ILO and ThPA SA	€12,000 + VAT	Five months	"ARCHETYPON SA"
27	Rendering of ThPA Fixed Assets' Insurance Services	€629,683.57 for the 1 st year	01/07/06-30/06/09	ETHNIKI - INTERLIFE
28	Participation of ThPA SA in the Tourist Development Organization of Thessaloniki	Capital €30,000	Indefinite	
29	Participation of ThPA SA in the International Port Development Centre	1‰ of the turnover + 2% of the net income, with a minimum of €15,000 and a maximum of €95,000	30 years	

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Among the aforementioned agreements, some have been concluded by the company for the implementation of environmental protection preventive measures, being:

- Mitigation of pollution incidents, amounting to €9,948 annually
- Collection of ship garbage, amounting to €740,000 annually
- GREENPORT III, amounting to €20,000 annually
- Collection, transportation and disposal of lubricant oil waste
- Management of used rubber
- Collection of batteries

ii. On the 31.12.2006, the Company's pending subjudice liabilities towards third parties amounted to €956,489. No provision has been recorded for those liabilities, since the Administration believes that they will not have a significant effect on the financial status or the operation of the Company. The above amount comprises:

- Judicial claim of the National Railway Company, amounting to €206,385, for damages to wagons.
- Judicial claims of ThPA SA employees, amounting to €171,920, for which no final decisions have been issued.
- Other subjudice liabilities towards transaction partners and third parties, amounting to €569,813, which occurred from damages to third parties' cargos or assets by the insured machinery of ThPA SA.
- Other subjudice liabilities amounting to €8,370

iii. Moreover, the Company has signed agreements for the concession of areas. The Company's claims as regards those agreements are detailed as follows:

Agreements	Up to 1 year	amount	per	year
	€1,113,746			
	From 1- 5 years	amount per year		€486,834
	From 5 years and more	amount per year		€10,117

iv. Also, the eventual claims of ThPA SA against third parties amounted to €4,139,434. The above amount comprises:

- Claim of ThPA SA for seizure cargos, amounting to €3,634,725
- Various subjudice claims against the State, the Social Security Institute and third parties, amounting to €284,763
- Claim against third parties for Traffic Rules' fines (outside the Port Zone), amounting to €219,946.

38.TRANSACTIONS WITH ASSOCIATED PARTIES

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Administration members' remunerations.

During the twelve month period of the year 2006, the remunerations and attendance expenses paid to the members of the Board of Directors totalled €269,109.52. Two of the members of the Board of Directors of ThPA SA, under dependent labour relation, were paid, for the year 2006, an extra amount of €90,297.96. During the same period, the Management Executives, the Counting house executives, the Head Officer of the Legal Affairs Bureau, the internal auditors and the other executives of the company, were paid total remunerations amounting to €616,053.21.

Save for the aforementioned remunerations and transactions, no other business relations or transactions took place during the period 1/1/2006 -31/12/2006 and the current fiscal year between the company and the persons who participate in its Administration Bodies.

No loans were granted to the Chairman, the CEO, the members of the Board of Directors, the Management and other executives of the company and the personnel of the Internal Audit Department by the Company, save for the amount of €11,800.00 that was granted to the General Director of Administrative and Financial Support, and to the Director of Exploitation, based on the Company's personnel Labour Agreement. The repayment balance on 31/12/2006 amounted to €2,667.98 and €5,585.85 correspondingly.

The remunerations of the Management and other Executives are regulated by the Company's personnel Corporate Collective Labour Agreement, while the remunerations of the General Managers and the Legal Advisor are regulated by way of resolutions issued by the Company's Board of Directors. The remunerations of the Chairman and Deputy Chairman of the BoD/ThPA SA and of the Managing Director are regulated upon a decision of the General Meeting of the ThPA SA Shareholders.

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ANNEX I

CONCESSION AGREEMENT SIGNED WITH THE GREEK STATE

CONCESSION AGREEMENT

This agreement is entered into in Athens on this day, Wednesday July 27 of the year 2001 between:

The **GREEK STATE**, lawfully represented by the Ministers of Finance and Mercantile Marine, by virtue of Article 17 of L. 2892/2001, hereinafter called the “**State**”, on one part and

The stock company named “**Thessaloniki Port Authority S.A.**”, with registered offices in Thessaloniki (within the Port of Thessaloniki), lawfully represented by the Chairman of its Board of Directors Mr. Apostolos Genitsaris and by its Managing Director Mr. Sotiris Theophanis, hereinafter called “**THPA SA**” or “**THPA**” by virtue of THPA SA Board of Directors decision number 875/26.6.2001, on the other part.

1. SCOPE OF THE AGREEMENT – LEGAL BASE

1.1 The scope of this agreement is on behalf of the State, the concession to THPA of the exclusive right of use and exploitation of the lands, buildings and facilities of Thessaloniki port terrestrial zone, as stipulated in Article 2 herein, as well as the definition of the particular terms of this concession and of the relevant obligations of the parties.

1.2 This Concession Agreement (the “Agreement”) is entered into for the execution of Article 17 of L. 2892/2001 (G.G. A 46/2001), providing the possibility for the State to proceed to such concession, in combination with the current legislation ruling the port terrestrial zone as a communal public object, and more especially the provisions of the D.L. 2344/1940, as in force, of the L.D. 444/1970 and of the L.D. 377/1974, and the legislation in force on the THPA (especially L. 2688/1999, as in force).

1.3 Mention is made that the signature of the Concession Agreement has been approved by the Extraordinary General Meeting of shareholders of THPA SA held on April 11, 2001, according to Article 23^A of the Codified Law 2190/1920, as in force.

2. CONCESSION – DESCRIPTION OF CONCESSION OBJECT

2.1 The State hereby concedes to THPA and THPA accepts the concession of the exclusive right of use and exploitation of the lands, buildings and facilities of Thessaloniki port terrestrial zone, for the contractual duration and under the special terms and conditions stipulated herein.

2.2 For the purposes of this Agreement, the conceded right of use and exploitation, as defined in the following Article 3 (hereinafter the “Right”) shall extend, subject to Article 2.4, to the following concession objects:

(i) the covered or open air dry land sections (lands) of the terrestrial port zone of Thessaloniki Port, as written down and plotted as shaded section on the Survey Diagram dated

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May 2001 of THPA Technical Services, signed by the parties, attached hereto as Annex A and constituting a material and integral part thereof (hereinafter the "Terrestrial Port Zone"),

(ii) the extant, at the time of the signature of this agreement buildings, permanent structures, port works, alluvial deposits, improvements, internal roads and road accesses, the internal rail network, the underground or above ground public utility network sections, the components and in general the appurtenances of the Terrestrial Port Zone, meant as overlying or underlying the vertical projection of the Terrestrial Port Zone, as recorded and enumerated in Annex B hereto, signed by the parties, attached hereto and constituting a material and integral part thereof (hereinafter the "Buildings and Facilities").

(iii) the extensions, sites and works defined in Article 2.6 herein.

(iv) the marine zone of the Port as such is defined by the D.L.2344/40 and under its special terms and conditions.

2.3 The Terrestrial Port Zone referred to herein, is plotted and featured in Annex A hereto or/and occurs from the application to this day of the issued administrative acts on the land planning of the terrestrial port zone and of the Free Zone of the Port of Thessaloniki, in combination to the application of the provisions of the L.D. 444/1970 and of the L.D. 377/1974.

The Greek State undertakes to call forth within two years from the signature of this Agreement, the issuance of the necessary normative acts for the codification of the extant normative acts or/and the settlement of the boundaries of the terrestrial port zone, with an area and limits coinciding with those of Annex A'.

2.4 As an exception, the Right conceded hereby shall not cover the following cases:

(i) the buildings and facilities serving the needs of public services, companies or organizations, as strictly provided each time according to the provisions of the legislation in force and especially of Article 21 of the D.L. 2344/1940, as in force, as well as the area of the repair base of the Hellenic Coastguards. In case of doubt, the emergency contribution of the State and the special terms and conditions of exercise of the relevant right shall be defined by the parties as reasonably deemed, according to the legislation in force, to this Article and to Article 3.3 herein.

(ii) the sections of the terrestrial and marine area of the port required from time to time for reasons of evident needs of the national security and public order and security for the sheltering or accommodation of divisions of the Hellenic Armed Forces, the mooring and berth of vessels of the Hellenic Coastguards and of the Marine Corps further to notification of THPA SA that will be able to express its opinion as to the designation of the most appropriate and secure berth position.

2.5. The uses and the exploitation of the specially configured buildings of pier A' and its surrounding area are ruled by the Common Ministerial Decision number YPO/DIOIK/16968/27/03/2001G.G. FEK 375B 05/04/2001 of the Ministers of Culture and Mercantile Marine issued in execution of the seventh Article, paragraph 7 of L. 2688/99.

