

## **SUPPLEMENTARY REPORT ACCORDING TO ARTICLE 11A OF THE LAW 3371/2005**

The present Supplementary Report of the Board of Directors to the General Assembly of the Shareholders contains information required by paragraph 1 of article 11a of Law 3371/2005.

### *a) Share Capital Structure*

Pursuant to article 5 paragraph 3 of Codified Articles of Incorporation of the Company, as this was approved at the 24th General Assembly of the Shareholders on 30.03.2006 the Share Capital of the Company currently amounts to sixty three million nine hundred thousand Euro (63,900,000) and is divided into 106,500,000 shares with a nominal value of Euro sixty pence per share (0,60).

According to article 7 paragraph 1 of the Articles of Incorporation the company's shares are ordinary and undivided.

According to the Article 10 of the Articles of Association of the Company, the rights and obligations of shareholders are the following:

1. Shareholders exercise their rights associated with the management of the company only via their participation in the General Meeting and other than that only in the cases specified by Law.
2. The rights and obligations of each share are vested on its legal owner and holder; ownership of a share certificate entails the ipso jure acceptance of the Articles of Association, the resolutions of General Meeting of Shareholders and the decisions of the Board of Directors passed in accordance and within their jurisdiction.
3. The shares of the Company are indivisible Vis-a-vis the Company and the Company recognizes but one owner of each share. Any ab indiviso co-owners of one share, as well as those having usufruct or bare ownership rights thereon, shall be represented in the General Meeting by only one person to be appointed by them unanimously.
4. If a share is not represented by one person, being a common representative of all co-owners, the Board of Directors is required to suspend all rights under such share.
5. Each share affords its owner the right of one (1) vote in the General Meeting and entitlement to a share in the profits of the Company and its property in case of liquidation.

*b) Restrictions on the transfer of the Company's shares*

The transfer of the Company's shares is performed as provided by the Law and there are no restrictions imposed by the articles of incorporation except from article 1 paragraph 10 of Law 2744/1999 according to which, the Greek State may offer to the public up to 49% of the share capital of the Company at the time of the offer.

*c) Material direct or indirect participations as these are provided by P.D. 51/1992*

Material direct or indirect participations as these are provided by P.D. 51/1992 with a direct or indirect holding of bigger than 5% of the total number of shares of the Company is held by the following shareholders:

<b>Shareholders &gt;5%</b>	<b>Number of Shares</b>	<b>%</b>
Greek State	65.000.000	61,033 %
Agricultural Bank of Greece S.A.	10.648.800	9,999 %
<b>Other Shareholders &lt;5%</b>	<b>30.851.200</b>	<b>28,968 %</b>
<b>Grand Total</b>	<b>106.500.000</b>	<b>100,000 %</b>

*d) Shares affording special control rights*

There are no shares of the Company that afford to their owners special control rights.

*e) Restrictions in the voting rights*

The articles of incorporation of the Company do not provide for restrictions in the voting rights. Articles 28 and 29 of the articles of incorporation regulate voting issues.

**Article 28: Depositing Shares – Representation**

- 1.** Each share entitles its owner to one vote at the General Meeting.
- 2.** Shareholders wishing to participate in a General Meeting must submit their share certificates with the Treasury of the Company or the Deposits and Loans Fund, or any Bank in Greece, at least five (5) full days before the date set for the session of the Meeting, without prejudice to the provisions of article 7, para.5, hereof.

3. Shareholders who are entitled to participate in the General Meeting may be represented there by another person duly authorized as prescribed by law.

4. The vouchers showing that the shares have been deposited as well as the instruments appointing a proxy must be presented to the Company at least five (5) days before the date set for the session of the General Meeting, without prejudice to the provisions of article 7, para.5, hereof.

5. Shareholders who fail to comply with the provisions of paragraphs 1 and 3 of this article may attend the session of the General Meeting only upon the permission of same.

6. The Greek State shall attend the General Meeting represented by the Minister of Finance or his representative, authorized in writing to this effect. The General Meeting is also attended, without voting right, by the Minister supervising the Company or his representative authorized in writing to this effect. Specifically for the election of members to the Board of Directors, the Greek State is represented in the General Meeting as a shareholder by the Ministers of Economy and Finance and the supervising Minister or the officer authorized by them.

#### Article 29: List of shareholders with right to vote

1. Forty eight (48) hours before each General Meeting a list of the shareholders having right to vote thereat shall be prepared as prescribed by law and posted at a conspicuous place in the office of the Company.

2. Such list shall include all the information prescribed by Law, such as the names of any proxies, the number of shares and votes of each shareholder, and the addresses of the shareholders and their proxies.

3. Should a shareholder have any objection against such list, such objections may be filed only at the opening of the General Meeting session and before any deliberation on the agenda commences; otherwise, such objections are inadmissible.

#### *f) Agreements between shareholders of the Company*

The Company is not aware of any agreements amongst its shareholders, which result to restrictions in the transfer of its shares or in the exercise of the voting rights that derive from them.

