

ATHENS WATER AND SEWERAGE COMPANY S.A. (E.Y.D.A.P)

CONDENSED FINANCIAL DATA AND INFORMATION FOR THE YEAR

JANUARY 1 2006 - DECEMBER 31 2006

(published in accordance to ASE regulations and under the RMD No 23681)

The financial data and information listed below provide a summarized view of the financial position and results of EYDAP. We recommend to our readers before any kind of investment or other transaction with the Company to visit the company's web site (www.eydap.gr) where the interim financial statements, according to International Financial and Reporting Standards, as well as auditor's Report are presented.

COMPANY'S INFORMATION

Domiciliation	Oropou 156 – Galatsi ,P.S. 111 46
Registration Number of S.A.	44724/06/B/99/52
Surervising Prefecture	Athens
Members of the Board of Directors	K.Kostoulas, A.Vartholomeos, Th.Georgakelos, E.Baltas, A.Manouris, G.Zafiropoulos, A.Spiropoulos, N.Sigalas, A.Giannouli, G.Mastragelopoulos, A.Protonotarios K.Galanis, E.Moutafis
Date of Approval of Financial Statements	29 March 2007
Chartered Public Accountants	M. Hatzipavlou & E. Giouroukos
Auditing Company	Deloitte Hatzipavlou, Sofianos & Kampanis Public Accountants and Business Consultants SA and Business Consultants SA
Type of Auditor's Report	Unqualified opinion – Emphasis of matter
Internet address	www.eydap.gr

BALANCE SHEET

Amounts in thousands of Euro

	<u>31.12.2006</u>	<u>31.12.2005</u>
ASSETS		
Non current assets	1.072.549	1.072.390
Inventories	17.039	17.676
Trade receivables	230.066	187.895
Other assets	<u>93.485</u>	<u>91.406</u>
TOTAL ASSETS	<u>1.413.139</u>	<u>1.369.367</u>
EQUITY AND LIABILITIES		
Non current liabilities	59.690	68.481
Reserves for employee benefits	169.043	160.702
Deferred subsidies and customer contributions	205.173	208.270
Short term loans and borrowings	114.522	83.576
Other current liabilities	<u>83.386</u>	<u>93.100</u>
Total liabilities (a)	<u>631.814</u>	<u>614.129</u>
Total Shareholders' Equity (b)	781.325	755.238
Minority interests (c)	0	0
Total Equity (d)=(b)+(c)	<u>781.325</u>	<u>755.238</u>
TOTAL EQUITY AND LIABILITIES	<u>1.413.139</u>	<u>1.369.367</u>

INCOME STATEMENT

Amounts in thousands of Euro

	<u>1-01- 31.12.2006</u>	<u>1-01- 31.12.2005</u>	<u>1-10- 31.12.2006</u>	<u>1-10- 31.12.2005</u>
Turnover	361.995	348.741	88.818	82.886
Gross profit (loss)	163.580	142.902	39.445	19.686
Earnings before tax, financial and investment results	53.129	38.935	10.412	(7.042)
Earnings before tax, financial, investment results and depreciation and amortization	74.150	62.788	15.823	(1.639)
Profit (loss) before tax	51.158	36.979	9.922	(7.600)
Less tax	17.835	16.995	3.783	(1.514)
Profit after tax from continuing operations	<u>33.323</u>	<u>19.984</u>	<u>6.140</u>	<u>(6.086)</u>
Attributable to Shareholders	<u>33.323</u>	19.984		
Minority interests	0	0	0	
Earnings per share after tax (in euro) - basic	0,31	0,19	0,06	-0,06
Proposed dividend per share (in euro)	0,11	0,07		

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Amounts in thousands of Euro

	<u>31.12.2006</u>	<u>31.12.2005</u>
Equity Balance at the beginning of the year (01.01.2006 and 01.01.2005 respectively)	755.238	741.486
Profit / (Losses) of the year, after tax	<u>33.323</u>	<u>19.984</u>
Increase/ (Decrease) of Share Capital	0	0
Distributed Dividends	(7.455)	(6.390)
Net income directly charged to equity	219	158
Purchase / (sales) of own shares	0	0
Equity Balance at the end of the year (31.12.2006 and 31.12.2005 respectively)	<u>781.325</u>	<u>755.238</u>

