

# MICHANIKI S.A.

**REGISTERED OFFICES: AMAROUSIO "SOCIETE ANONYME" REGISTERED NUMBER 8440/06/B/86/16**

## APPROPRIATION OF RAISED FUNDS FROM THE SHARE CAPITAL INCREASE REPORT ( IN € MILLION )

It is notified, according to the Decisions : a) no. 58/28.12.2005 of the A.E. Board of Directors (Official Legal Notice Issue 129/6/08.02.2001) and b) no. 33/24.11.2005 of the A.E. Board of Directors, that the partial coverage of the share capital increase, that took place based upon the decision of the B' Repetitive General Assembly of the shareholders dated 02.08.2000, was certified at 03.01.2001 and the procedure regarding the Share Capital increase and the relevant amendment of the Statute was completed with the decision of the Extraordinary General Assembly dated 31.01.2001. The above increase was approved with the decision no. K2 1636 (5g) /14.02.2001 of the Ministry of Development and the decision of the A.E. Board of Directors dated 09.11.2000. The raised capital amounted to approximately € 66,82 million and the offering expenses amounted to approximately € 0,79 million. The number of the new shares resulting from the share capital increase is 14.920.778 ordinary shares and 5.404.329 preferred of € 1,47 face value each and an offering price of € 3,52 for the ordinary shares and € 2,64 for the preferred. The execution right was from 22.11.2000 – 22.12.2000 and the commencement date regarding the trading of the new shares in the A.E. occurred at 28.02.2001. The anticipated matters within the Report of the mentioned share capital increase in addition to the disposal of funds up to 31.12.2009, are analyzed in the table below, based upon the application of the prementioned decision of the A.E. Board of Directors.