2.6 This concession and the conceded Right shall also rightfully extend to the terms of Article 3.

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2.6.1 Extension of the concession constituting the object of these present means the one referring:

(i) to the possible extensions of the Terrestrial Port Zone defined from time to time with the Administrative normative acts required by law and to the buildings and facilities on such extensions in the full magnitude of item (ii) of Article 2.2, that shall apply proportionally,

(ii) to the legally created alluvial deposits and banking up that constitute an extension of the Terrestrial Port Zone seawards, as well as to the works and facilities on the above, in the full magnitude of item (ii) of Article 2.2, that shall apply proportionally,

(iii) to the new building works, port, road and rail infrastructure works within the Terrestrial Port Zone and the additions and improvements of any nature occurring in application of the terms herein.

2.6.2 Subject to Articles 3 and 5, the above-mentioned extension of the Agreement shall happen rightfully and without need for readjustment of the concession consideration, provided the following concur on aggregate:

(i) the legal procedures and wordings have been kept and the permits and approvals required each time in relation to the execution of the relevant works have been obtained, and

(ii) the relevant works have been subsumed in the approved schedule of works foreseen in Article 7 herein or constitute maintenance or repair works contractually burdening THPA according to the provisions hereof.

In the cases where on the basis of these present, an additional consideration is foreseen, its level shall be defined according to the terms hereof and especially to Article 5, according to the special distinctions thereof.

2.7 THPA, as represented, declares hereby that the concession objects defined in Article 2.2, items (i) and (ii), i.e. the Terrestrial Port Zone and the Buildings and Facilities are already in its occupancy and are already the object of use and exploitation by THPA. In addition, it declares that it has received and accepted the above considering them fully appropriate for the purposes of this Agreement.

3. RIGHT OF USE AND EXPLOITATION

3.1 The right of use and exploitation of the concession objects (the "Right") mentioned in Article 2.1 herein consists in the possibility for THPA throughout the duration of these present to occupy, use and exploit the Terrestrial Port Zone, the Buildings and the Facilities, and the extensions under Article 2.6 for the purpose defined in paragraph 3.3, according to the terms and limitations of these present, with the following special content.

(i) The meaning of the use includes the natural occupancy and ruling of the concession objects and the forbiddance of their use by others, subject to the obligation of securing access to the users and means of navigation, as well as to the access rights of the State, according to the legislation in force, in such a way as not to impede the port operations and in general as to achieve the statutory objects of THPA.

(ii) The meaning of the use also includes the possibility of exploitation of the concession objects to shelter, install and serve the business and operation needs of THPA, in the context of its object and the legislation in force,

(iii) The meaning of the exploitation includes the possibility of valorization of the concession objects for the provision of port services against consideration to users of the port, the provisional concession against consideration of the use of areas and the realization of capital investments by THPA or thirds in buildings and facilities of any nature with the purpose of supporting new activities or extending existing ones, subject to Article 3.2 and to the current legislation.

3.2 The Right is firstly and mainly granted to achieve the objective of the Port of Thessaloniki and THPA undertakes to exercise it in direct relevance to the port action, to support activities and business initiatives that directly serve the provision of port services.

The exercise of the Right shall only be possible further to a specific agreement between THPA and the State and to an adjustment of the consideration according to the stipulations of Article 5 herein, provided the corresponding buildings and facilities, existing or new, are destined or used actually and mainly for purposes that are not directly related to the provision of port services, such as in particular for industrial, cultural, tourism and trade exploitation purposes (hereinafter the "Other Purposes").

3.3 During the exercise by THPA of the Right of use and exploitation of the concession objects, the following criteria shall be taken in account in order of priority:

(i) the protection of national security, as well as of public order and safety,

(ii) the National Port Policy, as such is each time defined by the competent Public agent,

(iii) the protection of the safety of navigation, of the port users and of the health and safety of THPA personnel,

(iv) the protection of the environment,

(v) the securing of the provision within the Port of Thessaloniki of all the port services expected from a modern port with international activity and proportional strategic position,

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under the strict agreement that the abolition of port services rendered today shall only take place further to a strict approval of the State,

(vi) the reinforcement of the national and local economy and the service of the local and international trade, and

(vii) the securing of the economic viability and profitable operation of THPA.

3.4 The meaning of the use and exploitation shall also include the suppression of existing facilities or the demolition of building facilities, provided such actions have been foreseen in the Investment Plan approved by the State, according to the stipulations of Article 7 hereof.

3.5 The exercise of the Right shall be subject to the limitations of Article 9 (Obligations of THPA SA), such limitations being agreed as material content of the Right. THPA SA shall not be able to oppose the Right against the State upon the exercise by the State of public authority for the protection of public interest and national security or upon the exercise of step-in rights in emergency cases and control foreseen by the law or these present. Similarly, THPA shall not be able to exercise the Right in a manner refuting the right of access of the users of Thessaloniki Port, save for to the extent this is foreseen by the law or for reasons of security, protection of the public interest or justified interests of THPA SA, always taking in consideration Articles 3.3 and 9.

3.6 The Right is granted to THPA for the duration agreed on herein in an exclusive manner.

3.7 The exclusive granting of the Right does not ignore the perspective of possible deregulation of the provision of port services. Should this happen, the contracting parties agree and undertake that, to the extent foreseen each time by the current legislation, THPA SA shall proceed to a further concession of the use and exploitation of the lands, buildings and facilities to companies rendering port services, provided and to the extent the latter will have obtained the required approvals. THPA SA shall conform to the legislative and normative provisions that will relate to the implementation of an environment of deregulation of the rendering of port services. However, to the extent this shall not be contrary to strict provisions of the European Community Law, the State undertakes, in such case, to ensure that THPA SA shall be the concession entity of the use and exploitation of the necessary lands, buildings and facilities to companies rendering port services and having obtained the required approvals, and shall define and collect the relevant concession consideration, in the context of the legislation in force each time.

4. DURATION

4.1 This Agreement is entered into for a defined duration and more specifically for an initial duration of forty (40) years, starting on the day of its signature and ending on the corresponding date of the year 2041.

4.2 The initial duration of these present may be extended one or more times and in any case within the maximum limits provided by law by means of a new written agreement of the parties and modification of Article 4.1. Should this Agreement be extended, its terms, including the terms on payment of the concession consideration may be reexamined and be subject to

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renegotiation. The contracting parties shall discuss a possible agreement on extension the latest five (5) years before the expiry of the initial Agreement duration or its possibly agreed on extension of duration.

4.3 This Agreement may be terminated before the expiry of the agreed on duration for a major reason, according to the stipulations more particularly contemplated in Article 13 hereof.

The termination or expiry of this Agreement and provided, in the second case, no extension has been agreed on, shall entail rightfully THPA obligation to hand over to the State the occupancy, use and exploitation of the concession objects, subject to Article 8.3. Exceptionally, any early termination of this Agreement shall not entail an obligation of handing over to the State any of the concession objects possibly conceded up until then to third parties according to the terms hereof, provided however that THPA has secured, concerning these concessions a right of immediate and damage free substitution in favour of the State to the whole extent of the rights of THPA from such concessions, including a relevant clause in the relevant agreements. In any case, the duration of such concessions to thirds cannot extend beyond the agreed duration of this Agreement.

4.4 In case of termination or expiry, THPA shall hand over the concession objects to the State in the condition foreseen in Article 6.4.

4.5 The handover time schedule and procedure in case of termination or expiry shall be agreed on in good faith by the parties in order to serve the priorities of Article 3.3 hereof. In case of disagreement of the parties concerning the above definition, the handover time schedule and procedure shall be defined by the competent courts, also taking in account the criteria and priorities of Article 3.3.

4.6 Regardless its termination or expiry, the terms of this Agreement shall remain valid and shall bind THPA and the State for the whole time interval between the termination or expiry and up until:

(i) the receipt of an irrevocable court decision on possible contestations of the validity of the termination by the State provided such contestations are brought in good faith and in an a due manner procedure wise, or

(ii) the possible designation on behalf of the State of a substitute successor legal person, as an entity with right of use and exploitation of the concession objects within the Port of Thessaloniki, or

(iii) the completion of the renegotiation and the achievement of a new agreement concerning a new concession to THPA.

The State step-in right shall remain valid throughout the above condition and can be exercised should the relevant circumstances occur.

5. CONCESSION CONSIDERATION

5.1 The State proceeds to the concession of the Right for the duration of Article 4.1 against a consideration that shall be paid by THPA. The concession consideration is defined in the following paragraph 5.2 and has been agreed on further to negotiations of the parties, after having taken in account that THPA A.E. and its assignees have significantly contributed up until now to the setting of the concession objects in their present shape and have mainly undertaken the financing of the execution of the existing works of any nature (port and other) defined in Annex B' hereto. Consequently, the factor of previous investments has been counted in the consideration that is agreed and reckoned by the parties as fair and reasonable.

