



**MICHANIKI**  
GROUP OF COMPANIES

# Construction - Energy - Real Estate



**Presentation, June 2007**

# Group Profile:



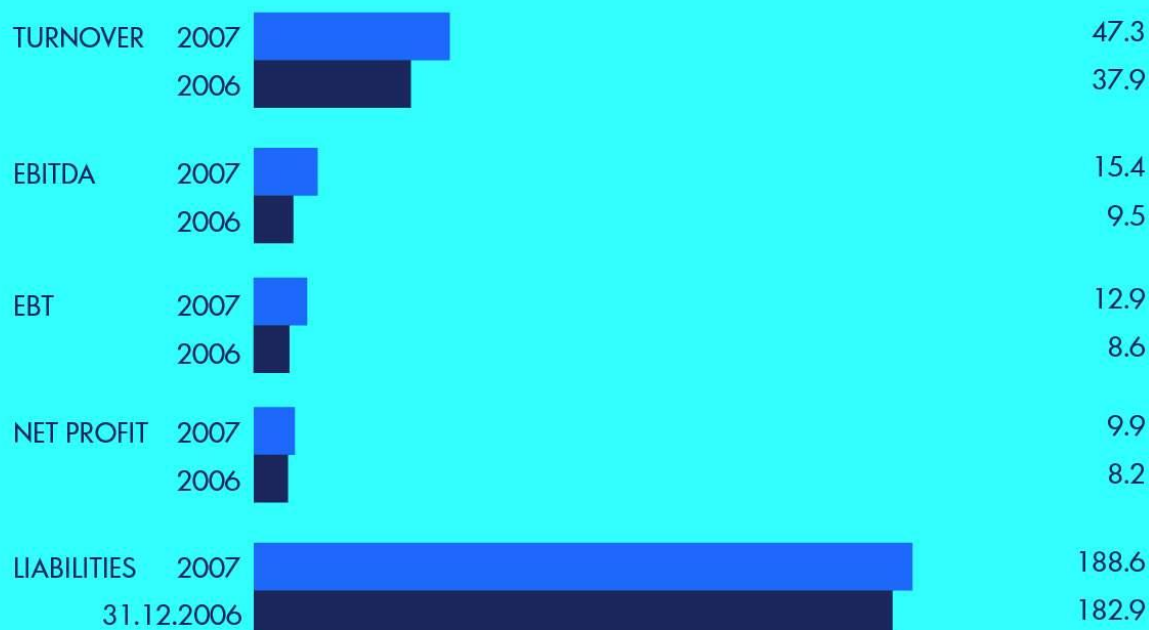
**MICHANIKI (Reuters: MICr.AT) is a leading construction group of companies in Greece. It engages in the construction of major infrastructure and building projects like highways, bridges and tunnels as well as in the construction of mixed use building complexes mainly abroad.**

**Over its 32-year history of operations MICHANIKI has delivered a number of significant infrastructure projects that stand out for the introduction of major technical innovations.**

➤	<b>Group Equity:</b>	€ 237.2 m.	
➤	<b>Group Revenues:</b>	€ 166.7 m.	
➤	<b>Group EBITDA:</b>	€ 38.2 m.	
➤	<b>Group Net (after minorities):</b>	€ 25.9 m.	
➤	<b>Group Work force:</b>	858	<b>(FY 2006)</b>
➤	<b>Capitalization:</b>	€ 650 m.	

# Group Financial Results 1Q 2007 vs. 1Q 2006 in m.€

## MICHANIKI Cons Results 1Q 2007 vs. 2006 in M. Euro



# Competition – Consolidated 1Q 2007 vs. 1Q 2006 in m.€

- **Hellenic Technodomiki**

*Sales: 186,2 / 135,4*

*Net Profit: 17.5 / 25.9*

*Liabilities: 671.5 / 675.9*

- **J&P Avax**

*Sales: 108.8 / 80.2*

*Net Profit: 7.6 / 6.8*

*Liabilities : 395.0 / 344.4*

- **GEK Terna**

*Sales: 95.6/ 56.7*

*Net Profit : 14.8 / 10.8*

*Liabilities : 449.8 / 456.5*

# Activities & Sectors



- **Greece**
  - Construction (Public & Private works)
  - Industrial Plants (Marble processing – Steel Pipe Manufacturing – Wood processing)
  - Energy (Hydroelectric Projects)
  - Real Estate (Housing – Commercial-Recreational)
- **Bulgaria** (Real Estate development)
- **Ukraine** (Real Estate development)
- **Russia** (Real Estate development)
- **Egypt** (Real Estate development)

# I. Construction



**In 2007 MICHANIKI continues to strengthen its market position and increase its market share in infrastructure works by undertaking high budget public works and selected private projects. MICHANIKI carries out both design and construction of projects, as certified in the company’s ISO 9001:2000 quality management certificate.**

**Apart from Michaniki S.A., the parent company, that holds the highest certificate for public works in Greece, Tholos S.A. is a 100% subsidiary that bids for smaller public projects and strengthens the Group’s market share in construction works.**