APPROPRIATION OF CAPITAL	APPROPRIATION OF RAISED FUNDS BASED UPON THE ANNUAL REPORT G.A. AT 02.08.2000 (page.46)						AMENDMENT OF APPROPRIATION OF FUNDS AS G.A. DATED 31.01.2001			AMENDMENT OF APPROPRIATION OF FUNDS AS G.A. DATED 29.06.2001			AMENDMENT OF APPROPRIATION OF FUNDS AS G.A. DATED 21.02.2002			DISPOSED CAPITAL FROM 01.01.2001 UP TO 30.06.2009 (TOTAL)	DISPOSED CAPITAL FROM 01.01.2009 UP TO 30.06.2009 (LAST SIX MONTH PERIOD)	
	2001		Total 2001	2002		Total 2002	Total	2001	2002	Total	2001	2002	Total	2001	2002	Total		
	A Semiannual	B Semiannual		A Semiannual	B Semiannual													
1.URBAN INVESTMENTS			30,81			35,22	66,03	2,93	2,93	5,87	2,93	2,93	5,87	2,35	13,02	15,37	2,48	
a) Urban development of asset in Corfu	2,93	7,34	10,27	7,34	7,34	14,67	24,94	2,93	2,93	5,87			-	-	-	-		
b) Construction of multiple use building in Thessalonica	2,93	7,34	10,27	7,34	7,34	14,67	24,94			-			-	-	-	-		
c) Exploitation of asset in Larisa	2,93	7,34	10,27	4,40	1,47	5,87	16,14			-			-	-	-	-		
d) Acquisition of Plots										-	2,93	2,93	5,87	2,35	13,02	15,37	2,48	
2.ENERGY INVESTMENTS			11,74			24,94	36,68	1,47	27,88	29,35	1,47	19,08	20,54	-	2,93	2,93		
a) Completion of H/Y station in river Goura (4MW)	1,47	0,00	1,47	0,00	0,00	0,00	1,47	1,47		1,47	1,47		1,47	-	-	-	-	
b) Construction of H/Y station in river Venetiko (4.2MW)	0,00	1,47	1,47	1,47	1,47	2,93	4,40		1,47	1,47			-	-	-	-		
c) Construction of H/Y station in river Aliakmonas (3.2MW)	0,00	1,47	1,47	1,47	1,47	2,93	4,40			-			-	-	-	-		
d) Construction of Grand H/Y stations	0,00	7,34	7,34	8,80	10,27	19,08	26,41		26,41	26,41		19,08	19,08	-	2,93	2,93		
3. CONSTRUCTION OF OLYMPIC WORKS/ CO-FINANCING WORKS			5,87			8,80	14,67		7,34	7,34		7,34	7,34	-	-	-		
a) Olympic works and infrastructure works	0,00	2,93	2,93	2,93	1,47	4,40	7,34			-			-	-	-	-		
b) Road works with co-financing and concession contract	1,47	1,47	2,93	1,47	2,93	4,40	7,34		7,34	7,34		7,34	7,34	-	-	-	-	
4. BALKAN EXPORT S.A.	0,00	22,01	22,01	0,00	0,00	0,00	22,01			-			-	-	-	-		
5. MARMARA KAVALAS S.A.			5,87			2,93	8,80	2,93		2,93	2,93	2,93	2,93	2,35	-	2,35	2,34	
a) Acquisition of marble and quarry company	0,00	1,47	1,47	1,47	0,00	1,47	2,93			-			-	-	-	-		
b) Working Capital	1,17	1,17	2,35	1,47	0,00	1,47	3,82	1,47		1,47	1,47		1,47	0,88	-	0,88	0,87	
c) Acquisition of equipment assets	1,47	0,59	2,05	0,00	0,00	0,00	2,05	1,47		1,47	1,47		1,47	1,47	-	1,47	1,47	
6.HELLENIC PIPEWORKS S.A.			2,93			0,00	2,93							-	-	-	-	
a) Improvement of mechanical equipment	0,59	0,88	1,47	0,00	0,00	0,00	1,47			-			-	-	-	-		
b) Working Capital	1,47	0,00	1,47	0,00	0,00	0,00	1,47			-			-	-	-	-		
7. BIEX S.A.											1,47		1,47	0,73	-	0,73	0,73	
8. MICHANIKI BULGARIA S.A.	0,59	2,35	2,93	2,93	1,47	4,40	7,34			-			-	-	-	-		
9. MICHANIKI SKOPIA S.A.	0,88	2,05	2,93	0,00	0,00	0,00	2,93			-			-	-	-	-		
10. SPECIAL MECHANICAL EQUIPMENT	2,05	3,82	5,87	1,47	1,47	2,93	8,80			-			-	-	-	-		
11. WORKING CAPITAL	8,80	2,93	11,74	2,93	0,00	2,93	14,67	14,67		14,67	22,01		22,01	22,01	-	22,01	27,62	-8,76
12. TECHNICAL COMPANIES								4,40	1,47	5,87		5,87	5,87	1,76	20,88	22,64	22,64	
13. S.P.O EXPENSES							1,89	0,79		0,79	0,79		0,79	0,79	-	0,79	0,79	
TOTAL DISPOSED CAPITAL																	56,60	-8,76
NON DISPOSED CAPITAL																	10,22	
TOTAL						186,78				66,82			66,82			66,82	66,82	

### EXPLANATIONS UPON THE ACCOUNT ITEMS REGARDING THE APPROPRIATION OF RAISED FUNDS MEANS

Analytical information regarding the means and the reasons of the reallocation of the raised funds, is included in the information report (February / 2002), which as announced remained at disposal of investors, at MICHANIKI S.A. offices, at the A.E. and at the A.E.M.A.

a.case 1: Michaniki disposed through its subsidiaries the amount of € 2,48 million for the acquisition of assets.

b.case 5: The company "MARMARA KAVALAS S.A." increased its share capital, covered by MICHANIKI S.A. by the amount of € 2,34 million, based upon the Extraordinary General Assembly dated 10.04.2000 in conjunction with decision of the Ordinary General Assembly dated 28.06.2001.

c.case 7: The company "VIEK S.A." increased its share capital and MICHANIKI S.A. deposited in total the amount of € 0,73 million, based upon the Extraordinary General Assembly dated 25.04.2001 in conjunction with decision of the Extraordinary General Assembly dated 21.11.2001.

d.case 11: The differentiation (deviation) of the "working capital" from approximately € 5,61 million is temporary and was done for cost saving reasons regarding financial expenses, based upon the decision 1818/26.01.2006 of the company's Board of Directors regarding the execution of Decision 33/24.11.2005 of the Board of Directors of the A.E. (case a) of paragraph A.3).

e.case 12: Refers to the acquisition of nine construction companies based upon the framework of L.2940/2001.

f. Data for case b) paragraph A.2 of Decision 33/24.11.2005 of the Board of Directors of the A.E.