5.2 Concerning each of the first three (3) years of this Agreement, that will, for the sake of calculating the concession consideration, be identified with the corresponding corporate financial years of THPA SA, it is agreed that the concession consideration shall equal at first the percentage of one percent (1%) of the total consolidated yearly income of THPA for the relevant financial year, save for the extraordinary income, the income of previous financial years and the income from financial management. It is agreed that this percentage shall be adjusted rightfully after the third year elapses to a percentage of two percent (2%), maintained on the same calculation basis. The consolidated income shall include the income of companies of any legal form in which THPA participates, weighed by the percentage of participation of THPA and regardless of any concurrence of liability or existing option of accountancy consolidation.

5.3 The concession consideration of paragraph 5.2 shall be subject to further adjustment and increment during the initial duration of Article 4.1, in the following circumstances:

(i) in the case of extensions of the concession objects destined or indeed and mainly used for Other Purposes, by THPA or thirds, for which the State must grant its relevant approval. In such case, the additional consideration is agreed on by the parties case by case.

(ii) in the case of use or/and exploitation of existing buildings and facilities indeed and mainly used for Other Purposes, by THPA or thirds, for which the State must grant its approval according to the stipulations of paragraph 3.2 of this Agreement. In such case, the additional consideration shall be agreed on by the parties case by case.

(iii) in the case of renegotiation of this Agreement under the terms of Article 15 hereof.

Each readjustment shall be agreed on and recorded in an Additional Act entered into on the occasion of submission and approval of the Investment Plan of Article 7 hereof. Each Additional Act shall be signed by the representatives of the parties, shall be adjunctive to this Agreement, shall follow the duration of this Agreement and shall be governed by the whole of its terms except if exceptionally stated differently. Each Additional Act shall determine clearly as a minimum content, the terrestrial sections, the works, the buildings and the facilities it refers to, depending on the case, the relevant uses, as well as the corresponding additional concession consideration.

The parties agree that no additional consideration shall be owed in the case of works of maintenance or restoration of existing facilities of pure port character.

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5.4 The concession consideration shall be cleared and paid in one installment within the first fortnight of the month of [July] of each year in an account of the State kept in the Bank of Greece, its calculation being based on the consolidated financial data of exploitation of THPA of the most recent completed financial year. The above shall also be valid referring to any additional consideration that might be agreed according to Article 5.3, subject to the discretion of the parties to set a different audit and payment time as far as the additional consideration is concerned.

5.5 The payment of the consideration shall compulsorily be accompanied by a written clearance, care and liability of THPA, based on the accountancy data of THPA and its associated companies, on the possibly valid Additional Acts as well as on the possible other documents of determination of the State additional fee calculation basis foreseen in such Additional Acts. The written clearance of THPA shall feature the cleared consideration in categories and shall be sufficiently detailed in order to allow an easy cross checking based on the procedure of Article 5.6.

5.6 In case of disagreement between the parties as to the accuracy of the calculation for the determination of the amount of the consideration, i.e. provided a divergence is established between the internal clearance of THPA and the clearance further to the State control according to Article 10 hereof and such difference is not accepted by THPA, the State and THPA shall select a certified auditor (or an auditing firm) independent from THPA, and shall jointly entrust it with the audit in order to establish the existence and extent of any divergence. The findings of the independent auditor shall burden THPA provided such findings confirm the inaccurate calculation in view of the payment of the consideration. Should the clearance of THPA SA be confirmed, the above cost shall burden the State.

5.7 Any delay of payment, according to Article 5.4. hereof, shall result in burdening THPA with the legal interests.

5.8 The obligation of payment of a concession consideration shall in no case revert to a time earlier than the entering into of this Agreement.

6. DECAY/DAMAGE/MAINTENANCE OF CONCESSION OBJECTS

6.1 THPA SA shall bear the responsibility and the expenses of the current preventive maintenance of the concession objects and of any additional works and facilities, in order to maintain the possibility of continuous service of the users and the safety of the users and navigation workers, and in general, a smooth and unimpeded operation of the port.

The minimum specifications of ordinary preventive maintenance and the periodicity per type of maintenance are described in Annex C' hereto, that is signed by the parties, attached hereto and constitutes an integral part hereof.

6.2 THPA shall bear the responsibility of restoration and repair of extraordinary damages and decays of the concession objects for reasons due to defective use or lack of current preventive maintenance of the buildings and facilities. The restoration time shall be reasonable

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each time, provided THPA shall undertake without delay the straight-forward initiative of restoration.

6.3 In case of damages, decays or losses to the concession objects due to unforeseen natural reasons, mischievous or terrorist acts, hostilities, vandalism or to natural reasons, THPA and the State shall jointly bear the initiative and agree in good faith on the restoration expense allocation, in order to serve the purposes of Article 3.3, taking in account, as concerns the allocation, the particular vocation of the damaged facilities, i.e. if they mainly serve THPA activities or the public interest and the global operation and safety of the Port of Thessaloniki, the warrantor of which being also the State, as to the part relating to it.

6.4 At the time of termination or expiry of this Agreement and, subject to the provisions of Articles 3.2, 3.7, 4.4, 4.6, THPA shall be responsible to handover the up until then concession buildings and facilities of any nature in good condition, able to be used for the relevant purposes and taking in account:

- (i) The obligations and specifications of periodic preventive maintenance of Annex C',
- (ii) The reasonable wear and tear,
- (iii) the normal wear due to justified nonuse (only as concerns buildings),
- (iv) the possible decays, damages or losses under Άρθρο 6.3, and
- (v) the removal or demolition of facilities or building respectively approved by the State.

6.5 For the above handover further to termination or expiry of this Agreement, a relevant report shall be written up further to examination. The content of the report shall be compared to those of Annex B', as possibly amended up until then, taking in account the stipulations of Article 6.4.

7. EXECUTION OF WORKS

7.1 Throughout the duration of this Agreement, the parties reckon that the development of the Port of Thessaloniki as well as the fulfillment of its objectives and of the priorities of Article 3.3 render necessary the execution of works on the Terrestrial and Maritime Port Zone. This Article regulates, in the form of a framework, some issues related to the works that it is necessary or purposeful to construct during this Agreement.

In each case, the works are distinguished in common and national level works, according to the seventh Article, par. 3 of L. 2688/1999 and its possible amendments.

The parties may independently set, with a further agreement, the particular rules related to the categories of works that will complete the ones foreseen by this Article and the provisions of the legislation in force each time.

7.2 The work planning initiative shall be in principle undertaken by THPA. Exceptionally, the State may take the initiative concerning works of national level or of National Port Policy. THPA shall not be able to oppose the Right during the execution of works of national level, save and provided this is justified by the priority of the purposes hereof, as recorded in Article 3.3.

During the execution of works, the awarding authority shall be THPA, save for the works of national level or General Port Policy where the finance responsibility shall be borne by the State. In this last case, the State shall entrust THPA with all the procedures of drawing up the designs, putting the works to tender and execution (as Head Authority and Directing Service), according to the legislation in force on public works, while keeping the competence of awarding authority and bearing the expenses.

7.3 During the execution of works in general, THPA shall obtain, ensure and keep the required permits and approvals each time (including the formulations of this Article 7 and the approvals of the seventh Article of L. 2688/1999) and shall take any necessary measure to protect the safety of the users of the Port of Thessaloniki. THPA shall observe the provisions of the legislation in force, especially concerning the award (and the awarding procedure) of the execution of works, the safety of the users and of the workers and the security signage in the work site areas and in their accesses. The execution of works shall be carried out according to the provisions on execution of public works and up until the approval by law of the regulation of execution of works of THPA SA.

7.4 The execution of works shall be part of an Investment Program of THPA that shall be written out by THPA on a five-year basis and shall be specified in a yearly apportionment through Annual Work Programs (AWP). The State, by approving the Investment Program, undertakes the commitment to pay the part of the Public finance possibly foreseen with a simultaneous undertaking of the relevant obligation. In the case of self-financed works, THPA undertakes the relevant obligation.

7.5 The State shall contribute to the financing of works of national level, to achieve the vocation of Thessaloniki Port according to Article 3.3. Furthermore, the State may, at its discretion, participate in the financing of other works of Thessaloniki Port, in case such works are necessary for reasons of public interest or they contribute to the improvement or upgrading of the infrastructure in general or the rendering of port services.

7.6 In case of acceptance by the State of granting a financial, capital or credit contribution, support or aid, the State shall see to the carrying out of the necessary notifications and obtain the approvals foreseen each time by the European legislation on state aid.

The State shall comply with any special terms put by the European Commission concerning the provision of contribution, support or aid considered as state aid.