# I. Construction – Projects signed in 2006 in € m.



## Projects signed in 2006:

- |  |                                   |
|--|-----------------------------------|
| ● Kiato-Rododafni Railway construction (Peloponnesus)        | (Contract Price)<br>37.7 m. euros |
| ● Egnatia Highway-Derveni-Serres-Promachonas                 | 31.0 m. euros                     |
| ● Road Works at Patras Beltway – Glafkos River Service Roads | 41.9 m. euros                     |
| ● Egnatia Highway-Sozopoli-Moudania-Potidaia                 | 16.5 m. euros                     |
| ● Minor Ring Road of Patras                                  | 10.0 m. euros                     |
| ● Road Work at Patrida-Naousa section                        | 21.1 m. euros                     |
| ● National Theatre Restoration works (Athens)                | 21.1 m. euros                     |

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# I. Construction – Projects signed in 2006 in € m.



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- Kavala Port
- “Polykastro – Idomeni” rail line
- “Lianokladi-Domokos” rail line
- Praktiker Commercial Premises

amounting to 11.0 million euros

amounting to 30.3 million euros

amounting to 63.1 million euros

amounting to 10.9 million euros

***Total**            294.6 million euros*

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# I. Construction – Projects in progress

Group Public Projects Backlog in m. €



At the end of 2006 the backlog of unexecuted works from signed contracts was 450 m. euros. Recently MICHANIKI S.A. signed contract for the public project *Kiato-Rododafni New Double Railway construction*, budgeted at 150 m.€. The total backlog exceeds the amount of 600 million euros.

## II. Industrial Plants



Since 1993 MICHANIKI has expanded its activities in the industrial sector with an eye for synergies and vertical integration. Currently MICHANIKI owns units on steel pipe manufacturing, wood product, and marble processing.

Even though Greece is in a post-industrial area and many old economy industrial plants face competitiveness problems, MICHANIKI is a vertically integrated company and owns subsidiaries in related to the construction activity fields achieving economies of scale, prompt procurement of key inputs and supplies and realizing significant cost savings.

# II. Industrial Plants

## Balkan Export S.A.



### In General:

An Athens Stock Exchange traded company, 51.6% owned by Michaniki S.A. which is active in timber commerce and manufacturing of processed wood products. Its production lines put out:

- Plywood finished with veneers and melamine
- Wood panels and medium density fiber boards (MDF)
- Unprocessed European and African timber

Recently, the Extraordinary General Assembly of the Shareholders approved the expansion of the corporate aim and the expansion of its activities in the real estate market.

### Financial results 1Q 2007 vs. 2006:

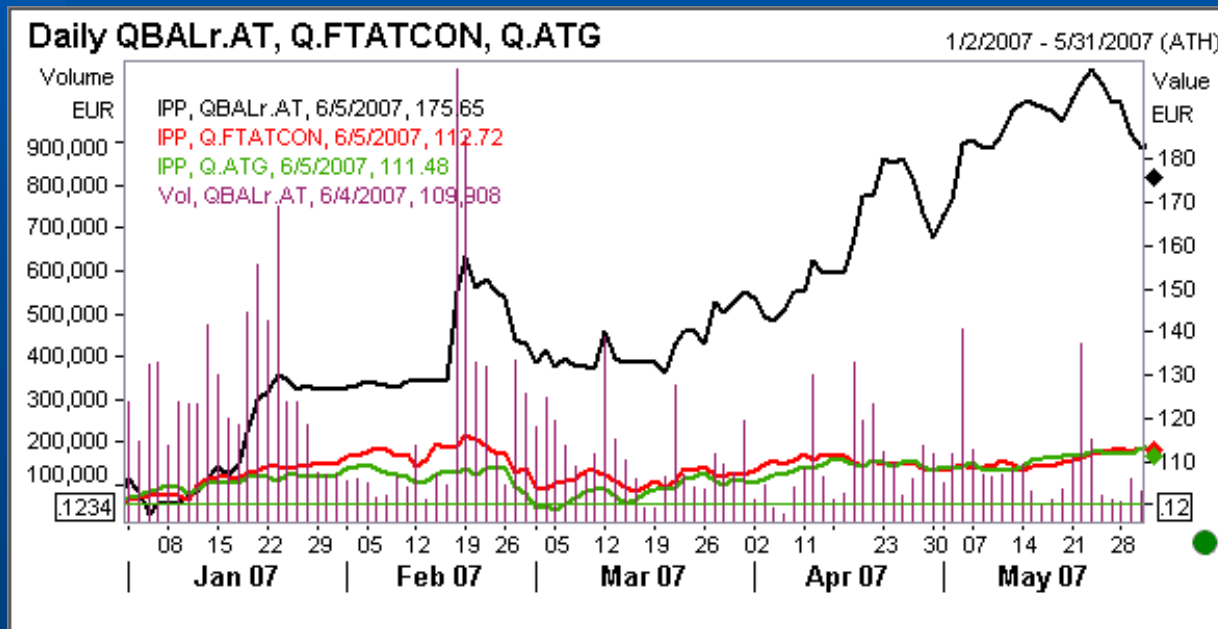
Revenues: € 2.1 m. / 3.9 m.

Net : € 0.5 m. / 0.0 m.