*g) Rules for the election and replacement of members of the Board of Directors and amendments to the articles of incorporation.*

The rules for the election and replacement of members of the Board of Directors are set out in article 11 of the articles of incorporation and are as follows:

**Article 11: Composition and Term of the Board of Directors**

**1.** The Company shall be managed by the Board of Directors; the number of members (Directors) shall be an odd number which may not exceed thirteen (13) or be less than seven (7). The General Meeting of shareholders has authority to specify the number of Directors as well as to increase or reduce such number, always within the limits prescribed in the present paragraph.

**2.** The Board of Directors is composed of the following:

**(a)** Two (2) representatives of the Company employees elected (along with their substitutes) in direct and universal vote as per the provisions of article 17, para.1, of Law 2469/1997 (Official Gazette A' 38) as applicable;

**(b)** Two (2) members representing the minority shareholders, in accordance with the provisions of article 18, paragraphs 3 and 5 of Codified Law 2190/1920, elected as specified in article 36 hereof;

**(c)** Representatives of the shareholders, elected by the General Meeting; such General Meeting shall not be attended by those shareholders participating in the Special Meeting provided for under article 36 hereof for the election of the remaining Board.

**3.** The Board of Directors is comprised of executive, non-executive and independent non – executive members as per the provisions of articles 3 and 4 of Law 3016/2002 as applicable.

**4.** The two (2) members elected by the Company workers shall be appointed within two (2) months as of their election. Until such appointment of the workers' representatives to the Board of Directors, the Board of Directors shall be constituted and shall function lawfully without such members. As of their appointment, they shall ipso jure participate in the composition of the Board which, if already constituted, shall be constituted a new in order to comprise such members.

**4. (a)** The non election or non appointment or non filling, for any reason whatsoever, by the minority shareholders of their representative members shall not hinder the constitution and operation of the Board of Directors and their number shall not be counted for arriving at the number constituting the quorum and majority.

**5.** In all cases, the Board of Directors shall be lawfully constituted and operating without the employees' representatives if the deadline specified in article 11, para.4, hereof lapses without such appointment. In this case, their number shall not be counted for arriving at the number constituting the quorum and majority.

**6.** The Directors' term of office shall be five years, ipso jure extended until the appointment or election of new Directors in accordance with the provisions of paragraph 2 et seq. of this article. Such extension may not exceed one (1) year.

**7.** Directors are freely revocable. Revocation and substitution is carried out by those having a right to elect or appoint as per the provisions of the above para. 2 of this article. The General Meeting may replace any Director elected as per the above paragraph 2, subpara. c, of this article before the expiration of their term of office.

**8.** The Directors may be reappointed or reelected without limitation and are revocable without limitation.

**9.** The Directors (members of the Board of Directors) may not be related by blood or marriage, up to the third degree of relation, and may not be contractors or suppliers of the Company under any form and they may not be Directors or employees of an enterprise which does business with the Company. The Directors may also be Directors or employees of a company which is related to the Company, as defined in article 42e of codified Law 2190/1920.

According to article 25 of the articles of incorporation the amendment of the articles of incorporation is a responsibility of the General Assembly of the shareholders.

*h) Responsibility of the Board of Directors for the issuance of new shares or the purchase of treasury shares.*

The responsibility of the BoD in regarding the issuance of new shares is set out in article 8 of the articles of incorporation which regulates the issues of the share capital increase, reduction and amortization. In paragraphs 1 to 4 of article 8 the following are noted:

**1.** For an increase of the share capital of the Company, a resolution must be passed by the General Meeting of shareholders of the Company on the amendment of the relevant article of the Articles of Association; such resolution is passed by the increased quorum and majority vote specified in article 31 hereof.

**2. (a)** Without prejudice to para, 4 of this article, it is expressly stipulated that under a General Meeting resolution published as specified in article 7b of Law 2190/1920, as applicable, the Board of Directors may be authorized to decide, in a decision to be

passed by a majority of at least 2/3 of its total membership, to increase the share capital in whole or in part through the issuance of new shares, up to the amount of the capital which is paid-up at the data on which such authority was granted to the Board of Directors.

**(b)** Such Board of Directors' authority may be renewed by the General Meeting for a term to not exceed five years for each renewal, its validity commencing after the end of each five year period. Such General Meeting resolution is subject to the publication formalities specified in article 7b of Law 2190/1920, as applicable.

**3.** A share capital increase decided as per the provisions of paragraph 2 of this article shall not constitute an amendment of the Articles of Association.

**4.** By exception to the provisions of the above paragraph 2 hereof, when the reserves of the company exceed 1/4 of the paid-up share capital, then a General Meeting resolution is always required for a share capital increase, passed as per the provisions of article 31 hereof ("Exceptional quorum and majority vote in the General Meeting"), as well as an amendment of the share capital article hereof.

Regarding purchase of treasury shares the provisions of Law 2190/1920 apply.

*i) Significant agreements that are put into effect, amended or terminated as a result of a change of control following a public offer.*

There are no agreements that are put into effect, amended or terminated as a result of a change of control following a public offer.

*j) Agreements with members of the Board of Directors or employees of the Company as a result of a public offer*

There are no agreements between the Company and members of the Board of Directors or its employees which provide for severance pay especially in the event of resignation or termination without cause or termination of the term of office or the employment due to the public offer.