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7.7 The validity of this Agreement and the Right shall extend to new works, according to the special provisions of Article 2 hereof. In case of works financed or co-financed by the State, the adjustment of the concession consideration shall take place according to the provisions of Article 5, in reasonable proportion to the financing contribution of the State, in case of completion of works that have been co-financed by the Greek State, subject to the provisions of Article 7.6. In the case of works self-financed by thirds or co-financed by THPA, THPA shall be entitled to act freely, subject to the Articles 3.2, 5.3 and 7.3, as well as to any limitations of the Law. The exploitation of self-financed works cannot be conceded to thirds for a duration of time exceeding the duration of validity of this Agreement.

7.8 The obligations of THPA specified in Article 6 hereof concerning the maintenance and repair of facilities shall also rightfully cover any new works created during the period of validity of this Agreement.

7.9 Article 7.4 shall not apply to works that are already under execution at the time of signature of this Agreement.

8. IMPROVEMENTS

8.1 The Works and additions, extensions and improvements of the Terrestrial Port Zone, the Buildings and Facilities, shall rightfully devolve to the ownership of the State. The ownership status of the annexes that may be detached and of the improvements to mobile equipment shall be judged based on the provisions of the Civil Code. However, in case of early termination of this Agreement, THPA shall not be able to take the annexes that may be detached and the ameliorations if such have been co-ceded to pending concessions to thirds, in the rights of which the State has substituted THPA according to Article 4.4.

8.2 The new Works for which the procedure of Article 7 has been observed and any additions, reconstructions, repairs to buildings or other infrastructures and utility infrastructure that THPA proceeds to during the period of validity of this Agreement, to the extent they have been financed by THPA or by loan capitals paid by THPA, shall be deemed New Investments. THPA shall be entitled to compensation from the State relating to the non depreciated value of the New Investments at the time of termination or expiry of the Concession Agreement. Such non depreciated value of New Investments shall be calculated on the basis of the depreciation coefficients in force each time for tax purposes.

Subject to the liability of THPA pursuant to Article 6.4 above, the estimated non depreciated value of New Investments at the anticipated time of expiry of this Agreement, pre-settled and reduced to the current value (the "Current Final Non depreciated Value of New Investments"), may be counterbalanced with the concession consideration that shall be due during the last five (5) years of duration of concession, in whole or in part. In case of such counterbalance, the State shall be partly exempted from the obligation of the previous paragraph and THPA shall be exempted from the obligation of payment of the equivalent consideration. The pre-settlement shall take in account as critical time, the time of the periodic payment of the consideration. Any relevant calculation shall be carried out by THPA and be subject to a final adjustment and clearance at the termination or expiry of this Agreement. Any disputes as to the calculation of the

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Present Non depreciated Value of New Investments shall be resolved according to the procedure of Article 5.6.

8.3 Upon termination or expiry of this Agreement, THPA shall firstly be entitled to detach, dismantle and take the improvements that are susceptible of independent ownership according to Article 8.1. To its sole discretion, the State may keep such improvements, in whole or in part, to the extent it considers that they serve the operation of Thessaloniki Port as a whole, by paying THPA a consideration equal to their non depreciated value at the time of termination or expiry.

9. OBLIGATIONS OF THPA SA

9.1 During the exercise of the Right, THPA shall demonstrate the required diligence and care for the strategic, social and business vocation of the concession, as stipulated in 3.3.

9.2 Throughout the duration of this Agreement, THPA shall continuously and uninterruptedly provide a global range of port services. THPA shall ensure the covering of the needs of the users as shaped from time to time and shall intervene, subject to the legislation in force each time, to cover the needs and in relation to port services of which the provision might be deregulated in the future.

9.3 THPA shall see to the permanent upgrading of the level of services to the users, the improvement of the conditions of access and the securing of compatibility with forms of terrestrial transport.

9.4 THPA shall supply, maintain and keep in safe and operational condition, the satisfactory shearing infrastructure, vessels and terrestrial means of support of its port activity.

9.5 Concerning the Free Zone of Thessaloniki Port, THPA shall fulfill its special obligations pursuant to the Law and shall see to its secure delimitation and protection, with the help of the custom authorities and of the State.

9.6 THPA shall secure an equal access, a fair handling of users and shall avoid any unfavorable or preferential treatment.

9.7 THPA shall obtain, to the extent this is mandatory according to the legislation in force, the required approvals concerning the setting of its invoicing policy, in relation to the deregulated activities each time, observing the provisions of Article 21 hereof on the invoicing policy and the Consumer Obligation Chart.

9.8 THPA shall be responsible for the protection of the terrestrial and marine environment and the antiquities and shall abide by the provisions in force each time. THPA shall particularly see to and undertake initiatives to observe all the specifications in terms of management of sewage and waste and in terms of prevention and restoration of damages to the

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environment, in the zone of responsibility as such is defined in paragraph 2.2. herein, according to the legislation in force.

9.9 THPA shall see to:

(i) the installation and maintenance of the required port equipment for safe navigation

(ii) the regular dredging of the berths, of the port docks and vessel mooring positions only within the port zone,

(iii) the cooperation with the competent Services related to the above-mentioned obligations of THPA SA, and

(iv) the promotion of the safety level of the area of Thessaloniki Port.

(v) the imputation of the damage by thirds restoring expenses, according to legislation in force.

(vi) the timely information of the State concerning the initiatives taken by THPA that impede the fulfillment on behalf of the State of the State obligations or the implementation of the National Port Policy.

9.10 THPA shall comply with the provisions in force each time and governing the operation of Thessaloniki Port and of the Free Zone, the provision of port services and the access to users and to port services companies.

9.11 THPA shall facilitate the controls and inspections of the State foreseen by the legislation in force and by this Agreement and shall cooperate with any service of the State in the context of its pertinence.

9.12 The obligations covenanted herein shall not act in favor of any thirds nor shall they represent the foundation for any liability of THPA towards thirds.

10. STATE INSPECTION

10.1 Regardless of the controls foreseen each time by the current legislation and herein, in order to ensure the observance of the provisions of this Agreement, the State shall be entitled, through its competent organs, to proceed to regular inspections of Thessaloniki Port, so as to establish the proper fulfillment of THPA obligations as foreseen herein. The inspections shall be carried out regularly per year. The inspection shall be carried out by a team designated by the Ministers of Finance and Mercantile Marine. In every case of inspection, a report shall be written

up expounding the time of inspection and the detailed findings. A copy of the report shall be provided to THPA without delay.

10.2 Should a defect be established during the inspection and subject to Article 5.6 in the particular case of determination of the consideration, the State shall notify THPA, setting a reasonable deadline to cure the defect, depending on its nature and on the extent of the remedial measures. Upon expiry of the set remedial deadline, the inspection shall be reiterated to establish the remedial. Should the new inspection establish that the defect remains and is due to a default of THPA, the State may cure the defect using any means it considers expedient and appropriate at the expenses of THPA.

11. OBLIGATIONS OF THE GREEK STATE

11.1 The State shall, throughout the duration of this Agreement, grant THPA the necessary assistance to fulfill the vocation of the concession according to Article 3.3, in the context of the national and European community legislation in force.

11.2 The State shall see to ensure, maintain and develop the road and rail accesses for the users, the transportation means and the citizens in general as far as the limits of the Terrestrial Port Zone, as well as to keep the sea access from areas outside the maritime zone of the port, for the purpose of:

(i) unimpeded carrying out of the commercial, passenger and urban traffic and movement of pedestrians, vehicles and transportation means from and to Thessaloniki Port and its surroundings,

(ii) the increased range of Thessaloniki Port as to the handling of cargoes of any kind meant for land destination in the broader area of Northern Greece and neighboring states, and

(iii) securing the possibility of direct maritime and terrestrial access to the State services that have the competence, obligation or possibility to assist or intervene for the safety of persons, means and facilities within the terrestrial and maritime area of Thessaloniki Port.

11.3 The State shall ensure the existence and maintenance, to the best possible extent, of public utility networks (power supply, water supply, sewage, etc) as far as the limits of the Terrestrial Port Zone.

11.4 The State shall see, through its services, to the police, security and order observance within Thessaloniki Port, in the context of the legislation in force.

11.5 The State shall finance Works, according to the provisions of Article 7 hereof.

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11.6 The State shall inform THPA with regard to the decreative initiatives that may affect or increase its obligations pursuant to this Agreement and shall ensure to the best of its abilities the consultations between the representatives of its competent services and those of THPA concerning the initiatives and the intended legislative variations that affect in general the port action. THPA shall avoid applying policies that impede the compliance of the State with its international obligations.

12. FORCE MAJEURE

12.1 The parties shall not be liable for default in terms of fulfillment of their obligations under this Agreement, provided and to the extent that such default is due to an event of force majeure. For the purposes hereof, force majeure events shall be considered the conditions beyond the reasonable control of the parties, such as unusual weather phenomena, acts of God, earthquakes, epidemics, environment pollution conditions or concentration of toxic, biological or radioactive elements to an extent and degree threatening directly peoples' life, floods, war, warfare, terrorist or generalized conflicts and violent actions, rebellions, bombings, fire, explosion, interruption of power supply or damage of engines duly certified and any other similar or equivalent condition that cannot reasonably be predicted and handled immediately, autonomously or with the assistance of the other contracting party.