Plots-Buildings-Investment Properties: 425,515 sq.m.

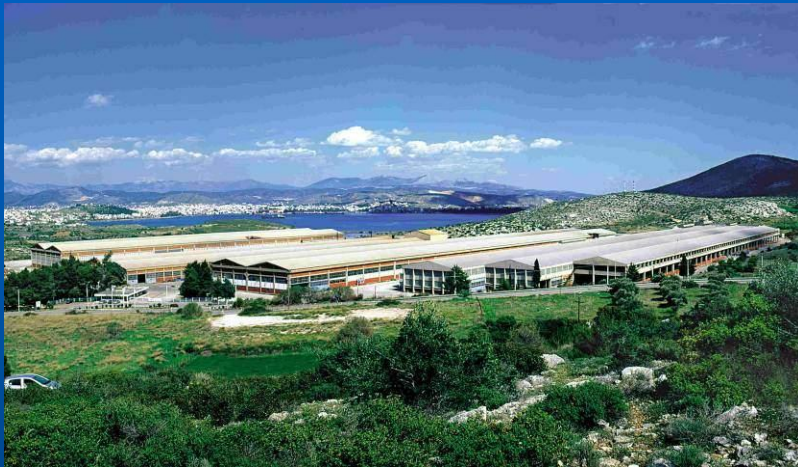
# Stock Exchange Data

- Publicly traded since: 1990
- Capitalization: € 85 m.
- Number of Shares: 20,121,710



# II. Industrial Plants

## Hellenic Pipeworks S.A



Hellenic Pipeworks is a 100% subsidiary of Michaniki S.A. The long-lasting presence and experience in the manufacturing of steel-pipes, enables the company to strengthen its competitive advantage and to increase its market share in international markets such as in the countries of Arabic Peninsula in parallel with the activities that is engaged in the demanding market of the United States, where the sales from this specific market in 2006 will amount to the 70% of the total turnover.



### Financial results 1Q 2007 vs. 2006:

Revenues: € 3.7 m. / 5.0 m.

Net : € 0.8 m. / 1.3 m.

**Plots-Buildings: 509,168 sq.m**

# II. Industrial Plants

## Marmara Kavalas S.A.



Marmara Kavalas S.A. is a 77% subsidiary of Michaniki S.A. and its primary activities include quarrying, processing and sales of marble products in domestic and foreign markets.

### Financial results 1Q 2007 vs. 2006:

Revenues: € 0.7 m. / 0.5 m.

Net : € 0.0 m. / 0.1 m.



# III. Energy production



Michaniki has entered the electricity production sector capitalizing on its know-how and expertise on hydroelectric-station-construction aiming to be a player in the recently liberalized electricity market in Greece.

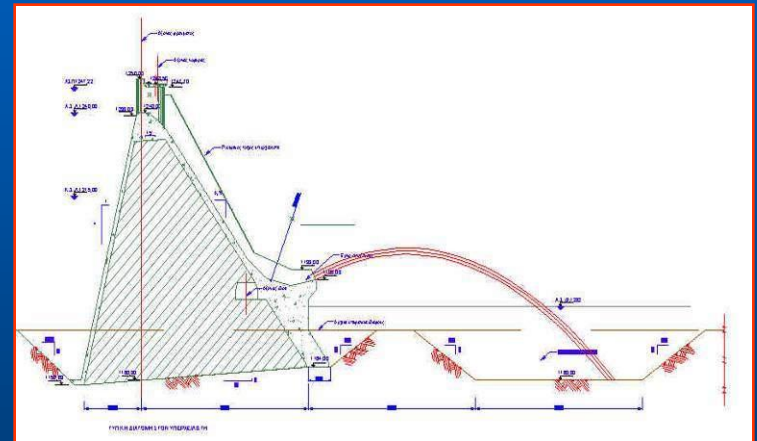
- Theodoriana Hydroelectric Station 4.0 MW (completed)
- Agios Nikolaos Hydroelectric Station 93.0 MW (approved)
- Karpenissioti Hydroelectric Station 5.4 MW (submission of offer)
- Temenos Hydroelectric Station 15.0 MW (submission of offer)

# III. Energy production

## Theodoriana Hydro Station 4.0 MW (completed)



## Agios Nikolaos Hydro Station 93.0 MW (approved)



### Financial results 1Q 2007 vs. 2006:

- Revenues : € 0.3 / 0.4 m
- EBIT: € 0.2 m. / 0.2 m
- Annual electricity output: 300,000,000 KWh
- Estimated annual sales: 20.0 m. €
- Estimated pre tax profit: 35% of sales
- Investment: € 148.0 m. in total – 2007 2010

# III. Energy production

## Karpenissioti Hydro Station

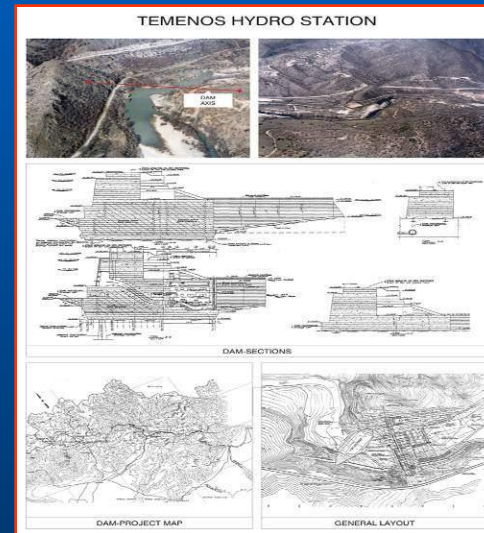
5.4 MW (approved)



- Annual electricity output: 21,779,000 KWh
- Estimated annual sales: € 1.5 m
- Investment: € 9.0 m.

