



MICHANIKI S.A.
GROUP OF COMPANIES

S.A. REG. NO. 8440/06/B/86/16

91 M. Alexandrou Str., Amarousio Attica 15124

Six Month Financial Report
for the period from
January 1st up to June 30th 2010



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STATEMENTS OF MEMBERS OF THE BOARD OF DIRECTORS
(according to article 5 par. 2 of I. 3556/2007)

The following,

- 1.** Prodromos S. Emfietzoglou, Chairman of the Board of Directors,
- 2.** Melpomeni Pr. Emfietzoglou, Managing Director and
- 3.** Eleftherios Sp. Trivoulidis, member of the Board of Directors, specifically appointed for this reason by the Board of Directors at 27.08.2010.

HEREBY STATE

To the best of our knowledge :

- a.** the Financial Statements of the A' six month period of 2010 of the Company and the Group, which were prepared in accordance to the current International Accounting Standards, give a true picture of the assets and liabilities, the shareholders' equity and the profit and loss account of MICHANIKI S.A., as well as of the companies included in the consolidation as a whole, in accordance to the provisions in paragraphs 3 to 5 of article 5 of I.3556/2007 and
- b.** the Semi-annual Report of the Board of Directors depicts a true presentation of the information required in accordance to the provisions in paragraph 6 of article 5 of I.3556/2007.

THE CHAIRMAN

THE MANAGING DIRECTOR

MEMBER OF THE BOARD OF
DIRECTORS

PRODROMOS S. EMFIETZOGLOU
ID No: Ξ 498825/86

MELPOMENI PR. EMFIETZOGLOU
ID No: AE 034080/06

ELEFThERIOS SP. TRIVOULIDIS
ID No: AI 078682/09

**SEMIANNUAL REPORT OF THE BOARD OF DIRECTORS UPON THE FINANCIAL STATEMENTS OF
THE A' SIX MONTH PERIOD OF 2010**

1. FINANCIAL DATA – COURSE OF OPERATIONS

During the A' six month period of 2010, , the Group faced difficult conditions in certain significant markets in which it operates, which reflect the continuous challenges in the global financial environment. The consequences of the international financial crisis in the real economy of Greece, have become henceforth perceptible and are impressed in the financial results of the companies of the sector, especially in the construction sector, the heavy industry sector and the real estate sector.

The consolidated and company financial results of the Group for the a' six month period of 2010 in comparison to the a' six month period of 2009 are summarized in the tables below:

Consolidated Results in € million	30.06.2010	30.06.2009	% Δ
Sales Turnover	39,51	74,47	-46,95%
EBITDA	-4,23	9,53	-
EBT	-13,36	9,56	-
EAT	-11,11	8,26	-
Profits after Tax , Board of Directors Fees, Tax Audits and Minority Rights	-11,68	8,53	-
Profits per share	-0,1257	0,0924	-

Company Results in € million	30.06.2010	30.06.2009	% Δ
Sales Turnover	37,60	59,73	-37,05%
EBITDA	-5,66	13,01	-
EBT	-11,54	17,22	-
EAT	-9,23	15,80	-
Profits per share	-0,0994	0,1711	-

2. PROFIT & LOSS ACCOUNT FOR THE A' SIX MONTH PERIOD OF 2010 – 2009

On a Group level, the consolidated Turnover (Sales) during the a' six month period of 2010 amounted to €39,51 million, against €74,47 million of the respective six month period of 2009 decreased by 46,95%. The results before taxes during the a' six month period of 2010 amounted to losses €13,36 million, against profits of €9,56 million of the respective previous year period. These losses are caused mainly due to the dissolution of the construction contracts of the companies "MICHANIKI S.A." and "THOLOS S.A." with the Contractor's liability which as a consequence burdened the results of 30.06.2010 in relation to the ones of 31.03.2010 by € 7.798 thousand for the Group and by € 3.309 thousand for the Parent Company. In the formation of the negative result the sale of residences of the parent company in the residential complex "Dryades" by the amount of €8.708 thousand, also contributed.

On a parent company level, Turnover (Sales) decreased by 37,05% reaching the amount of €37,60 million, against €59,73 million of the respective six month period of 2009. The results before taxes during the a' six month period of 2010 amounted to losses of €11,54 million against profits of €17,22 million the respective previous year period.

The total unexecuted balance of the Michaniki S.A. Group of companies amounts to €850 million and for the parent company to €253 million.

During the current period the Group proceeded in readjusting the value of its property investments. From the readjustment profits emerges amounting to €8,94 million. The estimates for property values are based upon valuations performed by independent appraisers.

Asset Items

Property Investments: The Group continues to invest during the a' six month period of 2010 in order to expand its activities in property investments abroad where €0,47 million were invested which refer mainly to developmental works (construction, studies e.t.c.) that are taking place in Russia.

The Group's commercial receivables amounted to €107,73 million, against €137,88 million at December 31st 2009 depicting a decrease of 21%. The decreased is caused mainly due to the constant effort of the Group to collect its receivables thus improving its operating cash flow.

The Group's Reserves amounted to €125,95 million, against €126,07 million at December 31st 2009 depicting a marginal decrease by 1%.

Liability Items

The Group's long-term loans amounted to €33,68 million from €32,32 million at December 31st 2009, depicting a slight increase, where on the contrary the parent company's long-term loans remain null. The total Long-term Liabilities for the a' six month period of 2010 amounted to €65,90 million, against €68,27 million at December 31st 2009 depicting a decrease of 3,5%. The decrease is caused mainly due to the reverse of the deferred tax liabilities by € 4,94 million, whereas the other provisions have been burdened mainly due to the recognition of the extraordinary premium that was imposed to companies amounting to €0,77 million and the increase of the provisions for loss making construction works by the amount of €0,95 million.

The outstanding balance of the Group's Trade Creditors amounted to €62,87 million, against €57,27 million at December 31st 2009, depicting a increase by 9,79%.

The Group's short-term loans (Banks short-term liabilities) amounted to €163,01 million, against €182,18 million at December 31st 2009, depicting an decrease by 10,5% that is €19,17 million. The average loan interest rate regarding loans in Euros was 5,10% (4,66% the previous period) whereas for loans in U.S.D. the interest rate was 4,80% (4,80% the previous period).

3. DIVIDEND POLICY

The Ordinary General Assembly of the shareholders that took place on 23.06.2010 decided, regarding the fiscal year-end of 2009 the distribution of a dividend amounting to €0,0219 per share of which dividend after the obligation of the dividend tax retention of 10% in favour of the Greek State (par.1, article 18, I.3697/2008) the remaining dividend will be distributed to the shareholders that amounts to €0,0197 net per share.

The dividend amount was recognized in the liabilities.

The company MICHANIKI S.A. is undergoing advanced negotiations with creditor banks with the objective to incur a syndicated loan which will bring about an adequate liquidity but does not rest only to the banks response in order to proceed with the 2009 dividend distribution but it also moves to raise the necessary amount through alternative sources in order to enable the dividend distribution of 2009 up to September 6th 2010.

4. SIGNIFICANT FACTS & PROSPECTS FOR 2010

In Constructions, the Group today is constructing 19 infrastructure projects in the whole of Greece and will selectively participate in biddings that will be held by the State and which will involve works whose financing is assessed from the 4th Community Support Framework with the objective to always keep a stable increasing profitability.

In the real estate sector abroad regarding the investments of the subsidiary company Michaniki Russia the construction in Moscow is still under way a) in regards to the building complex "Alexander the Great" of a total area of 166.000 sq.m. and b) of the apartment building complex "Ira" of a total area of 17.000 sq.m. In Ukraine the subsidiary Michaniki Ukraine is completing the building complex "Artemis" of a total area of 53.000 sq.m in the eastern suburbs of the town of Kiev which is expected to be delivered during the second six month period of 2011.

More specifically, in 2010 certain significant developments were realized and others are expected in the following sectors of activity of the Group:

Construction Sector:

In June of 2009, the construction company MICHANIKI S.A. was nominated as the lowest bidder and temporary contractor in the auction for the project "CONSTRUCTION OF THE HIGHWAY CONNECTION IN THE AKTIO AREA WITH A WEST AXIS NORTH-SOUTH IN THE AKTIO-AMVRAKIA SECTION from k.m. 26+900 up to k.m. 35+000", of a total services budget amounting to 26,6 million €. The construction contract of this specific project was signed in March of 2010. In continuation EYE-MEDE (Major works of Western Greece) of the Ministry of Infrastructure, Transport and Networks through the decision 2333/5.7.2010 decided the dissolution of the above construction contract that referred to the construction of the sector ~ 8 km of the artery that connects Aktio with the under construction North – South axis road (Ionian Road), due to the Ministry's inability to complete on time the required expropriations and final studies for the construction of the project.

In September of 2009, the construction company MICHANIKI S.A. was nominated as the lowest bidder and temporary contractor in the auction for the project "CONSTRUCTION OF THE FINAL CASING IN THE DIVERSION TUNNEL OF ACHELOOS RIVER" of a total budget of 34,3 million €. The contract of this specific project is expected to be signed within 2010. Scope of the project is the construction of the final casing of the



diversion tunnel of Acheloos River. It is noted that even though that the project regarding the Acheloos diversion has been temporarily terminated through the decision of the inhibition of the COE Committee, this specific project is deemed necessary for the security of the existing opening tunnel. Finally the Ministry of Infrastructure, Transport and Networks can not, due to the above reasons, sign the construction contract of the project and is oriented to proceed with a license from the Council Of State in the future, for the construction of some works of limited extend that will ensure the safety of the drilled tunnel.

In September of 2009, the construction company MICHANIKI S.A. was nominated as the lowest bidder and temporary contractor in the auction for the project "Vertical axis of Egnatia Highway Derveni-Serres-Promahonas: Subsoil underground reinforcement works and roadway restoration of km 9+440 of the section K. Ambela – Roadway Petritsiou (60.3.3a)" of a total budget of 5,95 million €. Finally in June of 2010 the BoD of EGNATIA ODOS S.A. fro the known reasons regarding the financial problems it faces, decided the revocation of the Declaration and the cancelation of the contract assignment of the project, which involved the reinforcement construction works of the underground soil with a parallel reconstruction of the road sector of the vertical axis of the Egnatia Highway K. Ampela – A/K Petritsiou.

In February of 2009, the construction company MICHANIKI S.A. filed a Letter of interest petition file regarding the Phase A' Bid (Pre-selection) for the work "EXTENSION OF LINE 3, SECTION HAIDARI – PIRAEUS", (RFP 189/08), budgeted at 515.000.000 €. Regarding the above bid the company was pre-selected for its participation in Phase B', petition of Financial Offers, with the objective to undertake this specific project, which is expected to take place within 2010.

In June of 2009, the construction company MICHANIKI S.A., filed a Letter of interest petition file, in Phase A' Bid (Pre-selection) for the work "STUDY, CONSTRUCTION AND POSITION IN OPERATION OF THE EXTENSION OF THE THESSALONICA METRO TOWARDS KALAMARIA", (RFP 194/09), budgeted at 425.000.000 €. Regarding the above bid the company was pre-selected of Phase A' of the bid and the final result is expected within 2010 regarding the pre-selection of companies that will participate in Phase B', which refers to the petition of Financial offers with the objective to undertake this specific project.

Energy sector:

Exploiting the Company's infrastructure and know-how in the construction of significant works, MICHANIKI's scope is to become an electrical power production unit through Hydroelectric Stations. During 2008 Michaniki Group announced that it received by the Ministry of Development the license regarding the production of electric energy for the hydroelectric station Karpenitsioti. The station which will be stationed in the Evrytania Prefecture will have a 5,8 MW power, whereas the electric energy production will come up to 23.000 MWh, of €1,8 million value. The projects budget amounts to 11 million €.

