



MOCHLOS S.A.

Technical Olympic Group

**Annual Financial Statements
for the Financial Year 2007
(1st January to 31st December 2007)**

It is confirmed that the attached Interim Financial Statements have been approved by the Board of Directors of "MOCHLOS S.A." on 26/03/2008 and that they have been made public by their submission to the Capital Market Committee and their posting on the internet, at www.mochlos.com. It is noted that the brief financial data published in the press aim at providing the reader with certain financial data in general but they do not give a full picture of the financial status and results of the Company and the Group, according to the International Accounting Standards. Furthermore, it should be noted that the brief financial data, published in the press, contain a number of abbreviations and reclassification of funds for simplification purposes.

Alimos, March 26, 2008

Chairman of the Board of Directors for MOCHLOS S.A.

Konstantinos Stengos

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BOARD OF DIRECTORS MANAGEMENT REPORT

Review of Important Events

The construction company MOCHLOS S.A. is one of the biggest construction companies in the country, holding the highest Contracting Enterprises Registry (MEEP) Construction Licence (7th grade). This allows it to rise to the challenges of the business environment, as it exists in our country, but also operate worldwide, in the most dynamic and effective manner.

The construction sector is one of the most important sectors of the Greek economy, and it is closely linked to the country's economic development, contributing to and shaping the country's GNP. Nevertheless, since the completion of the Olympic Games and after, total demand for construction projects has declined, reaching the lowest level since 1998.

Despite the difficult circumstances, the company, either as such or through joint ventures in which it participates, or through subsidiaries and branches, has managed in 2007 to accomplish significant part of its projects already undertaken and also to maintain its important presence in the sector, by signing new contracts for the execution of projects and further extending its activities abroad.

More specifically, the picture of construction activity of the company in the end of 2006 is as follows:

- The Company, as abovementioned, signed new agreements in this financial year totalling EUR 126.02 million, which are detailed in the Table below:

A/A	PROJECT	PROJECT OWNER	PROJECT VALUE €	% PARTICIPATION	MOCHLOS PRO RATA PROJECT VALUE (€)	CONTRACT DATE
1	MODERNIZATION AND RENOVATION OF IRRIGATION NETWORK OF ZONES A & B OF IOANNINA DISTRICT	MINISTRY OF AGRICULTURAL DEVELOPMENT	20.663.629,69	100.00%	20.663.629,69	20/3/2007
2	CONSTRUCTION OF PARKING COMPLEX AT THRIASIO PEDIO (A OPERATING PHASE) (A.D.540)	ERGOSE SA	59.353.600,97	100.00%	59.353.600,97	23/5/2007
3	CONSTRUCTION OF THE AIGIO TUNNEL AT THE KIATO-AIGIO PART OF THE ATHENS - PATRAS HIGH SPEED RAILWAY LINE	ERGOSE SA	53.573.027,91	70.00%	37,501,119.03	11/12/2007
4	GREEN LAKE (stage II)	GREEN LAKE DEVELOPMENT SRL	8.500.000,00	100.00%	8.500.000,00	2007

- The most important ongoing projects in Greece are the following:
 - 1) Construction of the Egio tunnel on the KIATO - EGIO section of the PATRAS - ATHENS high speed railroad line; the agreement is worth EUR 37.5 million,
 - 2) Construction of the right branch from the Anilio tunnel exit to the Malakasa tunnel exit; the agreement is worth EUR 38.5 million,
 - 3) Land fill and Technical projects for the railroad connection line of Neo Ikonio harbour with the railroad Network; the agreement is worth EUR 27.50 million.
 - 4) Modernisation and renovation of the irrigation network of zones A and B of the Ioannina Basin; the agreement is worth EUR 20.66 million,
 - 5) Construction of Thrasio Pedio Station Complex (1st Operational phase) (A.D. 540); the agreement is worth EUR 59.35 million.
 - 6) Renovation of the Meliton PORTO KARRAS Hotel, with a budget of EUR 18 million,
 - 7) Renovation of the Sithonia PORTO KARRAS Hotel, with a budget of EUR 32.6 million,
 - 8) Renovation of the Village Inn PORTO KARRAS Hotel, with a budget of EUR 4.5 million,
 - 9) Renovation of the winery and the other facilities of the PORTO KARRAS Estate, with a budget of EUR 11 million.

- The projects in progress in Romania are:
 - 1) Upgrade of Iacobeni-Sadova Road Section in Northern Romania; the agreement is worth EUR 54.6 million,
 - 2) Upgrade of CALAFAT – DROBETA TURM - SEVERIN Road Section in Northern Romania; the agreement is worth EUR 27.3 million,
 - 3) The extension of the Costantza Port; the agreement is worth EUR 22.8 million and
 - 4) The GREEN LAKE RESIDENCES construction project (1st phase); the agreement is worth EUR 37.07 million.

- The remaining backlog under construction at the end of 2007 amounted to EUR 258.57 million, of which EUR 195.91 million is in Greece and EUR 62.66 million is in Romania.
 - In the financial year 2007 under review, the Company's construction activities in the U.S. Home Building sector continued, in the context of the American company TECHNICAL OLYMPIC USA (TOUSA) operations, a member of the TECHNICAL OLYMPIC Group.
 - The signing of an agreement for a joint venture with the company AKTOR is expected to take place next month, for undertaking the execution of the project "RENOVATION OF THE INFRASTRUCTURE – LAYING OF TRACKS FOR ATHENS AND PIRAEUS ELECTRIC RAILWAYS (ISAP) AND REINFORCEMENT OF THE TUNNEL FROM OMONIA TO MONASTIRAKI;" the proportional budget value of the agreement for our Company amounts to EUR 39.32 million.

Financial Review

Analysis

The Company's positive progress is reasonably portrayed in the financial statements of 2007, and the basic financial data are as follows:

1. The consolidated turnover for the financial year 2007 under review from ongoing activities amounted to EUR 374.09 million compared to EUR 365.27 million for the previous financial year 2006, showing an increase of 2.41%. Respectively, the Company's turnover from ongoing activities amounted to EUR 368.32 million compared to EUR 360.16 million for the previous financial year 2006, showing an increase of 2.27%.
2. The consolidated gross profits for the financial year 2007 under review from ongoing activities amounted to EUR 20.99 million compared to EUR 12.72 for financial year 2006, showing an increase of 65%, while the consolidated gross profit margin increased from 3.48 % in 2006 to 5.61% in 2007, showing an increase of 61.21%. Respectively, the Company's gross profits for the financial year 2007 under review from ongoing activities amounted to EUR 18.79 million compared to EUR 9.68 for financial year 2006, showing an increase of 94.11%, while the Company gross profit margin increased from 2.69% in 2006 to 5.10% in 2007, showing an increase of 89.6%.
3. The consolidated operational profits (before taxes, financial and investment results) for the financial year 2007 under review from ongoing activities amounted to EUR 11.52 million compared to EUR 6.24 million in 2006, showing an increase of 70.98%. Respectively, the Company's operational profits (before taxes, financial and investment results) for the financial year 2007 under review from ongoing activities amounted to EUR 10.86 million compared to EUR 4.98 million in 2006, showing an increase of 117.95%.
4. The consolidated operational profits before taxes for the financial year 2007 under review from ongoing activities also showed a very significant increase (113.37%) and amounted to EUR 7.66 million compared to EUR 3.59 million in 2006. Respectively, the Company's operational profits before taxes for the financial year 2007 under review from ongoing activities also showed a very significant increase (221.3%) and amounted to EUR 6.94 million compared to EUR 2.16 million in 2006.
5. The consolidated net profits (after taxes) for the financial year 2007 under review from ongoing activities amounted to EUR 3.98 million compared to profits amounting to EUR 1.22 million in 2006, recording a very significant improvement. The Company's net profits after taxes recorded a comparable improvement for the financial year 2007 under review, from ongoing activities amounting to EUR 3.40 million compared to damages amounting to EUR 0.98 million in 2006.

Value Creation and Performance Assessment Factors

The Group keeps itself up to date with its performance, by means of the analysis of its main business sector, which, in accordance with IAS 14, involves activities in the construction sector.

The Group assesses the results and performance of the sector on a monthly basis, thus detecting any divergences from the objectives and adopting corresponding corrective measures in a timely and effective manner. The performance of the Company is measured with the use of international financial performance indices:

- **ROCE (Return on Capital Employed)** – “Performance of total capital employed”: The index divides the pre-tax profits and financial results by the total employed capital and in the financial year 2007 under review it amounted to 11.21% on a consolidated basis and 10.49% on a Company basis.
- **ROE (Return on Equity)** - "Equity Performance": The index divides the after-tax profits by the Equity and it amounted to 6.16% on a consolidated basis and 5.19% on a Company basis for the financial year 2007 under review.

Risk Management

Financial Risk Factors

The Group is exposed to financial risks such as currency exchange rate fluctuations, interest, credit risk, liquidity risk and fair value risk from interest rate fluctuations. The Group's overall risk management programme focuses on the best possible predictability of financial markets and seeks to minimise their potential negative impact on the Group's financial performance.

Risk management is carried out by the main reserves management department, which defines and assesses financial risks in collaboration with the departments exposed to these risks. Prior to conducting such transactions, the management staff, who have the right to bind the Group towards its other contracting parties, provide their approval.

Currency Risk

The Group is active on an international level and consequently is exposed to currency risk, derived mainly from the US Dollar, but also from the exchange rate fluctuations between RON and EUR, due to the Group's activity in the Romanian market. This risk mainly arises from future commercial transactions and liabilities that are conducted in the Romanian currency. For the time being, the Group has not adopted tools for compensating currency risk. Notwithstanding, within the framework of adequately meeting the

above-mentioned risk, it is in constant communication with its financial advisors, in order to continuously define the optimum compensation policy in a constantly changing environment.

Credit Risk & Liquidity Risk

The Group is exposed to concentrations of credit risk, as a significant section of its income (more than 60%) is derived from sales to the State, thus as a rule this income is collected from the customers with some delay, which varies from 1-2 months in Greece and up to 3-4 months internationally. In order to cover these delays and to ensure the necessary liquidity, the Group has adequate bank limits for the pre-payment of signed accounts from banking institutions.

For this reason the liquidity index is maintained at relatively satisfactory levels, as the Group seeks to maintain adequate reserves and directly liquidable securities or other assets, but also bank credit limits.

Fair Value Risk from Interest Rate Fluctuations

The Group's operating income and cash flows are influenced by interest rate fluctuations, but not to a significant degree. The Group does not have any significant interest bearing items, and the Group's policy is to maintain almost all its total borrowing in fluctuating interest rate products. At the expiration of the management period, total borrowing was in fluctuating interest rate loans. Interest rate risk mainly stems from loan liabilities, but also from financial leasing liabilities.

Corporate Governance

The Group has adopted the Principles of Corporate Governance, as these are defined by the Greek Legislation in force and international practice. Corporate Governance as a set of rules, principles and control mechanisms, on the basis of which a company is organized and governed, aims at transparency towards the investing public, as well as ensuring the interests of its shareholders and of all those connected to its operation.

The Board of Directors of MOCHLOS S.A. consists of seven (7) executive and five (5) non-executive members. Of the non-executive members, two (2) fulfil the requirements, which, in accordance with the provisions of Law 3016/2002 on Corporate Governance, to be named "Independent."

The evaluation and improvement of the risk management and internal audit systems, as well as the ascertainment of compliance with the institutionalised policies and procedures as defined in the Company's Internal Operation Regulations, current Legislation (mainly regarding the Stock Exchange)

and the decisions of the Board of Directors, have been assigned to the Internal Audit Administration, which operates as an independent organizational unit and reports directly to the Board of Directors.

Social Accountability

The contribution of the Group at a technological, infrastructural but also at a socio-economic level is significant.

The Company invests in the continuing education and training of the persons on its staff, so that they are in a position to respond to modern corporate needs and developments, aiming at providing quality products and services, that satisfy the market's needs and, at the same time, promote values that serve society and protect the environment.

Important Events following Expiration of the Financial Year

By the decision of the Company's Board of Directors on 7 January 2008, it was decided to stop the operation of all the units of the industrial branch (production and trade of ready-mixed concrete) in the Patras and Igoumenitsa areas, due to the intensely negative conditions that had been created, the very severe competition, but also the continuous negative results, year after year, registered from this branch's operation.

The said activity does not constitute a major pillar of activity for the Company, while it only has a superficial contribution of 1% to its total turnover.

The results from the activity of the industrial branch are shown in the Company results as results from discontinued operations and they are analysed in paragraph 5.

Outlook for the New Year

The positive data and the prospects for further development, expansion and broadening of our activities will also characterize the new year.

The Group's strategy for continuous growth has set the following two primary objectives:

1. The widening of the volume and the budget, as well as the backlog of incomplete projects, while simultaneously seeking to expand the construction operations to include concession works or through Public-Private Partnerships.
2. Expansion of the Group into new markets via expansion of activities into other countries beyond those in which it is already active.

Dividends Policy – Net Profits Allocation

Dividend will not be paid to Company shareholders for the 2007 financial year.

Alimos, March 26, 2008

The Chairman of the Board of Directors
of **MOCHLOS SA**

Konstantinos Stengos

EXPLANATORY REPORT OF THE MOCHLOS S.A. BOARD OF DIRECTORS TO THE ORDINARY GENERAL SHAREHOLDERS MEETING OF THE COMPANY PURSUANT TO LAW 3371/2005

The present explanatory report of the Board of Directors to the Ordinary General Shareholder Meeting contains analytical information regarding the issues of paragraph 1, article 11a, of Law 3371/2005.

Structure of the Company's Share Capital

The share capital of the company amounts to € 73.410.192,00 divided into 73.410.192 common registered shares of a nominal value of € 1,00 each.

All shares are registered and listed for trading on the Athens Stock Exchange.

Each share has a voting right to the Shareholders Meeting.

Each share provides all rights and obligations defined by law and the company's Articles of Association. The Shareholders obligation is limited to the Nominal Value of the shares they own.

Limitations in Transferring Company Shares

Transfer of Company shares is carried out according to the Law, with no restrictions stipulated by the company's Articles of Association.

Significant Direct or Indirect Participations Pursuant to Presidential Decree 51/1992

On 31/12/2007 the following shareholder had more than 5% of the total voting rights of the company:

FULL NAME	PARTICIPATION PERCENTAGE
TECHNIKI OLYMPIAKI SA	48.2%
STENGOS KONSTANTINOS	5.7%
DIEKAT SA	5.8%

Shares Granting Special Control Rights

There are no Company shares granting their owners special control rights.

Voting Right Limitations

No voting right limitations are stipulated by the Company's Articles of Association

Agreements between Company shareholders

The company is not aware of an agreement between Company Shareholders that result in restrictions to the transfer of shares or limitations to exercising voting rights and same are not stipulated in its Articles of Association.

Regulations on the appointment and replacement of BoD members and on the amendment of Articles of Association, differentiating them to the ones stipulated by Codified Law 2190/1920 as it is applied today

The regulations provided by the Company's Articles of Association regarding the appointment and replacement of members of the Board of Directors and the amendment of provisions of its Articles of Association are no different than those stipulated in C.L. 2190/1920 as it is applied today.

Competency of the BoD or certain BoD members regarding the issuance of new shares or the purchase of own shares, pursuant to article 16 of C.L. 2190/1920 as it ios applied today

Following the resolutions of the Shareholders General Ordinary Meeting dated 29.6.2005 the Board of Directors was granted the authority, pursuant to paragraph 1b of article 13 of c.l. 2190/1920 as it applies today and for a period of five (5) years from the decision that is until 29.6.2010, to proceed with partial or full share capital increase via rights issue up to the current amount and the issuance of new shares.

Significant agreements, which come into force, are amended or terminated in the event of change of control of the Company, following a takeover bid

There are no agreements, which come into force, are amended or terminated in the event of change of Company control, following a takeover bid.

Agreements with members of the Board of Directors or Company personnel

There are no agreements between the Company and members of the Board of Directors or its personnel, which provide for the payment of compensation, especially in the event of resignation or termination of employment without reasonable grounds or termination of term or employment due to a takeover bid.

CHARTERED ACCOUNTANT – AUDITOR’S REPORT

To the Shareholders of **MOCHLOS S.A.**

Report on the Financial Statements

We have audited the attached Financial statements of “MOCHLOS S.A.” (the “Company”) as well as the consolidated financial statements of the company and its subsidiaries (the “Group”), which consist of the company’s and the consolidated balance sheet, dated 31st December 2007; also we have checked the statements of results, changes in equity and cash flows during the financial year that ended on that date along with a summary of important auditing policies and other clarification notes.

Management Duties with Regard to the Financial Statements

The Company’s Management has the duty of drafting and reasonably presenting these Financial Statements according to the International Financial Reporting Standards, as same have been adopted by the European Union. The said duty includes the planning, the application and the maintenance of an internal control system with regard to the drafting and reasonable presentation of the financial statements, without significant inaccuracies due to fraud or error. The said duty also includes the choice and application of appropriate auditing policies and the formation accounting estimates that are reasonable in view of the circumstances.

Auditor’s Duty

Our duty is the expression of an opinion on the said Financial Statements, on the basis of our audit. Our audit was performed in accordance with the Greek Auditing Standards, which follow the International Auditing Standards. The said standards require that we comply with rules of ethics and we plan and carry out our audit aiming at reasonably ensuring that the financial statements are free from significant inaccuracies.

The audit includes following procedures for the specification of auditing assumptions with regard to amounts and information included in the financial statements. The procedures are chosen at the auditor’s judgment, taking into consideration a risk estimate of significant inaccuracy in the financial statements, due to fraud or error. To assess that risk, the auditor takes into consideration the internal control system with regard to the drafting and reasonable presentation of the financial statements, with the purpose of planning auditing procedures in view of the circumstances and not expressing an opinion on the effectiveness of the internal control system adopted by the Company. The audit also assesses the appropriateness of the auditing policies applied and the validity of the estimates made by the Management; it also evaluates the entire presentation of the financial statements.

We believe that the audit assumptions that we have gathered are sufficient and appropriate for the substantiation of our opinion.

Opinion

In our opinion, the attached company and consolidated Financial Statements reasonably present, from every significant aspect, the financial status of the Company and the Group as of 31 December 2007, their financial performance and cash flows for the financial year that ended on that date, according to the International Financial Reporting Standards, as same were adopted by the European Union.


Without expressing a reservation as to the conclusions of our audit, we emphasize your attention to Note 6.42 which is presented to the notes of the Financial Statements, which concerns the unaudited for tax purposes fiscal years of both the Company and its Subsidiaries, potentially bearing additional taxes and surtaxes at the fiscal year they will be audited and finalized. The outcome of the tax audit cannot be predicted at present and therefore the financial statements do not include any prediction regarding the said matter.

Reference to Other Legal and Regulatory Issues

The Board of Directors report contains information pursuant to articles 43^a paragraph 3, 107 paragraph 3 of cl. 2190/1920 as well as to article 11^a of cl.3371/2005 and whose content is consistent with the attached financial statements

Athens, March 28, 2008
The certified auditor accountant

Georgios A. Paraskevopoulos

Body of Chartered Accountants & Auditors Registration No 11851
Grant Thornton 
44 Vasileos Konstantinou Street
116 35 Athens
Body of Chartered Accountants & Auditors Registration No 127

BALANCE SHEET

<i>Amounts in € .000</i>	note	GROUP		COMPANY	
		31/12/2007	31/12/2006	31/12/2007	31/12/2006
ASSETS					
Non Current Assets					
Fixed Assets	6.1	24.571	26.209	24.325	25.716
Intangible Assets	6.2	118	162	115	161
Investments in Subsidiaries	6.3	0	0	4.269	2.671
Investments in Associates	6.4	548	1.675	0	0
Financial assets available for sale	6.5	19.979	19.916	19.979	19.916
Investments in real estate	6.6	11.125	10.899	11.125	10.079
Other long-term receivables	6.7	843	376	840	1.372
Deferred tax receivables	6.8	0	15	0	0
Total		57.184	59.252	60.653	59.915
Current Assets					
Inventories	6.9	2.920	1.089	2.920	1.089
Receivables from construction contracts	6.10	41.270	36.781	39.630	34.620
Trade receivables and other commercial receivables	6.11	27.407	14.097	25.417	15.239
Receivables from Joint Ventures	6.12	1.884	2.303	1.258	1.685
Other Receivables	6.13	22.538	33.435	21.463	32.181
Financial assets at fair value through results	6.14	202	597	202	597
Cash and cash equivalent	6.15	13.886	10.415	13.261	9.837
Total		110.107	98.717	104.151	95.248
TOTAL ASSETS		167.291	157.969	164.804	155.163
EQUITY AND LIABILITIES					
Shareholders Equity					
Share Capital	6.16	73.410	73.410	73.410	73.410
Share Premium	6.17	14.405	14.405	14.405	14.405
Reserves from asset valuations in current values	6.18	2.311	2.498	2.311	2.039
Reserves from financial asset valuations available for sale	6.18	7.430	9.844	7.430	9.844
Other Reserves	6.17	6.075	6.116	5.708	5.708
Retained Earnings		(38.654)	(42.960)	(37.704)	(39.343)
Foreign Exchange Differences	6.19	(397)	1.456	(118)	0
Equity Attributable to Parent Company Shareholders		64.580	64.769	65.442	66.063
Third Party Rights		125	157	0	0
Total Equity		64.705	64.926	65.442	66.063
Long-term Liabilities					
Deferred tax liabilities	6.8	7.389	3.191	7.374	3.191
Liabilities for employee retirement benefits	6.20	313	464	313	464
Future income from state grants	6.21	10	10	10	10
Long-term loans	6.22	8.916	7.378	8.916	7.363
Other Provisions	6.23	1.460	532	0	0
Other long-term Liabilities	6.24	13	804	13	13
Total long-term Liabilities		18.101	12.379	16.626	11.041
Short-term Liabilities					
Trade creditors and similar Liabilities	6.25	40.805	37.864	38.954	37.084
Current tax Liabilities	6.26	3.795	2.969	3.725	2.820
Short-term loans	6.22	29.134	20.533	29.129	19.520
Liabilities to Joint Ventures	6.12	567	695	567	695
Other short-term Liabilities	6.27	10.184	18.603	10.361	17.940
Total short-term Liabilities		84.485	80.664	82.736	78.059
Total Liabilities		102.586	93.043	99.362	89.100
TOTAL SHAREHOLDERS EQUITY & LIABILITIES		167.291	157.969	164.804	155.163

The attached notes are an integral part of these financial statements.