## Temenos Hydro Station

15.0 MW (submission of offer)



- Annual electricity output: 60,000,000 KWh
- Estimated annual sales € 4.2 m.
- Investment: € 60.0 m.

# IV. Real Estate Development



**Michaniki is actively diversifying away from conventional public sector construction works through new activities in real estate development, both in Greece and abroad.**

**Regarding activities abroad, MICHANIKI has focused its attention in the rapidly developing eastern European countries to take advantage of the important opportunities for real estate development that can contribute to increased earnings and surplus values.**

**There is big potential from the real estate activities that is reflected in the financial results of the Group, and the profits from such activities will have an increasing impact in the years to come.**

# IV. Real Estate Development

## “Dryades” Residential Complex, Greece



### In General

It is a Model Residential Complex that Michaniki is completing in the affluent Ekali suburb of Athens, Greece. Includes 55 two-floor residences that meet high quality requirements in a pine-forested area. The land area is totaling 28,000 sq. m. and is divided in integral plots each including two or three homes. Michaniki owns 31 residences of total surface 10.798 sq. m. Up to 2006 Michaniki has already pre-sold 8 villas. Today 90% of the project has already been completed.

### Investment:

€ 24.0 m. in total - 2004-2006

100% Michaniki financed

Expected ROIC +20%



Sofiya



Boyana - Botanical Garden Project

Pancharevo

Image © 2006 DigitalGlobe  
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# IV. Real Estate Development

## Botanical Garden, Sofia, Bulgaria

### In General:

In the year 2006, Michaniki accomplished and acquired surplus values of 10,4 millions Euros from the sale of its first plot of 17,500 square meters in the "Tsarigraskoe" Avenue.

For the year 2007, Michaniki Bulgaria has applied to the local authorities for new general plan of the area in order to increase the construction coefficient of the land. After the implementation of the new general plan the company will immediately start the master planning of the project for the optimum exploitation.

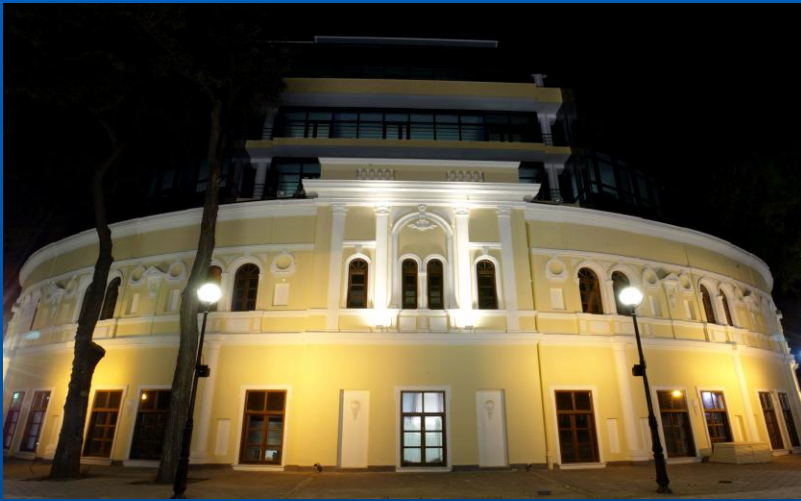
Furthermore, last month the Company started the acquisition of a new area in the Sofia's suburb named German. The new acquisition concerns a total area of more than 70,000 square meters proposed for a middle social class low rise residential project on a amphitheatrical location under Vitosha mountain with a terrific view towards the Bulgarian capital city.

Looking forward to the future, Michaniki is continuously investigating the Bulgarian real estate market and through its more than ten – years experience in the market, is planning to exploit the neighbour country with high potential investments.



# IV. Real Estate Development

## “Athena” Shopping Center, Odessa, UKR



### In General

The Commercial Center “Athena” is located in the heart of Odessa, Ukraine. Totalling 30,000 sq. m. of surface area, the shopping center accommodates 162 shops, department stores, recreational areas, and office space for international and local companies.

100% shops and offices sold

70 parking spaces leased/to be sold

### Investment realized:

\$ **23** m. in total - 2002-2004

ROIC: +30%



# IV. Real Estate Development

## “Artemis” Building Complex, Kiev, UKR



### In General:

The “Artemis” Building Complex is located in the eastern suburbs of Kiev, Ukraine. Totalling 53,381 sq.m., the Artemis Complex will include two floors of 6,000 sq.m. for shopping and recreational activities, and 2,000 sq. m. for office use. Above the commercial space area, MICHANIKI is constructing two towers of 6 and 20 floors respectively, including 198 apartments totaling 22,200 sq.m. The underground parking garage area is of 7,000 sq.m. Up to today, 61 apartments and one office has already being pre-sold.