CASH FLOW STATEMENT

Amounts in thousands of Euro

	<u>1-01-31.12-2006</u>	<u>1-01-31.12-2005</u>
Cash Flows from operating activities		
Profit before tax	51.158	36.979
Adjustments for:		
Provisions	4.995	13.981
Customers' Write-offs	0	0
Depreciation and amortization	29.367	32.075
Amortization of customers' contributions and subsidies	(8.346)	(8.221)
Investment income	(21)	(21)
Impairment of investments	0	56
Interest and related income	(2.482)	(2.297)
Interest and related expense	4.474	4.274
Operating income before working capital changes / changes in operating assets and liabilities		
(Decrease in) Increase in		
Trade receivables	(44.859)	(27.003)
Other receivables	(7.867)	(7.904)
Long-term receivables	1.000	(3.569)
Materials and spare parts	364	713
Increase in (Decrease in) Operating Current Liabilities	(3.486)	(2.361)
Other current liabilities	4.483	7.904
Consumers' guarantees	842	797
Reserve for employees benefits	8.341	6.302
Minus:		
Interest and related expenses paid	(3.908)	(3.187)
Income Tax paid	<u>(23.251)</u>	<u>(21.107)</u>
Net cash from operating activities (a)	<u>10.804</u>	<u>27.411</u>
Cash Flows from investing activities		
Dividends received	21	21
Interest and related income received	1.453	2.256
Purchases of property, plant, and equipment	(23.550)	(41.761)
Purchases of intangible assets	(3.822)	(1.624)
Proceeds from customers' contributions and subsidies	5.250	6.190
Investments in associates	(60)	0
Net cash from investing activities (b)	<u>(20.708)</u>	<u>(34.916)</u>
Cash Flows from financing activities		
Proceeds from borrowings	94.905	75.500
Repayments of borrowings	(76.266)	(66.832)
Dividends paid	<u>(6.938)</u>	<u>(2.261)</u>
Net cash from investing activities (c)	<u>11.701</u>	<u>6.405</u>
Net (decrease) increase in cash and cash equivalents (a) + (b) + (c)	<u>1.797</u>	<u>(1.100)</u>
Cash and cash equivalents, beginning of year	12.221	13.321
Cash and cash equivalents, end of period	14.018	12.221

ADDITIONAL DATA AND INFORMATION

- The Company has been audited by the tax authorities up to and including 2004.
- There are no pledges on the Company's fixed assets.
- The number of employees as at 31 December 2006 and 2005 was 3.846 and 4.043 respectively.
- Lawsuits for civil law cases with claims of an amount of € 46 millions have been raised against the Company as at 31 December 2006. These lawsuits are mainly related with damages caused by floods (either because of broken mains of from rainfalls) or they are lawsuits of various trade creditors and subcontractors for violation of contractual terms. There are also pending litigations with employees of around € 22,8 millions. Against all these potential losses, when the pending litigation will be finalized, EYDAP has formed a provision of € 39 millions as at 31 December 2006 and of € 36,9 millions as at 31 December 2005, which are considered as sufficient.
- The turnover breakdown according to the statistical classifications of the branches of economic activity STAKOD 03 is 410.0 (NACE Rev 1.1 is 41.00 -ISIC Rev 3.1 is 4100): Water supply sales amount € 361.994.637,27 (Sewerage sales are included in this amount)
- The Company according to its establishment Law 2744/99, has signed a contract with the Greek State, according to which the Greek State undertakes the commitment for the subsidization of EYDAP either from the Community Funds or from the Program of Public Investments for the coverage of the 60% of the capital expenditure, which EYDAP pays for the maintenance, restoration, improvement or the expansion of the water supply and sewerage network system for the 8years period 2000-2008. Against the aforementioned investment program of around €1,22 billion, that includes, as already mentioned, also the maintenances, the Company has spent for capital expenditures as at 31 December 2006 an amount of € 352,40 millions, for which it has the right to receive a subsidy of around € 211,44 millions (352,40*60%), while for the maintenance expenditures the Company claims the corresponding subsidy. The Company against the subsidy that has the right to receive has received as at 31 December 2006 an amount of approximately € 9,08 millions. On the basis of the above mentioned the claim of the Company from the Greek State is raised to at least € 202,36 millions (211,44-9,08). Therefore this amount has not recorded in the accounts receivables with an equal debit of the long-term liabilities accounts, the carrying amount of which is gradually transferred in the profit/loss of the period in proportion to the depreciation rate of the subsidized water supply and sewerage network system. If the aforementioned journals were carried out then the profit/loss of the current and the previous year period will be improved by € 4,00 millions and € 5,00 millions respectively and the net equity will be improved by € 25 millions. It must be clarified that a decision made by the Extraordinary Shareholders Meeting of August 10th 2004 modified the company's investment programme ,however not affecting the above mentioned claim against the Greek State.
- In addition to these claims the Company has a claim for a subsidy for the maintenance expenditures according to the contract with the Greek State. It is not feasible to extract from the total amount of expenditures –a total of € 477,83 millions-related with the operation and maintenance of installations the exact maintenance item.Thus the corresponding subsidy has not been finalized between the company and the State until the conduction of the present financial statements .
- Transactions with related parties
Cumulative amounts from the beginning of the current economic use concerning purchases and sales together with the company's claims and liabilities at the end of the current economic use that have been resulted from its transactions with related parties in the sense of the IAS 24 are as follows :

	2 006	2005
Sales of goods and services	61.274	59.640
Claims	2 28.739	195.249
Transactions and Pavrolls of Directors and Members of the Administration	354	581

Athens, 29 March 2007

The Chairman of the Board of Directors	The Chief Executive Officer	The Chief Financial Officer	The Deputy Financial Officer
Kostoulas Konstantinos	Vartholomeos Antonios	Kakou Evagelia	Leventi Maria