Real Estate Development and Utilization sector:

With the objective to continue its development and the promotion of the Greek entrepreneurship abroad, MICHANIKI continues its investments in the very promising foreign markets of Ukraine, Russia, Bulgaria and Egypt. The real estate development and utilization is the sector where the MICHANIKI Group will continue to give its emphasis especially after the latest developments in Greece where the sector of public works is suffering from the continuous delays regarding payments of certified receivables of companies in addition to the parallel unwillingness of banks to bridge the obvious resulted cash flow gap.

The current portfolio value abroad according to international reputed real estate valuation companies Cushman & Wakefield and CB Richard Ellis in June 2010 amounts to €301,53 million, that is an increase by 23,9% compared to the valuation report dated December 31st 2009. Both the shift of the investment climate in Southeast Europe the increased demand for certain types of property in addition to the improvement as a whole of the economic fundamentals in these countries justifies the recorded increase in the value of the property portfolio of companies of MICHANIKI Group.

The sale of the premises of "BALKAN REAL ESTATE" in Aghialos Thessalonica of 356 acres still remains to be the company's decision regarding the dereliction of the production and commerce timber sector. Additionally within 2009 the Company was examining alternative ways to exploit the above establishment though without reaching any definite decision.

5. PROSPECTS RISKS FOR THE B' SIX MONTH PERIOD OF 2010

The prospects for the remaining year of 2010 are expected to be affected significantly primarily from the developments and the impact of the program of fiscal restructuring and the reforms of the Greek economy in both the real economy as well as the financial markets and also from the looming continuation of improvement of the investment climate in the real estate market where the Group operates. In this unstable and changeable environment it is quite difficult to provide any precise forecast regarding the real estate markets for the b' six month period of 2010.

The initial trend of the market's environment change regarding investments in real estate and particularly in real estate where investments are on a progressive stage which was recorded at the beginning of this year, especially in the countries of Russia and Ukraine, still remains and there is an increase in demand especially for apartments and office spaces.

In Greece despite the extremely difficult domestic financial concurrence, the construction sector as one of the few segments regarding public investments that can provide assistance to development, is expected to play an important role and in particular in the infrastructure work sector that are financed by the European Community through the 4th Community Framework. The total financial resources which will be attributed to Greece exceed today the amount of €15 billion.

Some of the most significant challenges of 2010 which Michaniki S.A. Management will face with consistency in order to secure the continuation of a stable upward course and thus the satisfaction to its shareholders, are the following:

- The continuation of the country's financing from the 4th Community Framework
- The materialization of major, but also medium size infrastructure works in the region which is necessary for the country's development.
- Our Group's new investments in the favorable sector of "green energy" and particularly in hydroelectric projects where there is substantial experience and thus a significant competitive advantage.
- The continuation and completion of the today's under construction investments in real estate in Ukraine and Russia, with the objective regarding the important in advance sales especially in Ukraine were our project "Artemida" is expected to be concluded at the end of the current year.

The achievement of the pre-mentioned challenges requires that the construction sector will also be able to face particular weaknesses and threats of the construction environment, such as:

- The delay regarding the collection of accruals from the Public Sector which during the last interval surpassed every prior limit in the long term history of the company and the sector in general.
- The general macroeconomic condition of Greece which restrains the country's borrowing capability and thus the liquidity of the whole system starting from the banks.
- Greece's borrowing cost which due to the above has been significantly increased and transferred in total in the economy through the increase of bank spreads and thus the burdening of the company balance sheets.
- The general liquidity shortage in the banking system that significantly limits the financing capability of companies in terms of working capital which constitutes an integral, by now, mean in order to bridge the immense gap from the invoicing up to and the payment of operations.
- The way public works are assigned still requires significant guarantees and that leads to significant discounts.
- The lack of a complete institutional framework that will regulate the private work market which continues to remain unclear for the undertaking of a significant investment risk.

The Company's Management through its factual position in addition to its experience aims at the continuation of being an active participant and assistant to the country's effort for better, safer, modern and friendly to the environment, infrastructure works.

Risks

Foreign exchange risk: The Group's exposure to foreign exchange risks results mainly from current or anticipated cash flows in foreign currency (imports/exports) in addition to investments in foreign countries. The Group's policy is to use, for its investments in foreign subsidiaries, whose net equity is exposed to foreign exchange conversion risk, as a natural hedging instrument, loans at the respective currency – when ever this is feasible.

Interest rate risk: The year-end results and operational activities cash flows of the Group are essentially independent from the interest rate fluctuations. The Group's financing has been formed according to a predetermined combination of fixed and variable interest rates, in order to mitigate the risk of interest rate adjustments. The Group's Financial Management Department forms the fixed-variable interest rate index of the Group's net borrowings according to the market conditions, its strategy and financial needs. The Group's policy is to continuously monitor the interest rate trends in addition to the financial needs duration. Therefore, decisions regarding the duration in addition to the relation between the fixed and variable cost of a loan, are taken separately for each case.

Liquidity Risk: The consistent liquidity management is attained through the proper combination of cash equivalents and approved bank credits. The Group handles risks that can be created as a result of a shortage of sufficient liquidity making sure that there are always secured bank credits to use. The Management of MICHANIKI Group has initiated discussions with all of the banks in order to refinance its existing short-term loans and the simultaneous credit of a new working capital loan. The initial discussions in regards to the main refinancing loan terms are almost complete. The Management of the Group hopes that the refinancing and the credit of a new working capital, will normalize the cash flow of the companies of the Group.

6. TRANSACTIONS WITH ASSOCIATED PARTIES

The transactions referring to sales and purchases to and from subsidiaries of the group are analyzed below:

INTERCOMPANY TRANSACTIONS	MICHANIKI S.A.							
	AMOUNTS IN € THOUSAND	PERIOD 01.01-30.06.2010					BALANCE 30.06.2010	
		COMMODITIES & SERVICES SALES	COMMODITIES & SERVICES PURCHASES	INCOME (INTEREST)	ASSET ACQUISITIONS etc	DEPRECIATION OF ACQUIRED ASSETS	RECEIVABLES	LIABILITIES
HELLENIC PIPE WORKS S.A.	-	36	-	-	-	-	43	
BALKAN REAL ESTATE S.A.	-	-	-	85	4	10	78	
MARMARA KAVALAS S.A.	10	1	-	-	-	17	-	
THOLOS S.A.	1.000	248	-	-	-	3.927	1.262	
HELLENIC WOOD INDUSTRY S.A.	-	-	-	-	-	66	-	
MICHANIKI BULGARIA S.A.	-	-	-	-	-	-	-	
MICHANIKI UKRAINE	-	-	-	-	-	3.866	-	
MICHANIKI RUSSIA LTD	-	-	376	-	-	20.823	-	
MICHANIKI EGYPT	-	-	-	-	-	330	-	
JOINT VENTURES THAT THE PARENT COMPANY PARTICIPATES	13	0	0	-	-	44.660	23.802	
PARENT COMPANY TOTAL	1.023	285	376	85	4	73.699	25.185	
CONSOLIDATION EFFACEMENTS	-1.010	-285	-376	-85	-4	-29.039	-1.383	
CONSOLIDATION ADJUSTMENT OF PARENT COMPANY JOINT VENTURES WITH THE NET EQUITY METHOD	-	-	-	-	-	-1.671	-	
CONSOLIDATION ADJUSTMENT OF SUBSIDIARY JOINT VENTURES WITH THE NET EQUITY METHOD	-	-	-	-	-	37	535	
GROUP TOTAL	13	0	0	0	0	43.026	24.337	

AMOUNTS IN € THOUSAND	GROUP	PARENT COMPANY	
Transactions and fees to executive members and members of management	860	585	PERIOD 01.01-30.06.2010
Receivables from executive members and members of management	0	0	BALANCE 30.06.2010
Liabilities to executive members and members of management	560	508	BALANCE 30.06.2010

AMOUNTS IN € THOUSAND		
PURCHASES/SALES BETWEEN SUBSIDIARIES	35	PERIOD 01.01-30.06.2010
OTHER INCOME FROM INTEREST BETWEEN SUBSIDIARIES	71	PERIOD 01.01-30.06.2010
SALE OF ASSETS etc BETWEEN SUBSIDIARIES	66	PERIOD 01.01-30.06.2010
DEPRECIATION OF SOLD ASSETS BETWEEN SUBSIDIARIES	2	PERIOD 01.01-30.06.2010
LIABILITIES - RECEIVABLES BETWEEN SUBSIDIARIES	4.967	BALANCE 30.06.2010

Based upon the above the following clarifications are presented:

1. The company HELLENIC PIPE WORKS S.A. a) sold steel pipes of €36 thousand value before V.A.T. to MICHANIKI S.A., with an outstanding amount of €43 thousand.
2. The company BALKAN REAL ESTATE S.A. sold assets amounting to €85 thousand value before V.A.T. to MICHANIKI S.A., with an outstanding amount of €78 thousand, to which assets MICHANIKI S.A. performed depreciation of €4 thousand value.
3. The company MARMARA KAVALAS S.A., a) leased equipment for €10 thousand value before V.A.T. from MICHANIKI S.A., with an outstanding amount of €17 thousand, b) sold marble of € 1 thousand value before V.A.T. to MICHANIKI S.A., with an outstanding amount of € 0 thousand.
4. The company THOLOS S.A. a) leased equipment for €1.000 thousand value before V.A.T. from MICHANIKI S.A., with an outstanding amount of €0 thousand, b) leased equipment for €248 thousand value before V.A.T. to MICHANIKI S.A., with an outstanding amount of €0 thousand.
5. The company MICHANIKI S.A. a) rendered services of €13 thousand to Joint Ventures in which it participates in, with an outstanding amount of € 1.021 thousand. b) received services of € 0 thousand from Joint Ventures in which it participates in, with an outstanding amount of € 771 thousand.
6. MICHANIKI S.A. had income from interest a) from MICHANIKI RUSSIA LTD amounting to €376 thousand.



7. The company MICHANIKI S.A. has other receivables amounting to €72.677 thousand, a) from HELLENIC WOOF INDUSTRY S.A. amounting to €66 thousand, b) from MICHANIKI UKRAINE amounting to €3.866 thousand, c) from BALKAN REAL ESTATE S.A. amounting to € 10 thousand, d) from MICHANIKI RUSSIA LTD amounting to €20.823 thousand, e) from MICHANIKI EGYPT amounting to €330 thousand, f) from THOLOS S.A. amounting to €3.927 thousand, g) from Joint Ventures in which it participates in amounting to €43.655 thousand.
8. The company MICHANIKI S.A. has other liabilities amounting to €24.220 thousand a) to THOLOS S.A. amounting to €1.262 thousand, b) to Joint Ventures in which it participates in amounting to €22.958 thousand.
9. The company THOLOS S.A. a) rendered services of € 0 thousand value to Joint Ventures in which it participates in, with an outstanding amount of € 3 thousand, b) received services of €0 thousand value from Joint Ventures in which it participates in, with an outstanding amount of €0 thousand.
10. The company THOLOS S.A. has other receivables from Joint Ventures in which it participates in amounting to €34 thousand.
11. The company THOLOS S.A. has other liabilities to Joint Ventures in which it participates in amounting to €535 thousand.
12. The company THOLOS acquired assets of €66 thousand value from BALKAN REAL ESTATE S.A., with an outstanding amount of €80 thousand.
13. The company HELLENIC PIPE WORKS S.A. sold steel pipes of €35 thousand value before V.A.T. to THOLOS S.A., with an outstanding amount of € 113 thousand.
14. MICHANIKI RUSSIA LTD had expenses for interest a) to MICHANIKI EGYPT amounting to €59 thousand and b) to MICHANIKI BULGARIA amounting to €12 thousand.
15. MICHANIKI RUSSIA LTD has liabilities a) to MICHANIKI EGYPT amounting to €4.050 thousand and b) to MICHANIKI BULGARIA amounting to €622 thousand.
16. MICHANIKI UKRAINE has a liability to BALKAN REAL ESTATE S.A. amounting to € €102 thousand.