### Investment:

**\$ 43 m.** in total - 2006-2008

# IV. Real Estate Development

## “Odessa Dream” Housing & Recreational Park,



### In General:

The “Odessa Dream” Recreational and Park Development Complex in Odessa, Ukraine, is located at the city’s harbor in the Black Sea. Odessa Dream is an ambitious development of total surface area of 206,422 sq.m. including 28 buildings of six distinctive building types.

90% of the total building area will be for residential premises, 8% for hotel premises and 2% for commercial spaces. Construction license is expected in the third quarter of 2007.

### Investment:

**\$ 227 m.** in total – 2007-2010

# Michaniki Ukraine Projects

	PROJECTS' NAMES & LOCATIONS	PROJECT TYPE	PROJECTS DATES START EXPECTED FINALIZATION DATES	PLOT SIZE (IN SQ. METERS)	LAND ACQ/TION PRICE (US\$ mio)	CURRENT LAND ESTIMATION W/O CONSTRUCTION PERMIT(US\$ mio)	TOTAL PROJECT VOLUME (IN SQUARE METERS)	COST PER SQ. METER BUILT (INCL. LAND COST)	TOTAL PROJECT BUDGET (US\$ mio)	TOTAL SALEABLE (NET) SQ. METERS	AVERAGE SELLING PRICE PER NET SQ. METER (W/O VAT)	PARKING PLACES	PRICE / PLACE (W/O VAT)	TOTAL REVENUE PROJECTED (US\$ mio)	EBITDA (US\$ mio)	Δ1 (%ON TOTAL INVESTMENT)	Δ2 (%ON TOTAL REVENUE)
1	"ARTEMIDA" / Dniprovski Rayon - Kiev	Premium Class Multifunctional Project - (Residential / Commercial & Offices)	JAN 2006/ MAR 2008	7,900	0.2	4.5	53,381	\$800	\$43	30,200	\$2,500	155	\$20,000	\$79	\$36	84%	46%
2	"ODESSA DREAM" / Odessa City Dolphins Beach	Residential & Recreational Complex - Elite Class	SEPT 2007 (Construction Permit in July '07) /SEPT 2012	201,800	6.0	60.0	206,422	\$1,200	\$248	125,114	\$3,500	2,000	\$25,000	\$488	\$240	97%	49%
3	"ALEXANDRIA" (Phase - I) / Ilanko lake side	Residential & Villas Complex - Middle Class	JUNE 2008/ DEC 2010	250,000	2.5	5.0	85,000	\$800	\$68	77,800	\$1,700	0	\$0	\$132	\$64	95%	49%
	Under acquisition process	Pre-agreement already signed	Acquisition Est. Sept. 2007														
		<b>GRAND TOTAL</b>		<b>459,700</b>	<b>8.7</b>	<b>69.5</b>	<b>344,803</b>		<b>\$358</b>	<b>233,114</b>		<b>2,155</b>		<b>\$699</b>	<b>\$340</b>	<b>95%</b>	<b>49%</b>

Moscow



1. **"ALEXANDER THE GREAT"** Business & Apartments Complex 2. **"HERA"** Residential Complex with Commercial Spaces  
3. **"APHRODITE"** Residential Complex with Commercial Spaces 4. **"DEMITRA"** Hotel Apartments & Villas Complex  
5. **"OLYMPUS"** Business & Apartments Tower 6. **"ATHENA"** Commercial & Residential Complex 7. **"APOLLO"** Hotel Apartments & Business Complex 8. **"HELLAS"** Business & Apartments Complex

# IV. Real Estate Development

## “Alexander the Great” Building Complex, Moscow, RU

### In General:

In a land plot of 20,000 sq. m. in Moscow, Russia, MICHANIKI is planning to develop a mixed-use building complex. The complex, located on the 4<sup>th</sup> Ring Road (MKAD) of the Russian capital will include three towers of total surface area of 157,190 sq. m. The split of the uses of the complex will be:

66% offices

25% hotel/apartments

9% commercial spaces

### Investment:

\$ 236 m. in total – 2007-2010



# IV. Real Estate Development

## “Hera” Apartment Building, Moscow, RU

### In General:

This Project consists of a 9 floor contemporary luxury apartment building located right next to the Lobanovo park area looking at the “Moskva Canal” just few minutes drive from the northern Moscow. On this plot, the structure will total 14,198 square meters of dwelling space with 90 available spaces for parking. Due to its desirable location, which borders a greenbelt area just few metres from the Moscow River and the yacht club of Chimki suburb, the project is designed for the high income bracket clients.

### Investment:

**\$ 16 m. in total – 2007-2009**



# IV. Real Estate Development

**“Alexander the Great”**: After Michaniki Russia received before last years end the most important first official permits from the Moscow Region Authorities. The first was the Architectural Committee permit that gave the green light for the construction volume, building heights and architectural design of the project. The second was from the Municipality Construction Authorities which after checking the up to now project studies progress, ordered as to proceed with the finalization of them in order to receive the construction permit. Construction works at the site are planned to begin before the end of June 2007.