INCOME STATEMENT

Amounts in € .000

	note	GROUP		COMPANY	
		1/1/- 31/12/2007	1/1/- 31/12/2006	1/1/- 31/12/2007	1/1/- 31/12/2006
Continued operations					
Turnover (Sales)	6.28	374,087	365,271	368,320	360,157
Cost of Sales	6.29	(353,098)	(352,550)	(349,531)	(350,474)
Gross Profit / (Loss)		20,989	12,721	18,789	9,683
Administrative Expenses	6.29	(6,741)	(3,218)	(6,453)	(3,001)
Selling Expenses	6.29	(116)	(55)	(102)	(53)
Other Operating Expenses	6.30	(8,088)	(4,768)	(6,613)	(3,094)
Other Operating Income	6.31	5,475	1,555	5,235	1,446
Operating Profits / (Losses)		11,519	6,235	10,856	4,981
Financial Expenses	6.32	(3,881)	(2,528)	(3,876)	(2,641)
Financial Income	6.33	27	74	12	25
Other Financial Results	6.34	(621)	0	(652)	0
Profits / (losses) from investments	6.35	30	279	30	279
Profits / (losses) from joint ventures	6.36	(494)	(483)	(494)	(483)
Profit / (losses) from real estate valuation	6.37	1,046	0	1,046	0
Income from Dividends	6.38	22	0	22	0
Pro rata results from affiliated companies		11	13	0	0
Profit / (Loss) before Income Tax		7,659	3,590	6,944	2,161
Income Tax	6.39	(3,675)	(2,373)	(3,548)	(2,340)
Profit / (Loss) after Income Tax from continued operations		3,984	1,217	3,396	(179)
Discontinued operations					
Results from discontinued operations		(1,766)	(1,811)	(1,766)	(1,811)
Profit / (Loss) after Tax		2,218	(594)	1,630	(1,990)
Minority Rights		(32)	85		
Consolidated Net Profit / (Loss) after Income Tax		2,250	(679)		
Basic Profit / (Loss) per share (€ / share)	6.40	0.03	(0.01)	0.02	(0.03)
Basic Profit / (Loss) per share (€ / share) from continued operations		0.05	0.02	0.05	(0.01)
Basic Profit / (Loss) per share (€ / share) from continued disoperations		(0.02)	(0.02)	(0.02)	(0.02)

The attached notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>Amounts in € .000</i>	Share Capital	Share Premium	Reserves from asset valuations in current values	Reserves from financial asset valuations available for sale	Other Reserves	Retained Earnings	Foreign Exchange Differences	Equity Attributable to Parent Company Shareholders	Third Party Rights	Total Equity
Balance as of 31/12/2006	73,410	14,405	2,498	9,844	6,116	(42,960)	1,456	64,769	157	64,926
Adaptation because change of accounting principles	0	0	0	0	0	0	0	0	0	0
Restated Balance as of 31/12/2006	73,410	14,405	2,498	9,844	6,116	(42,960)	1,456	64,769	157	64,926
Earning of period	0	0	0	0	0	2,250	0	2,250	(32)	2,218
Equity Changes for period 1/1/-31/12/2007										
Foreign Exchange Differences							(254)	(254)		(254)
Share capital increase expenses						(12)		(12)		(12)
Reevaluation of assets			373					373		373
Transfer of reserves from the valuation of real estate in current values to retained earnings			(467)			467		0		0
Deferred taxation from the transfer of reserves from the valuation of real estate in current values			(93)					(93)		(93)
Reevaluation of financial results available for sale				63				63		63
Deferred taxation from reserves from financial results available for sale				(2,477)				(2,477)		(2,477)
Accounts reallocation						1,594	(1,594)	0		0
Other Adjustments					(41)	7	(5)	(39)		(39)
Profit / (Loss) recognized to Own Equity	0	0	(187)	(2,414)	(41)	2,056	(1,853)	(2,439)	0	(2,439)
Total recognized Profit / Loss of period	0	0	(187)	(2,414)	(41)	4,306	(1,853)	(189)	(32)	(221)
Balance as of 31/12/2007	73,410	14,405	2,311	7,430	6,075	(38,654)	(397)	64,580	125	64,705

The attached notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>Amounts in € .000</i>	Share Capital	Share Premium	Reserves from asset valuations in current values	Reserves from financial asset valuations available for sale	Other Reserves	Retained Earnings	Foreign Exchange Differences	Equity Attributable to Parent Company Shareholders	Third Party Rights	Total Equity
Balance as of 31/12/2005	73,410	14,405	2,058	0	6,110	(36,883)	1,361	60,461	72	60,533
Adaptation because change of accounting principles	0	0	0	5,428	0	(5,428)	0	0	0	0
Restated Balance as of 31/12/2005	73,410	14,405	2,058	5,428	6,110	(42,311)	1,361	60,461	72	60,533
Losses of period	0	0	0	0	0	(679)	0	(679)	85	(594)
Equity Changes for period 1/1-31/12/2006										
Foreign Exchange Differences from Balance sheet conversions							239	239		239
Foreign Exchange Differences from increase in subsidiary share capital							(150)	(150)		(150)
Transfer of reserves from the valuation of real estate in current values to retained earnings			(19)			19		0		0
Reserves from the valuation of real estate in current values			606					606		606
Deferred taxation from the transferring of reserves from the valuation of real estate in current values			(147)					(147)		(147)
Reevaluation of financial results available for sale				4,416				4,416		4,416
Other Adjustments					6	11	6	23		23
Profit / (Loss) recognized to Own Equity	0	0	440	4,416	6	30	95	4,987	0	4,987
Total recognized Profit / Loss of period	0	0	440	4,416	6	(649)	95	4,308	85	4,393
Balance as of 31/12/2006	73,410	14,405	2,498	9,844	6,116	(42,960)	1,456	64,769	157	64,926

The attached notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN THE PARENT COMPANY'S EQUITY

<i>Amounts in € .000</i>	Share Capital	Share Premium	Reserves from asset valuations in current values	Reserves from financial asset valuations available for sale	Other Reserves	Retained Earnings	Foreign Exchange Differences	Total Equity
Balance as of 31/12/2006	73,410	14,405	2,039	9,844	5,708	(39,343)	0	66,063
Adaptation because change of accounting principles	0	0	0	0	0	0	0	0
Restated Balance as of 31/12/2006	73,410	14,405	2,039	9,844	5,708	(39,343)	0	66,063
Earnings of period	0	0	0	0	0	1,630		1,630
Equity Changes for period 1/1-31/12/2007								
Foreign Exchange Differences							(118)	(118)
Reevaluation of financial results available for sale				63				63
Reserves from the valuation of real estate in current values			373					373
Deferred taxation reserves from financial results available for sale			(93)	(2,477)				(2,570)
Reserve Depreciation at fair value			(18)			18		0
Deferred taxation of reserve depretiation at fair value			5			(5)		0
Other adjustments			5			(4)		1
Total recognized Profit / Loss to Own Equity	0	0	272	(2,414)	0	9	(118)	(2,251)
Total recognized Profit / Loss of period	0	0	272	(2,414)	0	1,639	(118)	(621)
Balance as of 31/12/2007	73,410	14,405	2,311	7,430	5,708	(37,704)	(118)	65,442

The attached notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN THE PARENT COMPANY'S EQUITY

<i>Amounts in € .000</i>	Share Capital	Share Premium	Reserves from asset valuations in current values	Reserves from financial asset valuations available for sale	Other Reserves	Retained Earnings	Foreign Exchange Differences	Total Equity
Balance as of 31/12/2006	73,410	14,405	2,039	9,844	5,708	(39,343)	0	66,063
Earnings of period	0	0	0	0	0	1,630		1,630
Equity Changes for period 1/1/- 31/12/2007								
Foreign Exchange Differences							(118)	(118)
Reevaluation of financial results available for sale				63				63
Deferred taxation reserves from financial results available for sale					(2,477)			(2,477)
Reserves from the revaluation of real estate in current values			373					373
Deferred taxation reserves from the revaluation of real estate			(93)					(93)
Reserve Depreciation at fair value			(18)			18		0
Deferred taxation of reserve depretiation at fair value			5			(5)		0
Other adjustments			5			(4)		1
Total recognized Profit / Loss to Own Equity	0	0	272	(2,414)	0	9	(118)	(2,251)
Total recognized Profit / Loss of period	0	0	272	(2,414)	0	1,639	(118)	(621)
Balance as of 31/12/2007	73,410	14,405	2,311	7,430	5,708	(37,704)	(118)	65,442

The attached notes are an integral part of these financial statements.

CASH FLOWS STATEMENT

Amounts in € .000	note	GROUP		COMPANY	
		1/1/- 31/12/2007	1/1/- 31/12/2006	1/1/- 31/12/2007	1/1/- 31/12/2006
Period Profit / (Losses) (before tax) from continued operations		7,659	3,590	6,944	2,161
Results from discontinued operations	(ii)	(1,766)	(1,811)	(1,766)	(1,811)
Adjustments to profits	(i)	6,658	9,559	6,780	7,134
		12,551	11,338	11,958	7,484
(Increase) / Decrease of inventories		(1,831)	1,344	(1,831)	(26)
(Increase) / Decrease of trade receivables		(12,595)	(6,519)	(9,762)	(3,545)
(Increase) / Decrease of other receivables		8,465	1,392	6,543	412
(Increase) / Decrease of liabilities		(9,633)	(6,533)	(5,979)	(4,643)
Outflow of the employee bonus obligations due to retirement		(128)	0	(128)	0
Foreign Exchange Differences		(118)	0	(118)	0
		(15,840)	(10,316)	(11,275)	(7,802)
Cash flows from operating activities		(3,289)	1,022	683	(318)
Less: paid up income tax		(1,235)	0	(1,030)	0
Net Cash flows from operating activities		(4,524)	1,022	(347)	(318)
Acquisition of tangible assets		(3,131)	(3,586)	(3,129)	(3,562)
Acquisition of intangible assets		(10)	0	(6)	0
Acquisition of investments in real estate		(65)	0	0	0
Related parties Share Capital Increase		1,548	0	0	0
Sales of financial items at fair value through results		428	0	428	0
Sales of investments in real estate		935	0	0	0
Subsidiaries' Share Capital Increase		(14)	0	(1,598)	3,349
Sale of tangible assets		586	37	348	37
Net Cash flows from investment activities		277	(3,549)	(3,957)	(176)
Cash flows from financial activities					
Undertaken loans		43,678	10,887	43,678	9,886
Loans payable		(30,758)	(10)	(30,737)	0
Collected interest		27	26	13	25
Interest payable		(3,448)	(2,642)	(3,445)	(2,642)
Financial Lease Capital payments		(1,779)	(7,812)	(1,779)	(7,812)
Divident paid to the Shareholders of the Parent		(2)	0	(2)	0
Net Cash flows from financial activities		7,718	449	7,728	(543)
Net increase / (decrease) in cash and cash equivalents		3,471	(2,078)	3,424	(1,037)
Cash and cash equivalents at the beginning of the period		10,415	12,493	9,837	10,874
Cash and cash equivalents at the end of the period		13,886	10,415	13,261	9,837

The attached notes are an integral part of these financial statements.

(i) Re-adjustments to profits are analyzed as follows:

<i>Amounts in € .000</i>	note	GROUP		COMPANY	
		1/1/- 31/12/2007	1/1/- 31/12/2006	1/1/- 31/12/2007	1/1/- 31/12/2006
<i>Adjustments in profits for:</i>					
Tangible assets Depreciation		4,768	4,542	4,644	4,459
Intangible assets Depreciation		53	51	51	51
(Profits) / Losses of sale of financial items at fair value through results					
(Profits) / Losses from evaluation of property investments		(1,046)	(131)	(1,046)	(131)
(Profits) / Losses from sales of property investments		(50)	0	0	0
Provisions - Impairments		(211)	552	(211)	0
(Profits) / Losses from foreign exchange differences		(238)	0	(182)	0
(Profits) / Losses from sales of tangible assets		(38)	(57)	48	(66)
Investment results		0	(291)	0	(279)
Joint ventures results		0	480	0	483
Revenues from State Subsidies		0	1,797	0	0
Interest income		(28)	(26)	(13)	(25)
Interest expenses		3,448	2,642	3,445	2,642
Total		6,658	9,559	6,736	7,134

(ii) Discontinuous operations are analyzed in paragraph 5.

The attached notes are an integral part of these financial statements.

1. INFORMATION ON THE ANNUAL FINANCIAL STATEMENTS

General Information

The Company was incorporated in 1973 by Konstantinos Stengos (Government Gazette 1492/2.8.1973) and it is registered in the S.A. Companies Registry (M.A.E.) with Reg. No. 9988/06/B/86/21. Its registered offices and main headquarters were moved from Patras, which was its initial base of operations, to the Municipality of Alimos, Attica. The Company's main maintenance crews and parking area of its privately owned machinery as well as its storage warehouses are located in privately owned premises on the Patras-Athens highway. The Company's term was set for 100 years, namely until 2073.

From 1973 until 1989 the Company's activities were purely commercial. From 1989 it became active in the public and private works sector, primarily in the Achaia prefecture. Moreover, in November 1991 it established a separate branch on industrial production and trade of ready-mixed concrete. In 1994, the Company listed its shares on the Primary Market of the Athens Stock Exchange. The sum collected amounted to EUR 4,147 thousand, which was entirely from individual investors.

The Company has branches both abroad and domestically. More specifically, the Company has a U.S. branch, which was added to its assets by TECHNICAL OLYMPIC along with the latter's technical project sector, a branch in Romania, as well as thirteen branches executing technical projects in various parts of Greece.

In 1995, the Company bought all the shares of TOXOTIS S.A. In 1996, it bought all the shares of Company AMVRAKIA A.T.E., with which it merged by absorption in November 1996, pursuant to Law 2166/1993. In 1997 the Company resolved on the incorporation of a subsidiary Company in Romania under the name EUROROM CONSTRUCTII97-SRL, in which MOCHLOS holds 100% of the share capital. By decision of the Extraordinary General Meeting of 14 August 2002, the share capital of MOCHLOS S.A. was increased through mergers with a) companies ALPHA TECHNIKI S.A, SKORDALOS THEOFILOS A.T.E.V.E and ELLINIKES KATASKEVES A.T.E. and b) the technical projects branches that were taken over from DIEKAT A.T.E. and TECHNICAL OLYMPIC S.A., with the intent of acquiring the 7th grade Contracting Enterprises Registry (MEEP) construction classification, which was granted on 12 September 2002 by Decision of the Ministry of Development.

On 26 July 2002 EUROROM (subsidiary of MOCHLOS by 100%) and LAMDA DEVELOPMENT S.A., jointly incorporated LAMDA-OLYMPIC S.R.L., which has real estate development as its business objective. Finally, in 2004 the Company established a branch in Romania.

In brief, the basic information on the company is as follows:

A. EXECUTIVE MEMBER OF THE BoD

1. Kon/nos Stengos son of Andreas, Chairman of the BoD
2. Andreas Stengos son of Kon/nos, Executive Vice-Chairman of the BoD
3. George Stengos son of Kon/nos, Managing Director
4. Kon/nos Lirigkos son of Dimitrios, Technical Manager, member
5. Maria Svoli of George, member
6. Kon/nos Rizopoulos son of Platonas, member
7. Ilias Koukoutsis son of Kon/nos, member

B. NON EXECUTIVE MEMBER OF THE BoD

8. Zoi, wife of Kon/nos Stengou, member
9. Stiliani Stengou of Kon/nos, member
10. Marianna Stengou son of Kon/nos, member

C. INDEPENDENT (NON EXECUTIVE) MEMBER OF BOD

11. Athanasios Klapadakis son of Nikolaos, member
12. Alexandros Papaioannou son of Dimitrios, member

Supervising Authority:

MINISTRY OF DEVELOPMENT/GENERAL SECRETARIAT OF COMMERCE/DEPARTMENT FOR S.A. COMPANIES AND CREDIT

S.A. Companies Registration Number:

9988/06/B/86/21

Competent Tax office

ΦΑΕ ΠΙΡΑΕΥΣ

Tax Registration Number:

094019638

Auditors

GRANT THORNTON S.A.

George A. Paraskeuopoulos

A.M. S.O.E.L. 11851

Legal Counsels

Daoutis Georgios

Business Objective

The business objective of MOCHLOS extends to the construction sector, in which the Company has a 7th grade construction classification for all classes of projects, such as sea ports, irrigation, road works, electro-mechanical, industrial works and construction.

With the restructuring of the Group in 2002 and the assumption of almost the total construction activity by MOCHLOS and its subsidiary TOXOTIS S.A.

In particular the Group is doing business in the following:

- in the field of constructions by participating in the Parent Company MOCHLOS S.A. which ensures the group's access to the large but also to the smaller technical projects, through the Group company TOXOTIS TECHNICAL S.A. Company.
- in the field of real estate constructions, in the sector of investing in real estate, through its participation in the companies ANAPTIXEIS ATHINAIKON PROASTION S.A. in Greece and EUROROM CONSTRUCTII SRL and LAMDA OLYMPIC SRL in Romania.

2. FRAMEWORK OF FINANCIAL STATEMENTS DRAFTING

The consolidated and Company financial statements have been drafted in accordance with International Financial Reporting Standards. The financial statements have been drafted on the basis of the historical cost principle, as same is amended with the re-adjustment of certain assets and liabilities in current values and the going concern principle, and they are in accordance with the International Financial Recording Standards (IFRS), which have been issued by the International Accounting Standards Board (IASB), as well as with their Interpretations, which have been issued by the International Financial Reporting Interpretations Committee (I.F.R.I.C.) of the IASB.

All the amended or newly issued Standards and Interpretations that are applicable to the Group and effective on 31 December 2007 were taken into consideration in the drafting of the financial statements of the current financial year, to the extent that they were applicable.

The drafting of financial statements in accordance with International Financial Reporting Standards (IFRS) requires the use of accounting assessments. Furthermore, it requires the Management's judgment during the application of the Group's accounting principles. Situations entailing a larger degree of judgment and complexity or situations where the theories and assessments are significant to the consolidated financial statements are included in Note **2.2**.

2.1. New Standards, Interpretations and Replacement of Existing Standards

2.1.1. The following Amendments and Interpretations of International Financial Reporting Standards are applicable to the Company for Financial Periods Commencing on or after 1 January 2007:

- IFRS 7 Financial Instruments: Disclosures and supplementary amendment to IAS 1 – Presentation of Financial Statements – Capital Disclosures.

IFRS 7 introduces a new series of disclosures in order to improve information regarding financial instruments. It includes qualitative and quantitative information about risk exposure derived from the use of financial instruments, specific disclosures about credit risks, liquidity risks, and analyses of alternative commercial risk scenarios. The revision of IAS 1 introduces disclosures regarding the Group's capital management. The Company has measured the effects of implementing IFRS 7 and the amendment of IAS 1 and it has decided that the major additional disclosures will concern the

sensitivity analysis on market risks and capital disclosures that are required by IAS 1. The Company has implemented IFRS 7 and the revised IAS 1 since 1 January 2007.

- IFRS 8, Operating Segments (in effect for annual periods beginning on or after 1 January 2009).

IFRS 8 replaces IAS 14 and requires disclosure of specific descriptive and financial information regarding the operating segments and increases the requirements of the disclosures currently in effect. The Group will not implement the Standard in advance and it is examining the changes it calls for in its financial statements.