12.2 The contracting parties shall advise one another without delay and using any expedient mean immediately upon cognition of the occurrence of the force majeure event or circumstance and shall take all measures and cooperate in the best possible manner to mitigate such event or circumstance and to limit its extent, duration and effect.

12.3 The limitation of the parties' liability under Article 12.1 shall apply throughout the duration and extent of the relevant event or circumstance as long it is not possible to restore or to limit the extent, the duration and the effects of such event or circumstance.

12.4 In taking autonomous measures to confront the issues occurring due to force majeure and in planning the measures of cooperation for a joint mitigation, the parties shall observe the priorities of Article 3.3 of this Agreement.

13. TERMINATION

13.1 This Agreement may be terminated only by the State and only for a major reason related to the violation of a material contractual clause. A major reason in the sense of this Article is particularly brought forward by the following events:

(i) the repeated or continuing omission of fulfillment on behalf of THPA of its obligations as foreseen herein for the exercise of the Right conceded hereby, resulting in a threat to any of the elements (i), (ii), (iii), (iv), (v) and (vi) of Article 3.3,

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(ii) the repeated delay of payment by THPA to the State of the consideration due under this Agreement, as defined and adjusted according to the provisions herein,

(iii) the declaration of bankruptcy, compulsory administration or liquidation of THPA.

13.2 Should the State consider that any of the events constituting a major reason according to the above has happened, justifying the exercise of the termination right, according to the provisions of this Article, it may notify THPA in writing of the occurrence of the major reason, strictly mentioning the circumstances that, to its judgment, constitute a reason for termination of this Agreement and set, if possible, a time limit so that THPA may take any due measure in order to remedy the violation. Such notification is not required in the cases where the State step-in right is exercisable.

13.3 The termination is exercised with the notification to THPA of a termination document by the State, with immediate validity. The termination brings the end of this Agreement whereas, subject to the rights acquired by thirds under Article 4.4, the parties shall refrain from any activity they had the right to exercise under this Agreement.

(i) More specifically, upon termination of this Agreement, THPA shall hand over the Terrestrial Port Zone to the State, free of any equipment belonging to THPA, save for that equipment that has been conceded to thirds or that it does not intend to remove and to the stay of which the State does not object, within a time limit of three (3) calendar months. The parties may agree in writing an extension of the handing over deadline that however cannot exceed a six-month period. Up until the completion of the handing over procedure as evidenced by a relevant protocol of handing over – receipt signed by both contracting parties, THPA shall provide port services and maintain Thessaloniki Port in operation to serve at least the basic needs of the users.

(ii) Apart from the stipulations of Article 8.2 hereof, THPA does not maintain against the State any demand or claim for possible improvements in the Terrestrial Port Zone saved after the termination thereof.

13.4 Upon termination of this Agreement, the State rightfully substitutes THPA in all its rights and obligations with regard to all the works under development.

14. NON TRANSFERABLE

The Right and any right conceded herewith to THPA are meant non transferable, in whole or in part. The fact that the Right is defined as non transferable does not limit the possibility of further concession of the use of the concession objects in application of Article 3.1 (iii), in application of Article 3.7. and of the realisation of investments by thirds, under the terms herein.

15. RENEGOTIATION

15.1 The terms of this Agreement may be subject to renegotiation, in whole or in part, either in the cases where an additional consideration is required, according to the terms hereof, or in the case of a material change of the conditions, according to Article 388 of the Civil Code. It is agreed that the circumstances constituting a material change of conditions shall also include:

(i) the occurrence of a force majeure reason or of another reason justifying the step-in of the State according to the Law or to this Agreement for a duration of time exceeding three (3) months,

(ii) any obligation of the State in compliance with primary or derivative law originating from the European Union or with international conventions or treaties Greece has subscribed or adhered to, the achievement of significant technological progress, material demographic and other changes with currently unpredictable effects on the future operation and needs of Thessaloniki Port, subject to all the rights of THPA under Article 3.7 hereof, and

(iii) any reduction of the percentage of participation of the State in the share capital of THPA under the limit of 51%.

15.2 Each of the contracting parties shall be able to have the initiative regarding the commencement of the negotiations, notifying in writing the other contracting party of the issues proposed to renegotiation and of the circumstances justifying the renegotiation to its opinion. The contracting parties shall attend the negotiations within one month from the notification of the above document and shall attempt through debates of good faith, to settle the questioned issues by renegotiation or conciliation. Should an agreement be reached, such agreement shall be recorded in an Additional Act that shall amend, to the foreseen extent, the terms of this Agreement. The renegotiation shall take the criteria of Article 3.3 into account.

15.3 Should the contracting parties be unable to reach an agreement, then:

(i) either the issues shall be referred to resolution under Article 16, according to Article 372 of the Civil Code, or

(ii) this Agreement shall be terminated, provided there really exists a major reason.

16. RESOLUTION OF DISPUTES

16.1 Should any dispute, disagreement or contestation occur between the State and THPA, deriving or in relation to this Agreement, such issue shall be resolved according to the stipulations of the following paragraphs.

16.2 Provided the dispute is of technical nature, that is it concerns an issue purely technical, such dispute shall be resolved according to the legislation in force through expertise carried out by a three-member panel, comprising qualified engineers graduates from the schools of

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Greek universities or equivalent recognized foreign education institutions. Each contracting party shall be entitled to appoint, by written declaration to the other contracting party, one member of the panel within a time limit of twenty (20) days from the receipt of a written request by the other contracting party concerning the reference of the technical issue for resolution by the Panel of this Article. In case of untimely appointment of the member that any of the contracting parties is entitled to appoint, such member shall be appointed by the Technical Chamber of Greece (TEE), along with the third member of the Panel, according to the procedure that shall be set by TEE, further to a relevant request of any of the contracting parties herein.

The panel shall issue its expertise report the latest within three (3) calendar months from the date of acceptance of appointment of its members, as per above. The expertise report that shall be issued shall be binding to both the contracting parties. However, any of the contracting parties is entitled to bring the dispute before court judgment according to the provisions of the immediately following paragraph, within an exclusive time limit of thirty (30) working days. Should the expertise report not be issued and notified to the contracting parties in due time, the parties are not bound by such carried out expertise and have the right either to ask in a joint request for the appointment of a new Panel whereas the provisions already mentioned per appointment and expertise report issuing shall apply, or refer the dispute directly according to the provisions of the immediately following paragraph.

16.3 Any dispute, disagreement or contestation of the parties according to the above, that either is not of technical nature or, although of technical nature, is not resolved according to the provisions of the above paragraph, shall be resolved judicially by the Courts of Thessaloniki that are agreed to be the competent ones jurisdiction wise.

17. STEP-IN RIGHT OF THE STATE

17.1 The State shall be entitled to exercise a step-in right in the cases foreseen by the Law or this Agreement. To exercise the step-in right in execution of this Agreement, the State must have first established the step-in need, represented to this purpose by the Minister of Finance and the Minister of Mercantile Marine. By exercising the step-in right, the State proceeds to the interruption of any transactional activity and any Work. Subject to the provisions of the law, the step-in right is exercisable in a limitative manner:

(i) in case the State, as per above represented, reasonably deems (subject to the government acts) that:

(a) THPA transgresses a material obligation hereunder, to an extent and in such a manner as to provoke an immediate and major risk to the safety of the Port users in general, or

(b) due to an act or to an omission of THPA, there is or there is a threat of major disturbance or destruction of the environment and the extent and degree of the disturbance or destruction is such as to justify the step-in or the interruption of the exercise of the Right,

Provided, in each of the above under (a) και (b) cases, the State has previously granted a reasonable warning to THPA for a voluntary restoration and such deadline has elapsed materially idle.

(ii) in the case where THPA ceases fully or to a material extent and permanently rendering or abandons in fact the minimum services of Article 3.3 (iii) or ceases materially satisfying the minimum requirements of Article 3.3. for a reason that does not refer to an act or omission of the State,

(iii) in the case where for reasons beyond the planned maintenance, the taking of emergency measures to restore the safety of navigation or force majeure, Thessaloniki Port remains closed for users for a continuous period exceeding forty eight (48) ώρες,

(iv) in case the State deems that its step-in is required to prevent or ward off an immediate risk for the life or health of people, or

(v) in any case during which the State deems purposeful to step-in for the protection of national interests and for public order and security.

17.2 With the occurrence of any of the events of Article 17.1, the State may with the procedure of that same Article, suspend the validity of the Right and the State may put Thessaloniki Port, in whole or in part, under the administration and management of the State and may also take any measure deemed necessary to restore the circumstances that constitute the step-in justified grounds, observing the principle of proportionality.