- Michaniki Russia has finalized the preliminary studies of the **“Apollo”** complex in Taganka area of the historical centre of Moscow. Construction works for the 45.300 sq.m. Business and Hotel Apartments complex that is located right on the “Rimskaya” metro station, are planned for June 2008..
- **“Hera”**: In accordance with the time schedule, Michaniki Russia is currently working at the final studies level for the Elite residential complex in the Lobanovo park area. The construction permit for the 14.198 sq.m. building is expected until October of 2007.

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# IV. Real Estate Development

- **“Afrodite”**: Michaniki Russia has concluded the preliminary architectural studies for the “business-class” residential premises of 27,000 sq.m. Currently the final architectural and structural studies stage has commenced. Construction works are estimated to begin until the end of January 2008.
- **“Olympus”**: Michaniki Russia is currently trying to exploit further the potential of the Business and Apartments tower next to currently under development IKEA Business Park on Leningradski avenue, through expanding the currently acquired land lot. In such a case the resulted area will bring multiple benefits. In any case, for the current Michaniki’s land lot the preliminary studies will start before the end of this year aiming at a construction permit on January of 2009.
- **“Demitra”**: Michaniki Russia closed the deal and currently has full ownership rights on the land of 26.700 sq. meters in the Himki area. The specific piece of land is in a new area designed for high-class residences – mostly villas - due to the magnificent physical environment. More specifically Michaniki’s land lot is adjacent to a more than 100 hectares forest area where very recently the Moscow Region Authorities approved the development of high class low rise exhibition, commercial and recreational centres. Right next to this forest is already approved to be developed the largest golf court of Moscow. For the decided Hotel Apartments and Villas complex of a built up area of approximately 55,000 sq. meters, the preliminary studies are to be finalized this summer and the construction permit is expected to be received until the end of 1<sup>st</sup> semester of 2008.

CONTINUED

# IV. Real Estate Development

- **“Athena”**: At the latest acquired land in the Himki area, Michaniki Russia plans to develop a commercial and residential complex totalling a built up area of approximately 80.000 sq. meters. Architectural preliminary studies are currently under evaluation and project studies are planned to begin until fall 2007 time.
- **“Hellas”**: The latest land acquisition of Michaniki Russia is also the largest ever land investment of the company. The acquired land lot totals an area of 701,100 sq. meters in the south west outskirts of Moscow. The land – lot has been purchased on a free hold full ownership rights status and has official use for residential mainly development. On this land the proposed concept will contain besides the residential part, all the complementary uses including commercial and recreational spaces, school, health centre, parks etc. The fact that this land lot is on a free hold basis plus the event that all the engaged local authorities are strongly in favour of such a project, allow for a much shorter period for a construction permit that is expected until January of 2009. For the specific project’s master plan, Michaniki will engage an international architectural competition.