- IFRIC 10, Interim Financial Reporting and Impairment (in effect for annual periods beginning on or after 1 November 2006).

IFRIC 10 prohibits the reversal of impairment provisions in subsequent periods if they have been made during interim periods. The Group has implemented IFRIC 10 since 1 January 2007; however there is no anticipated impact on the financial statements.

- IAS 23 – Borrowing Costs (the revised edition of the above Standard is applicable from 1 January 2009). The basic difference in relation to the previous edition concerns the removal of the option of recognising borrowing cost related to assets as an expense, which requires a substantial amount of time in order for them to be operated or sold. The Group will apply IFRS 23 as of 1 January 2009.

2.1.2. The following Interpretations of already published accounting Standards are mandatory for the drafting of the Group's financial statements for the accounting periods commencing 1 March 2006 or subsequent periods, which however do not have a significant impact on the Company's financial results.

- IFRIC 7, Applying the Restatement Approach under IAS 29, Financial Reporting in Hyperinflationary Economies (in effect since 1 May 2006).

The Interpretation provides guidance on how to apply the provisions of IAS 29 to a reporting period in which a company identifies the existence of hyperinflation in the economy of its functional currency, when that economy did not show hyperinflation in the previous period. Given that none of the Group's Companies operate in a hyperinflationary economy, IFRIC 7 is irrelevant to the Company's activities.

- IFRIC 8, Scope of IFRS 2 (in effect for annual periods beginning on or after 1 May 2006).

IFRIC 8 requires that the determination of transactions regarding the issue of shares, for which the determined exchange received is less than the fair value of the issued equity instrument, is subject to provisions of IFRS 2. The Group has implemented IFRIC 8 since 1 January 2007; however there is no anticipated significant impact on the financial statements.

- IFRIC 9, Reassessment of Embedded Derivatives (in effect for annual periods beginning on or after 1 June 2006).

An entity must assess the extent to which an embedded derivative is required to be separated from the host contract and accounted for as a derivative when the entity first becomes a party to the contract. Subsequent reassessment is prohibited unless there is a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract, in which case reassessment is required. The Interpretation does not affect the Company's financial statements.

- IFRIC 11 – IFRS 2: Group and Treasury Share Transactions (applied since 1 March 2007).

IFRIC 11 – IFRS 2 clarifies the handling of the situation where employees of a subsidiary are receiving shares of the parent company. Furthermore, it clarifies whether certain types of transactions should be accounted as equity settled transactions or cash-settled transactions. The Interpretation does not affect the Company's financial statements.

- IFRIC 12 – Service Concession Agreements. (Applied since 1 January 2008).

IFRIC 12 refers to companies that participate in concession agreements. The Interpretation does not apply to the Group.

- IFRIC 13 – Customer Loyalty Programmes (applied since 1 July 2008).

IFRIC 13 clarifies the treatment of companies that grant some sort of loyalty award, such as "points" or "travel miles" to customers who buy goods or services. The Interpretation does not apply to the Group.

- IFRIC 14 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (applied since 1 January 2008).

IFRIC 14 refers to retirement benefits and other long-term defined employee benefit programmes. The Interpretation clarifies when economic benefits in the form of refunds from the programme or reductions in future contributions to the programme may be considered available, how the existence of a minimum funding requirement could possibly affect the economic benefits available as a reduction of future contributions, and when the existence of a minimum funding requirement would create a liability. Since the Group does not have such defined employee benefit assets at this stage, the Interpretation does not apply to the Group.

2.2. Significant Accounting Judgments, Assessments and Hypotheses.

The preparation of the financial statements in accordance with the IFRS requires by the administration the formation of judgments, assessments and hypotheses, which affect the published assets and liabilities, as well as the announcement of contingent receivables and payables on the data of drafting of the financial statements. The assessments and evaluations are based on past experience as well as on other factors, including the expectations of future events, which are considered reasonable based on the given circumstances, while they are continuously re-evaluated using all the available information.

Evaluations

The basic evaluations performed by the Group's Management and which have the most significant effect on the amounts recognised in the financial statements mainly relate to:

➤ **Impairment Assessment**

The Group annually monitors the existing goodwill for any impairment and researches the facts or conditions which may make impairment possible, such as, for example, a significant unfavourable change in the corporate environment or a decision to sell, or the selling of a unit or an operational segment. Should there be evidence of impairment, then the requirement is to evaluate the value of the respective unit, which is estimated using the method of discounting the cash flows. When there is available information, the method of market multiples is used in order to cross-check the results that have arisen from the method of discounting cash flows. By applying this methodology, the Company bases itself on a series of factors, which include the actual operating results, future Company plans, economic effects and market data (statistical and otherwise).

If this analysis results in the need to impair goodwill, the measurement of the impairment requires an assessment of fair value for every recognized tangible and intangible asset. In this case, the

cash flow approach is used which is mentioned above by independent appraisers, whenever suitable.

Furthermore, other recognized intangible assets with specified useful lives and subject to amortization are examined annually for any impairment, by comparing their book value with the sum of the non-discounted cash flows that are anticipated to be created by the asset. Intangible assets with undetermined useful lives are examined annually by using a fair value method such as discounted cash flows.

➤ **Income Taxes**

The Group is subject to income tax under several taxation jurisdictions. In order to determine forecasts for income tax, significant assessments are required. There are several transactions and calculations for which the exact determination of the tax is uncertain, in accordance with the usual course of activities of the business. The Group records these liabilities for expected tax audit issues based on estimates as to whether additional taxes will possibly be owed. When the final tax result of these cases is different from the amount originally recorded in the financial statements, then those differences will affect the income tax and the provisions for deferred tax for the period during which those amounts had been determined.

➤ **Fair Value of Derivatives and other Financial Instruments**

The Company does not use derivatives or other financial instruments related to interest rates, exchange, or commodities prices for risk management.

➤ **Provisions**

Bad debt accounts are reported in the amounts that are expected to be paid. The assessments for the amounts expected to be recovered arise following analysis, as well as the Group's experience, regarding the possible creditworthiness of customers. The moment the account is indicated as subject to a risk higher than the usual credit risk (e.g. low customer creditworthiness, dispute as to whether the claim exists or the amount of same, etc.), then the account is analysed and recorded as bad debt if the conditions imply that the claim will remain unpaid.

➤ **Forthcoming Events**

The group is involved in legal claims and compensation during the usual course of its activities. Management has judged that any settlements will not significantly affect the financial status of the Group on 31 December 2007. However, determining potential liabilities that are related to legal claims and receivables is a complicated procedure, which includes judgments on possible consequences and interpretations of laws and regulations. Changes in the judgments or

interpretations are likely to lead to an increase or reduction of the contingent liabilities of the Group in the future. 1 January 2004 was the transfer date for the Group.

The MOCHLOS Group of companies is included in the consolidated financial statements of the TECHNICAL OLYMPIC Group.

3. BASIC ACCOUNTING PRINCIPLES

The accounting principles based on which the financial statements are drafted and which the Company is applying systematically are as follows:

3.1. REPORTING BY SECTOR

Business sector is defined to be a group of assets and activities that provide products and services, which are subject to different risks and returns than those of other business sectors. Geographical sector is defined to be a geographical area, in which products and services are provided and which is subject to different risks and returns than other areas.

The Group is active in the sector of public and private technical works. Each agreement undertaken by the Group has its own special technical characteristics, which differentiate it from the other agreements in a minor or major degree. The projects undertaken by the corporation are differentiated by the customer's intended use, however that does not differentiate the degree of business risk and performance.

The group estimates that the risks that might be created through its operation are mainly due to the geographical distribution of its activities, therefore it has specified the geographical sector as the primary reporting sector given that its entire activity is associated with the implementation of projects, and thus it does not provide reporting per business sector considering that based on that segregation significant differentiation as to the expected risks and performance would not appear.

3.2. CONSOLIDATED - INVESTMENT IN AFFILIATED CORPORATIONS AND JOINT VENTURES

The consolidated financial statements comprise the financial statements of the parent company (MOCHLOS S.A.) as well as those of all the subsidiary companies.

Subsidiaries: These are all the companies managed and controlled, directly or indirectly, by the Company, either through holding the majority of the Company's shares or through the latter's dependence on know-how provided to it by the Group. That is, subsidiaries are the businesses over which the control is exercised by the parent company. MOCHLOS acquires and exercises control through the voting rights. The existence of any voting rights that may be exercised during the time of drafting of the financial statements is taken into account, in order to substantiate whether the parent company exercises control over the subsidiaries. The subsidiaries are fully consolidated (total consolidation) using the buy-out method from the date when control over them is acquired and they stop being consolidated from the date when such a control does not exist.

The buy-out of a subsidiary by the Group is accounted for based on the purchase method. The acquisition cost of a subsidiary is the fair value of the assets provided, shares provided, and liabilities undertaken on the date of the transaction, plus any cost directly associated with the transaction. The individual assets, liabilities and possibly obligations acquired in a business purchase are accounted for during the buy-out at their fair values irrespective of the percentage of participation. The purchase cost beyond the fair value of the individual assets acquired is recorded as goodwill. If the total purchase cost is less than the fair value of the individual assets acquired, the difference is recorded directly in the results (P&L).

Cross-company transactions, balances and non-realised profits from transactions between the companies of the Group are written-off. The non-realised losses, are also written-off, unless the transaction provides indications of impairment of the transferred asset.

The accounting principles of the subsidiaries have been amended so that they conform with those adopted by the Group.

In the individual financial statements, the investments in subsidiaries were evaluated as assets available for sale based on the provisions of the IAS 39 (at fair values).

Affiliates: These are the enterprises over which the Group can exercise a significant influence but do not satisfy the conditions to be designated either as subsidiaries or as participation in a joint venture. The assumptions used by the group imply that, a percentage between 20% and 50% of the Company's voting rights indicate significant influence over that Company. Investments in affiliates are initially accounted at cost and then evaluated in the consolidated financial statements using the net position method. On each balance sheet date, the cost of participation increases with the ratio of the group in the changes of the net position of the invested business and decreases with the dividends received by the affiliate.

The Group share in the profits or losses of the affiliate companies after the buy-out is accounted for in the results, while the share of the changes in the reserves after the buy-out is accounted for in the reserves. The accumulated changes influence the book value of the investments in affiliated companies. When the Group participation in the losses of an affiliate company is equal to or exceeds its participation in the affiliate, including any other bad debt receivables, the Group does not record further losses, unless it has covered the liabilities or has made payments on behalf of the affiliate and, in general, those arising from the shareholder capacity.

Non-realised profits from transactions between the Group and affiliated companies are written-off at a percent equal to the Group's participation in the affiliated companies. Non-realised losses are written-off, unless the transaction provides indications of impairment of the transferred asset. The accounting principles of the subsidiaries have been amended in order to conform with those adopted by the Group.

Joint Ventures: These are contractual agreements, through which two or more parties undertake a jointly controlled financial activity. Joint control is the contractual allocation of control over a company, namely the right to direct the company's financial and business policy, so that benefits can be generated from its activities.

The Company's participation in joint ventures were evaluated for using the Net Position method in the consolidated financial statements, whereas in the individual financial statements are evaluated at acquisition cost minus any accrued impairment losses.

Were necessary, the accounting policies of affiliated companies were changed in order to guarantee consistency with the policies adopted by the group.

3.3. GROUP STRUCTURE

The Structure of the Group as of 31/12/2007 until the approval date of financial statements has as follows:

Full Consolidation Method	Country of Registration	Equivalent Participation %
MOCHLOS S.A.	GREECE	PARENT COMPANY
TOXOTIS ATE	GREECE	100.00%
ANAPTIXEIS ATHINAIKON PROASTEION S.A.	GREECE	TOXOTIS with 99%
ALVITERRA HELLAS ATEOE	GREECE	TOXOTIS with 50%
EUROROM CONSTRUCT II SRL	ROMANIA	100.00%
Equity Method	Country of Registration	Equivalent Participation %
LAMDA OLYMPIC SRL	ROMANIA	EUROROM with 50%

3.4. CONVERSION OF FOREIGN CURRENCY

The consolidated financial statements are presented in euro, which is the functional currency and the presentation currency of the parent Company. The items in the financial statements of the Group's companies are measured on the basis of the currency of the economic environment of each country in which the Group operates each of its companies (functional currency). Transactions in foreign currency are converted to the functional currency using the applicable exchange rates on the date of the transaction.

Profits and losses from foreign exchange differences arising from settlement of such transactions throughout the financial period and from the conversion of the monetary items denominated in foreign currencies at current exchange rates, on the balance sheet date are recorded in the results account. Foreign exchange differences from non-monetary items measured at their fair value are deemed to be part of fair value and are therefore recorded along with the differences in fair value.

The individual financial statements of the companies involved in the consolidation, which initially are presented in a currency other than the Group's presentation currency, have been converted into euro. Assets and liabilities have been translated into euro at the closing exchange rate on the balance sheet date. Income and expenses have been converted into the presentation currency of the Group at the average exchange rates for each period under consideration. Any differences arising from this procedure have been charged (credited) to the reserve, in net financial position, for conversion of subsidiaries' foreign currency balance sheets.

3.5. TANGIBLE ASSETS

Land plots and buildings are shown in the financial statements in readjusted values as determined in a relevant valuation by an independent assessor in fair values on the assessment date, minus the accumulated amortisation and any impairment losses.

Readjustments are made frequently enough to ensure that the book value of a fixed asset is not substantially different from the value that would be determined by using fair value as at the balance sheet date.

Mechanical equipment and other tangible fixed assets are shown at acquisition cost less accumulated amortizations and any impairment losses. The acquisition cost includes all the expenses directly attributable to the acquisition of the assets. Subsequent expenses are recorded as an increase in the book value of tangible fixed assets or as a separate fixed asset only to the degree that the said expenses increase the future financial rewards anticipated from the use of the fixed asset and their cost can be

measured reliably. The cost of repairs and maintenance is recorded in the operating results of the relevant financial years.

Amortisation of other tangible assets (besides land plots, which is not amortised) is calculated based on the straight-line method over their estimated useful life as follows:

Buildings	from 40 to 50 years
Mechanical Equipment	from 9 to 15 years
Vehicles	from 6 to 9 years
Other Equipment	from 4 to 7 years

The book value of real estate, facilities and equipment is valued for impairment when there are indications, i.e. events or changes in circumstances indicating that the book value may not be recoverable. If such an indication exists and the book value is greater than the anticipated recoverable amount, the assets or cash flow generating units are recorded at the recoverable amount. The recoverable value of real estate, facilities and equipment is the amount of the net sale price or value-in-use, whichever is higher. To calculate value in use, estimated future cash flows are discounted to their present value, using a before-tax discount rate that reflects the market's current assessments of the time value of money and the risks specific to the asset.

For assets that do not generate cash inflows from continuing use that are largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

The residual values and useful lives of tangible fixed assets are reassessed at each balance sheet date. When the book value of tangible assets exceeds their recoverable value, the difference (impairment) is recorded initially as a reduction in the fair value reserve (if such exists for the specific asset), which is shown in the equity capital accounts. Each impairment, apart from the reserve formed for the specific asset, is immediately recorded as an expense in the financial year results statement.

When tangible fixed assets are sold, any difference between the proceeds and their book value is recorded as profit or loss in the results.

Self-constructed tangible assets constitute an addition to the acquisition cost of tangible assets at a value that includes the direct cost of wages of employees involved in the construction (corresponding employer contributions), cost of materials used and other general costs.

3.6. INVESTMENTS IN REAL ESTATE

Investments in real estate are held to earn rent or for capital appreciation or both. Investments in real estate are investments referring to all real estate (including land plots, buildings or parts of buildings or both) held by the Group, either to earn rent or to increase their value (capital appreciation) or both.

The Group estimates according to the recording criteria all the expenses it incurs for a real estate investment at the time they are incurred. Such expenses include expenses incurred initially to acquire the real estate and expenses incurred subsequently to add to or replace part of it. In accordance with the recording criteria, the Group does not include repair expenses in the book value of a real estate investment, as these are expenses that are recorded directly in the Financial Year Results Statement.

Real estate investments are recorded initially at their acquisition cost, increased by all expenses relating to the transaction for their acquisition (e.g. notary's fees, real estate agent's fees, transfer taxes). The cost of a real estate investment is equal to its cash price. In the event that the payment for the acquisition of an real estate investment is delayed beyond the usual credit limits, then the difference between the total payments and the cash equivalent amount will be recorded and shown in the financial year results, as interest (expenses) for the whole duration of the credit.

The Group has opted to assess real estate investments on the basis of fair value. Accordance to this policy, the fair value of a real estate investment is the price at which the real estate could be exchanged between knowledgeable, willing parties in an arm's length transaction. The fair value excludes an estimated price inflated or deflated by special terms or circumstances, such as atypical financing, sale and leaseback agreements, special considerations or concessions granted by anyone associated with the sale. A gain (or loss) arising from a change in the fair value of investment real estate constitutes a result and is recorded in the operating results of the year in which it arises.

The best evidence of fair value is given by current prices in an active market for similar property in the same location and condition.

3.7. INTANGIBLE ASSETS

Intangible assets include software licences, which are measured at acquisition cost minus amortisation. The amortisation is estimated using the standard amortisation method throughout the useful life of these items, which may range from 1 to 3 years.

The amortizations of intangible assets are reported in the "Costs from Sales" and "Management Expenses" items of the results statements.

3.8. IMPAIRMENT OF THE VALUE OF ASSETS

Assets that have an indeterminate useful life are not amortised and are audited for impairment at least once a year and whenever events or circumstances indicate that the book value may not be recoverable.

Assets that are amortised are audited for impairment of their value when indications exist that their book value is not recoverable. An assessment of whether any such indications exist is made on each balance sheet date.

The recoverable value is the amount of the net selling price or value-in-use, whichever is higher.

Net sale price is considered the amount obtained from the sale of an asset in the framework of a reciprocal transaction between knowledgeable, willing parties, after subtracting all additional direct costs for the sale of the asset, whereas value in use is the present value of estimated future cash flows expected to accrue to the company from the use of an asset and from its sale at the end of its estimated useful life.

When the book value of an asset exceeds its recoverable value, an impairment loss is recorded in the results statement.

3.9. FINANCIAL INSTRUMENTS

Financial instrument is every contract that creates a financial asset in a company and a financial liability or equity holding in another company.

The financial assets and liabilities of the balance sheet comprise cash-in-hand, receivables, participations or subscriptions and short and long-term liabilities. The Company is not making use of any derivative financial products neither for risk compensation (hedging) nor for any profiteering purposes. The accounting principles for registration and evaluation of these assets are referring to the accounting principles that are presented in this note. The financial products are presented as receivables, liabilities or elements of the net position based on the subject matter and contents of the relevant contracts from which they arise. Interests, dividends, profits and losses arising from the financial products that are designated as receivables or liabilities are accounted for as income or expenses respectively. The distribution of dividends to shareholders is recorded directly in the net position. The financial products are offset, pursuant to the law, when the Company has this right and is intended to offset the net basis (between them) or to recover the asset and offset the liability at the same time.

3.10. CATEGORIES OF FINANCIAL INSTRUMENTS

The purchase and sales of investments are recorded for on the date of the transaction, which is the date that the Group commits itself to purchase or sell the asset. The investments are initially accounted for at

their fair value plus the direct expenses ascribed to the transaction, with the exception of direct expenses ascribed to the transaction for those assets that are evaluated at their fair value with changes in the results (P&L). The investments are written-off when the right to the cash flows from investments expires or is transferred and the Group has essentially transferred all of the risks and rewards that the ownership entails.

The Group's financial instruments are classified in the following categories based on the subject matter of the contract and the purpose for which they were acquired.

3.11. FINANCIAL INSTRUMENTS EVALUATED AT THEIR FAIR VALUE THROUGH THE RESULTS (P&L) THE FINANCIAL YEAR STATEMENT

Refers to financial assets, which are held for commercial purposes.

The realised and non-realised profits or losses arising from the changes in the fair values of the financial assets measured at fair value with changes in the results, are recorded in the results during the period that they arise.

The Company is not making use of any derivative financial products neither for risk compensation (hedging) nor for any profiteering purposes.

3.12. LOANS AND RECEIVABLES

These comprise non-derivative financial assets with fixed or defined payments, which are not traded in active markets. This category (Loans and Receivables) does not include

- receivables from advance payments for the purchase of goods or services,
- receivables involving tax transactions, which have been imposed by the state through legislation,
- anything not covered by an agreement, in order to give the company the right to receive cash or other financial fixed assets.

The Loans and receivables are included in the floating assets, apart from those with a maturity term longer than 12 months from the date of the balance sheet. The latter are included in the non-floating assets.

The loans and receivables are recorded in the non-amortized cost, based on the actual interest rate method.

3.13. INVESTMENTS HELD TO THEIR MATURITY

Includes non-derivative financial assets with fixed or determined payments and specific maturity, which the Group has the intention and possibility to withhold until their maturity. Investments held to maturity are evaluated at the non-amortized cost, based on the actual interest rate method.