7. MANAGEMENT GRANTS

No loans have been granted to members of the BoD or to any other Senior Executives of the Group (and their families). During the current period Board of Director fees from the Parent Company and the subsidiary companies of the Group were recognized amounting to €170.000 (€2.530.000 the previous period). Liabilities at June 30th 2010 towards senior executives and members of the Board of Directors amounted to €560.000 for the Group and €508.000 for the parent Company. There were no receivables of the Group or the parent company at June 30th 2010 from administration executives and members of the BoD (the respective comparative period the parent company's receivables from administration executives and members of the BoD amounted to €37.000).

The company's personnel accounts to 464 employees whereas the Group's to 672 employees.

Athens, August 26th 2010
The Company's Board of Directors
MICHANIKI S.A.



The current Report constituted by 12 pages is the one mentioned in the Auditor's Report that I have issued dated 26.08.2010.

Amarousio, August 26th 2010

THE CERTIFIED AUDITOR PUBLIC ACCOUNTANT



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Interim Financial Information Review Report

To the Shareholders of Societe Anonyme

"MICHANIKI S.A"

Introduction

We have reviewed the accompanying (separate and consolidated) condensed statement of financial position of Societe Anonyme "MICHANIKI S.A." (the "Company") (and of its subsidiaries) as at 30 June 2010 and the relative (separate and consolidated) condensed statements of income statement and statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes, that constitute the interim financial information, which is an integral part of the six-month financial report under the article 5 of L. 3556/2007. Management is responsible for the preparation and presentation of this condensed interim financial information, in accordance with International Financial Reporting Standards, as adopted by the European Union (EU) and which apply to Interim Financial Reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit.

Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard "IAS 34".

Report on Other Legal and Regulatory Requirements

Our review did not identify any inconsistency or mismatching of the other data of the provided by the article 5 of L. 3556/2007 six-month financial report with the accompanying financial information.

Amarousio, August 26th 2010

THE CERTIFIED AUDITOR PUBLIC ACCOUNTANT



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Interim Financial Position Statement

		Amounts in € thousand			
		THE GROUP		THE COMPANY	
	Note:	30/6/2010	31/12/2009	30/6/2010	31/12/2009
ASSETS					
Non Current Assets					
Own Used Tangible Assets	9.1	60.849	64.325	44.909	47.551
Property Investment	9.2	108.184	91.886	21.079	18.952
Intangible Assets		27	38	3	3
Expenditures for exploration and evaluation of mineral resources		367	385	0	0
Investments in Subsidiaries		0	0	193.577	193.381
Investments in Joint Ventures/Consortiums		16.654	15.792	14.321	14.321
Financial assets valued at their fair value		3	3	3	3
Less: Provisions for devaluations		(3)	(3)	(51.009)	(45.646)
Other Long-term Receivables		426	442	282	291
Deferred tax receivables		2.750	1.417	0	0
		189.257	174.285	223.166	228.858
Current assets					
Inventories	9.3	125.949	126.068	20.833	33.598
Commercial receivables (clients)	9.4	107.732	137.876	85.396	103.252
Receivables from Affiliated and other investment interest Companies		43.026	41.862	73.700	66.875
Other Receivables	9.4	13.879	11.885	2.247	1.695
Financial assets valued at their fair value with changes in results		6	6	0	0
Other Current item Assets		1.322	1.234	1.156	1.104
Prepayments		36.846	33.467	1.768	2.469
Cash and cash equivalent		1.613	2.583	665	609
Owned assets held for sale	9.5	33.818	33.861	-	-
		364.192	388.842	185.765	209.602
		553.449	563.127	408.931	438.460
Total Assets					
Shareholders Equity & Liabilities					
Equity Capital					
Share Capital	9.6	65.035	143.076	65.035	143.076
Share Premium		129.629	129.629	129.629	129.629
Own Shares	9.16	0	0	0	0
Financial means fair value differences		0	0	(14.653)	(9.290)
Foreign Exchange Differences	9.15	(13.901)	(26.714)	0	0
Statutory Legal Reserve		10.787	13.075	9.592	11.880
Other Reserves		90.538	12.496	82.090	4.049
Retained Earnings	9.7	(102.336)	(91.289)	(102.529)	(93.552)
Equity Attributable to Parent Company Shareholders					
		179.751	180.273	169.164	185.792
Minority Rights					
		24.253	22.426	-	-
Total Equity					
		204.004	202.699	169.164	185.792
LIABILITIES					
Long-term Liabilities					
Other financial liabilities	9.8	5.915	6.173	5.915	6.173
Long-term borrowing liabilities	9.8	33.683	32.316	0	0
Provisions for employee retirement benefits		1.959	2.138	1.012	1.201
Deferred tax liabilities		17.395	22.338	5.346	11.658
Other Long-term Liabilities		3.551	3.618	2.423	2.465
Other Provisions	9.9	3.398	1.689	2.736	911
Total Long-term Liabilities					
		65.902	68.272	17.432	22.408
Short-term Liabilities					
Short-term Bank Loans	9.8	163.010	182.180	127.955	143.739
Short-term part of other long-term liabilities		478	478	478	478
Commercial Liabilities (trade creditors etc)	9.10	62.871	57.265	40.822	42.629
Taxes		2.122	112	1.964	0
Other liabilities	9.10	15.592	15.574	14.568	11.107
Advances		15.132	12.848	11.362	7.855
Derivative financial products		24.337	23.699	25.186	24.452
Liabilities to affiliated and other investment interest companies		283.542	292.156	222.335	230.260
Total Short-term Liabilities					
		349.445	360.428	239.767	252.668
Total Liabilities					
		349.445	360.428	239.767	252.668
Total Shareholders Equity and Liabilities					
		553.449	563.127	408.931	438.460

Possible differences in totals are due to number rounding

Interim Period Profit & Loss Account

		Amounts in € thousand except from profits per share							
		THE GROUP				THE COMPANY			
Note:		1/1- 30/06/2010	1/1- 30/06/2009	1/4- 30/06/2010	1/4- 30/06/2009	1/1- 30/06/2010	1/1- 30/06/2009	1/4- 30/06/2010	1/4- 30/06/2009
	Sales Turnover	39.508	74.470	18.355	40.734	37.601	59.730	17.137	33.271
	Cost of Sales	(50.227)	(61.203)	(31.675)	(32.414)	(43.972)	(45.047)	(27.770)	(24.325)
	Gross Profit	(10.719)	13.267	(13.320)	8.320	(6.371)	14.683	(10.633)	8.946
	Property Investment valuation result	8.938	0	4.598	0	2.127	0	0	0
	Other Operating Income	1.100	1.034	511	465	792	598	514	301
	Selling Expenses	(294)	(273)	(45)	(76)	0	0	0	0
	Administrative Expenses	(5.167)	(7.376)	(2.877)	(3.526)	(3.558)	(4.732)	(1.985)	(3.022)
	Other Operating Expenses	(1.410)	(576)	(575)	(65)	(1.135)	(167)	(689)	(10)
	Profit before Interest, Financial and Investment Results	(7.554)	6.076	(11.708)	5.118	(8.145)	10.382	(12.794)	6.214
	Depreciation	3.319	3.456	1.574	1.700	2.488	2.625	1.192	1.314
	Profit before Interest, Financial and Investment Results and depreciation	(4.235)	9.533	(10.133)	6.819	(5.657)	13.007	(11.602)	7.528
	Financial Income	16	7.568	8	3.820	378	9.002	377	3.789
	Financial Expenses	(7.104)	(6.795)	(4.138)	(3.444)	(5.056)	(4.869)	(2.909)	(2.923)
	Share of profit/valuation from associate companies	1.287	2.707	870	2.419	1.287	2.707	870	2.420
	Financial Result	(5.802)	3.480	(3.260)	2.795	(3.391)	6.841	(1.662)	3.286
	Depreciation	(3.319)	(3.456)	(1.574)	(1.700)	(2.488)	(2.625)	(1.192)	(1.314)
	Profit before Tax	(13.355)	9.556	(14.968)	7.913	(11.536)	17.222	(14.455)	9.500
	Income Tax	2.244	(1.298)	2.550	(779)	2.304	(1.422)	2.694	(1.375)
	Period Profit after tax	(11.111)	8.258	(12.418)	7.133	(9.232)	15.801	(11.762)	8.126
	<u>Distributed to:</u>								
	<i>Equity shareholders of the parent company</i>	(11.681)	8.534	(12.845)	7.078	(9.232)	15.801	(11.762)	8.126
	<i>Minority Rights</i>	570	(276)	427	56	-	-	-	-
		(11.111)	8.258	(12.418)	7.133	(9.232)	15.801	(11.762)	8.126
	Loss Profit after tax per share - basic (in €)	(0,1257)	0,0924	(0,1383)	0,0767	(0,0994)	0,1711	(0,1266)	0,0880

Possible differences in totals are due to number rounding

Interim Total Income Statement

		Amounts in € thousand							
		THE GROUP				THE COMPANY			
		1/1- 30/06/2010	1/1- 30/06/2009	1/4- 30/06/2010	1/4- 30/06/2009	1/1- 30/06/2010	1/1- 30/06/2009	1/4- 30/06/2010	1/4- 30/06/2009
Period Profits	Note:	(11.111)	8.258	(12.418)	7.133	(9.232)	15.801	(11.762)	8.126
Foreign Exchange Differences	9.15	14.645	(8.356)	6.313	964	0	0	0	0
Valuation of cash and cash equivalent assets held for sale		0	0	0		(5.363)	(3.500)	(5.106)	1.865
Comprehensive Total Period Income		3.534	(98)	(6.105)	8.097	(14.595)	12.301	(16.868)	9.991
Distributed to:									
Equity shareholders of the parent company		1.132	1.143	(7.231)	7.595	(14.595)	12.301	(16.868)	9.991
Minority Rights		2.402	(1.241)	1.126	502	0	0	0	0
		3.534	(98)	(6.105)	8.097	(14.595)	12.301	(16.868)	9.991

Possible differences in totals are due to number rounding

Interim Consolidated Statement of Changes in Equity

Note:

Amounts in € thousand

	Share Capital	Share Premium	Fair Value Reserves	Foreign Exchange Differences Conversion Reserve	Other Reserves	Retained Earnings	Total before minority rights	Minority Rights	Total
Balance at January 1st 2009	143.076	129.629	2.036	(19.608)	19.592	(33.803)	240.921	32.889	273.812
Change of net equity for the period 1/1-30/06/2009									
Purchases (Sales) of Own Shares						(159)	(159)	456	297
Distribution Approval					363	(8.724)	(8.362)		(8.362)
Effect from change of investment percentage in subsidiary company						613	613	(1.474)	(861)
Period Results from 01.01. up to 30.06.2009	-					8.534	8.534	(276)	8.260
Other comprehensive period income from 01.01. up to 30.06.2009				(7.391)			(7.391)	(966)	(8.358)
Period Equity Total Change	-	-	-	(7.391)	363	264	(6.766)	(2.260)	(9.024)
Balance at June 30th 2009	143.076	129.629	2.036	(26.999)	19.955	(33.539)	234.154	30.630	264.788
Balance at January 1st 2010	143.076	129.629	2.036	(26.714)	23.535	(91.289)	180.273	22.426	202.699
Change of net equity for the period 1/1-30/06/2010									
Decrease of face value of share	(78.041)				78.041	-	(0)	-	(0)
Dividends payable					(2.288)	255	(2.033)		(2.033)
Effect from change of investment percentage in subsidiary company						379	379	(574)	(196)
Other comprehensive period income from 01.01. up to 30.06.2010				12.813		-	12.813	1.832	14.645
Net Period Results 1/1-30/06/2010	-					(11.681)	(11.681)	570	(11.111)
Period Equity Total Change	(78.041)	-	-	12.813	75.753	(11.048)	(523)	1.827	1.305
Balance at June 30th 2010	65.035	129.629	2.036	(13.901)	99.288	(102.337)	179.750	24.253	204.004

Possible differences in totals are due to number rounding

Interim Statement of Changes in Equity of Parent Company

	Amounts in € thousand					Total
	Share Capital	Share Premium	Fair value financial item reserves	Other Reserves	Retained Earnings	
Balance at January 1st 2009	143.076	129.629	4.321	12.136	(88.499)	200.664
Change of net equity for the period 1/1-30/06/2009						
Distribution Approval				213	(8.574)	(8.362)
Period Results from 01.01. up to 30.06.2009					15.801	15.801
Other comprehensive period income from 01.01. up to 30.06.2009	-	-	(3.500)		-	(3.500)
Period Equity Total Change	-	-	(3.500)	213	7.226	3.939
Balance at June 30th 2009	143.076	129.629	821	12.349	(81.273)	204.603
Balance at January 1st 2010	143.076	129.629	(9.291)	15.929	(93.552)	185.792
Change of net equity for the period 1/1-30/06/2010						
Distribution Approval				(2.288)	255	(2.033)
Decrease of face value of share	9.6 (78.041)			78.041	-	(0)
Other comprehensive period income from 01.01. up to 30.06.2010			(5.363)			(5.363)
Net Period Results 1/1-30/06/2010					(9.232)	(9.232)
Period Equity Total Change	(78.041)	-	(5.363)	75.753	(8.977)	(16.628)
Balance at June 30th 2010	65.035	129.629	(14.654)	91.682	(102.529)	169.164

Possible differences in totals are due to number rounding

Interim Cash Flow Statement (Indirect Method)

	Amounts in € thousand			
	THE GROUP		THE COMPANY	
	1/1- 30/06/2010	1/1- 30/06/2009	1/1- 30/06/2010	1/1- 30/06/2009
Operating activities				
Profit before tax	(13.355)	9.556	(11.536)	17.222
Plus / less adjustments for:				
Depreciation	3.385	3.514	2.530	2.658
Depreciation of grants	(66)	(57)	(42)	(33)
Losses / (Profits) from asset sales	91	37	203	0
Provisions / (Revenues from unused provisions of previous year-ends)	769	(149)	882	(109)
Losses / (Profits) of fair value property investments	(8.938)	0	(2.127)	-
Foreign exchange differences	7.758	(7.940)	0	-
Results (income, expenses, profits and losses) from investment activity	0	(255)	0	(255)
Credit interest and similar income	(16)	(7.567)	(378)	(7.501)
Debit interest and similar charges	7.104	5.548	5.056	3.623
<i>Plus/ less adjustments for changes of working capital accounts or accounts related with operating activities:</i>		0		0
Decrease / (increase) of inventories	119	(3.796)	12.764	1.143
Decrease / (increase) of receivables	18.358	14.349	12.360	4.251
(Decrease) / increase of liabilities (except banks)	11.210	(10.094)	4.663	(13.034)
Less:				
Paid up Debit interest and similar charges	(5.577)	(5.548)	(3.602)	(3.623)
Paid up taxes	(1.699)	(4.398)	(2.078)	(1.343)
Total inflows / (outflows) from operating activities (a)	19.141	(6.801)	18.696	2.999
Investment activities				
Acquirement of subsidiaries, associates and other investments	(196)	(861)	(196)	(861)
Acquisition of tangible and Intangible assets	(682)	(1.124)	(708)	(1.095)
Loans rendered/returned to/from associate parties	0	0	(847)	0
Disposal/(Acquirement) of property investments	(473)	(3.943)	0	0
Dividends received	0	0		1.352
Collections from sales of tangible and intangible assets	754	35	617	0
Settlement of Derivative Financial Items	0	(1.246)		(1.246)
Interest received	13	121	1	55
Total inflows / (outflows) from investment activities (b)	(583)	(7.018)	(1.132)	(1.796)
Financial Activities				
Collections from issued / undertaken loans	(19.257)	18.136	(17.238)	7.809
Loan settlements	0	0	0	0
Sales / (Purchases) of own shares		297		0
Liability settlements from financial leases (amortization)	(258)	(245)	(258)	(245)
Dividends paid to parent company shareholders	(14)	(20)	(13)	(21)
Total inflows / (outflows) from financial activities (c)	(19.530)	18.168	(17.509)	7.543
Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)	(971)	4.349	55	8.746
Cash and cash equivalents at the beginning of the year-end	2.583	9.864	609	1.526
Cash and cash equivalents at the end of the year-end	1.613	14.213	665	10.272

Possible differences in totals are due to number rounding

On a Group level the negative operating flows amounting to € 6.801.000 in the previous year end are caused mainly due to the significant cash outflows from subsidiary companies for the acquisition and development of property investments for sale.

The attached notes from page 24 up to 42 constitute an integral part of the financial statements



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1. Parent Company

MICHANIKI is stationed in Greece. The consolidated financial statements (The Group) for the six month period ended June 30th 2010 include the Company, its subsidiaries and its affiliate companies in addition to participations in Joint Ventures. They also include the individual financial statements of the parent company (The Company). The group's financial statements for the year-end December 31st 2009 (Yearly Financial Statements) are available at the company's offices at 91, M. Alexandrou Str., Marousi, Attica or at the company's website address www.michaniki.gr.

MICHANIKI Group of companies is one of the first that materialized a multiple and immediate complementary to its activities developmental strategy in the Greek market with the objective to expand beyond public works to new lucrative sectors with enriched sources of income and maximization of synergies.

The four basic categories in which MICHANIKI Group of companies is operating are the following:

- I. Constructions,
- II. Real Estate Development-Utilization,
- III. Energy, and
- IV. Industries

The construction sector in which the parent company MICHANIKI S.A. and THOLOS S.A. operate in regard constructions of Public and Private Projects and mainly Building, Road, Bridge, Landscaping, Energy, Airport, Port, Tunnel and Environmental projects.

2. Financial statements form framework

The interim financial statements for the six month period ended June 30th 2010 have been compiled based upon the ordinances of I.A.S. 34 "Interim Financial Statements".

The interim concise financial statements do not include all of the information and notes required in the yearly financial statements and they should be studied in conjunction to the financial statements of the group at December 31st2009.

3. Significant accounting principles

The Interim Financial Statements have been compiled based upon the International Accounting Standard (henceforth I.A.S.) number 34, which has been issued by the International Accounting Standards Committee, as adopted by the European Union (E.U.).

The interim financial statements do not include all of the information that is included in the yearly financial statements and thus they should be studied in conjunction to the yearly consolidated financial statements for the year ended at December 31st 2009.

The Accounting principles, the presentation and the calculation method applied to the Interim Financial Statements are consistent to the ones followed for the compilation of the Financial Statements of the Group for the fiscal year-end December 31st 2009. With the exception of the following standards, the amendments of the existing standards and the interpretations that have been issued but have not been adopted by the Group and which the Group estimates that they will not have a significant effect to its financial statements:

- Improvements to I.F.R.S. (in effect for fiscal year-ends commencing from or after January 1st 2010)
- Amendment to I.F.R.S. 2 "Vesting Conditions and Cancellations" (in effect for fiscal year-ends commencing from or after January 1st 2010).
- Revision I.F.R.S. 3 "Business Combinations" (in effect for fiscal year-ends commencing from July 1st 2009 and after).
- Amendment I.A.S. 27 "Consolidated and Separate Financial Statements" (in effect for Business Combinations for which the acquisition date is from the beginning of the first year end commencing from July 1st 2009 and after).
- Amendment I.A.S. 39 "Financial Instruments: Recognition and Measurement", and
- Interpretation IFRIC 17 "Distribution of Non-Cash Assets to Owners"

4. Estimates

The compilation of the interim financial statements requires from the management to perform estimates and assumptions that affect the implementation of the accounting principles and the presented accounts of the asset items, the liabilities, the income and expenditures. The actual results may differ from these estimates. With the exception of the following paragraph, for the preparation of the interim financial statements the significant estimates made by the management do not differ from the ones made for the compilation of the yearly financial statements of December 31st 2009.

During the current period valuation differences of property investments were recognised which amounted to profits of €8.938.000. In the previous six month period there were no valuation differences. The relevant amount has been recognized in the profit and loss statement.

5. Financial Risk Management

The financial risk management policies of the group are consistent and remain essentially invariable to the ones presented within the notifications of the financial statements of December 31st 2009.

6. Seasonability of activities

Demand for the group's activities is not subject to seasonability. It is noted however that the construction activity of the Group can be influenced from factors that are relevant to the prevailing weather conditions.

7. Group Structure – Consolidated Financial Statements

Apart for the parent Company the consolidated financial statements include through the full consolidation method the following subsidiary companies:

Company Name	Headquarters	Participation Percentage	Relation that dictated the consolidation
BALKAN REAL ESTATE S.A.	AGHIALOS SALONIKA	68,81%	The participation percentage
THOLOS S.A.	AMAROUSIO ATTICA	100%	The participation percentage
HELLENIC PIPE WORKS S.A.	CHALKIDA	100%	The participation percentage
MARMARA KAVALAS S.A.	KAVALA	77,07%	The participation percentage
HELLENIC WOOD INDUSTRY S.A.	SAPES KOMOTINI	98,62%	The participation percentage
MICHANIKI UKRAINE S.A.	UKRAINE	100%	The participation percentage
MICHANIKI BULGARIA S.A.	BULGARIA	100%	The participation percentage
MICHANIKI RUSSIA LTD	RUSSIA	68,75% direct 14,62% indirect	The participation percentage
MICHANIKI EGYPT	EGYPT	70,00% direct 22,20% indirect	The participation percentage
MICHANIKI BELARUS	BELARUS	75,00% direct 17,20% indirect	The participation percentage
MICHANIKI HOLDING Limited	CYPRUS	100%	The participation percentage
VALKAN HOLDING Limited	CYPRUS	68,81% indirect	The participation percentage
HELLENIC PIPEWORKS HOLDING Limited	CYPRUS	100% indirect	The participation percentage
MICHANIKI REAL ESTATE) Limited	CYPRUS	100%	The participation percentage

Also the joint ventures/consortiums that the parent company participates in are included with the net equity method and which proceed in the joint execution of projects. These are the following:

Company Name	Headquarters	Participation Percentage	Un-audited Tax Year-Ends	CONSOLIDATION METHOD
JOINT VENTURE:"MICHANIKI S.A.-EDISTRA EDILIZIA STRADALE SPA"	GREECE	99,00%	2007-2010	NET EQUITY
JOINT VENTURE:"MICHANIKI S.A.-ELLISDON CONSTRUCTION INC."	GREECE	50,00%	2008-2010	NET EQUITY
JOINT VENTURE:"MICHANIKI S.A.-EMPEDES S.A.-AEGEK-ELLINIKI DYNAMIKI"	GREECE	93,00%	2007-2010	NET EQUITY
JOINT VENTURE:"MICHANIKI S.A.-ATHINA S.A."	GREECE	50,00%	2007-2010	NET EQUITY
JOINT VENTURE:" MICHANIKI S.A.-TERNA S.A."	GREECE	2,00%	2003-2010	NET EQUITY
JOINT VENTURE:" MICHANIKI S.A.-ATTI-KAT S.A."	GREECE	99,80%	2007-2010	NET EQUITY
JOINT VENTURE:" MICHANIKI S.A.-ATHINAIKI CONSTRUCTION S.A.-PARNON S.A."	GREECE	62,50%	2007-2010	NET EQUITY
JOINT VENTURE:"AKTOR-PANTEHNIKI- MICHANIKI"	GREECE	20,00%	2003-2010	NET EQUITY
JOINT VENTURE:"AKTOR- MICHANIKI-MOHLOS-ALTE"	GREECE	4,38%	2003-2010	NET EQUITY
JOINT VENTURE:"AKTOR- MICHANIKI-MOHLOS-ALTE(EGNATIA AVE. – VEROIA)"	GREECE	20,00%	2003-2010	NET EQUITY
JOINT VENTURE:"MICHANIKI-MOHLOS "	GREECE	50,00%	2007-2010	NET EQUITY
JOINT VENTURE:" MICHANIKI S.A.-THEMELI S.A.-PARNON S.A."	GREECE	90,00%	2007-2010	NET EQUITY
JOINT VENTURE:" MICHANIKI S.A.-PANTEHNIKI S.A."	GREECE	50,00%	2007-2010	NET EQUITY



JOINT VENTURE:" MICHANIKI S.A.-CHR. KONSTANTINIDIS S.A."	GREECE	50,00%	2000-2010	NET EQUITY
JOINT VENTURE:" MICHANIKI S.A.-PARNON S.A."	GREECE	92,50%	2007-2010	NET EQUITY
JOINT VENTURE:" MICHANIKI S.A.-PANTEHNIKI S.A. (ALEXANDROUPOLI)"	GREECE	50,00%	2007-2010	NET EQUITY
JOINT VENTURE:"THESSALIKI-ELTER- MICHANIKI-TE CHR. KON/DIS"	GREECE	28,33%	2002-2010	NET EQUITY
JOINT VENTURE:"THESSALIKI- MICHANIKI-ELTER"	GREECE	25,00%	2002-2010	NET EQUITY
JOINT VENTURE:"ATHINA- MICHANIKI"	GREECE	50,00%	2009-2010	NET EQUITY
JOINT VENTURE:"TERNA- MICHANIKI"	GREECE	35,00%	2005-2010	NET EQUITY
JOINT VENTURE:"THEMELIODOMI- MICHANIKI-MOHLOS"	GREECE	40,00%	2007-2010	NET EQUITY

During the A' six month period of 2010 the participation percentage of the parent company in "BALKAN REAL ESTATE S.A." was altered from 67,51% (31/12/2009) to 68,81% (30/06/2010).

The acquisition cost (through the A.S.E.) amounted to €195.605. From the acquisitions a profit (negative surplus) emerged for the group amounting to €378.000 which was recognized directly to the net equity. There were no sales during the six month period of 2010. There were no other changes in the Group structure during the six month period.

8. Financial information by segment

For administrative purposes the Group's output is monitored based upon the results of the operational sectors that have been designated with the objective to undertake decisions and distribute the required resources. The output valuation of each sector is done based upon the results that it succeeds net after the possible effacement of the inter-company transactions.

An operational segment is defined as a group of assets and operations engaged in providing products and services, that are subject to different risks and returns from those of other business segments.

The Group operates in the following segments:

- 1) Hydroelectric Energy
- 2) Utilization of Parking Stations
- 3) Utilization of a Cemetery
- 4) Technical Works
- 5) Wood Industry
- 6) Pipelines
- 7) Marble Quarrying & Marketing
- 8) Real Estate Utilization

For financial statement presentation purposes, but also for purposes relating to consistency with the internal reporting system, the classification of the Group's operational sectors is presented below:

- 1) Technical Works
- 2) Industry-Energy (includes industry of wood, marble, piping and energy)
- 3) Real Estate Utilization (includes utilization of parking stations)

4) Other Sectors (included utilization of cemetery)

The adaptation of I.F.R.S. No 8 Operating Segments from the Group did not affect the presentation of the Group's sectors in relation to the last yearly financial statements.

The analysis of the group's results per sector is depicted in the table below:

1/1-30/06/2010					
	WORKS	INDUSTRY- ENERGY	REAL ESTATE UTILIZATION	OTHER	TOTAL
Total gross sales per sector	34.933	4.879	661	364	40.837
Domestic sales	(1.258)	(71)	-	-	(1.329)
Net Sales	33.675	4.808	661	364	39.508
Operating Result	(17.117)	882	8.794	(113)	(7.553)
Financial Results	715	(375)	(1.568)	(4.574)	(5.802)
Profits before tax	(16.402)	507	7.226	(4.686)	(13.355)
Income tax	-	-	-	-	2.244
Net profit					(11.111)

1/1-30/06/2009					
	WORKS	INDUSTRY- ENERGY	REAL ESTATE UTILIZATION	OTHER	TOTAL
Total gross sales per sector	68.267	6.705	672	476	76.120
Domestic sales	(1.523)	(128)	-	-	(1.651)
Net Sales	66.744	6.577	672	476	74.469
Operating Result	5.209	969	(68)	(34)	6.076
Financial Results	1.403	(600)	(801)	3.478	3.480
Profits before tax	6.612	369	(869)	3.444	9.556
Income tax					(1.298)
Net profit					8.258

The appropriation of the consolidated asset and liability items to the business sectors is analyzed below:

1/1-30/06/2010					
	WORKS	INDUSTRY- ENERGY	REAL ESTATE UTILIZATION	OTHER	TOTAL
<i>Sector Assets</i>	168.049	110.911	242.772		521.732
Non distributable Asset items				31.717	31.717
<i>Consolidated Assets</i>	168.049	110.911	242.772	31.717	553.449
<i>Sector Liabilities</i>	96.643	37.597	53.841		188.081
Non distributable Liability items				161.363	161.363
<i>Consolidated Liabilities</i>	96.643	37.597	53.841	161.363	349.445
Total Depreciation	2.298	715	152	154	3.319
<i>Tangible & Intangible Asset Additions</i>	532	4	55	91	682

1/1-31/12/2009					
	WORKS	INDUSTRY- ENERGY	REAL ESTATE UTILIZATION	OTHER	TOTAL
<i>Sector Assets</i>	222.175	107.887	213.903		543.965
Non distributable Asset items				19.163	19.163
<i>Consolidated Assets</i>	222.175	107.887	213.903	19.163	563.127
<i>Sector Liabilities</i>	109.699	33.959	46.384		190.041
Non distributable Liability items				170.387	170.387
<i>Consolidated Liabilities</i>	109.699	33.959	46.384	170.387	360.428
Total Depreciation	4.854	1.389	214	364	6.822
<i>Tangible & Intangible Asset Additions</i>	1.532	47	197		1.776

9. Interim Financial Statement Notes

9.1. A' Six month period of 2010 Investments

The Group during the A' six month period of 2010 proceeded in total asset investments amounting to €682.000 (€708.000 the company). The decreased amount of the Group in comparison of that of the Company is caused mainly due to the fact that part of the Parent Company's acquisitions took place from a company from within the Group (relevant note:9.13). During the period the group sold assets of a net book value of €845.000, at a price of €754.000. From the relevant transactions a loss of €91.000 emerged. The total depreciation of the period amounted to €3.385.000 (€2.530.000 the Company).

9.2. Property Investments

During the current period the Group did not proceed in significant additions regarding the property investments it handles. Property investments amounted to €473.000 whereas during the conversion of the foreign property investments value as far as the presented currency of the group positive foreign exchange differences resulted amounting to €6.8890.000. The significant effect of the foreign exchange differences is caused mainly due to the serious devaluation of the presented currency in relation to the currencies of the countries where the property investments are based (mainly to the subsidiary "MICHANIKI RUSSIA").

During the current period the differences of property investment valuations were recognized amounting to €8.938.000. In the respective previous period valuation differences had not been recognized in the profit and loss statement.

The changes in the account of property investments for the three month period of 2010 is presented in the table below:

	Ο ΟΜΙΛΟΣ		Η ΕΤΑΙΡΕΙΑ	
	30/6/2010	31/12/2009	30/6/2010	31/12/2009
At the beginning of the period	91.886	143.970	18.952	18.952
Transfers-Fair value difference	-	-	-	-
Additions	473	4.954	-	-
Profits / (losses) from fair value	8.938	(55.239)	2.127	-
Foreign exchange differences	6.889	(1.798)	-	-
At the end of the period	108.184	91.886	21.079	18.952

9.3. Inventories

The inventories of the Group and the Company are analyzed as follows:

	THE GROUP		THE COMPANY	
	30/6/2010	31/12/2009	30/6/2010	31/12/2009
Merchandise	1.239	282	4	4
Finished and Semi Finished Products - By-Products and Residues	41.767	39.540	16.177	16.439
Production in progress	81.523	84.528	3.539	15.729
Raw and auxiliary materials - Consumables - Spare parts and Packing Materials	1.420	1.718	1.114	1.425
Total	125.949	126.068	20.833	33.598

The significant decrease of the parent company's inventories is caused mainly due to the sale of real estate that it had constructed in the residential complex Dryades, from which a loss emerged amounting to €8.708.000.

9.4. Commercial and Other Receivables

The analysis of the commercial and other receivables of the Group and the Company is presented in the table below:

	THE GROUP		THE COMPANY	
	30/6/2010	31/12/2009	30/6/2010	31/12/2009
Trade receivables	33.993	57.707	27.471	44.931
Bills receivable	270	296	137	163
Client accruals (IAS 11)	75.132	80.238	57.208	57.767
Bills receivable overdue				
Cheques receivable	1.495	2.127	893	718
Receivables from executed projects	26.301	26.301	26.301	26.301
Cheques receivable overdue	1.952	2.020	145	145
Doubtful receivables	3.193	3.196	2.751	2.751
Sundry debtors	16.483	14.975	2.690	2.111
Prepayment and credit accounts	2.516	2.625	61	74
Less:Bad debt provisions	(39.723)	(39.723)	(30.013)	(30.013)
Total other receivables	121.612	149.761	87.643	104.947

During the six month period that ended in June 30th 2010 the provisions for bad debts were not altered.

9.5. Assets held for sale

The subsidiary company "BALKAN REAL ESTATE" has decided the sale of its premises in Aghialos Thessalonica. The sale constitutes part of the company's decision regarding the dereliction of the production and commerce timber sector. All of the assets that constitute part of this were reclassified in the category "Assets held for sale" with a total value of €33.818.000. The analysis per category of the relevant amount is presented in the table below:

Category of Asset	Amounts in € thousand	
	30/6/2010	31/12/2009
Property Investments	32.706	32.706
Tangible assets	1.112	1.155
Inventory	0	0
Total	33.818	33.861

The amount of € 2.036.000 relevant to the asset has been directly recorded in the net equity in the account "Fair Value Reserves". With the conclusion of the sale it will be transferred directly to the account "Retained earnings" as set by the relevant standard.