PROJECTS' NAMES & LOCATIONS	PROJECT TYPE	PROJECTS' DATES START/ EXPECTED FINALIZATION	PLOT SIZE (IN SQ. METERS)	LAND ACQ/TI ON PRICE (US\$ mio)	CURRENT LAND ESTIMATIO N W/O CONSTRUCTION PERMIT(US\$ mio)	TOTAL PROJECT VOLUME (IN SQUARE METERS)	COST PER SQ. METER BUILT (INCL. LAND COST)	TOTAL PROJECT BUDGET (US\$ mio)	TOTAL SALEABLE (NET) SQ. METERS	AVERAGE SELLING PRICE PER NET SQ. METER (W/O VAT)	PARKING PLACES	PRICE / PLACE (W/O VAT)	TOTAL REVENUE PROJECTED (US\$ mio)	EBITDA (US\$ mio)	Δ1 (%ON TOTAL INVESTMENT)	Δ2 %ON TOTAL REVENUE
"ALEXANDER THE GREAT" (Ximki - I) / MKAD & Leningradski Avenue intersection	<i>Business &amp; Apartments Complex - Class A</i>	<i>JUNE 2007/ JUNE 2010</i>	<i>21,400</i>	<i>2.8</i>	<i>35.0</i>	<i>157,190</i>	<i>\$1,500</i>	<i>\$236</i>	<i>91,029</i>	<i>\$4,000</i>	<i>1,339</i>	<i>\$25,000</i>	<i>\$398</i>	<i>\$162</i>	<i>69%</i>	<i>41%</i>
"HERA" (Ximki - II) / Lobanovo river-side	<i>Residential Complex with Commercial Spaces - Elite Class</i>	<i>SEP 2007/ JUNE 2009</i>	<i>5,000</i>	<i>3.0</i>	<i>10.0</i>	<i>14,198</i>	<i>\$1,100</i>	<i>\$16</i>	<i>9,827</i>	<i>\$3,500</i>	<i>100</i>	<i>\$20,000</i>	<i>\$36</i>	<i>\$21</i>	<i>133%</i>	<i>57%</i>
"APHRODITE" (Ximki - III) / Ivakino river side	<i>Residential Complex with Commercial Spaces - Premium Class</i>	<i>FEB 2008/ DEC 2009</i>	<i>9,600</i>	<i>3.0</i>	<i>9.0</i>	<i>27,000</i>	<i>\$1,000</i>	<i>\$27</i>	<i>19,305</i>	<i>\$3,000</i>	<i>152</i>	<i>\$20,000</i>	<i>\$61</i>	<i>\$34</i>	<i>126%</i>	<i>56%</i>
"DEMITRA" (Ximki - IV) / Vasutino	<i>Hotel Apartments &amp; Villas Complex</i>	<i>JUNE 2008/ OCT 2010</i>	<i>26,700</i>	<i>3.7</i>	<i>7.0</i>	<i>55,000</i>	<i>\$1,000</i>	<i>\$55</i>	<i>42,100</i>	<i>\$3,000</i>	<i>210</i>	<i>\$20,000</i>	<i>\$131</i>	<i>\$76</i>	<i>137%</i>	<i>58%</i>
"APOLLO" (Taganka) / Rimskaya Metro Station - Sergey Radonevskovo & Ragovski Val.	<i>Hotel Apartments &amp; Business Complex</i>	<i>JUNE 2008/ DEC 2010</i>	<i>3,600</i>	<i>0.0</i>	<i>18.0</i>	<i>45,300</i>	<i>\$1,400</i>	<i>\$63</i>	<i>14,235</i>	<i>\$8,000</i>	<i>360</i>	<i>\$40,000</i>	<i>\$128</i>	<i>\$65</i>	<i>102%</i>	<i>51%</i>
"ATHENA" (Ximki - V) / Ivakino	<i>Commercial &amp; Residential Complex</i>	<i>SEP 2008/ MAR 2011</i>	<i>29,000</i>	<i>5.0</i>	<i>20.0</i>	<i>80,000</i>	<i>\$1,100</i>	<i>\$88</i>	<i>50,000</i>	<i>\$3,500</i>	<i>450</i>	<i>\$20,000</i>	<i>\$184</i>	<i>\$96</i>	<i>109%</i>	<i>52%</i>
"OLYMPUS" (Ximki VI) / Leningradski Avenue	<i>Business &amp; Apartments Tower</i>	<i>JAN 2009/ MAR 2011</i>	<i>3,800</i>	<i>2.6</i>	<i>5.0</i>	<i>42,000</i>	<i>\$1,200</i>	<i>\$50</i>	<i>25,000</i>	<i>\$4,000</i>	<i>300</i>	<i>\$25,000</i>	<i>\$108</i>	<i>\$57</i>	<i>113%</i>	<i>53%</i>
"HELLAS" - Zedotsi / 5th Ring Road - Betonka	<i>BUSINESS &amp; APARTMENTS COMPLEX - CLASS B</i>	<i>JAN 2009/ DEC 2013</i>	<i>701,100</i>	<i>40.5</i>	<i>70.0</i>	<i>900,000</i>	<i>\$1,000</i>	<i>\$900</i>	<i>647,000</i>	<i>\$2,500</i>	<i>5,000</i>	<i>\$15,000</i>	<i>\$1,693</i>	<i>\$793</i>	<i>88%</i>	<i>47%</i>
	<b>GRAND TOTAL</b>		<b>800,200</b>	<b>60.6</b>	<b>174.0</b>	<b>1,320.688</b>		<b>\$1,435</b>	<b>898,496</b>		<b>7,911</b>		<b>\$2,738</b>	<b>\$1,302</b>	<b>91%</b>	<b>48%</b>

# IV. Real Estate Development

## MICHANIKI EGYPT

In 2007 Michaniki's management has decided to establish a subsidiary company in Egypt named Michaniki Egypt, headquartered in Cairo.

The new entity will pursue its involvement and participation in construction and development of real estate projects (residential and commercial complexes, hotels and entertainment parks, office buildings) and in the construction of public and private works. Moreover, the company will promote the sale of industrial products of its affiliated companies in Greece. The initial share capital of the company has been set to 7.000.000 million euros and will be covered as follows: Michaniki S.A. 70%, Balkan Export S.A. 25% and Hellenic Pipeworks S.A. 5%.

The establishment of the subsidiary company has already take place and the company is seeking for land plots for purchase and development.

## Vision to the Future:

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Michaniki Group has brought sounder financial results from its operations in the domestic market in the sectors of: Construction - Real Estate - Energy

The expansion of its market share is pursued by:

- Exploiting Synergies
- Focusing on Effectiveness
- Allocating resources efficiently

Michaniki Group is making a strategic shift in real estate development abroad by capitalizing its 10-year experience and know-how from its presence in Ukraine by:

- Increasing investments in Ukraine (City of Kiev and City of Odessa)
- Exploiting investment opportunities in Russia (City of Moscow)
- Investigate for new opportunities in Egypt - Jordan

Through the penetration in real estate markets abroad along with the continuous growing acquisition of land resources, that is considered to be the key in real estate investments, Michaniki Group is going to achieve a more than significant growth of its financial results during the following five years.