The Group does not hold any investments of this category.

3.13.1. FINANCIAL ASSETS AVAILABLE FOR SALE

Includes non-derivative financial assets which, are either determined in this category or they cannot be included in any of the above.

The financial instruments of this category are evaluated at their fair value and the relevant profits or losses are recorded in the equity reserves until these assets are sold or designated as impaired.

During the sale or when designated as impaired, the profits and losses are carried over to the results. Impairment losses that have been accounted for in the results are not reversed through results.

During the financial period from 1 January to 31 December 2006, aiming at a more reliable reflection of the facts, the company made a change in the policy of recording its PORTO KARRAS S.A. investment, classifying same in the category of financial assets available for sale. The company has a 10% participation in the share capital of the said investment and in the previous financial years it was recorded as investment in subsidiary companies.

3.13.2. INITIAL ACCOUNTING AND LATER EVALUATION OF FINANCIAL INSTRUMENTS

The fair values of the financial assets that are traded in active markets are determined by the current demand prices. For the non-traded assets, the fair values are determined using evaluation techniques like the analysis of recent transactions, comparative assets that are traded and discount of cash flows. The equity instruments not traded in an active market that have been classified in the category Financial instruments available for sale and the fair value of which cannot be determined in a reliable way are evaluated at their acquisition cost.

On every balance sheet date the Group estimates whether there is objective evidence leading to the conclusion that the financial assets have been subject to impairment. For shares of companies that have been classified as financial assets available for sale, such an indication would be the significant or extended drop of fair value in relation to the acquisition cost. If an impairment is substantiated, the accumulated loss to equity, namely the difference between acquisition cost and fair value, is carried over to the results.

3.14. RESERVES

On the date of the balance sheet, the reserves are evaluated at the lower value between the cost and the net liquidating value. The acquisition cost is determined by the FIFO method. The net liquidating value is the estimated sale price in the company's usual course of business, minus any relevant sale costs.

The reserves include acquired goods that are intended for future sale.

The cost of reserves includes all of the costs incurred for the purchase of the reserves. If the reserves are disposed by the Group in different form or used for the production of other products, then the cost of purchase and the conversion cost are added, as well as other expenses that are made in order for the reserves to take their final form and become ready for sale.

The cost of the reserves does not include financial expenses.

3.15. COMMERCIAL RECEIVABLES

The receivables from clients are recorded initially at their fair value and later they are evaluated at un-amortized cost using the method of effective rate minus every estimate for a potential reduction in their value. Every relevant impairment loss, i.e. when there is actual evidence that the Group is in no position to collect all of the amounts due pursuant to the contractual terms, is recorded in the results of the financial year that it arises.

3.16. CASH-IN-HAND AND CASH EQUIVALENTS

The cash-in-hand and cash equivalents include the cash in the bank and at the cashier's office as well as the short-term investments of high liquidity instruments, such as repos and bank deposits.

3.17. SHARE CAPITAL

Direct expenses that were made for the issuance of shares, are recorded following the subtraction of the relevant income tax, minus the issue product. Expenses that are related to the issuance of shares for the acquisition of companies are included in the acquisition cost of the company acquired.

During the acquisition of own shares, the price paid, including the relevant expenses, is recorded minus equity (reserve above par).

3.18. INCOME TAX & DEFERRED TAX

The charge of the financial year with income taxes consists of the current taxes and deferred taxes, i.e. taxes or tax relief related to the economic benefits arising in the period but which have already been accounted for or will be accounted for by the tax authorities in other periods. The income tax is recorded

in the financial year results account, apart from the tax that refers to transactions recorded directly to equity, in which case it is recorded directly to equity accordingly.

The current income taxes include the short-term liabilities and/or claims to the fiscal authorities that are related to the taxes payable on the taxable income of the financial year and any additional income taxes of previous financial years.

The current taxes are calculated in accordance to the tax scales and tax laws applied during the financial periods with which they are related, based on the taxable profit for the year. All of the changes in the short-term tax assets or liabilities are accounted for as part of the tax expenses in the financial year results statement.

The deferred income tax is determined using the method of obligation in all of the provisional differences on the date of the Balance Sheet, between the tax base and the book value of the assets and liabilities. Deferred income tax is not accounted for when it arises from the initial recording of an asset or liability in transaction, with the exception of company unification, which when the transaction was made did not affect neither the book nor the tax profit or loss.

The deferred tax liabilities and obligations are evaluated based on the tax scales expected to be applied during the period in which the liability or obligation will be settled, taking into account the tax scales (and tax laws) that are into effect or are essentially in effect until the date of the Balance Sheet.

Deferred tax liabilities are accounted for to the extent that there will be future taxable profit for the use of the provisional difference generated by the deferred tax liability.

Deferred income tax is accounted for the provisional differences arising from investments in subsidiaries and affiliated companies, except in the case where the reversal of the provisional differences is controlled by the Group and there it is likely that the provisional differences will not be reversed in the foreseeable future.

The changes in the deferred tax liabilities or obligations are accounted for as an income tax element in the financial year results statement, except those arising from specific changes in the assets or liabilities, which are recorded directly in the Group's equity, such as the re-evaluation of the value of real estate property and which have as a result the relevant change in the deferred tax liabilities or obligations to be debited/credited against the relevant account of the net value.

3.19. PERSONNEL BENEFITS

3.19.1. SHORT-TERM BENEFITS

The short-term benefits to the employees (apart from the benefits for the termination of the labour relationship) in cash and in goods are recorded for as an expense when they become payable. Any outstanding amount is recorded as a liability, while in the case where the amount already paid exceeds the amount of the benefits, the company records the excess amount as its asset (prepaid expense) only to the extent that the prepayment will lead to the reduction of future payments or to a return.

3.19.2. BENEFITS AFTER EXIT FROM THE SERVICE

The benefits following the termination of employment include pensions and other contributions (lump sum compensation) that the company provides following the end of employment, in exchange for the services of the employees. Therefore, they only include specific contribution plans. The payable cost of the specific contribution plans is recorded as an expense in the corresponding period.

3.19.3. SPECIFIC CONTRIBUTION PLANS

The Company personnel are mainly covered by the primary State Social Security Fund involving the private sector (IKA) that grants pensions and healthcare benefits. Every employee is required to contribute part of his/ her monthly salary to this fund, while part of the overall contribution is covered by the Company. During retirement, the pension fund is responsible for paying pension benefits to the employees. Consequently, the Company has no legal or presumed obligation to pay future benefits on the basis of this plan.

Based on the specific contributions plan, the obligation of the company (legal or presumed) is limited to the amount it has agreed to contribute to the organisation (e.g. fund) that manages the contributions and provides the benefits. Thus, the amount of benefits that the employee will receive is determined by the amount that the company will pay (and/or the employee) and by the paid investments of these contributions.

The payable contribution by the company to a specific contributions plans is recorded as a liability, following the subtraction of the contribution paid and as a respective expense.

3.19.4. SPECIFIC BENEFITS PLANS

The liability that is recorded in the balance sheet for the specific benefits plans represents the current value of the liability for the specific benefit, pursuant to the Law 2112/20, and the changes arising from any appropriate profit or loss and the cost of previous service. An independent actuary, using the

projected credit unit method, calculates the commitment of the specific benefit annually. The interest rate used for the discount is that of the long-term Greek State bonds.

The proportional profits and losses are elements of the liability of the company benefit, as well as of the expense, which will be recorded in the results. Those arising from the adjustments based on the historical data and exceeding the 10% margin of the accumulated liability are recorded in the results within the expected average time of employment of those participating in the plan. The cost of previous service is recorded directly in the results with the exception where the changes of the plan depend on the remaining time of service of the employees. In this case the cost of previous service is recorded in the results using the fixed method within the maturity period.

3.20. SUBSIDIES

The Group records the state subsidies, which overall satisfy the following criteria:

- there is a presumed certainty that the company has complied or will comply with the terms of the subsidy and
- it is likely that the amount of the subsidy will be collected.

Subsidies are recorded at fair value and accounted in a systematic way in the income, based on the principle of correlation of the subsidies with the respective costs that they subsidise.

Subsidies that involve assets are included in the long-term liabilities as income of future financial years.

3.21. PROVISIONS

Provisions are recorded when the Group has current legal or presumed liabilities as a result of past events, and their settlement is likely through the outflow of resources and the estimation of the exact amount of the liability may be effected in a reliable way. The provisions are reviewed on the date of drafting of each balance sheet and adjusted in order to reflect the current value of the expenditure expected to be required for the settlement of the liability.

Contingent liabilities are not recorded in the financial statements but they are notified, unless the likelihood of resource outflow, which incorporate economic benefits is minimal.

Contingent receivables are not recorded in the financial statements but they are notified when the inflow of economic benefits is likely.

3.22. BORROWING

The loans are recorded initially at their fair value reduced by any direct costs for the implementation of the transaction. They are later evaluated at the non-amortized cost, using the actual interest rate method. The cost of borrowing is recorded in the results of the financial year in which it is implemented.

3.23. ACCOUNTING OF INCOME

3.23.1. INCOME

Income is recorded to the extent that it is likely that the economic benefits will inflow in the Group and the relevant amounts can be measured reliably. The income includes the fair value of unperformed projects, sales of goods and supply of services, free from Value Added Tax, discounts and returns. Cross-company income within the Group is written-off entirely.

The accounting of income is carried out as follows:

3.23.2. PROJECT CONSTRUCTION AGREEMENTS

The construction contracts involve the construction of assets or group of associated assets especially for customers, in accordance with the terms provisioned in the relevant contracts and the implementation of which usually lasts for a period longer than one financial year.

The expenses concerning each contract are accounted when realised.

Income is recorded as follows:

a) In the event where the result of a project construction contract cannot be evaluated in a reliable way, and mainly in the case where the project is at an early stage:

- the income is recorded only to the extent that the undertaken contractual cost is likely to be recovered and
- the contractual cost is recorded in the results of the financial year in which it was undertaken.

Therefore, for these contracts such an income is recorded so that the profit from the specific project is zero.

b) When the result of a contractual project may be assessed reliably, then the income and expenses of the contract are recorded during the term of the contract as income and expense, respectively.

The Company uses the percentage of completion method in order to determine the appropriate amount of income and expense that will be accounted within a specific period.

The completion phase is measured based on the contractual cost incurred until the date of the balance sheet in relation to the overall estimated construction cost of every project. The above percentage is applied over the overall (revised) contract price, in order to determine the accumulated expenses of the project based on which the invoiced expenses will be readjusted.

When it is likely that the overall cost of the contract will exceed the total income, then the expected loss is accounted directly in the results of the financial year as expense.

For the estimation of the cost incurred up to the end of the financial year, any expenses related to future works with reference to the contract are excluded and appear as a project in progress. The total of the cost realised and of the profit/ loss recorded for each contract is compared with the progressive invoicing until the end of the financial year.

Where the expenses realised plus net profits (minus losses) that have been recorded exceed the progressive invoicing, the difference appears as receivable from clients of project contracts in the "Pertaining to construction contracts" item. When the progressive invoicing exceeds the expenses realised plus net profits (minus losses) that have been recorded, the balance appears as liability to the clients of project contracts in the fund "Liabilities from construction contracts" item.

The amount of the selling price relative to an agreement for services rendered or the execution of construction contracts that will be provided subsequently is recorded in a transitional account and recognized as income during the period that the services were rendered. This deferred income is included in the "Other Liabilities" account.

In situations in which the initial income evaluations may change, the cost or extent of completion are reconsidered. These reconsiderations may lead to an increase or decrease of appraised income or expenses, and are recorded as income for the period in which the cases, which make reconsideration necessary, are made known by the Management.

Income from the implementation of construction agreements is accounted for in the period during which the project is under constructed, based on the percentage of completion method.

3.23.3. REAL ESTATE SALES

The income is recorded when the lawful title is transfer to the buyer along with the risks and benefits of ownership.

3.23.4. SALES OF GOODS

Sales of goods are recorded when the Group delivers the goods to the customer and those are accepted and the payment of claims is reasonably guaranteed.

3.23.5. SERVICES RENDERED

The income from services rendered is accounted for in the period during which the services are provided, based on the completion phase of the provided service with respect to all the provided services.

3.23.6. INCOME FROM INTEREST

Income from interest is recorded based on the time ratio and by applying the actual interest rate method.

When there is impairment of receivables, their book value is reduced at their recoverable amount, which is the current value of the expected cash flows discounted at the initial actual rate. Subsequently, the interest is calculated using the same interest rate on the reduced (new accounting) value.

3.23.7. DIVIDENDS

Dividends are recorded as income, when the right for their collection is established.

3.24. ACCOUNTING OF EXPENSES

The expenses are recorded in the results on a payable basis.

3.25. LEASING

3.25.1. GROUP COMPANY AS THE LESSEE

Financial leasing is the leasing of fixed assets according to which, all risks and benefits related to the ownership of an asset, are transferred to the Group, irrespective of whether the ownership title of the said asset is transferred in the end or not. Such leasing is capitalised upon the start of the lease at their lower value between the fair value of the fixed asset or the current value of the minimum number of leases. Each lease is allocated between the liability and the financial expenses so that a fixed interest rate can be achieved for the remaining financial liability. The respective liabilities from leases, free of financial expenses, are depicted in the liabilities. Part of the financial expense from financial leases is recorded in the financial year results of the lease period.

The amortized value of the fixed assets acquired through financial leasing is distributed on a systematic and uniform basis in the years when these fixed assets are expected to be utilised, pursuant to the fixed amortization method, which is applied for the own fixed assets as well. When it is certain that the Group will acquire the ownership of these fixed assets at the end of the leasing, the expected period of use is taken to be the useful life of these fixed assets, whereas on the contrary these fixed assets are amortized in the shortest period between useful life of the fixed assets and the duration of their lease.

Leasing agreements through which the lessor transfers the right of use of an asset for an agreed time period, without however transferring the risks and benefits of ownership of the fixed asset, are classified as operating leasing. Payments made for operating leasing (not including any incentives offered by the lessor) are recorded in the financial year results throughout of the term of the leasing, in equal amounts.

3.25.2. GROUP COMPANY AS THE LESSOR

When fixed assets are leased through financial leasing, the current value of the leases is recorded as receivable. The difference between the gross amount of the receivable and the current value of the receivable is recorded as deferred financial income. The income from the lease is recorded in the results of the financial year of the leasing applying the method of net investment, which represents a fixed periodical return.

Fixed assets leased by operating leasing are included in the tangible assets of the balance sheet. They are amortized during their expected useful life on a basis consistent with similar owned tangible assets. The income from the rent (not including any incentives offered to the leases) is recorded by applying using the fixed method of the period of the leasing.

3.26. DISTRIBUTION OF DIVIDENDS

The distribution of dividends to shareholders of the parent company is recorded as a liability in the consolidated financial statements on the date on which the distribution is approved by the General meeting of shareholders.

4. FINANCIAL INFORMATION PER SECTOR

The basic difference among company operations that differentiates business risk and performance of company activities concerns geographical division of its activities. The group's results per geographical sector are the following:

Amounts in € .000

Segment Results as of 31/12/2007	Hellas	America	Romania	Group
Total Gross Sales per Sector	98,877	222,015	65,285	386,177
Internal revenues	(12,090)	0	0	(12,090)
Net sales	90,355	222,015	65,285	374,087
Sales Cost	(68,427)	(222,015)	(62,656)	(353,098)
Gross profit / (loss)	21,928	0	2,629	20,989
Other income / expenses	(9,154)	(46)	(270)	(9,470)
Other Operating Income	12,774	(46)	2,359	11,519
Financial Results	(2,644)	0	(1,809)	(4,453)
Results from investments	582	0	0	582
Income share of affiliated companies	0	0	11	11
Profit / (Loss) before Income Tax	10,712	(46)	561	7,659
Income Tax	(3,214)	16	(477)	(3,675)
Profit / (Loss) after Tax	7,498	(30)	84	3,984
Results from discontinued operations	(1,766)	0	0	(1,766)
Profit / (Loss) after Tax	5,732	(30)	84	2,218

Amounts in € .000

Segment Results as of 31/12/2006	Hellas	America	Romania	Group
Total Gross Sales per Sector	55,007	291,182	19,082	365,271
Internal revenues	0	0	0	0
Net sales	55,007	291,182	19,082	365,271
Sales Cost	(45,417)	(291,182)	(15,952)	(352,550)
Gross profit / (loss)	9,590	0	3,131	12,721
Other income / expenses	(4,702)	0	(1,784)	(6,486)
Other Operating Income	4,888	0	1,347	6,235
Financial Results	(2,540)	0	(398)	(2,938)
Results from investments	279	0	0	279
Income share of affiliated companies	0	0	13	13
Profit / (Loss) before Income Tax	2,628	0	962	3,590
Income Tax	(2,022)	0	(351)	(2,373)
Profit / (Loss) after Tax	606	0	610	1,217
Results from discontinued operations	(1,811)	0	0	(1,811)
Profit / (Loss) after Tax	(1,204)	0	610	(594)

Furthermore, amortizations data concerning additions and results of affiliated companies or joint ventures per sector, are as follows:

Amounts in € .000

Investments per segment 31/12/2007	Hellas	America	Romania	Group
Addition of Fixed assets	2,285	0	856	3,141
Depreciation	4,213	0	608	4,821
Profit/(Loss) from investments in affiliated companies	0	0	0	0
	6,498	0	1,464	7,962

Amounts in € .000

Investments per segment 31/12/2006	Hellas	America	Romania	Group
Addition of Fixed assets	1,899	0	1,752	3,651
Depreciation	4,219	0	374	4,593
Profit/(Losse) from investments in affiliated companies	(483)	0	13	(470)
	5,635	0	2,139	7,773

The division of consolidated assets and liabilities data per geographical sector is the following:

Amounts in € .000

	GROUP			
31/12/2006	Hellas	America	Romania	Total
Sector total assets	144,981	215	29,660	174,855
Consolidation reconciliation				-7,565
Total				167,291
Sector Liabilities	77,547	204	27,020	104,771
Consolidation reconciliation				-2,184
Total				102,586

Amounts in € .000

	GROUP			
31/12/2007	Hellas	America	Romania	Total
Sector total assets	146,462	264	19,672	166,398
Consolidation reconciliation				-8,429
Total				157,969
Sector Liabilities	81,126	258	15,635	97,019
Consolidation reconciliation				-3,976
Total				93,043

5. DISCONTINUED OPERATIONS

By the decision of the Company's Board of Directors on 7 January 2008, it was decided to stop the operation of all the units of the industrial branch (production and trade of ready mix concrete) in the Patras and Igoumenitsa areas, due to the intensely negative conditions that had been created, the very severe competition, but also the continuous negative results, year after year, registered from this branch's operation.

For the purposes of better and more complete information and for the conversion of the listed comparative data and facts into one common and, subsequently, truly comparative base, the Group's discontinued operations, whether by selling or ending branch activities, or selling subsidiary companies' shares, or by other means, are determined and the participation of the discontinued operation in the Group's financial position and the results in the past is quantified and listed in the financial statements.

The analysis of the period Results of the discontinued operations is shown in the Table that follows.

<i>Amounts in € .000</i>	GROUP		COMPANY	
	1/1/-31/12/2007	1/1/-31/12/2006	1/1/-31/12/2007	1/1/-31/12/2006
Turnover (Sales)	3,567	4,755	3,567	4,755
Cost of Sales	(5,356)	(5,497)	(5,356)	(5,497)
Gross Profit / (Loss)	(1,789)	(742)	(1,789)	(742)
Administrative Expenses	(67)	(366)	(67)	(366)
Selling Expenses	(58)	(119)	(58)	(119)
Other Operating Expenses	(29)	(906)	(29)	(906)
Other Operating Income	176	192	176	192
Operating Profits / (Losses)	(1,767)	(1,941)	(1,767)	(1,941)
Financial Expenses	0	(1)	0	(1)
Financial Income	1	0	1	0
Other Financial Results	(0)	0	(0)	0
Profits / (Losses) from evaluation of property investments	0	131	0	131
Profit / (Loss) before Income Tax	(1,766)	(1,811)	(1,766)	(1,811)
Income Tax	0	0	0	0
Profit / (Loss) after Tax	(1,766)	(1,811)	(1,766)	(1,811)
Losses from liquidation Discontinued Operations	0	0	0	0
Results from Discontinued Operations	(1,766)	(1,811)	(1,766)	(1,811)

The net cash flows for the discontinued operation are shown in the Table that follows.

<i>Amounts in € .000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Cash Flow from operating activities	(178)	182	(178)	182
Cash Flow from investing activities	(12)	(16)	(12)	(16)
Cash Flow from financing activities	1	(0)	1	(0)
Net increase / (decrease) in cash and cash equivalents	(188)	165	(188)	165

6. EXPLANATORY NOTES ON THE ANNUAL FINANCIAL STATEMENTS

6.1. TANGIBLE FIXED ASSETS

The land plots and buildings were evaluated on the date of transition to the IFRS (01.01.04) at readjusted values, as these were determined based on fair values by an independent appraiser on the date of the transition. From the valuation of the land plots and buildings at fair values, goodwill resulted in the amount of EUR 1,404 thousand and EUR 1,406 thousand respectively, which was recorded in the equity fund "Reserves from valuation of real estate at current values." Respectively, the above equity fund was reduced by deferred taxes that correspond to goodwill in the amount of EUR 983 thousand. For certain of these assets the readjustment resulted in a loss totalling EUR 217 thousand, which was recorded in the results carried forward.