17.3 The State step-in right shall rightfully end with the elimination or restoration of the circumstances that constitute the step-in justified grounds. In such case, the State shall hand over to THPA the management and administration of Thessaloniki Port and the Right shall resuscitate up until the agreed on expiry of this Agreement.

17.4 The exercise of the State step-in right pursuant to this article, shall not bar the exercise of the right of carrying out inspections pursuant to Article 10 nor the possibility of termination of this Agreement by the State.

18. AMENDMENTS

18.1 This Agreement may be amended only by a newer written agreement that shall be duly signed by the legal representatives of both parties.

18.2 In the case where, due to unexpected variation of the conditions, such amendment is required and one of the contracting parties refuses unduly its consent to the whole or part of the amendment, the other contracting party is entitled to invoke the rights occurring from Article 15 hereof.

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19. COMMUNICATION OF THE PARTIES

19.1 THPA shall submit to the State annual reports related to the condition of the concession objects, to the evolution of Works and to possible damages, disasters and wears thereof.

19.2 The State, being the owner, is entitled to proceed to remarks and recommendations to THPA concerning the use and condition of the concession objects and THPA shall comply with such remarks and recommendations, to the extent no divergence from the terms of this Agreement are introduced and the Right is not cancelled or limited, the purpose of the concession being also taken in account.

20. NOTIFICATIONS

Any communication or notification of the parties foreseen on the basis herein or realized in relation thereof shall be deemed validly made, provided it has been made in writing and sent, notified or delivered to the parties at the following relevant addresses and relevant designated recipients:

To the Greek State

- (A) Ministry of Mercantile Marine
Directorate of Ports and Port Works
To the attention of the Director
Fax: 4124332

- (B) Ministry of Finance
General Division of Public Property and National Bequests
Public Property Directorate
To the attention of the Director

Fax: +30 210 5237417

To THPA

Thessaloniki Port Authority SA
To the attention of the Chairman of the Board of Directors
Thessaloniki, within the port facilities
Fax: +30 2310 510500

The contracting parties may designate new recipients, by means of a written document notified to one another according to the provisions hereof.

21. INVOICING POLICY

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21.1 The approval of the service invoices of THPA shall be given by the Board of Directors of THPA, according to the stipulations of Article 12, par. 2 (16) of its Statutes, as incorporated in the eighth Article of L. 2688/1999, as in force. Increases of invoices may take place once per year. Further to every readjustment, the invoices shall be notified, in their valid form, to the Minister of Mercantile Navy.

21.2 During the preparation and application of invoicing dues, works and services, THPA shall ensure their transparent and homogenous observance and the avoidance of preferential handling of users; it is however entitled to grant scale discounts based on objective criteria that shall be clearly stated in its invoices.

21.3 THPA shall compile and review, as required, a Consumer Obligations Chart (C.O.C.) in which it shall specify, inter alia, its obligations towards the users in terms of rendering of quality services, management and time of response to the requests of clarifications or complaints. THPA shall ensure that updated copies of the C.O.C. are easily available to the public in the service areas within the Port of Thessaloniki.

IN WITNESS THEREOF, this Agreement has been written up in four (4) similar originals, two (2) for each of the contracting parties.

THE CONTRACTING PARTIES

For the GREEK STATE

**THE
UNDER-SECRETARY
OF FINANCE**

**THE
MINISTER
OF MERCANTILE MARINE**

A. Fotiadis

Chr. Papoutsis

For THESSALONIKI PORT AUTHORITY SA

The Chairman of the Board of Directors

The Managing Director

A. Genitsaris

S. Theofanis

ANNEX A': DEPICTION OF THE CONCESSION ZONE

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ANNEX B': RECORD AND DESCRIPTION OF THE CONCESSION BUILDINGS AND PORT FACILITIES

ANNEX C': CURRENT MAINTENANCE SPECIFICATIONS

ANNEX A': DEPICTION OF THE CONCESSION ZONE

ANNEX B': RECORD AND DESCRIPTION OF THE CONCESSION BUILDINGS AND PORT FACILITIES

ANNEX C': CURRENT MAINTENANCE SPECIFICATIONS

ANNEX B: INVENTORY AND DESCRIPTION OF THE CONCESSION BUILDINGS AND PORT FACILITIES

General Description

The port zone of THPA SA covers a surface area of approximately 1,550,000 m², and extends over a zone approximately 3,500 m long. It has 6,150 m of wharves, 6 piers, administrative and technical assistance buildings, warehouses, sheds, special equipment and other facilities.

Description of the Concession Building Installations

A detailed description of the concession building facilities within the port zone of THPA SA, follows. One should note that the regime of the Warehouses A, B, C, D and 1 has been regulated by the Common Ministerial Decision number 16968/27/03/2001 G.G. 375B/5.04.2001 of the Ministers of Mercantile Marine and Culture (article 17 par. 1 L.2892/2001). The right of use and exploitation of warehouses D and 1, complex B2 of warehouse B, warehouse C and the open area of Pier 1 are kept by the company.

1. Warehouse A

It is a two-storey construction of a total surface area of 2,070 m², on pier 1. It is located northeast of the building of THPA central offices and south of warehouse 1. It was built in 1904 as a storage area and was renovated in 1997 thereon hosting cultural events.

2. Warehouse B

It is a complex of two warehouses of a total surface area of 1,698 m², located at the southeastern side of Pier 1, on wharf 1. Built in 1904 as a storage area, it was renovated in 1997 and hosts cultural events thereon.

3. Warehouse C

Located at the southern end of pier 1 between the Port authority and Warehouse B. Its total surface area is 1,840 m². Built in 1904 as a warehouse, it was renovated in 1997. It includes social event areas, offices, a library, etc.

4. Warehouse D

It is a two-storey warehouse building of a total surface area of 2,000 m², located at the southern end of Pier 1. Built in 1904, it was renovated in 1997. It has two 250-seat movie theaters that may be also used as conference halls, with full cinema equipment and simultaneous translation facilities.

5. Warehouse 1

Located at the base of pier 1, north of warehouse A and southeast of the Passenger Terminal. It has a total surface area of 1,019 m², was built in 1904 and renovated in 1997. It has two 250-seat movie theaters that may also be used as conference halls, with full cinema equipment and simultaneous translation facilities.

6. Warehouse 6

Ground floor storage area situated between warehouse 9 and warehouse 7. The total surface area is 430 m². The building presents severe deterioration of the roof and walls. It was built in 1917.

7. Warehouse 7

A large storage area of a total surface of 1,530 m² located north and parallel to THPA main entrance road. It was built before 1917.

8. Warehouse 8

It is a ground floor warehouse of orthogonal parallelogram ground plan, located at the edge of pier 2 facing southeast. It has a total surface area of 1,986 m² and was built in the 1940's.

9. Warehouse 9

This warehouse consists of a large storage area totalling a surface of 1,540-m², located at the level of pier 2 and behind warehouse 10. It was built before 1917.

10. Warehouse 10

This ground floor of orthogonal ground plan is located east of the Free Zone office building and north of the Passenger Terminal. It has a total surface area of 2,020 m² and was built before 1917.

11. Warehouse 11

This storage building is located behind THPA warehouses 6 and 9. It was erected around 1917 and has a total surface area of 384 m².

12. Warehouse 13

This ground floor square storage area is located between the PAEGA building and the Free Zone – Financial Service office building. It has a total surface area of 830 m² and the space is divided in 2 sections. It was built in 1917 and renovated in 2001.

13. Warehouse 14

It is a large ground floor warehouse with a total surface area of 2,640 m² located north of PAEGA building and east of warehouse 15. Built around 1938, it was renovated in the 1990's. The space is divisible into three parts.

14. Warehouse 15

It is an old construction consisting of a ground floor storage area north of warehouse 16 and west of warehouse 14. Surrounded by asphalt roads, save for the western side where it adjoins the telephone centre, its total surface area is 2,565 m². It was built in 1938.

15. Warehouse 16

A small complex of three warehouses of a total surface area of 600 m², located west of PAEGA building and south of warehouse 15. It was built in 1938.

16. Warehouse 17

This large two-storey L-shape storage area occupies the southernmost end of pier 3. The second floor façade towards the sea features a setback. Its total surface area is 5,950 m². On its south and east facades as well as over the ground floor roof, a ramp has been provided for the operation of an electric travelling crane. It was built in 1947.

17. Warehouse 18

This warehouse is located at pier 3, southwest of warehouse 21 and northwest of warehouse 17. It was built in the 1940's while its total surface area is 985 m².

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18. Warehouse 20

It is an orthogonal ground floor storage area of a total surface of 3,320 m², located south of the cattle yards at wharf 11 and between piers 2 and 3. Function wise, it is divided into two sections, the eastern one with workshops and offices covering 1,000 m² in total and the western single space section covering 2,320 m² that is still in its initial state. The workshop occupies the northeastern side of the building covering a surface area of 330 m². The Floating Means Section of the E/M Division is sheltered in the southeastern part. The configuration has resulted into three workshop areas, that is the carpenter's workshop, the machine shop and the floating means warehouse, two office areas with water closet and kitchen, the staff canteen, lockers and white areas and the boiler room. The total surface corresponds to 670 m², 300 m² being covered by the workshops and 370 m² by the other rooms. It was built in 1964.