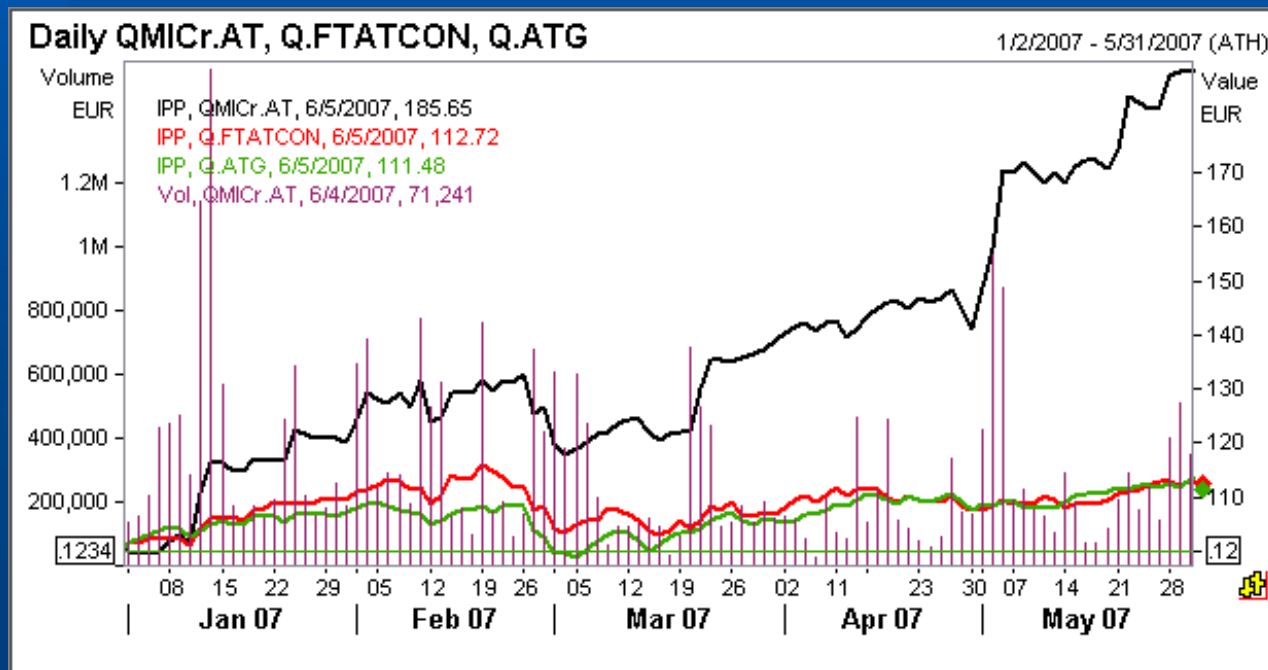
# Forecast

## Breakdown by Activity (in € m.):

	2005		2006		2007 f		2008 f	
	Turnover	Net	Turnover	Net	Turnover	Net	Turnover	Net
Construction:	77	12	99	11	160	21	230	29.5
Real Estate:	9	6	20	9	35	13	130	46.8
Energy:	1	0.5	1.2	0.7	2	1	3	1.5
Industrial:	30	1	44	4	25	2	20	2
Others:			2.5	1.2				
<b>GROUP TOTAL:</b>	<b>117</b>	<b>19.5</b>	<b>166.7</b>	<b>25.9</b>	<b>222</b>	<b>37</b>	<b>383</b>	<b>79.8</b>

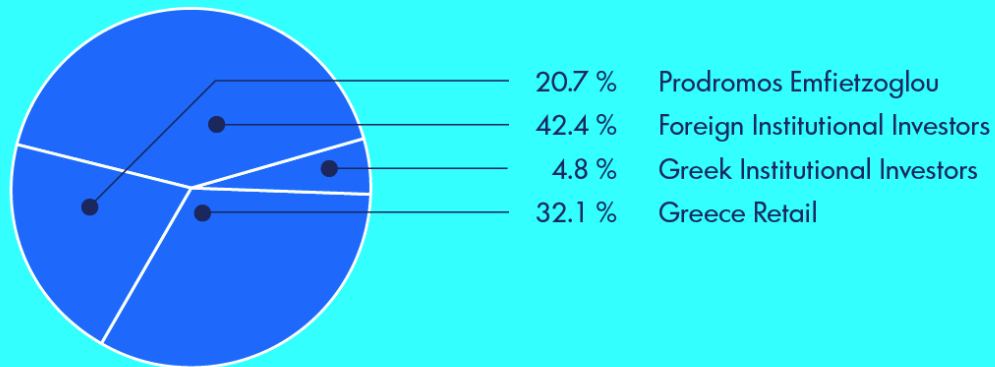
# Stock Exchange Data

- Publicly traded since: 1990
- Capitalization: € 650 m.
- Number of Shares (Common): 66,937,526
- Number of Shares (Preferred): 25,968,987



# Shareholders (Common)

## SHAREHOLDERS



# Dividend Policy

## Dividend Yield 2003-05



## Dividend for FY 2006:

Michaniki' Management will propose to the Ordinary Annual General Shareholder Meeting, on June 22, 2007, a payout not less than last year's dividend, that is **0.14 euros/share**, as dividend from '06 profits.

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