The changes that took place for the company and the group, during the 2007 financial year as well as during the comparative 2005 financial year, are the following:

<i>Amounts in € '000</i>	Land Plots	Buildings	Mechanical Equipment	Means of Transport	Furniture and Other Equipment	Assets Under Construction	Total
Acquisition Cost (or Adjusted Value) on 1 January 2006	2,062	3,494	34,123	11,134	2,355	34	53,202
minus: Accumulated Amortizations	0	-232	-14,760	-8,975	-1,819	0	-25,786
Book Value on 1 January 2006	2,062	3,261	19,363	2,159	536	34	27,416
Additions	86	79	2,183	1,046	192	22	3,607
Sales-Reductions-Annulments	-214	0	-130	-200	1	-34	-577
Carried Forward	0	0	0	0	0	0	0
Amortizations for the Financial Year	0	-101	-3,502	-716	-223	0	-4,542
Sales - Annulments Amortizations	0	0	118	188	0	0	305
Acquisition Cost (or Adjusted Value) on 31 December 2006	1,934	3,573	36,176	11,980	2,548	22	56,232
minus: Accumulated Amortizations	0	-333	-18,144	-9,503	-2,042	0	-30,023
Book Value on 31 December 2006	1,934	3,240	18,031	2,477	505	22	26,209
Additions	0	182	2,545	304	99	1	3,131
Increases from Readjustment	4	369	0	0	0	0	373
Sales-Reductions-Annulments	-8	-270	-9	-252	0	-21	-560
Carried Forward	0	0	0	0	0	0	0
Amortizations for the Financial Year	0	-109	-3,754	-705	-200	0	-4,768
Amortizations for Items Sold - Written Off	0	12	10	164	0	0	186
Acquisition Cost (or Adjusted Value) on 31 December 2007	1,930	3,854	38,712	12,032	2,647	2	59,176
minus: Accumulated Amortizations	0	-430	-21,888	-10,044	-2,242	0	-34,605
Book Value on 31 December 2007	1,930	3,424	16,823	1,988	404	2	24,571

The tangible fixed assets of the Company are analysed as follows:

<i>Amounts in € '000</i>	Land Plots	Buildings	Mechanical Equipment	Means of Transport	Furniture and Other Equipment	Assets Under Construction	Total
Acquisition Cost (or Adjusted Value) on 1 January 2006	1,797	3,343	33,282	11,014	2,269	0	51,706
minus: Accumulated Amortizations	0	-226	-14,176	-8,907	-1,770	0	-25,079
Book Value on 1 January 2006	1,797	3,118	19,107	2,107	499	0	26,627
Additions	86	67	2,183	1,028	176	22	3,562
Sales-Reductions-Annulments	0	0	-130	-184	1	0	-313
Carried Forward	0	0	0	0	0	0	0
Amortizations for the Financial Year	0	-96	-3,452	-700	-211	0	-4,459
Sales - Annulments Amortizations	0	0	118	182	0	0	299
Acquisition Cost (or Adjusted Value) on 31 December 2006	1,883	3,410	35,335	11,858	2,447	22	54,954
minus: Accumulated Amortizations	0	-321	-17,510	-9,425	-1,982	0	-29,238
Book Value on 31 December 2006	1,883	3,089	17,825	2,433	465	22	25,716
Additions	0	182	2,545	304	97	1	3,129
Increases from Readjustment	4	369	0	0	0	0	373
Sales-Reductions-Annulments	-5	-119	-8	-195	0	-21	-348
Carried Forward	0	0	0	0	0	0	0
Amortizations for the Financial Year	0	-104	-3,706	-693	-185	0	-4,688
Amortizations for Items Sold - Written Off	0	1	10	132	0	0	143
Acquisition Cost (or Adjusted Value) on 31 December 2007	1,882	3,842	37,872	11,967	2,544	2	58,108
minus: Accumulated Amortizations	0	-424	-21,206	-9,986	-2,167	0	-33,783
Book Value on 31 December 2007	1,882	3,418	16,666	1,981	377	2	24,325

The Group has acquired machinery and transportation means through leasing agreements. The book value of the said fixed assets, which is included in the tables above, is analysed here below:

Amounts in € '000	GROUP		
	Machinery & Other Equipment	Means of Transport	Total
Acquisition Cost on 31/12/2006	22,903	618	23,521
minus: Accumulated Amortizations	(9,201)	(121)	(9,322)
Net Book Value on 31/12/2006	13,702	497	14,199
Purchases	1,582	71	1,653
Amortizations for the Financial Year	(2,630)	(62)	(2,692)
Acquisition Cost on 31/12/2007	24,485	689	25,174
minus: Accumulated Amortizations	(11,831)	(183)	(12,014)
Net Book Value on 31/12/2007	12,654	506	13,160

Amounts in € '000	COMPANY		
	Machinery & Other Equipment	Means of Transport	Total
Acquisition Cost on 31/12/2006	22,903	618	23,521
Acquisition Cost on 31/12/2006	(9,201)	(121)	(9,322)
Net Book Value on 31/12/2006	13,702	497	14,199
Purchases	1,582	71	1,653
Amortizations for the Financial Year	(2,630)	(62)	(2,692)
Acquisition Cost on 31/12/2007	24,485	689	25,174
minus: Accumulated Amortizations	(11,831)	(183)	(12,014)
Net Book Value on 31/12/2007	12,654	506	13,160

6.2. INTANGIBLE ASSETS

The Group's intangible assets include mostly software. Their analysis at Group and Company level is the following:

<i>Amounts in € '000</i>	GROUP	
	Software	Total
Acquisition Cost on 1 January 2006	278	278
minus: Accumulated Amortizations	-108	-108
Book Value on 1 January 2006	169	169
Purchases	43	43
Sales-Reductions-Annulments	0	0
Amortizations for the Financial Year	-51	-51
Acquisition Cost on 31 December 2006	321	321
minus: Accumulated Amortizations	-160	-160
Book Value on 31 December 2006	162	162
Purchases	10	10
Sales-Reductions-Annulments	-1	-1
Amortizations for the Financial Year	-53	-53
Acquisition Cost on 31 December 2007	330	330
minus: Accumulated Amortizations	-213	-213
Book Value on 31 December 2007	118	118

There are no intangible assets that have been pledged to secure obligations or that have ownership titles under conditions.

6.3. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

Investments in subsidiaries are analysed as follows:

<i>Amounts in € '000</i>	31/12/2007			31/12/2006		
	Subsidiary Name	% participation	Country	Equity	% participation	Country
TOXOTIS ATE	100.00%	Greece	1,281	100.00%	Greece	(151)
EUROROM S.L.R.	100.00%	Romania	1,970	100.00%	Romania	1,951
ANAPTIXEIS ATHINAIKON PROASTION	99.00%	Greece	1,165	99.00%	Greece	1,231
ALVITERRA HELLAS S.A.	50.00%	Greece	226	50.00%	Greece	289

The item change is analysed as follows:

<i>Amounts in € '000</i>	COMPANY	
	31/12/2007	31/12/2006
Beginning of the period	2,671	6,020
Increase in Share Capital (+)	1,600	0
Decrease in Share Capital (+)		(3,349)
Sales (-)	(2)	0
Profit from evaluation at fair value recognized in equity	0	0
Decrease in adjusted reserves due to impairment	0	0
Losses Turnaround	0	0
Profit / losses from evaluation at fair value in the Income Statement	0	0
End of the period	4,269	2,671

6.4. INVESTMENTS IN AFFILIATES

Investments in affiliates reflect the value of company LAMDA OLYMPIC S.R.L and ZACOLA VENTURES LIMITED. Indicative financial data for the said company of the Group are set out here below (data of the 31/12/2007 financial statements adapted to I.A.S. in thousand euro):

<i>Amounts in € '000</i>		31/12/2007							
Affiliated Companies	% Part.	Country	Equity	Non Current Assets	Current Assets	Long-term liabilities	Short-term liabilities	Income	Expenses
LAMDA OLYMPIC SRL	50.00%	ROMANIA	1,179	0	1,325	0	146	730	708
ZACOLA VENTURES LIMITED	10.00%	ROMANIA	0		0				
		31/12/2006							
Affiliated Companies	% Part.	Country	Equity	Non Current Assets	Current Assets	Long-term liabilities	Short-term liabilities	Income	Expenses
LAMDA OLYMPIC SRL	50.00%	POYMANIA	3,324	0	3,486	0	162	1,687	1,661
ZACOLA VENTURES LIMITED	10.00%	POYMANIA	2		2				

The change in the Group fund 'Participations in affiliated undertakings' is described as follows:

<i>Amounts in € '000</i>	GROUP	
	31/12/2007	31/12/2006
Begining of the period	1,675	2,058
Increase Share Capital		
Decrease Share Capital	(1,020)	(575)
Results from Affiliated Companies	11	13
Foreigh Exchange Differenses	(119)	180
End of the period	548	1,675

6.5. FINANCIAL ASSETS AVAILABLE FOR SALE

The financial assets available for sale include an amount of 19.9 million euro, which is a 10% participation in the company PORTO KARRAS S.A. measured at fair value.

The specific investment till the financial year 2005 was included in the "investment in affiliates" item. However, due to the small participation percentage, the change in the way of its presentation in the group financial statements was deemed necessary for the financial year 2006.

Thus, in the financial year from 1/1 to 31/12/2006, aiming at a more reliable reflection of the facts, the company made a change in the policy of recording and presenting the said investment, classifying same in the class of financial assets available for sale.

For this reason, the company reformed the assets items (affected by the change in its accounting policy) for the financial year 2006, as well as the net position item, by presenting the relevant reserve in retrospect and reforming the 'Results carried forward' item, in which the said reserve was entered according to the reformed accounting policy. The changes that appeared in equity due to the change in

the accounting policy are presented separately in the Group Statement of Changes in Equity for the current and the comparative financial years

<i>Amounts in € '000</i>	Other Participations		Total	
	Other Participations	Total	Other Participations	Total
Balance as of 1/1/2006	15,500	15,500	15,500	15,500
Additions (+)	0	0	0	0
Disposal (-)	0	0	0	0
Changes in fair value	4,416	4,416	4,416	4,416
Balance as of 31/12/2006	19,916	19,916	19,916	19,916
Changes during the fiscal year 2007				
Additions	0	0	0	0
Disposal	0	0	0	0
Changes in fair value	63	63	63	63
Balance as of 31/12/2007	19,979	19,979	19,979	19,979

6.6. INVESTMENTS IN REAL ESTATE

The amounts recorded in the balance sheet concern real estate investments, as follows:

<i>Amounts in € '000</i>	GROUP	COMPANY
Book Value 1/1/2006	9,950	9,950
Carried Forward from Own Usage	214	0
Revaluation Appreciation	737	131
Other Adjustments	-2	-2
Sales	0	0
Book Value 31/12/2006	10,899	10,079
Carried Forward from Own Usage		
Revaluation Appreciation	1,046	1,046
Other Adjustments		
Additions	65	
Sales	-885	
Book Value 31/12/2007	11,125	11,125

The amounts recorded in the balance sheet concern real estate investments, as follows:

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Leasing Income	223	577	223	577

Investments in real estate are measured at fair value, namely at the market price as estimated by an independent and certified professional appraiser.

It is noted that the Company's investment real-estate property in Glifada (BONA VISTA building) was appraised in financial year 2007 by an independent appraiser with the following application of the appraisal determination method:

1) Value of the real estate as the sum of the value of the plot's horizontal properties, which was determined as the average weighted value according to the following methods:

- the capitalisation (revenue) method, and
- the real estate market data

2) Value of the real estate as the sum of the value of the land plot and of the value of the buildings incremented by the gross contractor profit (GCP). The value of the real estate was determined as the average weighted value according to the following methods:

- the capitalisation (revenue) method, and
- the real estate market data

A goodwill adjustment, amounting to EUR 1,046 thousand, arose from the above appraisal of fair value, which is also shown in the Company's results.

In regard to the Company's other investment properties, the Company relied on the appraisal of the Group's property and buildings that was conducted by an independent, professional appraiser on 31 December 2004, with the application of the aforementioned appraisal determination methods, in combination with comparative data from the real estate market regarding these properties, with the goal of determining any depreciation in their fair market value.

On 31.12.07, the current value of the Group investments in land and buildings was determined by the company, which re-evaluated the above methods that the independent appraiser applied and the differences were recorded in the results of the financial year. The changes in the values of real estate investments as well as the amounts recorded in the financial year results are as follows:

<i>Amounts in € '000</i>	PATRAS PROPERTY	PILAIAS PROPERTY	GROUP GLYFADAS PROPERTY	OTHER PROPERTY	TOTAL
Book Value 31.12.2006	1,920	5,800	1,474	1,574	10,768
Fair Value 31.12.2006	2,051	5,800	1,474	1,574	10,899
Profit / Losses	131	0	0	0	131

<i>Amounts in € '000</i>	PATRAS PROPERTY	PILAIAS PROPERTY	GLYFADAS PROPERTY	OTHER PROPERTY	TOTAL
Book Value 31.12.2007	2,051	5,800	1,474	1,574	10,899
Fair Value 31.12.2007	2,051	5,800	2,520	1,574	11,946
Profit / Losses	0	0	1,046	0	1,046

<i>Amounts in € '000</i>	PATRAS PROPERTY	PILAIAS PROPERTY	COMPANY GLYFADAS PROPERTY	OTHER PROPERTY	TOTAL
Book Value 31.12.2006	1,920	5,800	1,474	754	9,948
Fair Value 31.12.2006	2,051	5,800	1,474	754	10,079
Profit / Losses	131	0	0	0	131

<i>Amounts in € '000</i>	PATRAS PROPERTY	PILAIAS PROPERTY	GLYFADAS PROPERTY	OTHER PROPERTY	TOTAL
Book Value 31.12.2007	2,051	5,800	1,474	754	10,079
Fair Value 31.12.2007	2,051	5,800	2,520	754	11,125
Profit / Losses	0	0	1,046	0	1,046

There are no restrictions in the liquidation of investments in real estate or in the return of income or of the proceed from a possible disposal thereof.

There are no contractual obligations for the purchase, construction or utilisation of real estate investments or for any potential repairs and maintenance made to same.

6.7. OTHER LONG-TERM RECEIVABLES

The analysis of other long-term receivables of the Group and the Company is as follows:

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Quarantees offered	843	376	840	372
Long-term receivables from affiliated comp	0	0	0	1,000
Other Long-term receivables	0	0	0	0
Total	843	376	840	1,372

6.8. DEFERRED TAX RECEIVABLE AND LIABILITY

The deferred tax receivables and liabilities are offset when there is an enforceable legal right for the current tax receivables to be offset against current tax liabilities and when the deferred income taxes concern the same tax (IRS) authority. The amounts offset are the following:

<i>Amounts in € '000</i>	GROUP			
	31/12/2007		31/12/2006	
	Receivables	Liabilities	Receivables	Liabilities
Tangible Assets	0	275	0	(287)
Intangible Assets	2	0	0	0
Investments in Real Estate Property	0	2,781	0	2,519
Other Long-Term Receivables	0	0	0	0
Inventories	0	0	0	0
Receivables from Construction Contracts	0	2,868	15	1,530
Clients and Other Commercial Receivables	123	0	0	0
Capital Reserves	4	2,477	0	0
Personnel Benefits	75	0	113	0
Short-Term Loan Liabilities	0	0	0	0
Fixed Assets Acquired with Financial Leasing	0	1,409	0	2,494
Accounting of Tax Losses	2,217	0	2,952	0
Total	2,421	9,810	3,080	6,256
Deferred Tax Receivables/ (Liabilities)		7,389		3,176

<i>Amounts in € '000</i>	COMPANY			
	31/12/2007		31/12/2006	
	Receivables	Liabilities	Receivables	Liabilities
Tangible Assets	0	275	0	(815)
Intangible Assets	2	0	5	0
Investments in Real Estate Property	0	2,781	0	2,520
Other Long-Term Receivables	0	0	0	0
Inventories	0	0	0	0
Receivables from Construction Contracts	0	2,455	0	1,499
Clients and Other Commercial Receivables	123	0	0	0
Capital Reserves	0	2,477	0	0
Personnel Benefits	75	0	116	0
Short-Term Loan Liabilities	0	0	0	0
Fixed Assets Acquired with Financial Leasing	0	1,409	0	3,060
Accounting of Tax Losses	1,823	0	2,952	0
Total	2,023	9,397	3,073	6,264
Deferred Tax Receivables/ (Liabilities)		7,374		3,191

In accordance to the tax law, certain income is tax-free at the time of acquisition, but also at the time of distribution to the shareholders. The Group's accounting principle is to record a deferred tax liability with regard to such income, at the time of distribution.

The income tax scale that applies to the parent Company and the other companies with registered offices in Greece for the year 2007 is equal to 25%. In particular, from 35% that was applicable up to the 2004 financial year, the tax scale was reduced to 29% for the 2006 financial year, whereas as of the 2007 financial year onwards it is fixed at 25%.

On 31.12.2007 there were tax losses for the company totalling € 7.293 th. approximately, for which, on the basis of the management's estimates, a deferred tax receivable was calculated expected to reduce the [amount of] taxable profits in subsequent financial years. According to tax legislation, the company is entitled to apply the above losses as a tax benefit within five years from the financial year in which the losses were incurred.

6.9. INVENTORIES

The analysis of Group inventories is set out as follows:

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Apartments Under Construction	0	71	0	71
Advance Payments	(2,295)	0	(2,295)	0
Finished & Semi-Finished Products - By-products & Residues	1,002	0	1,002	0
Raw & Secondary Materials -Consumables - Spare Parts & Packaging Materials	4,213	1,018	4,213	1,018
Total Liquidating Value	2,920	1,089	2,920	1,089
Minus: Impairment Provision	0	0	0	0.00
Total Net Liquidating Value	2,920	1,089	2,920	1,089

The total of the said inventories has been valued at the end of the financial year at the lowest between the purchase cost and the net liquidation value of same.

6.10. RECEIVABLES / LIABILITIES FROM CONSTRUCTION CONTRACTS

The construction contracts involve the construction of assets or group of associated assets especially for clients, in accordance with the terms provisioned in the relevant contracts and the performance of which usually lasts for a period longer than one financial year.

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Contractual Income Accounted for in Financial Year Results	147,921	72,437	142,658	68,975
Project Accumulated Cost	602,336	432,224	582,901	426,952
plus: Profit Recorded (Accumulated)	20,197	44,610	18,272	44,523
minus: Loss Recorded (Accumulated)	-869	-15,603	-869	-15,306

The analysis of the receivables and liabilities of the Group from construction contracts is as follows:

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Receivable from Construction Contracts (from Customers)	41,270	36,781	39,630	34,620
Liability from Construction Contracts (to Customers)	-2,152	-1,379	-2,134	-1,330
Total Advance Payments Received	6,095	20,139	6,095	20,139
Customer Deductions for Good Performance	5,411	13,511	5,411	13,511

6.11. CLIENTS AND OTHER COMMERCIAL RECEIVABLES

The analysis of receivables from clients as well as of other commercial receivables for the Group and the Company is set out as follows:

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Customers	18,643	12,703	17,251	13,753
Receivable Cheques (post-dated)	6,750	1,760	6,152	1,760
Receivables from Associated Companies	2,204	0	2,204	0
Receivables from the Greek State	75	0	75	0
Withheld Warranties	0	0	0	0
Total Receivables	27,672	14,463	25,682	15,513
Minus: Impairment Provision	(265)	(366)	(265)	(274)
Total Net Receivables	27,407	14,097	25,417	15,239

All of the Group's receivables have been subject to an estimate of indications regarding their possible impairment. Among these receivables, certain ones have undergone impairment, for which a corresponding provision of EUR 7,509 thousand (2006: EUR 3,577 thousand) has been formed.

Moreover, certain receivables, which have not undergone impairment, are in arrears. The maturing of the receivables that have not undergone impairment is presented in the Table below:

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Less than 3 months	34,597	27,776	32,023	26,903
Between 3 and 6 months	7,162	10,182	7,162	9,810
Between 6 months and 1 year	7,103	4,707	6,238	4,570
More than 1 year	10,579	10,746	10,435	10,378
Less Provisions	(7,509)	(3,577)	(7,509)	(2,557)
Total	51,932	49,834	48,349	49,104

The above amounts do not include receivables from construction agreements due to the different nature of the claim, as it is calculated based on the completion percentage of the project and it is adjusted accordingly every period.