19. Shed Y2 of Warehouse 20

This shed is located in the continuity of warehouse 20, on wharf 11 and between piers 2 and 3. Its two large sides are open. The total surface area covers 2,200 m². It was built in 1992.

20. Warehouse Y3 facing Warehouse 20

It is closed along the sides of the ground floor shed located north of warehouse 20A. It covers a surface of 380 m², was built in 1963 and restored in 2000.

21. Open Shed Y1

This construction is located in the northern part of pier 2 and east of the material yard. It consists of two open sheds. One is 15 m wide and 45 m long with a surface of 675 m², the other is 15 m wide and 21 m long with a surface of 315 m². It was built in 1947.

22. Warehouse 21

This big warehouse of 4,030 m² surface area is located at wharf 12 of pier 3, east of warehouse 18 and north of warehouse 17. It was built in 1974.

23. Warehouse 22

Ground floor orthogonal storage area located in the Free Zone space at Wharf 15 and between pier 3 and pier 4. It has a total surface area of 4,030 m². The northeastern edge of the warehouse features a small customs office area and a customs guardhouse. It was built in 1974.

24. Warehouse 23

A big one floor warehouse located at the southern end of pier 4 within the Free Zone. It was built in 1974 and has a total surface of 4,030 m².

25. Warehouse 24

Ground floor orthogonal storage area located in the Free Zone and north of warehouse 26. Its total surface area equals 4,876 m². The eastern end of the warehouse hosts a small offices space, a toolhouse and W.C. It was built in 1974.

26. Warehouse 25

A big warehouse located at Wharf 23 in the Free Zone between pier 5 and the new pier 6 under construction and south of warehouse 27. It was built in 1974 and refit into a cold store in 1997. Its total surface area is 4,155 m².

27. Warehouse 26

Ground floor orthogonal storage space in the Free Zone south of warehouse 24. Its surface area is 3,196 m². South of the warehouse throughout its length and on the outer side, a ramp has been provided made of reinforced concrete to serve the adjacent rail line. The eastern end of the warehouse shelters a small office area and sanitation areas. It was built in 1982.

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28. Warehouse 27

Big single storey warehouse of 4,800 m² surface, located at the extension of pier 5 within the Free Zone. It was built in 1982.

29. Warehouse 8^{aa}

Located between warehouses 6 and 9, this warehouse is a ground floor covering 320 m². It was built in 1904.

30. Warehouse 8a

Ground floor storage area located at pier 2. It covers 1,224 m² and was built in 1947.

31. Central THPA Offices

This two-storey office building is situated at wharf 3 of pier 1 between the warehouses A and D. The initial building erected in 1939, was destroyed during the 2nd World War in 1944 and rebuilt in 1946 to its current shape. Its total surface area is 1,590 m². The building's ground floor hosts a lounge northeast, a small canteen and a Coast guards room southeast while the northwest part of the building comprises the offices of the financial fraud prosecution service and a shelter. The first floor is an office space.

32. Child Care Centre

This single storey building with mezzanine is located by gate 1, east of Warehouse 1 and south of the Army Warehouses. The total surface of the ground floor covers 300 m² and the mezzanine has a 150 m² surface area. The ground floor comprises the lobby, 4 rooms, a kitchen, the white areas and the staircase. The mezzanine is a single space. The building is used as a child care centre along with its fenced surrounding. It was built in 1963 as a storage area and refit in 1992.

33. Eastern gate 1 building

Located at the northeast edge of pier 1, east of entrance 1, it is a small ground floor construction hosting offices and covering 60 m². It was built in 1939.

34. Western gate 1 building

This ground floor construction of a total surface area of 33 m² demarcates the western limit of Gate 1 of THPA 1st Pier. It was built in 1939.

35. Gate 4 building

Located at the north part of pier 1 at gate 4 it is comprised in the small constructions of the 1st Pier entrance. It is a two-storey construction with a total surface area of 344 m². It was built in 1939.

36. Engine room (1st Pier)

This ground floor building is located at wharf 1 of pier 1, south of the waste pumping station and north of warehouse B. Its useful surface corresponds to 330 m². The building is separated into 8 sections and serves the facilities and buildings of the 1st pier. It was built in 2000.

37. Gate-house 4

Small and old ground floor building that is located east of warehouse 1. It has a surface area of 16.5 m². It was built in 1939.

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38. Warehouse 7 guardhouse

It is located in front of warehouse 7 facing the central part of the Customs – Passenger Terminal building. The total surface area is 25 m². It was built in 1993.

39. Free Zone – THPA Financial Service offices

Ground floor office building located between the warehouse 13 and the warehouse 10. In L shape it adjoins the cold store building to its south and west sides. It has a total area of 1,425 m². It was built before 1917.

40. Cold stores

This special storage – refrigerated area adjoins THPA financial service building to its northern side. It was built before 1938 and features an interesting building typology. The total surface area is 1,050 m²

41. PAEGA

This large storage building is located between warehouses 13 and 16. It consists of a ground floor and typical storeys of a total surface area of 13,716 m². The building is divided into two volumes by the longitudinal gallery – atrium located in the middle of its length. It was built in 1948.

42. Mechanical and Electrical Department Offices

This office space faces pier 2 and is located within the building complex of THPA workshops. It is a two-storey building of a total area of 446 m². The rooms are used for the offices and laboratories of the electromechanical department of THPA. It was built in 1995.

43. Material yard

This big warehouse occupies a prevalent position amidst THPA workshops. It was built in 1987 and has a total surface area of 4,030 m².

44. Workshops complex

The workshops area is located north of the material yard and east of the cattle yard complex. It is a building complex of workshops and machine shops. It was built in 1963.

45a. Crane – forklifts and movement offices

It is the largest and most characteristic building of the workshops. It faces warehouse 20 and its major part is a single storey construction while the machinery movement offices also expands on a floor. The building is longitudinally separated into four sections each having a different function. The first section 14 m long and 280 m² surface, is the electric travelling crane workshop. Internally, a small extempore office space is provided.

The second section has a surface of 700 m² and shelters the forklift workshop.

The third section hosts the machinery movement and mechanical department sections. Its surface area amounts to 700 m². The ground floor features offices, sanitary and restauration areas while other white areas and a 350 m² conference room can be found on the upper level.

The fourth section has a surface area of 870 m², and is the annex of the metallic repair shop. It was built in 1963.

45b. Automotive crane shop

It is located north of the workshops and touches the limits of the Port Zone and is characteristically high. Its surface area is 335 m². To the west side there is an extension used as an office. It was built in 1963.

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45c. Thermohydraulics shop

Located at the eastern side of the automotive crane shops and adjoining it, it has a surface area of 78 m². It was built in 1963.

46. Fuel facility

The facility is located at the south side of the material yard. It was built in 1994. Its total surface area is 72.10 m² and it includes office areas and fuel and diesel dispenser areas.

47. Mechanical Department Workshop

This single storey building has a surface area of 315.10 m². It serves the mechanical workshops and was built in 1995.

48. Repair and Maintenance Department of the Building Works Division

This ground floor building covering 550 m² in total is located east of the workshop complex and west of warehouse 15. The southern part of the building shelters two offices, W.C., a kitchen, a storage room and the boiler room. The central part comprises the staff lockers and white areas and the northern part of the building hosts the staff canteen. It was built in 1987.

49. Repair and Maintenance Department warehouses and laboratories

This ground floor building of a total surface of 720 m² is located north of the precedent one and adjoins it. It is internally partitioned into workshops. It was built in 1987.

50. Cattle yard complex

The cattle yard building complex consists of three buildings and two sheds and is located at the northernmost limit of the port, north of warehouse 20.

The complex and especially the central building feature constructions of particular architectural interest. It was built before 1940.

51. Church

Located east of the Security Service between piers 2 and 3, it is a modern construction with a total surface area of approximately 30 m². It was built in 1970.

52. THPA Security Service

This is a small two-storey building, located north of pier 3, south of the House of the Docker and west of the Church. The ground floor has a surface area of 236 m². The first floor has a surface area of 195 m² and includes three small storage rooms used by THPA security service. The west part of the ground floor consists of a storage room and two offices. It was built in 1970.

53. The House of the Docker

A large construction that is located behind the THPA security building and next to the military facilities. This two-storey building has a ground floor of 880 m² and a first floor of 484 m². The ground floor comprises a big lounge used as a restaurant and leading to another large room used as a locker room with W.C. and showers. The offices and auxiliary areas are on the first floor. It was built in 1972.