It is noted that the relevant activity has an insignificant participation to the group's figures and does not meet the classification criteria as a terminated utilization based upon the ordinances of IFRS N^o5, based upon the Michaniki Group level.

9.6. Share Capital

With the decision of the extraordinary General Assembly dated 17/02/2010 the reduction of the share capital of the parent company was decided by the amount of **€78.041.470,92** with the reduction of its nominal share value from €1,54/share to €0,70/per share. The reduction of the share capital is transferred for the formulation of an equivalent amount special reserve amounting to €78.041.470,92 according to the ordinances of article 4 par.4^a of CL 2190/1920. Consequently the company's equity capital remains unchanged. After this decision the company's share capital amounts to **€65.034.559,10** consisting of a) **66.937.526** ordinary shares of €0,70/share face value that is a total value of **€46.856.268,20** and b) **25.968.987** preferred shares of €0,70/share face value that is a total value of **€18.178.290,90**.

9.7. Retained earnings

The account "Retained earnings" includes profits from valuations of property investments at their fair value based upon the I.A.S. No 40. These profits can not be distributed unless they are set as final at the time of the sale of the respective asset.

For the relevant profits the proportionate tax has been calculated which is registered as a tax deferred liability.

The table below depicts the analysis of the relevant account:

	THE GROUP		
	Cumulative results	Cumulative of asset valuation	Total retained earnings
Beginning balance	(87.120)	53.317	(33.803)
Sale of own shares	(159)		(159)
Percentage change of subsidiary	613		613
Distribution Approval	(8.724)		(8.724)
Period results	8.534		8.534
Balance at June 30th 2009	(86.856)	53.317	(33.539)
Beginning balance	(102.435)	11.144	(91.289)
Percentage change of subsidiary	379		379
Distribution Approval	255		255
Period results	(14.772)	3.091	(11.681)
Balance at June 30th 2010	(116.573)	14.235	(102.336)

9.8. Bank Loans

The Group's short-term loans during the six month period that ended in June 30th 2010 decreased by the amount of €18.061.000 (€16.041.000 for the Company). The Group's and the Company's loan analysis is depicted in the table below:

	THE GROUP		THE COMPANY	
	30/6/2010	31/12/2009	30/6/2010	31/12/2009
Long-term Loans				
Bank Loans	33.683	32.316	-	-
Financial Lease Liabilities	5.915	6.173	5.915	6.173
Total Long-term loans	39.598	38.489	5.915	6.173
Short-term loans				
Bank loans	163.010	182.180	127.955	143.739
Financial Lease Liabilities	478	478	478	478
Total Short-term loans	163.488	182.658	128.433	144.217
Total Loans	203.086	221.147	134.349	150.390

The long-term loans include loans that have been undertaken in U.S. Dollars amounting to \$12.000.000. The average loan interest rate regarding loans in Euros was 5,10% (4,66% the previous period) whereas for loans in U.S.D. the interest rate was 4,80% (4,80% the previous period).

9.9. Provisions

Provisions regarding the Group and the Company are recognized with the condition that the current legal or implicit liabilities as a consequence of past events, if there is a possibility to settle them through outflow resources and if the liability of the amount can be reliably calculated. The other provisions on a parent company but also group level are analyzed below:

	THE GROUP		
	Provisions of loss-making construction projects	Other provisions	Total Provisions
31/12/2009	665	1.025	1.689
Additional year-end provisions	1.157	853	2.010
Non used provisions that were reversed	(211)	(92)	(303)
30/6/2010	1.611	1.786	3.398

	THE COMPANY		
	Provisions of loss-making construction projects	Other provisions	Total Provisions
31/12/2009	429	482	911
Additional year-end provisions	1.157	847	2.004
Non used provisions that were reversed	(87)	(92)	(179)
30/6/2010	1.499	1.237	2.736

In the other provisions account, provisions that the company and the Group have performed for potential taxes are included. Additionally the amount of €763.200 is included which refers to the extraordinary premium of social responsibility to the significant profits of companies (article 2 L3808/09) upon profits of fiscal year-end of 2009 with an equivalent charge of the period's results. The amount is payable in twelve

equal installments commencing from January of 2011. The amount has been recognized in the provisions since a relevant settlement has not been issued by the authority in charge.

The provision of €1.611.000 (€1.499.000 for the Company) refers to the loss making projects that according to I.A.S. 11 "Construction Contracts" the estimate of the loss making result of the project is registered directly to the results. Apart from the above provisions it is estimated that there are no potential receivables and liabilities that may arise from construction contracts.

9.10. Commercial Liabilities and Other Liabilities

The analysis of the commercial liabilities of the Group and the Company for the six month period that ended in June 30th 2010 are presented in the table below:

Commercial Liabilities	THE GROUP		THE COMPANY	
	30/6/2010	31/12/2009	30/6/2010	31/12/2009
Trade creditors	34.601	31.853	17.083	22.828
Bills payable	0	0	0	0
Cheques payable	28.271	25.412	23.740	19.801
Total	62.871	57.265	40.822	42.629

9.11. Financial revenues/expenses – Other financial results

The financial result of the group and the company is analyzed below:

	THE GROUP		THE COMPANY	
	1/1 - 30/06/2010	1/1 - 30/06/2009	1/1 - 30/06/2010	1/1 - 30/06/2009
Financial Income from:				
- Bank interest	16	25	377	22
- Derivative financial product valuation	1	-	1	-
- Securities	-	-	0	1.502
Total	16	25	378	1.524
Financial Expenses from:				
- Derivative financial product valuation	-	1.246	-	1.246
- Bank Loans	6.333	4.411	4.507	2.786
- Guarantees commission	522	863	387	703
- Financial Leases	63	110	63	110
- Other bank expenses	184	97	99	21
Total	7.102	6.728	5.056	4.865
Other Financial Results				
- Profits from investment and securities sales	-	7.446	-	7.446
- Derivative settlement financial product result	-	32	-	32
- Losses from sales of investments and securities	-	-	-	-
- Expenses and Losses of investments and securities	-	(3)	-	(3)
-Other financial expenses	-	-	-	-
Subsidiary percentage change acquisition result	-	-	-	-
Profit-loss proportion to associate company	1.287	2.707	1.287	2.707
Total	1.287	10.182	1.287	10.182
PERIOD FINANCIAL RESULT	(5.802)	3.480	(3.391)	6.841

The financial revenues of the previous period amounting to €7.446.000 refers to profits from the valuation of derivative financial products that the Company held in the respective period. All of the foreign exchange positions of the company were closed up to the year-end that ended in December 31st 2009.

9.12. Un-audited tax year-ends

During the current period an ordinary tax audit took place regarding two joint ventures and the amount of €254.000 approximately was charged for the un-audited tax year-end of 2008 for which adequate provisions for possible taxes have been formed.

The tax un-audited fiscal year-ends for the parent company and the other companies of the Group are depicted in the table below:

COMPANY NAME	TAX UN-AUDITED FISCAL YEAR-ENDS
MICHANIKI S.A.	2009-2010
HELLENIC PIPE WORKS S.A.	2007-2010
BALKAN EXPORT S.A.	2000-2010
MARMARA KAVALAS S.A.	2007-2010
THOLOS S.A.	2009-2010
HELLENIC WOOD INDUSTRY S.A.	2007-2010
MICHANIKI BULGARIA S.A.	1995-2010
MICHANIKI UKRAINE	1.4.08-2010
MICHANIKI RUSSIA LTD	2004-2010
MICHANIKI EGYPT	2007-2010
MICHANIKI BELARUS	2007-2010

Potential taxes have been recognized for the parent company amounting to €473.000 and the Group amounting to €1.023.000 that are considered as adequate. Additionally the amount of € 763.000 has been recognized for the parent company and the group which refers to the extraordinary premium of social responsibility to the significant profits of companies (article 2 L3808/09) upon profits of fiscal year-end of 2009. During the current period two joint ventures of the parent company were charged with additional taxes amounting to €255.000, for which adequate provisions have been formed. The additional provision that was recognized to the period's results for potential joint venture taxes amounted to €163.000. Cumulatively the remaining amount regarding tax provisions of un-audited fiscal year-ends which refers to joint ventures of the parent company amounts to €146.000 and is included in the remaining balance of the relevant provisions. It is estimated that the above provisions for the parent company, its subsidiaries and its joint ventures are adequate and no significant differences will emerge at the completion of the audit.

9.13. Transactions with associated parties

The transactions referring to sales and purchases to and from subsidiaries of the group for the current period are analyzed below:

INTERCOMPANY TRANSACTIONS	MICHANIKI S.A.							
	AMOUNTS IN € THOUSAND	PERIOD 01.01-30.06.2010					BALANCE 30.06.2010	
		COMMODITIES & SERVICES SALES	COMMODITIES & SERVICES PURCHASES	INCOME (INTEREST)	ASSET ACQUISITIONS etc	DEPRECIATION OF ACQUIRED ASSETS	RECEIVABLES	LIABILITIES
HELLENIC PIPE WORKS S.A.	-	36	-	-	-	-	43	
BALKAN REAL ESTATE S.A.	-	-	-	85	4	10	78	
MARMARA KAVALAS S.A.	10	1	-	-	-	17	-	
THOLOS S.A.	1.000	248	-	-	-	3.927	1.262	
HELLENIC WOOD INDUSTRY S.A.	-	-	-	-	-	66	-	
MICHANIKI BULGARIA S.A.	-	-	-	-	-	-	-	
MICHANIKI UKRAINE	-	-	-	-	-	3.866	-	
MICHANIKI RUSSIA LTD	-	-	376	-	-	20.823	-	
MICHANIKI EGYPT	-	-	-	-	-	330	-	
JOINT VENTURES THAT THE PARENT COMPANY PARTICIPATE:	13	0	0	-	-	44.660	23.802	
PARENT COMPANY TOTAL	1.023	285	376	85	4	73.699	25.185	
CONSOLIDATION EFFACEMENTS	-1.010	-285	-376	-85	-4	-29.039	-1.383	
CONSOLIDATION ADJUSTMENT OF PARENT COMPANY JOINT VENTURES WITH THE NET EQUITY METHOD	-	-	-	-	-	-1.671	-	
CONSOLIDATION ADJUSTMENT OF SUBSIDIARY JOINT VENTURES WITH THE NET EQUITY METHOD	-	-	-	-	-	37	535	
GROUP TOTAL	13	0	0	0	0	43.026	24.337	

AMOUNTS IN € THOUSAND	GROUP	PARENT COMPANY	
Transactions and fees to executive members and members of management	860	585	PERIOD 01.01-30.06.2010
Receivables from executive members and members of management	0	0	BALANCE 30.06.2010
Liabilities to executive members and members of management	560	508	BALANCE 30.06.2010

AMOUNTS IN € THOUSAND		
PURCHASES/SALES BETWEEN SUBSIDIARIES	35	PERIOD 01.01-30.06.2010
OTHER INCOME FROM INTEREST BETWEEN SUBSIDIARIES	71	PERIOD 01.01-30.06.2010
SALE OF ASSETS etc BETWEEN SUBSIDIARIES	66	PERIOD 01.01-30.06.2010
DEPRECIATION OF SOLD ASSETS BETWEEN SUBSIDIARIES	2	PERIOD 01.01-30.06.2010
LIABILITIES - RECEIVABLES BETWEEN SUBSIDIARIES	4.967	BALANCE 30.06.2010

Based upon the above the following clarifications are presented:

1. The company HELLENIC PIPE WORKS S.A. a) sold steel pipes of €36 thousand value before V.A.T. to MICHANIKI S.A., with an outstanding amount of €43 thousand.
2. The company BALKAN REAL ESTATE S.A. sold assets amounting to €85 thousand value before V.A.T. to MICHANIKI S.A., with an outstanding amount of €78 thousand, to which assets MICHANIKI S.A. performed depreciation of €4 thousand value.
3. The company MARMARA KAVALAS S.A., a) leased equipment for €10 thousand value before V.A.T. from MICHANIKI S.A., with an outstanding amount of €17 thousand, b) sold marble of € 1 thousand value before V.A.T. to MICHANIKI S.A., with an outstanding amount of € 0 thousand.
4. The company THOLOS S.A. a) leased equipment for €1.000 thousand value before V.A.T. from MICHANIKI S.A., with an outstanding amount of €0 thousand, b) leased equipment for €248 thousand value before V.A.T. to MICHANIKI S.A., with an outstanding amount of €0 thousand.
5. The company MICHANIKI S.A. a) rendered services of €13 thousand to Joint Ventures in which it participates in, with an outstanding amount of € 1.021 thousand. b) received services of € 0 thousand from Joint Ventures in which it participates in, with an outstanding amount of € 771 thousand.
6. MICHANIKI S.A. had income from interest a) from MICHANIKI RUSSIA LTD amounting to €376 thousand.
7. The company MICHANIKI S.A. has other receivables amounting to €72.677 thousand, a) from HELLENIC WOOD INDUSTRY S.A. amounting to €66 thousand, b) from MICHANIKI UKRAINE

amounting to €3.866 thousand, c) from BALKAN REAL ESTATE S.A. amounting to € 10 thousand, d) from MICHANIKI RUSSIA LTD amounting to €20.823 thousand, e) from MICHANIKI EGYPT amounting to €330 thousand, f) from THOLOS S.A. amounting to €3.927 thousand, g) from Joint Ventures in which it participates in amounting to €43.655 thousand.

8. The company MICHANIKI S.A. has other liabilities amounting to €24.220 thousand a) to THOLOS S.A. amounting to €1.262 thousand, b) to Joint Ventures in which it participates in amounting to €22.958 thousand.
9. The company THOLOS S.A. a) rendered services of € 0 thousand value to Joint Ventures in which it participates in, with an outstanding amount of € 3 thousand, b) received services of €0 thousand value from Joint Ventures in which it participates in, with an outstanding amount of €0 thousand.
10. The company THOLOS S.A. has other receivables from Joint Ventures in which it participates in amounting to €34 thousand.
11. The company THOLOS S.A. has other liabilities to Joint Ventures in which it participates in amounting to €535 thousand.
12. The company THOLOS acquired assets of €66 thousand value from BALKAN REAL ESTATE S.A., with an outstanding amount of €80 thousand.
13. The company HELLENIC PIPE WORKS S.A. sold steel pipes of €35 thousand value before V.A.T. to THOLOS S.A., with an outstanding amount of € 113 thousand.
14. MICHANIKI RUSSIA LTD had expenses for interest a) to MICHANIKI EGYPT amounting to €59 thousand and b) to MICHANIKI BULGARIA amounting to €12 thousand.
15. MICHANIKI RUSSIA LTD has liabilities a) to MICHANIKI EGYPT amounting to €4.050 thousand and b) to MICHANIKI BULGARIA amounting to €622 thousand.
16. MICHANIKI UKRAINE has a liability to BALKAN REAL ESTATE S.A. amounting to € €102 thousand.

The transactions referring to sales and purchases to and from subsidiaries of the group for the previous period are analyzed below:

INTERCOMPANY TRANSACTIONS	MICHANIKI S.A.			
	PERIOD 01.01-30.06.2009		BALANCE 30.06.2009	
	COMMODITIES & SERVICES SALES	COMMODITIES & SERVICES PURCHASES	RECEIVABLES	LIABILITIES
HELLENIC PIPE WORKS S.A.	-	90	-	98
BALKAN REAL ESTATE S.A.	-	-	-	-
MARMARA KAVALAS S.A.	15	5	118	1
THOLOS S.A.	1.399	109	2.453	-
HELLENIC WOOD INDUSTRY S.A.	-	-	60	-
MICHANIKI BULGARIA S.A.	-	-	-	-
MICHANIKI UKRAINE	-	-	1.871	-
MICHANIKI RUSSIA LTD	-	-	-	-
MICHANIKI EGYPT	-	-	-	-
JOINT VENTURES THAT THE PARENT COMPANY PARTICIPATES	35	5	54.531	22.936
PARENT COMPANY TOTAL	1.449	209	59.033	23.035
CONSOLIDATION EFFACEMENTS	-1.414	-204	-4.502	-99
CONSOLIDATION ADJUSTMENT OF PARENT COMPANY JOINT VENTURES WITH THE NET EQUITY METHOD	-	-	-2.580	-
CONSOLIDATION ADJUSTMENT OF SUBSIDIARY JOINT VENTURES WITH THE NET EQUITY METHOD	-	-	61	748
GROUP TOTAL	35	5	52.012	23.684

AMOUNTS IN € THOUSAND	GROUP	PARENT COMPANY	
Transactions and fees to executive members and members of management	4.266	2.053	PERIOD 01.01-30.06.2009
Receivables from executive members and members of management	37	37	BALANCE 30.06.2009
Liabilities to executive members and members of management	1.109	1.081	BALANCE 30.06.2009

AMOUNTS IN € THOUSAND		
PURCHASES/SALES BETWEEN SUBSIDIARIES	33	PERIOD 01.01-30.06.2009
LIABILITIES - RECEIVABLES BETWEEN SUBSIDIARIES	19	BALANCE 30.06.2009

9.14. Management grants

	THE GROUP		THE COMPANY	
	1/1 - 30/06/2010	1/1 - 30/06/2009	1/1 - 30/06/2010	1/1 - 30/06/2009
Short-term grants to personnel				
Salaries & Fees	860	4.266	585	2.053
Social Security Cost				
Board of Directors Fees				
Total	860	4.266	585	2.053

No loans have been granted to members of the BoD or to any other Senior Executives of the Group (and their families). During the current period Board of Director fees from the Parent Company and the subsidiary companies of the Group were recognized amounting to €170.000 (€2.530.000 the previous period). Liabilities at June 30th 2010 towards senior executives and members of the Board of Directors amounted to €560.000 for the Group and €508.000 for the parent Company. There were no receivables of the Group or the parent company at June 30th 2010 from administration executives and members of the BoD (the respective comparative period the parent company's receivables from administration executives and members of the BoD amounted to €37.000).

The Group's and the Company's number of personnel is analyzed below:

	THE GROUP		THE COMPANY	
	30/6/2010	30/6/2009	30/6/2010	30/6/2009
Salaried	367	460	260	319
Daily Wage	305	436	204	343
Total Employees	672	896	464	662

9.15. Conversion foreign exchange differences

During the current period positive foreign exchange differences were recognized in the other income statement of the Group amounting to €14.645.000 against losses of €(8.356.000) in the respective period of the previous year end. After that the cumulative balance of the debit consolidation foreign exchange differences amounted to €-13.901.000 against €-26.714.000 at December 31st 2009. The amount refers to conversion foreign exchange differences of foreign consolidated companies. This significant benefit is caused mainly due to the overvaluation of the currency from the investment in the subsidiary company "MICHANIKI RUSSIA" (amount €9.909.000) the investment in the subsidiary company "MICHANIKI UKRAINE" (amount €2.376.000) and the investment in the subsidiary company "MICHANIKI EGYPT" foreign exchange differences emerged (amount €2.409.000).

9.16. Own Shares

The company in June 30th 2010 had no own shares.

9.17. Profits per Share

The analysis of the basic profits per share for the six month period is presented in the table below:

	THE GROUP		THE COMPANY	
	1/1 - 30/06/2010	1/1 - 30/06/2009	1/1 - 30/06/2010	1/1 - 30/06/2009
Profits proportioned to the parent company shareholders	(8.416)	6.134	(6.651)	11.356
Weighted Number of Ordinary Shares	66.937.526	66.352.959	66.937.526	66.352.959
Total basic profits per share (€ per share)	(0,1257)	0,0924	(0,0994)	0,1711

9.18. Engagements

The Group and Company engagements relative to the construction contracts is presented below:



	THE GROUP		THE COMPANY	
	30/6/2010	30/6/2009	30/6/2010	30/6/2009
L/G Good Performance	154.811	193.161	133.326	155.709
L/G Retention Replacement	15.108	24.226	12.387	20.273
L/G Advance Payment	5.287	7.326	2.367	3.439
TOTAL	175.206	224.713	148.079	179.421

9.19. Existing Encumbrances

The assets of the companies of the Group are free of mortgages and charging orders in favour of third parties, except from one asset of the company "MICHANIKI RUSSIA" upon which a mortgage exist of €16.038.000 for the collateral of a long-term loan.

9.20. Judicial or under litigation disputes

There are no judicial or administrative or under litigation disputes apart from the cases mentioned within the yearly financial statements of the fiscal year-end December 31st 2009 and the relevant paragraph 5.6.38.

9.21. Significant period facts

During the current period some significant facts emerged that refer to the dissolution of construction contracts that the companies "MICHANIKI S.A." and "THOLOS S.A." have signed, additionally liabilities of companies of the Group have become overdue and finally the parent company is under negotiations for the signing of a syndicate loan.

9.21.1. Works with construction contracts that have been dissolved

Works that have dissolved construction contracts and refer to "MICHANIKI S.A." are the following:

➤ PROJECT: "COMPLETION OF SYKIA DAM"

On 11.03.2010 our company was notified through the decision with the prot. num. 134/10.03.2010 of EDYE – OSYE (Road Tunnel Operations) with the instruction, through decision n. 141/2010 of the Suspension Committee of the Council of State, to immediately, quote "proceed in the temporary termination of all activities of the above project, by removing from the site the equipment and personnel that are involved with the project" and with a further note that "within the site only the minimum required security work stuff will remain".

After the three month termination of activities and specifically with the E-125/881/51576/14.06.2010 petition, according to the law regarding public works, our Company requested the dissolution of the construction contract dated 16-5-2005 with the Contractor's liability of the Work (EYDE-OSYE of the General Secretariat of Public Works of the Ministry of Infrastructure, Transport and Networks), which the EYDE-OSYE of the General Secretariat of Public Works of the Ministry of Infrastructure, Transport and Networks accepted at 15.8.2010 .

- PROJECT: "CONSTRUCTION OF THE HIGHWAY CONNECTION IN THE AKTIO AREA WITH A NORTH-SOUTH WEST AXIS".

After the three month inability of the Contractor of the Work to concede the required spaces for the construction of the work in addition to the required studies for this project, with the E-135/041/51615/18-06-2010 petition, according to the law regarding public works, our Company requested the dissolution of the construction contract dated 16-3-2010 with the Contractor's liability of the Work (EYDE-MEDE of the General Secretariat of Public Works of the Ministry of Infrastructure, Transport and Networks), which the EYDE-MEDE of the General Secretariat of Public Works of the Ministry of Infrastructure, Transport and Networks accepted with its decision 2333/5.7.2010.

Works that have dissolved construction contracts and refer to "THOLOS S.A." are the following:

- PROJECT : HIGHWAY AXIS VEROIA-NAOUSA-SKYDRA (SECTION PATRIDA-NAOUSA OF IMATHIA PREFECTURE).