6.12. RECEIVABLES FROM JOINT VENTURES / LIABILITIES TO JOINT VENTURES

The receivables from and obligations to joint ventures, for the Group and the Company are analysed in the table that follows:

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Receivables from Joint-ventures	2,332	5,793	1,706	5,175
Total receivables from Joint-ventures	2,332	5,793	1,706	5,175
Less: Provision devaluation	-448	-3,490	-448	-3,490
Total net receivables from Joint-ventures	1,884	2,303	1,258	1,685

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Liabilities from Joint-ventures	567	695	567	695
Total Liabilities from Joint-ventures	567	695	567	695

The joint ventures are included in the Group financial statements by application of the Net Position method; therefore, the relevant receivables and liabilities have not been written-off in the consolidated balance sheet.

The main financial data of the joint ventures are the following:

<i>Amounts in € '000</i>		GROUP					
		31/12/2007					
Joint-Venture	% Part.	Equity	Non current assets	Current assets	Short-term Liabilities	Income	Expenses
J/V MOCHLOS-INTRACOM CONSTRUCTIONS-GANTZOULAS FOR THE SWIMMING CENTER	32.5%	-1,304	0	2,723	4,027	428	132
J/V MOCHLOS-INTRAKAT FOR THE PROJECT IN THE TENNIS OLYMPIC CENTER OAKA	50.0%	-21	12	8,152	8,185	37	205
J/V MOCHLOS SA-ATHINAIKI TECHNIKI SA-INTRAKAT SA FOR THE PANTHESSALIKO PROJECT IN THE N.IONIAS OF VOLOS STADIUM	32.5%	28	0	3,673	3,645	0	64
J/V MOCHLOS SA-ATHENS SA FOR THE DODONIS PROJECT	50.0%	0	96	4,953	5,049	2,129	3,099

<i>Amounts in € '000</i>		GROUP					
		31/12/2006					
Joint-Venture	% Part.	Equity	Non current assets	Current assets	Short-term Liabilities	Income	Expenses
J/V MOCHLOS-INTRACOM CONSTRUCTIONS-GANTZOULAS FOR THE SWIMMING CENTER	32.5%	-1,599	0	3,760	0	-1,424	186
J/V MOCHLOS-INTRAKAT FOR THE PROJECT IN THE TENNIS OLYMPIC CENTER OAKA	50.0%	346	23	8,549	0	628	557
J/V MOCHLOS SA-ATHINAIKI TECHNIKI SA-INTRAKAT SA FOR THE PANTHESSALIKO PROJECT IN THE N.IONIAS OF VOLOS STADIUM	32.5%	-54	15	3,642	0	330	290
J/V MOCHLOS SA-ATHENS SA FOR THE DODONIS PROJECT	50.0%	0	186	9,460	0	13,546	13,627

<i>Amounts in € '000</i>		COMPANY					
		31/12/2007					
Joint-Venture		Equity	Non current assets	Current assets	Short-term Liabilities	Income	Expenses
J/V MOCHLOS-INTRACOM CONSTRUCTIONS-GANTZOULAS FOR THE SWIMMING CENTER	32.5%	-1,304	0	2,723	4,027	428	132
J/V MOCHLOS-INTRAKAT FOR THE PROJECT IN THE TENNIS OLYMPIC CENTER OAKA	50.0%	-21	12	8,152	8,185	37	205
J/V MOCHLOS SA-ATHINAIKI TECHNIKI SA-INTRAKAT SA FOR THE PANTHESSALIKO PROJECT IN THE N.IONIAS OF VOLOS STADIUM	32.5%	28	0	3,673	3,645	0	64
J/V MOCHLOS SA-ATHENS SA FOR THE DODONIS PROJECT	50.0%	0	96	4,953	5,049	2,129	3,099

<i>Amounts in € '000</i>		COMPANY					
		31/12/2006					
Joint-Venture		Equity	Non current assets	Current assets	Short-term Liabilities	Income	Expenses
J/V MOCHLOS-INTRACOM CONSTRUCTIONS-GANTZOULAS FOR THE SWIMMING CENTER	32.5%	-1,599	0	3,760	5,360	-1,424	186
J/V MOCHLOS-INTRAKAT FOR THE PROJECT IN THE TENNIS OLYMPIC CENTER OAKA	50.0%	346	23	8,549	8,226	628	557
J/V MOCHLOS SA-ATHINAIKI TECHNIKI SA-INTRAKAT SA FOR THE PANTHESSALIKO PROJECT IN THE N.IONIAS OF VOLOS STADIUM	32.5%	-54	15	3,642	3,711	330	290
J/V MOCHLOS SA-ATHENS SA FOR THE DODONIS PROJECT	50.0%	0	186	9,460	9,647	13,546	13,627

The Group's Companies are also involved in certain joint ventures that are not included in the consolidated financial statements. The Table below shows the joint ventures that are not consolidated, the participation percentage of the Group's Companies therein, the reasons they are not consolidated, and their basic financial figures during financial year 2007:

31/12/2006						
JOINT VENTURES ARE NOT INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS						
JOINT VENTURE	PARTICIPATION PERCENTAGE	NON CONSOLIDATION REASON	TURNOVER	EARNINGS BEFORE TAXES	TOTAL ASSETS	EQUITY
J/V T.O.-MOCHLOS	60%	Σημ. 1	0	-2	113	112
J/V TEO-MOCHLOS	49%	Σημ. 2	2,157	138	620	1
J/V T.O.-MOCHLOS	50%	Σημ. 1	0	-1	14	1
J/V MOCHLOS-TO	60%	Σημ. 1	0	0	282	1
J/V MOCHLOS SA-GEK SA	100%	Σημ. 2	0	-6	54	1
J/V MOCHLOS-ORION	50%	Σημ. 1	0	-10	486	15
J/V MOCHLOS-THEMELIODOMI	90%	Σημ. 1	0	0	21	2
J/V ΜΙΧΑΝΙΚΙ-Ι&Ρ-AVAX-ATHINA-MOCHLOS	34%	Σημ. 2	6,393	0	274	59
J/V MOCHLOS-EYKLEIDIS	50%	Σημ. 1	0	-132	134	6
J/V MOCHLOS-ΑΤΤΙΚΑΤ-ΒΙΟΤΕΡ	40%	Σημ. 2	2,128	-3	665	29
J/V TOXOTIS-AGOLMA	89%	Σημ. 1	480	-102	566	0
J/V TOXOTIS-GOUSGOUNIS	99%	Σημ. 1	965	25	637	
J/V T.O.-MOCHLOS	50%	Σημ. 2	0	0	10	1
J/V DE LIETO SPA-SIGALAS SA-METRO SA-ELTEK SA-MOCHLOS SA-GEK SA-ERGOMICHANIKI SA-DORIKI SA-INOCHOS SA-EUROPEAN TECHNIKI SA -OMIROS SA--TERNA SA	20%	Σημ. 1	0	-3	136	31

31/12/2007						
JOINT VENTURES ARE NOT INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS						
JOINT VENTURE	PARTICIPATION PERCENTAGE	NON CONSOLIDATION REASON	TURNOVER	EARNINGS BEFORE TAXES	TOTAL ASSETS	EQUITY
J/V T.O.-MOCHLOS	60%	Σημ. 1	0	8	9	1
J/V TEO-MOCHLOS	49%	Σημ. 2	1,710	118	493	1
J/V T.O.-MOCHLOS	50%	Σημ. 1	0	-1	13	1
J/V MOCHLOS-TO	60%	Σημ. 1	0	1	320	1
J/V MOCHLOS SA-GEK SA	100%	Σημ. 2	0	-1	174	1
J/V MOCHLOS-ORION	50%	Σημ. 1	0	-166	317	15
J/V MOCHLOS-THEMELIODOMI	90%	Σημ. 1	0	-1	20	2
J/V ΜΙΧΑΝΙΚΙ-Ι&Ρ-AVAX-ATHINA-MOCHLOS	34%	Σημ. 2	4,685	0	3,498	59
J/V MOCHLOS-EYKLEIDIS	50%	Σημ. 1	367	356	465	6
J/V MOCHLOS-ΑΤΤΙΚΑΤ-ΒΙΟΤΕΡ	40%	Σημ. 2	0	-25	33	29
J/V TOXOTIS-AGOLMA	89%	Σημ. 1	99	-2	575	0
J/V TOXOTIS-GOUSGOUNIS	99%	Σημ. 1	365	9	571	2
J/V T.O.-MOCHLOS	50%	Σημ. 2	0	0	10	1
J/V DE LIETO SPA-SIGALAS SA-METRO SA-ELTEK SA-MOCHLOS SA-GEK SA-ERGOMICHANIKI SA-DORIKI SA-INOCHOS SA-EUROPEAN TECHNIKI SA -OMIROS SA--TERNA SA	20%	Σημ. 1	0	-6	135	31

Note 1: Refers to inactive joint ventures, which still exist due to pending court claims by these joint ventures against the Greek State.

Note 2: Refers to joint ventures between a contractor and a construction company, in which inflow is included in the construction company's books and an equal amount of outflow in the contractor's books. In the case of consolidation, they would both be offset; therefore the result would have been the same, namely zero.

6.13. OTHER RECEIVABLES

The other receivables of the Group and the Company are analysed as follows:

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Receivables from Affiliated Companies	0	16,196	0	15,088
Income from Accounts Receivable	4,053	0	4,053	0
Other Advance Payments	3,552	6,014	3,437	5,521
Pre-paid Expenses	54	0	54	0
Various Debtors	9,097	3,558	8,713	3,543
Receivables from the Greek State	4,345	418	3,771	418
Litigious Claims against the Greek State	6,353	6,904	6,353	6,904
Personnel Advance Payments	11	0	11	0
Tax Receivables	2	3,555	0	2,991
Withheld Customer Bonds	1,203	0	1,203	0
Accounting of Subsidy	0	0	0	0
Total of Other Receivables	28,670	36,646	27,595	34,464
Minus: Impairment Provision	(6,132)	(3,211)	(6,132)	(2,283)
Total Net Receivables	22,538	33,435	21,463	32,181

6.14. FINANCIAL ASSETS AT THEIR FAIR VALUE THROUGH THE RESULTS

The financial data at fair value through the results concern shares in companies listed on the Athens Stock Exchange, which were valued at their fair value. Fair value is deemed to be the share stock exchange price on the date that the balance sheet is finalised.

<i>Amounts in € '000</i>	GROUP	COMPANY
Balance as of 1/1/2006	868	868
Sales	(402)	(402)
Readjustments of fair value	132	132
Balance as of 31/12/2006	597	597
Changes during the year 2007		
Sales	(291)	(291)
Readjustments of fair value	(104)	(104)
Balance as of 31/12/2007	202	202

6.15. CASH RESERVES AND EQUIVALENTS

The cash-in-hand represent cash in the Company's cashier and bank accounts that are available upon demand. The cash-in-hand and cash equivalents of the Group and the Company are as follows:

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Cash-in-hand	47	261	28	223
Cash in Banks	11,755	10,154	11,149	9,613
Cash Equivalents - Repos	2,084	0	2,084	0
Total Cash & Cash Equivalents	13,886	10,415	13,261	9,837

6.16. SHARE CAPITAL

The Company's share capital on 31.12.2007 consisted of 73.410.192 ordinary, fully paid shares, with a nominal value of EUR € 1,00 each.

MOCHLOS shares are listed on the Athens Stock Exchange.

Throughout the presented period and the (relevant comparative one) no change in the Company share capital was noted.

6.17. CAPITAL ABOVE PAR AND CAPITAL RESERVES

The company's above par share capital, is the result of the issuance of shares for cash with a value higher than their nominal value. The difference above par amounts to EUR 14,405 thousand.

The Group's remaining reserves are analysed as follows:

<i>Amounts in € '000</i>	Ordinary Reserve	Extraordinary Reserves	Special & Tax-Exempt Reserves	Total
Balance on 1 January 2006	1,816	36	4,258	6,110
Changes during 2006 Financial Year				
Formation of Ordinary Reserve	0	0	0	0
Part of Reserves Carried Forward to Results Carried Forward	0	0	0	0
Formation of Other Reserves	0	0	6	6
Balance on 31 December 2006	1,816	36	4,264	6,116
Changes during 2007 Financial Year				
Formation of Ordinary Reserve	0	0	0	0
Part of Reserves Carried Forward to Results Carried Forward	0	0	0	0
Other Adjustments	-41	0	0	-41
Balance on 31 December 2007	1,775	36	4,264	6,075

The Company's remaining reserves are analysed as follows:

<i>Amounts in € '000</i>	Ordinary Reserve	Extraordinary Reserves	Special & Tax-Exempt Reserves	Total
Balance on 1 January 2006	1,828	0	3,874	5,702
Changes during 2006 Financial Year				
Formation of Ordinary Reserve	0	0	0	0
Part of Reserves Carried Forward to Results Carried Forward	0	0	0	0
Other Adjustments	0	0	6	6
Balance on 31 December 2006	1,828	0	3,880	5,708
Changes during 2007 Financial Year				
Formation of Ordinary Reserve	0	0	0	0
Part of Reserves Carried Forward to Results Carried Forward	0	0	0	0
Other Adjustments	0	0	0	0
Balance on 31 December 2007	1,828	0	3,880	5,708

6.18. FAIR VALUE RESERVES

The fair value reserves of the Group and the Company are analysed as follows:

<i>Amounts in € '000</i>	GROUP		COMPANY	
	Fixed Assets Measured at Fair Value	Reserves from Valuation of Financial Assets Available for Sale	Fixed Assets Measured at Fair Value	Reserves from Valuation of Financial Assets Available for Sale
Balance on 1 January 2006	2,058	5,428	2,058	5,428
Revaluation (Gross)	460	4,416	0	4,416
Minus: Fair Value Reserve Amortization	-25	0	-25	0
Plus: Deferred Tax on Fair Value Reserve Amortization	6	0	6	0
Balance on 31 December 2006	2,498	9,844	2,039	9,844
Revaluation (Gross)	373	63	373	63
Reserve Deferred Tax	-93	-2,477	-93	-2,477
Minus: Fair Value Reserve Amortization	-18	0	-18	0
Plus: Deferred Tax on Fair Value Reserve Amortization	5	0	5	0
Reserves Carried Forward	-606	0	0	0
Reserve Deferred Tax Carried Forward	147	0	0	0
Other Adjustments	6	0	6	0
Balance on 31 December 2007	2,311	7,430	2,311	7,430

The Group and the Company have recorded the deferred tax liability over the asset revaluation profit at fair value.

The reserves from the valuation of financial assets available for sale concern the goodwill that resulted from the valuation of company PORTO KARRAS S.A., in which the group has a participation of 10% (see note. 6.5).

6.19. EXCHANGE RATE DIFFERENCES

The change of the 'exchange rate differences' item that appears in the consolidated Group financial statements is analysed as follows:

<i>Amounts in € '000</i>	GROUP Exchange Rate Differences	COMPANY Exchange Rate Differences
Balance on 1 January 2006	1,361	0
Changes during 2006 Financial Year	0	0
Exchange Rate Differences from Subsidiaries	94	0
Balance on 31 December 2006	1,455	0
Changes during 2007 Financial Year		
Exchange Rate Differences from Funds Redistribution	-1,594	
Exchange Rate Differences from Subsidiaries	-253	-118
Other Exchange Rate Differences	-7	
Balance on 31 December 2007	-398	-118

6.20. LIABILITIES FOR PERSONNEL BENEFITS DUE TO VOLUNTARY RETIREMENT

The Group and the Company record as a liability for personnel benefits due to voluntary retirement, the current value of the legal commitments that have been undertaken for the payment of a lump sum compensation to retiring personnel. The relevant liability has been calculated according to an actuarial study that was carried out by an independent actuary. In particular, the relevant study regarded the examination and calculation of the actuary amounts that are required according to the specifications set out by International Accounting Standards (IAS 19) and which amounts must be recorded in the Balance Sheet and results statement of each enterprise.

The Group and the Company have not officially or unofficially activated any special benefit programme in favour of the employees, which commits to benefits in the event of personnel retirement. The only programme currently in force, is the contractual obligation pursuant to applicable legislation of Law 2112/1920 and 3198/1955 on payment of a lump sum in the event of personnel retirement.

The relevant obligations of the Group and the Company, as well as the amounts that have been recorded in the results statement are as follows:

Amounts in € '000	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Balance Sheet Liabilities	464	366	464	366
Pension Benefits	(151)	98	(151)	98
Total	313	464	313	464
Charges in Results				
Pension Benefits (Provisions and Payments)	(151)	98	(151)	103
Total	(151)	98	(151)	103

The amounts that have been recorded in the balance sheet of company and the Group are the following:

Amounts in € '000	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Liabilities				
Current Value of Non-Funded Liabilities	511	579	511	579
Non-Recorded Proportional Profits / (Losses)	(185)	(102)	(185)	(102)
Non-Recorded Work Experience Cost	(13)	(13)	(13)	(13)
Total	313	464	313	464

The amounts that have been recorded in the results statement of the financial year are the following:

Amounts in € '000	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Cost of Current Employment	67	60	67	60
Financial Cost	23	18	23	18
Benefits Paid by the Employer	(383)	(128)	(383)	(128)
Cutbacks/Settlements/Termination of Employment Cost	138	108	138	108
Restructuring Cost	0	0	0	0
Other Income/Expenses	0	36	0	41
Accounted for Proportional Profit/Loss	3	3	3	3
Accounted for Work Experience Cost	1	1	1	1
Total	(151)	98	(151)	103

The primary actuary assumptions that were applied for the above accounting purposes are the following:

Assumptions	31/12/2007	31/12/2006
Discount Rate	4.20%	4.20%
Future Price Increases	4.00%	4.00%
Inflation	2.50%	2.50%

Voluntary Retirement Rates

Work Experience	Voluntary Retirement Rate
0-3	8.00%
3-6	3.00%
6-10	1.00%
10+	0.00%

Demographic Assumptions:

Mortality rate: We have used the Swiss mortality rate table EVK2000 for men and women.

Disability: Considering the long-term evaluation period, we have taken into consideration sickness probabilities using the relevant Swiss table EVK2000 for men and women.

An analysis of benefits to the personnel of the Group and the Company is set out here below.

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Salaries, Daily Wages & Benefits	9,957	6,313	9,887	6,264
Social Insurance Expenses	3,254	2,074	3,233	2,057
Pension Benefits (Provisions)	209	66	209	66
Termination Compensations	401	129	401	129
Stock Option Benefits	0	0	0	0
Other Personnel Benefits	21	9	21	9
Total	13,842	8,591	13,751	8,525

The number of personnel employed by the group and the company is the following

	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Number of personnel	580	538	568	291

6.21. FUTURE INCOME FROM STATE SUBSIDIES

<i>Amounts in € '000</i>	GROUP	COMPANY
	Other Grants	Other Grants
Book Value on 1 January 2006	10	10
Book Value on 31 December 2006	10	10
Grants Accounted for	0	0
Grants Written-off	0	0
Financial Year Income	0	0
Book Value on 31 December 2007	10	10

The amount of subsidies concerns the subjection of company to the provisions of Law 1892/90 and it refers to the reinstallation and modernisation of a ready concrete production unit at the Patras Industrial Section (BIPE), at a cost amounting in total to EUR3,571 thousand.

6.22. LOAN LIABILITIES

The loan liabilities of the Group and the Company (long and short-term) are analysed as follows:

Long-term loans	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
<i>Amounts in € '000</i>				
Bank Loans	1,975	5,560	1,975	5,560
Leasing	6,941	1,818	6,941	1,803
Bond Loan	0	0	0	0
Total Long-term loans	8,916	7,378	8,916	7,363
Short-term loans	GROUP		COMPANY	
<i>Amounts in € '000</i>	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Bank Loans	28,085	19,554	28,085	18,554
Leasing	1,049	979	1,044	966
Bond Loan	0	0	0	0
Total Short-term loans	29,134	20,533	29,129	19,520
Total loans	38,050	27,911	38,045	26,883

The short-term loans' maturity dates fall within the next 12 months from the date of the balance sheet, whereas the respective maturity dates of long-term loans are the following:

<i>Amounts in € '000</i>	GROUP			Total
	Less than 1 year	Between 1 and 5 years	More than 5 years	
31 December 2007				
Total Long-term loans	0	1,975	0	1,975
Total Short-term loans	27,655	0	0	27,655
Leasing	1,479	1,297	5,644	8,420
	29,134	3,272	5,644	38,050
31 December 2006				
Total Long-term loans	0	5,560	0	5,560
Total Short-term loans	18,554	0	0	18,554
Leasing	979	1,818	0	2,797
	19,533	7,378	0	26,911

<i>Amounts in € '000</i>	COMPANY			Total
	Less than 1 year	Between 1 and 5 years	More than 5 years	
31 December 2007				
Total Long-term loans	0	1,975	0	1,975
Total Short-term loans	27,655	0	0	27,655
Leasing	1,474	1,297	5,644	8,415
	27,655	1,975	0	38,045
31 December 2006				
Total Long-term loans	0	5,560	0	5,560
Total Short-term loans	18,554	0	0	18,554
Leasing	966	1,803	0	2,769
	18,554	5,560	0	26,883

The actual weighted average loan interest rates for the group are the following:

	31/12/2007	31/12/2006
Shortterm bank loan rate	Euribor+2,5%	Euribor+2,5%
Long-term bank loan rate	Euribor+2%	Euribor+2%

The loan terms provide for the calculation of the loan's interest rate, repayment terms, payment and prepayment and termination events.