The remaining amount to be covered amounting to € 10,22 million is temporarily placed into short-term investments of low risk (Time deposits € 9,61 million, Swaps-€ 0,00 million, Bank Deposits-€ 0,61 million) case b) of the prementioned decision.

AMAROUSIO, AUGUST 26TH 2009			
THE CHAIRMAN	MANAGING DIRECTOR	THE FINANCIAL DIRECTOR	THE CHIEF ACCOUNTING MANAGER
PRODROMOS S. EMFIETZOGLOU ID No: Ξ 498825 / 86	MELPOMENI PR. EMFIETZOGLOU ID No: AE 034080 / 06	APOSTOLOS N. ATHANASOPOULOS ID No: Ξ 288898 / 87	KIKIANTONIS I. CHRISTOS ID No: N 296442 / 83 License Register No. of the Chartered Auditors Association 13476

### Report upon Findings from the Execution of Pre-agreed Procedures regarding the Appropriation of Raised Funds from the Share Capital Increase Report.

To the Board of Directors of the company "MICHANIKI S.A."

According to the order that we received from the Board of Directors of MICHANIKI S.A. (the Company), we performed the following pre-agreed procedures based upon the framework of the anticipated regulative framework of the Athens Exchange in addition to the relevant legislative framework of the Committee, relevant to the Company's Appropriation of Raised Funds Report, which regard the share capital increase with cash that was certified at 03/01/2001. The Company's Management has the responsibility for the compilation of the prementioned Report. We undertook this project in accordance to the International Standard of Interrelated Services 4400, which is in effect for "Assignments of Execution of Pre-agreed Procedures Interrelated with Financial Information". Our responsibility is to execute the above pre-agreed procedures and to inform you upon our findings.

Procedures:

1) We compared the amounts that are mentioned as cash disbursements in the attached "Appropriation of Raised Funds from the Share Capital Increase Report", with the respective amounts that have been recognized in the books and data of the Company, at the period mentioned.

2) We examined the completeness of the Report and the consistency of its contents with the information of the S.P.O. Report, issued by the Company for this reason, in addition to the relevant decisions and announcements of the instruments of the Company in charge.

Findings:

a) The per year-end category amounts presented as cash disbursements in the attached "Appropriation of Raised Funds from the Share Capital Increase Report" result from the books and data of the Company, at the time period mentioned.

b) The contents of the Report include the minimum information anticipated for this scope from the regulatory framework of the Athens Exchange in addition to the relevant legislative framework of the committee and is consistent to the mentioned S.P.O.

Report and the relevant decisions and announcements of the instruments of the Company in charge.

Taking into consideration that the performed project, does not constitute an audit or inspection, according to the International Auditing Standards or the International Standards regarding the Assignment of Inspection Projects, we do not express any other assurance apart from the information mentioned above. If we have conducted additional procedures or performed an audit or inspection it could be possible that other matters could have fallen to our attention, apart from the mentioned ones in the previous paragraph.

The current Report is exclusively addresses to the Company's Board of Directors, upon the framework of maintaining its obligations towards the regulatory framework of the Athens Exchange in addition to the relevant legislative framework of the committee. Therefore, this Report is not allowed to be used for other reasons since it is limited only to the data mentioned above and it does not extend to the financial statements compiled by the Company for the year 1/1/2009 – 30/06/2009 for which we issued a separate Review report dated August 26th 2009.

AMAROUSIO, AUGUST 26TH 2009	
THE CERTIFIED AUDITOR PUBLIC ACCOUNTANT	
GEORGIOS ATH. SKABAVIRIAS REG. NO. (ICPA (GR)) 14661 S.O.L. S.A.	