54. Technical Services Division

This three-storey office building is situated north of warehouse 22. It is an L shape building consisting of a ground floor and two upper floors. All floors are used for offices. The surface area of each floor is 660 m² and the total surface area amounts to 1,980 m². It was built in 1974.

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55. Free Zone – Customs guardhouse

This small ground floor orthogonal construction is located north of warehouse 22 and demarcates the free zone gate along with the above warehouse. It has a surface area of 36 m² and is used as the gate house of the Free Zone and the Customs offices. It was built in 1995.

56. Silo

This prominent building dominates pier 4, due to its height and volume. It covers 1,285 m² plus the associated sheds totalling 393 m² of surface. It consists of three main building volumes:

The offices,

The silo tower, and

The storage cells

It was built in 1963. The northern part of the Silo has two floors 21.60 m long, 8.60 m large, and 186 m² per floor totalling a surface area of 372 m², a floor height of 4.25 m and a volume of 1,581 m³. The ground floor shelters the transformer room, an open shed and the Silo workshop. The floor comprises a corridor, the panel user room, the locker room, the kitchen and sanitary areas. The Silo Tower is adjacent with a length of 21.60 m, a width of 5.70 m and a floor surface of 123 m². The Silo Tower has 14 floors, 12 over ground and 2 underground. It reaches a height of 52.30 m over the ground and a depth of 6.90 m under it. The volume of this part is 7,282 m³. The total surface area is 1,722 m² and the height of each floor 4 meters. The third section of the Silo occupies its southernmost part. It has a length of 42.6 meters, a width varying from 21.60 m to 23.10 m and a surface area of 976 m², while it reaches a height of 41.10 m over the ground and a depth of 4 meters under it. The total volume of this section is 44,018 m³. This volume is shared out into 48 upright storage areas of the Silo type. The total building volume is 52,880 m³. The building is used for the storage and reloading of bulk mainly agricultural products.

57. Special cargo Warehouse

This warehouse of a particular building form is located at wharf 18 of pier 4 west of the multi-storey silo. Its dimensions are 100 m × 47.20 m and its total surface area equals 4,720 m². It was built in the 1970's.

58. 5th pier dock

The dock is located at the eastern edge of pier 5. It consists of a dock and a two-storey building. The building is south of the dock and within the fencing of the complex used as office. Its dimensions are 7 m × 3 m, the height of a 3 m floor and a total surface of 42 m². It was built in the 1970's.

59. Fish-wharf Cold store

Two-storey building located in the maritime area at wharf 19 between pier 4 and pier 5. It is made up by various building volumes with a floor surface of 750 m² and a total surface of 1,500 m². The ground floor has three chambers and one engine room while the first floor comprises 4 chambers. It was built in the 1960's.

60. HRO Cargo Office

This ground floor building covering 37 m² is located south of warehouse 26 at a nodal point with the railroad network. The building is separated into two office spaces and a water closet. It is used by OSE (Hellenic Rail Organisation) as the 2nd THPA Cargo Office. Close by, there is a small THPA guardhouse covering 8 m². It was built in the 1960's.

61. Wagon Inspector Office

This single storey building is located at gate 13 northwest of warehouse 24. It has a surface area of 42 m² and comprises offices and white areas while it shelters the Loading-Unloading Section and the Wagon Inspector Office. It was built in the 1960's.

62. Timber Management Office

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This single storey building is located at gate 12 northeast of the disinsectisation area. It has a surface of 30 m² and comprises two office spaces and a water closet. It shelters the Timber Management office. It was built in 1970.

63. Electric Power Substation of the 5th Pier

Single storey building located at pier 5 north of the rain shelter. Its surface is 89 m² and it is used as an electric power substation while a small section on the northeastern side is used as an office. It was built in 1970.

64. Rain shelter of the 5th Pier

Single storey building located at pier 5, north of Pier 5 dock. Its surface is 100 m². It was built in 1970.

65. Container Terminal Offices (CTO)

A group of buildings and shed located at the entrance of the CTO.

The total surface area amounts to 1,480 m². It is a two-storey building for two of its parts and one storey for the other two, with four entrances. The ground floor counts a total of 24 office rooms and 8 W.C., while the floor comprises 11 office spaces and 4 W.C. in total. It was built in 1989 and 2000.

66. Warehouse serving the Container Terminal Machines (6th Pier)

Situated within pier 6, southwest of the container terminal offices building. The total surface area reaches 2,574 m². The warehouse serves the parking and repair of cargo handling machinery. A two-storey building has been erected at the warehouse front part of a similar construction with interior aluminium partitions. It was built in 1990.

67. Shed of the 6th Pier

An all-side open shed. It is an impressive modern metallic structure located in the northern part of pier 6, with a 60 m² a two-storey office building. The total surface area reaches 9,000 m². It was built in 2000.

68. 6th Pier Electrical Power Substation

A whole body reinforced concrete structure ending to a slab bearing 7 rooms of a total surface area of 183 m². It was built in 1990.

In addition to the above and in the broader area of Thessaloniki Port, the following buildings of smaller surface are also part of the concession:

69. Weighing houses at gates 10, 12 and 13. They were built in 1960.

70. Building complex at gate 14 (Guardhouse – Customs, weighing house, Entrance Gate-house). It was built in the 1990's.

71. Telephone centre adjoining the west side of warehouse 15. It was built in 1970.

72. Low areas pipe pumping stations (4). They were built in 1988 and 1990.

73. Gate-houses at gates 6, 9 and passenger terminal guardhouse. They were built in the 1990's.

74. Weighing houses at gates 9, 10, 11, 12, 13, 14 and passenger terminal. They were built in 1970 and 1990.

75. Special cargo storage facility office. It was built in the 1970's.

76. Public WC (6). They were built in 1980.

77. Cattle yards offices. They were built in the 1990's.

78. Substations of 2nd, 4th, 5th and 6th pier. They were built in the 1980's.

79. Water-regulator office. It was built in the 1960's.

80. Shelters (5)

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A. Description of Concession Port Facilities and Networks

The following table features the lengths, the front sea depth and information on the equipment (bollards, bumpers, etc.) of all Thessaloniki port wharves. The wharves, piers, etc. numbering appears in annex A.

Pier	Wharf	Seawall length (m)	Sea depth under MSL* (m)	Other elements** - equipment	Year of construction
1 st	4-5	-	-	-	1904
	5-6	145	-5.50	B	1904
	6-7	197	-8.00	B	1904
	7-8	90	-8.00	B	1904
	8-9	200	-8.00	B, B(rub)	1904
	9-10	400	-8.00	B, B(rub)	1904
2 nd	10-11	230	-8.00	B	1904
	11-12	10	-10.45		1904
	12-13	320	-10.45	B, B(rub)	1982
	13-14	240	-10.45	B	1939
3 rd	14-15	10	-10.45	B	1946
	15-16	240	-10.45	B	1946
	16-17	10	-10.45	B, B(rub)	1946
	17-18	134	-10.45	B	1946
	18-19	230	-10.45	B	1946
	19-20	175	-10.45	B	1950
4 th	20-21	10	-10.45	B	1962
	21-22	320	-10.45	B	1962
	22-23	10	-12.00	B	1962
	23-24	195	-12.00	B, B(tr)	1962
	24-25	320	-10.45	B	1962
	25-26	164	-10.45	B	1962
5 th	26-27	10	-10.45	B	1963-66
	27-28	350	-10.45	B	1963-66
	28-29	10	-12.00	B, B(tr)	1963-66
	29-30	190	-12.00	B	1963-66
	30-31	370	-10.45	B	1963-66
	31-32	184	-10.45	B	1963-66
6 th	32-33	10	-12.00	B	1972-89
	33-34'	625	-12.00	B, B(tr)	1972-89
	37'-38	590	-12.00	B, B(tr)	1972-89
	38-39	65	-12.00	B	1972-89
	39-40	100	-12.00	B	1972-89

* MSL: mean sea level at indication 0.97 m of Thessaloniki port tide gauge

** B: bollards, B(rub): rubber bumpers, B(tr): trapezoidal bumpers

All seawalls are manmade of precast non-reinforced concrete blocks. The seawall superstructure is made of cast in situ concrete. The superstructure of the wharves equipped with electric travelling cranes (E/C), is run by the E/C rail grooves.

A gallery runs through the superstructure of the 4th, 5th and 6th pier seawalls to host the pipes, cables and supply tubes.

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Railroad network

The concession area comprises a railroad network that extends throughout the concession zone. This network is linked to the national railway network.

Surfacing

The whole concession area is surfaced with asphalt, cement, sand gravel and natural paving setts.

Fencing

THPA area is clearly demarcated with a permanent fence that delimits its boundaries. Fencing is interrupted by a total of 14 Gates.

Water supply network

The terrestrial zone is fully served by a water supply network that splits into all the pier wharves and docks as well as into the internal areas.

Sewage network

The sewage network serves all the areas of the concession zone and depends on the city network.

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