Moreover, the loan terms include financial clauses, which dictate the requirements for maintaining certain financial indexes, such as net loan liabilities to EBITDA, net loan liabilities to net position, EBITDA to total net debit interest. Moreover, until the repayment of the loan the Company has the following obligations: not to be forfeited from its 7th grade license, not to change its activities, not to change its fixed assets

without informing the bank, not to register encumbrances on fixed assets, not to limit exports and participations.

On 4 May, MOCHLOS S.A. proceeded to sign a Sale and Lease Back Agreement, for a property located in the Patriarchiko Pileas area in Thessalonica, with the company Kiprou Leasing. The final price was set at EUR 5,085 thousand. The monthly lease was calculated at EUR 32 thousand. The lease term was set for 20 years and the amount of the acquisition price at the end of the lease was set at EUR 1,000 thousand.

The main clauses of the highest in value company financial leases, in force on 31 December 2007, are as follows:

Amounts in € '000

COMPANY	AGREEMENT DATE	LEASE DESCRIPTION	VALUE (in thousand €)	ACQUISITION VALUE (in €)	INTEREST RATE	NO. OF LEASES	LEASE AMOUNT (in thousand €)	AGREEMENT TERM
MOCHLOS S.A.	15/6/2003	Hydraulic Excavator / Hydraulic Hammer / W1900 Cold Milling Machine	425	100	EURIBOR QUARTERLY	20 Quarterly	24	15/6/2008
MOCHLOS S.A.	5/11/2003	Asphalt paving complex of the firm MASSENZA S.L.R.	360	100	EURIBOR QUARTERLY	20 Quarterly	20	5/11/2008
MOCHLOS S.A.	27/4/2005	2 Used Rolls Royce Helicopter Engines	265	10	EURIBOR AVERAGE MONTHLY + 2%	12 Quarterly	24	27/4/2008
MOCHLOS S.A.	27/4/2005	Used Rolls Royce Helicopter Turbine	70	10	EURIBOR AVERAGE MONTHLY + 2%	12 Quarterly	6	28/4/2008
MOCHLOS S.A.	8/9/2005	Cement Concrete Pump	25	10	EURIBOR AVERAGE MONTHLY+ 2%	12 Quarterly	2	8/9/2008
MOCHLOS S.A.	5/2/2005	2 HM2300 Marathon-Atlas Copco/KRUPP Hydraulic Hammers	59	100	EURIBOR QUARTERLY	20 Quarterly	3	5/2/2010
MOCHLOS S.A.	25/5/2006	2 SAFI MOD. GAMMA AS. Construction Site Raising Platforms	59	100	EURIBOR QUARTERLY	20 Quarterly	3	25/5/2011
MOCHLOS S.A.	7/3/2006	Tunnel Mould	175	10	EURIBOR QUARTERLY + 2%	12 Quarterly	16	7/3/2009
MOCHLOS S.A.	5/9/2006	Tamrock Axera Drilling Machine	540	0	EURIBOR QUARTERLY + 2.2%	20 Quarterly	31	5/9/2011
MOCHLOS S.A.	14/9/2006	WIRTGEN W50 DC Cold Milling Machine	150	0	EURIBOR QUARTERLY	20 Quarterly	9	14/9/2011
MOCHLOS S.A.	26/8/2006	SIMMA Construction Crane/ CIFA Concrete Spraying Machine / MERCEDES ACTROS Truck & AUTOGRU Hydraulic Crane Bracket	275	1	EURIBOR QUARTERLY	16 Quarterly	19	25/8/2010
MOCHLOS S.A.	11/10/2006	HYUNDAI R200 W7 Rubber Track Excavator	115	1	EURIBOR QUARTERLY	16 Quarterly	8	10/10/2010
MOCHLOS S.A.	27/11/2006	CIFA CSS-2 PAS307 Concrete Spraying Machine	218	3	EURIBOR QUARTERLY + 2.4%	20 Quarterly	13	27/11/2011
MOCHLOS S.A.	5/2/2007	SOILMEC Crawler-Type Drilling Machine	608	0	EURIBOR QUARTERLY + 2.2%	20 Quarterly	35	5/12/2012
MOCHLOS S.A.	26/2/2007	Standard Aero Helicopter Engine	71	10	EURIBOR QUARTERLY+ 2%	12 Quarterly	5	26/10/2010
MOCHLOS S.A.	24/4/2007	Tamrock Axera Drilling Machine	500	0	EURIBOR QUARTERLY + 2.2%	12 Quarterly	44	24/4/2010
MOCHLOS S.A.	4/5/2007	Thessalonica Real Estate Property Leased to Vodafone SA (SLB)	5.000	1.000.000	EURIBOR AVERAGE MONTHLY	240 Monthly	32	4/5/2027
MOCHLOS S.A.	15/5/2007	LIEBHERR 932 Crawler-Type Excavator	135	0	EURIBOR QUARTERLY + 2.2%	12 Quarterly	12	15/5/2010
MOCHLOS S.A.	16/7/2007	2 HYUNDAI R200W-7 Type Rubber Track Excavators	230	0	EURIBOR QUARTERLY + 2%	16 Quarterly	15	13/7/2011

6.23. OTHER PROVISIONS

The provisions included in this account are analyzed as follows:

<i>Amounts € '000</i>	GROUP	
	Other Provisions	Total
Book Value as of 01 January 2006	0	0
Additional provisions	532	532
New Provisions	0	0
Other Changes	0	0
Book Value as of 31 December 2006	532	532
Additional provisions	0	0
New Provisions	928	928
Other Changes	0	0
Book Value as of 31 December 2007	1.460	1.460

6.24. OTHER LONG-TERM LIABILITIES

The other long-term liabilities of the Group and the Company are analysed as follows:

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Other Long-term Liabilities	13	13	13	13
Long-term liabilities from affiliated companies	0	791	0	0
Total other Long-term Liabilities	13	804	13	13

6.25. SUPPLIERS AND OTHER LIABILITIES

The balance from suppliers and other relevant liabilities of the Group and the Company are analysed as follows:

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Suppliers	26,543	28,512	25,661	28,646
Intercompany Accounts, Payable	2,955	0	4,147	0
Bonds Payable	0	0	0	0
Cheques Payable (post-dated)	11,307	9,352	9,146	8,439
Total Liabilities	40,805	37,864	38,954	37,084

6.26. CURRENT TAX LIABILITIES

The current tax liabilities of the Group and the Company concern obligations from income taxes.

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Income Tax on Taxable Profits	70	1,707	0	1,559
Previous Financial Years Income Tax	1,088	1,262	1,088	1,262
Tax Audit Differences	2,637	0	2,637	0
TOTAL	3,795	2,969	3,725	2,820

6.27. OTHER SHORT-TERM LIABILITIES

The other short-term liabilities of the Group and the Company are analysed as follows:

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Customers Advance Payments	4,114	9,755	4,114	9,523
Salaries and Daily Wages, Payable	561	0	554	0
Insurance Funds	(7)	(1)	(13)	(12)
Other Taxes (except Income Tax)	2,238	4,111	1,906	4,042
Dividends Payable	77	79	6	8
Provisions for Construction Contracts (IAS11)	2,152	1,351	2,134	1,330
Interest Payable	0	0	0	0
Payable Fees for BoD Members	185	886	0	686
Payable Expenses	347	0	343	0
Liabilities from Affiliated Companies	0	0	850	0
Next Period Income - Grants	6	6	6	6
Other Short-Term Liabilities	511	2,417	461	2,358
Total Liabilities	10,184	18,603	10,361	17,940

6.28. TURNOVER

Turnover analysis of the Group and the Company is set out in the table below:

Amounts in € '000	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Construction Sector	147,921	72,437	142,658	68,975
Home Building/ Real Estate	0	1,018	0	0
Industrial Sector	3,567	4,755	3,567	4,755
Commercial Sector	225,662	291,638	225,662	291,182
Other	504	177	0	0
Total	377,654	370,026	371,887	364,912

The above table also includes the results from discontinued operations which is presented at paragraph 5

6.29. EXPENSES BREAKDOWN BY CATEGORY

The Breakdown of the Group and the Parent Company's expenses by category is as follows:

Amounts in € '000	GROUP			
	31/12/2007			
	Cost of Sales	Administrative Expenses	Selling Expenses	Total
Cost of Inventories Recorded as Expense	30,924	0	0	30,924
Inventory Impairment	0	0	0	0
Amortizations Cost	4,721	100	0	4,820
Inventory Obsolescence Provisions	0	0	0	0
Provisions	6,741	0	0	6,741
Insurance Costs	479	0	0	479
Operating Leasing Rents	910	232	0	1,142
Repairs & Maintenance	861	107	0	968
Taxes-Duties	774	259	0	1,032
Personnel Fees & Expenses	12,408	1,433	0	13,842
Third Party Fees & Expenses	273,737	3,407	20	277,164
Financial Services Expenses	0	0	0	0
Advertisement Expenses	0	0	0	0
Third Party Benefits	613	230	0	843
In-house Production	0	0	0	0
Various Expenses	26,286	1,040	154	27,481
Total	358,454	6,808	174	365,436

<i>Amounts in € '000</i>	GROUP			
	31/12/2006			
	Cost of Sales	Administrative Expenses	Selling Expenses	Total
Cost of Inventories Recorded as Expense	310,021	0	0	310,021
Amortizations Cost	4,001	542	0	4,543
Provisions	(818)	0	0	(818)
Taxes-Duties	474	451	27	952
Personnel Fees & Expenses	7,998	593	0	8,591
Third Party Fees & Expenses	26,039	1,534	1	27,574
Third Party Benefits	3,104	165	0	3,269
Various Expenses	7,227	299	146	7,672
Total	358,047	3,584	174	361,805

<i>Amounts in € '000</i>	COMPANY			
	31/12/2007			
	Cost of Sales	Administrative Expenses	Selling Expenses	Total
Cost of Inventories Recorded as Expense	22,725	0	0	22,725
Inventory Impairment	0	0	0	0
Amortizations Cost	4,687	53	0	4,740
Inventory Obsolescence Provisions	0	0	0	0
Provisions	6,751	0	0	6,751
Insurance Costs	479	0	0	479
Operating Leasing Rents	907	231	0	1,138
Repairs & Maintenance	786	107	0	893
Taxes-Duties	770	254	0	1,024
Personnel Fees & Expenses	12,318	1,433	0	13,751
Third Party Fees & Expenses	278,654	3,245	6	281,906
Financial Services Expenses	0	0	0	0
Advertisement Expenses	0	0	0	0
Third Party Benefits	613	172	0	785
In-house Production	0	0	0	0
Various Expenses	26,196	1,025	154	27,375
Total	354,887	6,520	160	361,567

<i>Amounts in € '000</i>	COMPANY			
	31/12/2006			
	Cost of Sales	Administrative Expenses	Selling Expenses	Total
Cost of Inventories Recorded as Expense	308,658			308,658
Amortizations Cost	3,974	516		4,490
Provisions	(798)	0		(798)
Taxes-Duties	465	441	26	932
Personnel Fees & Expenses	7,933	592		8,525
Third Party Fees & Expenses	25,561	1,496	1	27,058
Third Party Benefits	2,974	114		3,088
Various Expenses	7,204	208	144	7,556
Total	355,971	3,367	172	359,509

The above table also includes the results from discontinued operations which is presented at paragraph 5

6.30. OTHER OPERATIONAL EXPENSES

The other operational expenses are analysed as follows:

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Bad Debt Provisions	0	3,123	0	2,570
Contingent Liabilities Provisions	0	600	0	600
Tax Fines & Surcharges	18	25	17	24
Other Fines & Surcharges	0	7	0	7
Previous Financial Years Expenses	5,700	861	5,382	318
Losses from Sale & Write-off of Tangible Assets	972	13	956	4
Exchange Rate Differences	0	742	0	463
Other Operating Expenses	1,427	23	287	14
Amortizations	0	28	0	0
Services Received	0	252	0	0
Other Extraordinary Losses	0	0	0	0
Total	8,117	5,674	6,642	4,000

The above table also includes the results from discontinued operations which is presented at paragraph 5

6.31. OTHER OPERATIONAL INCOME

Other operational income is analysed as follows:

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Operational Leasing Rents	600	8	596	0
Machinery Leasing Rents	0	574	0	567
Income from Grants	23	0	23	0
Profits from Sale of Tangible Fixed Assets	270	109	117	109
Exchange Rate Differences	0	644	0	644
Supplementary Sales Income	103	0	103	0
Tax & Duty Returns	0	0	0	0
Income from Previous Financial Years	1,877	272	1,811	178
Income from Provision of Services to Third Parties	331	0	331	0
Other Operating Income	2,447	140	2,430	140
Total	5,651	1,747	5,411	1,638

The above table also includes the results from discontinued operations which is presented at paragraph 5

6.32. FINANCIAL EXPENSES

Other financial expenses are analysed as follows:

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Interest from Financial Leases	381	91	376	91
Other Bank Expenses	103	49	103	44
L/G Commissions	0	717	0	697
Financial Cost of Employee Benefits	23	18	23	18
Other Financial Results	0	102	0	239
Loan Interest	3,343	1,503	3,343	1,503
Advance Payments Interest	31	49	31	49
Total	3,881	2,529	3,876	2,642

The above table also includes the results from discontinued operations which is presented at paragraph 5

6.33. FINANCIAL INCOME

Other financial income is analysed as follows:

Amounts in € '000	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Discount on Loans provided to Affiliated Parties	0	0	0	0
Interest Awarded from Litigious Claims	0	0	0	0
Interest from Interest-Bearing Hellenic Treasury Bonds	0	0	0	0
Revenues from Bank Interest	0	28	0	25
Other	28	46	13	0
Total	28	74	13	25

The above table also includes the results from discontinued operations which is presented at paragraph 5

6.34. OTHER FINANCIAL RESULTS

The Other Financial Results are analyzed as follows:

Amounts in € '000	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Expenses from Participation Sales	0	0	0	0
Expenses from Sale of Other Securities	0	0	0	0
Debits from Exchange Rate Differences	54	0	0	0
Credits from Exchange Rate Differences	179	0	183	0
Other Bank Expenses	(854)	0	(835)	0
Profits from Valuation of Shares and Securities	0	0	0	0
Losses from Valuation of Shares and Securities	0	0	0	0
Total	(621)	0	(652)	0

The above table also includes the results from discontinued operations which is presented at paragraph 5

6.35. RESULTS FROM INVESTMENTS

The results from Group and Company investments are analysed as follows:

Amounts in € '000	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Profits and Losses from Valuation of Shares and Securities	-104	132	-104	132
Profits and Losses from Sale of Shares and Securities	134	147	134	147
Total	30	279	30	279

6.36. RESULTS FROM THE IMPLEMENTATION OF PROJECTS THROUGH JOINT VENTURES

The analysis of profits and losses from joint ventures is as follows:

Profits / (Losses) from Joint Ventures <i>Amounts in € '000</i>	GROUP		COMPANY	
	1/1- 31/12/2007	1/1- 31/12/2006	1/1- 31/12/2007	1/1- 31/12/2006
TENNIS VENUE J/V	-84	35	-84	35
DODONI J/V	-485	-40	-485	-40
AQUATICS VENUE J/V	96	-491	96	-491
PANTHESSALIAN STADIUM J/V	-21	13	-21	13
Profits from Other Joint Ventures	0	0	0	0
Losses from Other Joint Ventures	0	0	0	0
Total	-494	-483	-494	-483

6.37. PROFIT/ LOSSES FROM VALUATION OF INVESTMENTS IN REAL ESTATE

The profit and / or losses resulting from the revaluation of investments in real estate are analyzed as follows:

<i>Amounts € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Profits from changes in real estate at fair value	1,046	131	1,046	131
Total	1,046	131	1,046	131

The above table also includes the results from discontinued operations which is presented at paragraph 5

6.38. DIVIDEND INCOME

The Dividend income are analyzed as follows:

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Dividends from DIEKAT SA	15	0	15	0
Dividends from HELLENIC EXCHANGES S.A.	3	0	3	0
Other Dividends	4	0	4	0
Total	22	0	22	0

6.39. INCOME TAX

The Group is subject to various income tax scales depending on the country of operations and therefore a certain judgment is required for a tax provision to be made. There are several transactions and calculations for which the final tax estimate is uncertain.

Expenses for income tax for the financial years that ended on 31 December 2006 and 2005 are analysed as follows:

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Tax period	125	557	33	557
Tax audit differences from previous years	1,583	1,262	1,583	1,263
Other taxes non included in the operating cost			0	0
Deffered tax	1,967	553	1,932	520
Total	3,675	2,372	3,548	2,340

The amount of tax for Group pre-tax profits is different than the theoretical amount that would result by application of the weighted average tax scale that is applied to the profits of the consolidated companies.

The relation between the expected tax expense, based on the actual Group tax scale and of the tax scale that was indeed recorded in the results statement is the following:

Earnings before tax	5,883	1,779	5,179	350
Tax rate	25%	29%	25.00%	29.00%
Expected tax expense	1,471	516	1,295	101
Adjustments for changes in the tax rate				
Adjustments for non taxable income				
- Deferred taxation for the period	1,967	553	1,932	520
- Adjustments for the period	(1,346)	42	(1,262)	456
Other adjustments (Tax free reserves - other tax shelters)				
- Tax audit differences	1,583	1,262	1,583	1,263
- Other taxes non included in the operating cost	0	0	0	0
Actual tax expense	3,675	2,373	3,548	2,340

6.40. PROFIT PER SHARE

The basic profits per share for the Group and the Company are the following:

<i>Amounts in € .000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Profit / (Losses) after taxes	2,250	-679	1,630	-1,990
Weighted average number of shares	73,410	73,410	73,410	73,410
Basic profits per share (€ / share)	0.03	-0.01	0.02	-0.03
Profit after taxes from continued operations	3,984	1,217	3,396	-179
Weighted average number of shares	73,410	73,410	73,410	73,410
Basic profits per share (€ / share)	0.05	0.02	0.05	0.01
Results from discontinued operations	-1,766	-1,811	-1,766	-1,811
Weighted average number of shares	73,410	73,410	73,410	73,410
Basic profits per share (€ / share)	-0.02	-0.02	-0.02	-0.02

The basic profits per share during the previous financial year were calculated after the readjustment of the number of shares that was made in that financial year, due to the reverse split carried out in the 2006 financial year.

6.41. RECEIVABLES, OBLIGATIONS AND TRANSACTIONS WITH ASSOCIATED PARTIES

6.41.1. CROSS-COMPANY PURCHASES/SALES

Cross-company sales/purchases for the period are analysed as follows:

<i>Amounts in € .000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
<u>Income from Commodity Sales</u>				
Parent	0	0	0	0
Subsidiaries	0	0	2	169
Joint Ventures	1,690	0	1,690	0
Other Affiliated Parties	222,027	291,195	222,025	291,195
Management Executives	0	0	0	0
Total	223,718	291,195	223,718	291,364
<u>Priced Income from project implementation</u>				
Parent	3,307	0	0	0
Subsidiaries	0	0	0	0
Joint Ventures	1,445	0	1,445	0
Other Affiliated Parties	47,273	10,401	33,473	10,401
Management Executives	0	0	0	0
Total	52,025	10,401	34,917	10,401
<u>Purchases and Remuneration from services</u>				
Parent	5,546	1,200	5,441	1,200
Subsidiaries	0	0	12,299	0
Joint Ventures	48	0	48	0
Other Affiliated Parties	329	0	319	0
Management Executives	0	0	0	0
Total	5,923	1,200	18,107	1,200
<u>Sales of Assets</u>				
	1/1-31/12/2007	1/1-31/12/2006	1/1-31/12/2007	1/1-31/12/2006
Other Affiliated Parties	988	0	125	0
Management Executives	159	0	0	0
Subsidiaries	38	0	38	0
Total	1,185	0	162	0

6.41.2. CROSS-COMPANY BALANCES

The analysis of cross-company receivables/obligations is as follows:

Recognition of receivables from from construction contracts (IAS 11)

Amounts in € .000

	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Debit Balance				
Parent	1	0	0	0
Other Affiliated Parties	9,397	13,614	8,956	12,073
Total	9,398	13,614	8,956	12,073

Recognition of liabilities from from construction contracts (IAS 11)

Amounts in € .000

	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Credit Balance				
Parent	18	0	0	0
Other Affiliated Parties	335	1,213	335	1,213
Total	353	1,213	335	1,213

Amounts in € .000

	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Receivable				
Parent	580	4,921	0	4,904
Subsidiaries	0	0	0	4,565
Joint Ventures	5,992	4,376	5,365	3,757
Management Executives	80	289	0	289
Other Affiliated Parties	7,232	7,123	5,826	6,856
Total	13,883	16,708	11,191	20,371

Credit Balance

	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Parent	2,125	674	2,125	0
Subsidiaries	0	0	2,042	1,846
Joint Ventures	843	695	843	695
Board of Directors	11	0	6	0
Management Executives	0	686	0	686
Other Affiliated Parties	4,870	12,820	4,683	12,552
Total	7,849	14,874	9,699	15,778

6.41.3. BENEFITS TO MANAGEMENT MEMBERS

Gross remuneration of MOCHLOS SA officers as well as the Board of Directors remuneration for fiscal year 2007 are analyzed as follows:

<i>Amounts in € .000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Gross Remuneration	642	424	642	424
Total	642	424	642	424

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Fees for BoD Members (except salary)	1,200	0	1,200	0
Fees from Operating Profits	0	0	0	0
Management Fees	0	0	0	0
Total	1,200	0	1,200	0

There are no loans granted to members of the BoD or other management executives of the Company (and their families).

6.42. ADDITIONAL INFORMATION AND EXPLANATIONS

6.42.1. CONTINGENT RECEIVABLES - OBLIGATIONS

6.42.1.1. TAX UN-AUDITED FINANCIAL YEARS

The Group does not have a relevant provision for the tax un-audited financial years. The parent company MOCHLOS S.A. has been tax audited up to and including the 2006 financial year. As to subsidiaries, companies TOXOTIS S.A., DEVELOPMENT OF ATHENIAN SUBURBS S.A., ALVITERRA HELLAS S.A. have been audited up to and including the 2002 financial year, through [the provisions of] Finalisation of Cases, pursuant to Law 259/2004.

In the month of December 2007 , the tax audit of the Parent Company MOCHLOS SA for the financial years 2004 – 2006 was completed. From the above audit there were additional taxes imposed amounting € 1,523,94 for the financial year 2004, € 790,071 for financial year 2005 and € 762,055 for financial year 2006 or a total of € 3,075,620 taxes payable.

Moreover TOXOTIS SA tax audit for the financial years 2003-2006 is in process.

In summary, the tax un-audited financial years of the Group Companies are set out in the following table:

COMPANY	Anaudited Fiscal years
Mochlos	2007
ANAPTIXI ATHINAIKON PROASTEION	2003-2007
EUROROM S.L.R.	Has not been audit from his foundation
ALVITERRA	2003-2007
TOXOTIS	2003-2007

Furthermore, as per the Group's regular practice, there is no provision for contingent liabilities from future tax audits because it is not possible to estimate the amount that is likely to be imposed. Apart from that, it is estimated that the result of a future tax audit for the un-audited financial years shall not bring about considerable charges for the company, given that the tax results of the said financial years recorded losses, while, at the same time, tax advances have been paid, which are expected to be offset against tax liabilities.

6.42.1.2. COMMITMENTS FROM CONSTRUCTION CONTRACTS

The commitments of the Group and the company regarding construction contracts are as follows:

Amounts in € .000	GROUP	
	31/12/2007	31/12/2006
Backlog	219,115	230,700
Good performance bonds granted	95,405	94,009

6.42.1.3. INFORMATION RELATED TO LITIGATION AGAINST THE COMPANY AND THE GROUP

Legal claims against the Company have been lodged by:

PYRIDIS–IOANNIDIS Partnership: Concerning a claim of 48,557.10 euro. It regards non-payment of works at the Porto Karras Marina; at worst the claim was accepted for the amount €10,000 approximately. The company has filed for an appeal which was examined on 08/02/2008 before the

Court of appeals in Thessalonica. It is estimated that under the worst case scenario the amount will remain unchanged.

DIEDROS: Concerning a claim of 256,475.43 euro. It is estimated that the lawsuit will be decline.

MOUSTAKAS: Concerning a claim of 42,727.01 euro. It regards a contract notice of termination. At the first instance court examination the amount of € 1,500 was fined.

TRIGONO AEBTE: It regards a claim of 33,834.16 euro, for expenses from the participation in a joint venture. The company has succeeded in the First Instance Court. The company has issued two payment orders amounting € 40,000 against "THESSALIKI SA" και "EXEIDIKEVMENA ERGA SA".

DIMOTSALI: It concerns a claim of 72,214.28 euro for damages from the destruction of materials. The motion is expected to be rejected.

BEIST: In the amount of 52,950.53 euro. It regards amounts due according to an agreed fee. It is estimated that the motion will be successful and ¼ of the amount claimed will be adjudicated.

ASPIS PRONOIA: It regards the J/V MOCHLOS-ATTIKAT-BIOTER in the amount of 88,316.93 euro. It concerns the payment of insurance premiums. The First instance Court decision reduced the amount to € 58,800. The Company has filed for an appealed. It is expected to conclude either with dismissal or reduction in half of the amount.

DAFNI: Concerning a claim of 416,129 euro. It regards claims by an ex associate, chairman of ALFA TECHNIKI; it was heard in the Court of Appeal and the amount of 13,000 euro was adjudicated to be paid by the company. A reversal will be sought before the Supreme Court.

BOUTOS: Concerning a claim of 184,500 euro with regard to rents for a floating crane. The First instance Court has denied the claim. An appeal was filed by the plaintiff. The appeal is expected to be dismissed.

PROMITHEAS ATEBE: Concerning the J/V AEGEK-MOCHLOS-EUR. TECHNIKI-EKTER in the amount of 57,435.51 euro. It regards compensation for force majeure affecting the "KOULOURA-KLEIDI" project. It is expected that the motion will be rejected.

ARKALOCHORIO MUNICIPALITY: Concerning a claim of 532.580,59 euro. It regards compensation for damages to several streets. It is estimated that the company will not incur any expense.

LABROPOULOS: It concerns Mochlos and EMEK. It is a claim of 53,979 euro with regard to machinery destroyed by fire. It is estimated that the motion will be rejected.

INJUNCTION BY NAFTILIAKI TECHNIKI: It concerns an amount of 750,000 euro, regarding non-payment of a contractor and non-compliance with a preliminary agreement. The claim is not substantiated. The company has signed a preliminary agreement, but same would only come into effect in the event that projects would be assigned to MOCHLOS, which did not happen. A rejection is expected.

KLOUKINAS: It turns against the Refinery J/V, concerning an amount of 799,707 euro; it regards default salaries. It is expected that the company will not incur any expense.

Furthermore, motions have been lodged against the company for labour accidents for a total amount of € 2.656.400. From these cases, the company is not expected to incur an expense exceeding the amount of €325.000. Motions are pending claiming overtime pay in the amount of 214,810.41 euro and damages from car accidents in the amount of € 1.672.925,23 they are expected to be rejected entirely.

Finally, the competition committee has fined the company with the amount of 304.395,00 euro for delaying to make notifications of purchases regarding a merger via absorption of the companies Alfa Techniki, Theofilos Skordalos and Greek Constructions as well as the absorption by Mochlos of the technical projects sector of the companies Technical Olympic and DIEKAT, upon their secession. A re-examination of the case is expected to take place by a Three-member Supervisory Committee.

With regard to the above contingent liabilities the company has formed a provision of 600,000 euro approximately.

6.42.1.4. INFORMATION RELATED TO CONTINGENT CLAIMS OF THE COMPANY AND THE GROUP

The legal proceedings wherein the company is plaintiff are based on its construction activities and the defendant is the Greek State. They regard the execution of public works that have been undertaken by the construction company in previous years, by participation in lowest-bidder tenders for each project. Most of the disputes are related to amendments or extensions of the initial contracts; in most of these cases the company has been successful in the administrative Court of Appeal but the decisions have not been executed due to reversal motions lodged by the Greek State. The calculation of interest and the final decisions are expected with regard to these cases. The said claims amount, in total, to EUR 13.4 million, which refers to the initial amount of the claim plus interest. The amount that has been recorded in the Financial Statements of the company and the group in previous financial years is of 6.9 million approximately.

6.42.1.5. INFORMATION RELATED TO ENCUMBRANCES ON FIXED ASSETS

There are no mortgages or pledges, or any other encumbrances on the fixed assets to secure borrowing.

6.42.1.6. COMMITMENTS FROM OPERATING LEASES

Group Company as Lessor

The company MOCHLOS S.A. leases the following real estate properties

- i. shop on the New Patras-Athens Highway, with a total surface area of 280 square meters to company CARLINE S.A. for 660 euro per month, with a three-year lease term.
- ii. a real estate property in the Patriarchiko region of Thessalonica, consisting of 2380 square meters in the basement and 2380 square meters on the ground floor, to company PANAFON; the rent per month has been set at € 30.056,43 and it is readjusted annually according to the price index. The lease term is nine years.
- iii. a real estate property consisting of a basement of 294 square meters, a ground floor of 543 square meters and an attic of 185 square meters to company RIDENCO S.A. The monthly rent is set at 5% of the monthly net turnover (generated at the leased shop) and it will be no less than 7,336.75 euro per month, which will be increased by 6% every year.

7. TARGETS AND RISKS MANAGEMENT POLICY

The Group is exposed to several financial risks such as credit risk, market risk (interest rate fluctuations, market prices, etc.), and liquidity risk. The Group's financial instruments mainly consist of bank deposits, liabilities from customers and others and liabilities consisting of suppliers – creditors, payable dividends and leasing obligations. The Group's general risk management program aims to limit the negative effects on the Group's financial results that arise from the inability to forecast the financial markets and the fluctuations in cost and sales variables.

The risk management policy is applied by the Group's Central Financial Service. The Board of Directors provides rules and guidance on risk management in general and specific rules for the management of specific risks, such as interest risks and credit risks. The procedure followed is outlined below:

- Evaluation of risks associated with the Group's activities and operations,
- design of the methodology and selection of appropriate financial products in order to reduce risks whenever necessary
- execution/implementation of the risk management procedure, in accordance with the procedure approved by management.

7.1. CURRENCY RISK

The Group is active on an international level and consequently exposed to currency risk, derived mainly from the US Dollar, but also from exchange rate fluctuations between RON and EUR, due to the Group's activity in the Romanian market. This risk mainly arises from future commercial transactions, claims, and liabilities that are conducted in the Romanian currency. For the time being, the Group has not adopted tools for compensating currency risk. Notwithstanding, within the framework of adequately meeting the above-mentioned risk, it is in constant communication with its financial advisors, in order to continuously define the optimum compensation policy in a constantly changing environment.

Commercial and other claims, as well as the corresponding liabilities, in foreign currency, converted to Euro at the closing exchange rate are analysed as follows:

Amounts in € '000

Nominal values	US\$	RON	US\$	RON
Trade and other receivables	276	26,034	262	8,762
Short-term liabilities	(273)	(13,589)	(258)	(13,197)
Short-term bank liabilities ^c	0	(23,517)	0	(318)
Short-term report	3	(11,072)	4	(4,753)
Long-term Liabilities	0	(1,052)	0	(475)
Long-term bank Liabilities	0	(464)	0	(521)
Long-term report		(1,516)		(996)
Total	3	(12,588)	4	(5,749)

The Tables below show the sensitivity of the financial year results, as well as that of equity, in relation to financial assets and financial liabilities and the Euro / Dollar and Euro / Ron exchange rates.

It is presumed that an exchange rate fluctuation takes place on 31 December 2007 to the Euro / Dollar exchange rate by 7.15% (2006: 9.22%) and the Euro / Ron by 10.27% (2006: 5.46%). This rate was based on the average volatility of the currency exchange market for a period of 12 months for 2007 and 2 months for 2008. The sensitivity analysis is based on the financial instruments in foreign currency that the Group owns during the reporting period.

In the event that the Euro goes up in relation to the above currencies, with the abovementioned percentages, then the financial year results on equity will have the following effect:

	COMPANY			
	31/12/2007		31/12/2006	
	US\$	RON	US\$	RON
Results after tax	(1)	(950)	0	61
Shareholders Equity	(1)	(950)	0	61

In the event that the Euro goes down in relation to the above currencies, with the abovementioned percentages, then the financial year results on equity will have the following effect:

	GROUP			
	31/12/2007		31/12/2006	
	US\$	RON	US\$	RON
Results after tax	0	192	0	302
Shareholders Equity	0	192	0	302

The Group's exposure to currency risk varies during the course of the year in accordance with the transaction volume in foreign currency. Even so, the above analysis is considered as representative of the Group's exposure to currency risk.

7.2. SENSITIVITY ANALYSIS OF INTEREST RATE RISKS

The Group's policy is to minimize its exposure to cash flow interest rate risk regarding long-term financing. Long-term financing is usually done with a floating rate (euribor). On 31 December 2007, the Group was exposed to changes in the interest rate market regarding its bank borrowing, which is affected by the fluctuating interest rate.

The Table below shows the effect on financial year results and equity during a reasonable fluctuation of interest rates at +0.5 or -0.5% (2006: +0/-0.5%). Interest rate fluctuation is expected to occur on a reasonable basis in relation to recent market conditions.

<i>Amounts in € '000</i>	GROUP			
	0.50%	-0.50%	0.50%	-0.50%
Results of the year after taxes from change in rate	(130)	130	(159)	159
Shareholders Equity	(130)	130	(159)	159

7.3. ANALYSIS OF CREDIT RISK

The Group's exposure to credit risk is limited to financial assets (means), which on the Balance Sheet date were analysed as follows:

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Financial Figures categories				
Cash and cash equivalents	13,886	10,415	13,261	9,837
Financial figures available for sale	19,979	19,916	19,979	19,916
Trade and other receivables	51,830	49,834	48,138	49,105
Total	85,695	80,165	81,378	78,858

The Group has established and applies credit control procedures aiming to minimize bad debt and direct coverage of claims with securities. The Group's policy is to only cooperate with reliable customers. The Board of Directors has defined a credit policy, based on which the creditworthiness of every new customer is assessed on an individual basis. The Group's creditworthiness assessment includes the examination of several banking and other third party sources of credit scoring, if available, as well as acquisition of external reports or analyses at a reasonable cost. Credit limits are set for every customer and specific selling and collecting terms are applied, which are reassessed on a regular basis and in accordance with the given conditions. Furthermore, guarantees, whether real or otherwise, are collected, whenever possible.

Management considers that all the above financial assets, which have not been depreciated in previous financial statement drafting dates, are of high credit quality.

The maximum exposure to credit risk on the Balance Sheet date is the fair value of each category of financial assets as it is shown above.

7.4. LIQUIDITY RISK ANALYSIS

Liquidity risk management includes the ensuring of the existence of adequate cash and cash equivalents, as well as the assurance of its creditworthiness amidst the existence of adequate credit limits from the cooperating banks.

The Group manages its liquidity needs by carefully monitoring its long-term financial obligations, as well as day-to-day payments. Liquidity needs are monitored at various time increments, on a daily and weekly basis, as well as on a rolling 30-day basis. Long-term liquidity needs for the next 6 months and the next year are determined on a quarterly basis.

The time frame of the Group's financial liabilities on 31 December 2007 is analysed as follows:

	CONSOLIDATED FIGURES 2007			
	Short term until 6 months	6 till 12 months	Long term 1 till 5 years	Longest 5 years
Long-term Borrowings	1,447	1,447	1,975	0
Leasing	740	740	1,297	5,644
Trade Liabilities	16,322	24,483	0	0
Other Short-term Liabilities	23,452	20,224	0	0
Total	41,960	46,893	3,272	5,644

The corresponding time frame of the Group's financial liabilities on 31 December 2006 was as follows:

	CONSOLIDATED FIGURES 2006			
	Short term until 6 months	6 till 12 months	Long term 1 till 5 years	Longest 5 years
Long-term Borrowings	909	909	2,780	2,780
Leasing	979	1,818	0	0
Trade Liabilities	15,146	22,718	0	0
Other Short-term Liabilities	21,560	18,445	0	0
Total	38,593	43,889	2,780	2,780

The above contractual expiration dates reflect the gross cash flows, which may differ from the accounting values of the liabilities on the balance sheet date.

8. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Group's policy regarding capital management is:

- To ensure the Company's ability to continue its activity unhindered;
- To provide satisfactory returns to shareholders by pricing services in accordance with cost and to care for the capital structure.

Management monitors debt in relation to equity as a whole. In order to achieve the desired capital structure, the Company may adjust the dividend, proceed with return of capital, or issue new shares. Equity is considered the sum of the share capital, above par, profits carried forward, and all other reserves (except minority interests).

The Group monitors its capital on the basis of the "Net borrowing to profits before taxes, financial and investment results, and amortizations (EBITDA)" index, as well as with the ratio of equity to total employed capital.

The Group determines its net borrowing as the sum of interest-bearing loan obligations minus its total cash reserves. The total employed capital is calculated as "Equity" plus net borrowing as shown in the balance sheet.

The mentioned indexes for financial years ending on 31 December 2007 and 2006, respectively, are as follows:

<i>Amounts in € '000</i>	GROUP		COMPANY	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Total Equity	64,704.00	64,926.00	65,443	66,063
Plus: Sub-Prime Loans	0.00	0.00	0	
Minus: Cash Reserves and Equivalents	-13,886.00	-10,415.00	-13,261	-9,837
Capital	50,818.00	54,511.00	52,182	56,226
Total Equity	64,704.00	64,926.00	65,443	66,063
Plus: Loans	38,050.00	27,911.00	38,045	26,883
Total Capital	102,754.00	92,837.00	103,488	92,946
Capital towards Equity	49.46%	58.72%	50.42%	60.49%
	2007	2006	2007	2006
Total Borrowing	38,050.00	27,911.00	38,045	26,883
Minus: Cash Reserves and Equivalents	-13,886.00	-10,415.00	-13,261	-9,837
Minus: Financial Assets Available for Sale	-19,979.00	-19,916.00	-19,979	-19,916
Net Borrowing	4,185.00	-2,420.00	4,805	-2,870
Total Equity Paid to Parent Company Shareholders	64,580.00	64,769.00	65,443	66,063
Total Employed Capital	68,765.00	62,349.00	70,248	63,193
Leverage Coefficient	6.09%	-3.88%	6.84%	-4.54%

In accordance with Legislation regarding Société Anonymes (Codified Law 2190/1920, as currently in force) there are limits imposed in relation to equity that are as follows:

- The acquisition of own shares, with the exception of the situations mentioned in par. 3 and 4 of Article 16 of Codified Law 2190/1920 as currently in effect, cannot exceed (regarding the nominal

value of the acquired shares) 10% of the paid share capital and cannot result in the decrease of equity to an amount less than the amount of the share capital augmented with the reserves for which distribution is prohibited by Law or by the Articles of Association.

In the event total Company equity amounts to less than ½ of share capital, the Board of Directors is obligated to call a General Meeting, within a six month time limit from the end of the financial year, which will decide the dissolution of the Company or the adoption of another measure.

When the Company's total equity reaches below 1/10 of share capital and the General Meeting does not take the appropriate measures, the Company may be dissolved, in accordance with Article 47 of Codified Law 2190/1920, by a court decision following a claim by anyone with a lawful interest.

At least 1/20 of the net profits are removed annually in order to create a regular reserve, which is used exclusively for hedging, before any dividend distribution, of any debit balance of the results carried forward account. The formation of this reserve is rendered optional when its amount reaches 1/3 of share capital.

The payment of annual dividends to the shareholders in cash, to an amount at least 35% of net profits, after the deduction for the regular reserve and the net result of the assessment of assets and liabilities at their fair value, is mandatory. This is not applicable pursuant to a decision of a General Shareholder Meeting by a majority of at least 65% of the fully paid share capital. In this situation, the non-distributed dividend of up to at least 35% of the above net profits is recorded in a special Reserve for capitalization account, within four years with the issue of new shares that are offered at no charge to the entitled shareholders. Finally, with a majority of at least 70% of the fully paid share capital, the General Shareholders Meeting may decide not to apply the above provisions. The Group fully complies with its relevant contractual obligations, including the maintenance of a rational capital structure and is in full compliance with the relevant provisions stipulated by Law regarding equity.

9. EVENTS AFTER THE DATE OF THE BALANCE SHEET

Besides the aforementioned facts, there are no events subsequent to the date of the financial statements, which concern the Group or the Company, and to which reference should be made according to the International Accounting Standards.

ALIMOS, MARCH 26, 2008

THE PRESIDENT OF THE BOARD OF
DIRECTORS

KONSTANTINOS A. STENGOS
I.D C. No. AB 342754

THE VICE-PRESIDENT OF THE BOARD

ANDREAS K. STENGOS
I.D C. No. X 055522

THE FINANCIAL MANAGER

PANAGIOTIS N. KAZANTZHS
I.D C. No. AZ 020049

CHIEF EXECUTIVE OFFICER

GEORGIOS K. STENGOS
I.D C. No. AB 342752

THE CHIEF ACCOUNTANT

STYLIANI X. PAPADOPOULOU
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