After the over three month termination of activities with the Contractor's liability, with the E08/266/3702/17.5.2010 petition, according to the law regarding public works, our Company requested the dissolution of the construction contract dated 17-4-2006 with the Contractor's liability (CENTRAL MACEDONIA REGION), which the Monitoring Administration of Construction Works (DEKE) of the CENTRAL MACEDONIA REGION accepted at 18.7.2010 .

- PROJECT: «CONSTRUCTION OF PATRAS MINOR PARAMETRICAL STREET»

After the override of the marginal deadline of the work and with the Contractor of the Work not being able to solve the problems which resulted to the inability to complete the works of the project, with the **Δ4/Θ10/244/3670/03-05-2010** petition according to the law regarding public works, our Company requested the dissolution of the construction contract dated 15-9-2006 with the Contractor's liability (WESTERN GREECE REGION), which the Monitoring Administration of Construction Works (DEKE) of the WESTERN GREECE REGION accepted with its decision 59021/2052/25.5.2010.

- PROJECT: "INFRASTRUCTURE CONSTRUCTION IN SECTOR POLYKASTRO-EIDOMENI:

After the override of the marginal deadline of the work and with the Contractor of the Work not being able to solve the problems which resulted to the inability to complete the works of the project, with the **Θ-12/220/3662/28.04.2010** petition according to the law regarding public works, our Company requested the dissolution of the construction contract dated 31-3-2008 with the Contractor's liability (HELLENIC RAILWAYS ORGANIZATION WORKS S.A. – ERGA OSE S.A.). ERGA OSE S.A. with the 187485/20.7.2010 Final Termination of Activities Decision decided the dissolution of the above construction contract.

The above dissolutions of the construction contracts have consequently burdened the results of 30.06.2010 in respect to the ones of 31.03.2010 by € 7.798 thousand to the Group and by € 3.309 thousand to the Company (from construction contracts).

9.21.2. Syndicate Loan



The reluctance, if not refusal, of the Greek State to satisfy the financial receivables arising from the contracting contracts continues to create a significant negative impact on the normal flow of the company's cash flow.

MICHANIKI S.A. in view of the conditions that have been formulated invited all of the domestic banks in order to discuss the refinancing of the existing loans and the provision of additional financing.

Although the whole project is difficult, due to the summer period but also due to the impeded understanding between the significant number of participants, the company is in position to inform that the initial discussions tend to be completed and the refinancing of existing loans and the provision of additional financing is indicated.

9.21.3. Liabilities overdue

The existing total liabilities due account for 3,51% of the total liabilities of the Group and 4,25% of the total liabilities of the Company. The relative percentages upon equity account for 6,02% and 6,01% respectively. With the implementation of the syndicate loan signature, the company estimates that its cash flow will be normalized and the overdue liabilities will be settled.

9.22. Events after the date of the balance sheet

The company after its announcement to the A.E. dated August 23rd 2010 made the transfer known regarding the commencement of the dividend distribution from August 20th 2010 (initial setting date) to September 6th 2010.

Other than the pre-mentioned facts, there are no subsequent events to the financial statements concerning either the Group or the Company, which require a reference to be made from the International Financial Reporting Standards.

THE CHAIRMAN

PRODROMOS S. EMFIETZOGLOU
ID No: Ξ 498825/86

THE MANAGING DIRECTOR

MELPOMENI PR. EMFIETZOGLOU
ID No: AE 034080/06

THE FINANCIAL DIRECTOR

IOANNIS EV. MESSINIS
ID No: Π 675804/92

THE CHIEF ACCOUNTING MANAGER

KIKIANTONIS I. CHRISTOS
ID No: N 296442/83 License Register No. of the
Chartered Auditors Association 13476

Appropriation of Raised Funds

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 129/08/08.02.2001) and b) no. 33/04.11.2006 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' Representative 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 (05) 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 30.06.2010, 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 49)						AMENDMENT OF APPROPRIATION OF FUNDS AS G.A. DATED 31.01.2001			AMENDMENT OF APPROPRIATION OF FUNDS AS G.A. DATED 28.02.2001			AMENDMENT OF APPROPRIATION OF FUNDS AS G.A. DATED 21.02.2002			AMENDMENT OF APPROPRIATION OF FUNDS AS G.A. DATED 28.01.2010 (common shareholder) and AMENDMENT OF APPROPRIATION OF FUNDS AS G.A. DATED 03.02.2010 (minimum)				DISPOSED CAPITAL FROM 01.01.2001 UP TO 30.06.2010 (TOTAL)	DISPOSED CAPITAL FROM 01.01.2009 UP TO 30.06.2010 (LAST SIX MONTH PERIOD)	
	2001		Total 2001	2002		Total 2002	2001	2002	Total	2001	2002	Total	2001	2002	2010	Total	2001	2002	2010			Total
	A Semiannual	B Semiannual		A Semiannual	B Semiannual																	
1. URBAN INVESTMENTS			36,81			35,22	66,83	2,93	2,93	5,87	2,93	2,93	5,87	2,35	13,02	15,37	2,35	13,02	-12,89	2,48	2,48	
a) Urban development of asset in Cofoa	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. ENERGY INVESTMENTS			11,74			24,94	36,68	1,47	27,88	29,35	1,47	19,08	26,54	-	2,93	2,93	-	2,93	2,93	-	2,93	0,00
a) Completion of HY station in river Goura (4MM)	1,47	0,00	1,47	0,00	0,00	0,00	1,47	1,47			1,47	1,47										
b) Construction of HY station in river Yerebka (4,2MM)	0,00	1,47	1,47	1,47	1,47	2,93	4,40		1,47	1,47												
c) Construction of HY station in river Alakronas (3,2MM)	0,00	1,47	1,47	1,47	1,47	2,93	4,40															
d) Construction of Grand HY 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		2,93	-2,93	0,00		
3. CONSTRUCTION OF OLYMPIC WORKS/ CO-FINANCING WORKS			5,87			8,80	14,67	7,34	7,34	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	2,35	-	2,35	-0,01	2,34	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	1,47	1,47	2,93	1,47	0,00	1,47	3,82	1,47	1,47	1,47	1,47	1,47	0,88		0,88	0,88		-0,01	0,87	0,87	1,47	
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	1,47				1,47	1,47	
6. HELLENIC PIPEWORKS S.A.			2,93			0,00	2,93	0,00	0,00	2,93	0,00	0,00	0,00	-	-	-	-	-	-	-	-	
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	
a) Acquisition of mechanical equipment	0,59	2,35	2,93	2,93	1,47	4,40	7,34															
b) Working Capital	0,88	2,05	2,93	0,00	0,00	0,00	2,93															
8. MICHANIKI BULGARIA S.A.																						
a) Acquisition of mechanical equipment	2,05	3,82	5,87	1,47	1,47	2,93	8,80															
b) Working Capital	0,88	2,05	2,93	0,00	0,00	0,00	2,93															
9. SPECIAL MECHANICAL EQUIPMENT																						
a) Acquisition of mechanical equipment	0,88	2,05	2,93	0,00	0,00	0,00	2,93															
b) Working Capital	0,00	0,00	0,00	0,00	0,00	0,00	0,00															
10. 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	-	22,01	22,01	-	22,01	-	15,83	37,84	
11. TECHNICAL COMPANIES								4,40	1,47	5,87	5,87	1,76	26,88	1,76	26,88	1,76	26,88	-	22,64	-	22,64	
12. S.P.O EXPENSES								1,89	0,79	2,68	2,68	0,79	0,79	-	0,79	0,79	-	0,79	-	0,79	0,79	
TOTAL DISPOSED CAPITAL																					66,82	
NON DISPOSED CAPITAL																					0,00	
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 7, 2002), which is 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 29.06.2001.

c case 7: The company "VIEX 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: With the decision dated 20.01.2010 of the General Assembly of the shareholders the amendment of the appropriation of the raised funds was decided amounting to € 15,83 million of the above share capital increase as working capital which now amounts to € 37,84 million.

e case 12: Refers to the acquisition of nine construction companies based upon the framework of L2940/2001.

With the present appropriation of raised funds table dated 30.06.2010 the appropriation of funds that emerged from the partial coverage of the share capital increase that took place based upon the decision of the B' Representative General Assembly of the shareholders dated 02.08.2000, amounting to € 66,82 million has been completed.

Amarousio, August 26th, 2010			
THE CHAIRMAN	MANAGING DIRECTOR	THE FINANCIAL DIRECTOR	THE CHIEF ACCOUNTING MANAGER
PRODROMOS S. EMFIEZIOGLOU ID No: 498025 / 86	HELPOMENI PR. EMFIEZIOGLOU ID No: AE 034008 / 06	IGANNHE EY. MEZHNHE A.A.T.: Π 675004 / 92	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 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 regulatory framework of the Athens Exchange in addition to the relevant legislative framework of the Capital Committee, relevant to the Company's Appropriation of Raised Funds Report, which regards 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:

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

Findings:

- The per year-end category amounts presented as cash disbursements in the attached "Appropriation of Raised Funds from the Share Capital Increase with cash Report" result from the books and data of the Company, at the time period mentioned.
- 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 capital 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 had 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 addressed 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 capital 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 period 1/1/2010 – 30/06/2010 for which we issued a separate Audit report dated August 26th, 2010.



MICHANIKI S.A.
GROUP OF COMPANIES

"Societe Anonyme" Registered Number: 8440/06/B/86/16
M.Alexandrou 91 Street - Amarusio Attica 15124

DATA AND INFORMATION OF THE PERIOD FROM JANUARY 1st, 2010 UP TO JUNE 30th, 2010

According to the decision 4/507/28.04.2009 of the Capital Market Committee Board of Directors - Amounts in € thousands.

The data and information below resulting from the financial statements, aim to provide a general briefing for the financial status and the results of "MICHANIKI S.A." and its GROUP. We therefore recommend to the reader, before proceeding in any kind of investment decision or other transaction with MICHANIKI S.A., to trace the company's website address www.michaniki.gr where the financial statements in addition to the Certified Auditor's Review Report, whenever it is required, are depicted.

Approval Date by the Board of Directors
of the six month period financial statements : August 26th 2010

Certified Auditor Accountant: D. Ag. Chaidos

Auditing company: S.O.L. S.A.

Company Website Address : www.michaniki.gr
Type of auditing report : With agreeable opinion

DATA OF FINANCIAL POSITION STATEMENT (amounts in € thousand)

	THE GROUP		THE COMPANY	
	30/6/2010	31/12/2009	30/6/2010	31/12/2009
ASSETS				
Asset Tangible Items for own use.....	60.849	64.325	44.909	47.551
Property Investments.....	108.184	91.886	21.079	18.952
Intangible Asset Items.....	27	38	3	3
Other non current asset items.....	20.197	18.035	157.175	162.351
Inventories.....	125.949	126.068	20.823	33.598
Receivables from clients.....	107.732	137.876	85.396	103.252
Other current asset items.....	96.692	91.036	79.536	72.753
Non current assets available for sale.....	33.818	33.861	0	0
TOTAL ASSETS	553.449	563.127	408.931	438.460
NET EQUITY AND LIABILITIES				
Share capital.....	65.035	143.076	65.035	143.076
Other net equity items.....	114.715	37.197	104.129	42.716
Total Net Equity of Company's Shareholders (a)	179.751	180.273	169.164	185.792
Minority rights (b).....	24.253	22.426	0	0
Total Net Equity (c) = (a) + (b)	204.004	202.699	169.164	185.792
Long-term loan liabilities.....	33.683	32.316	0	0
Provisions / Other long-term liabilities.....	32.220	35.956	17.432	22.408
Short-term loan liabilities.....	163.010	162.180	127.955	143.739
Other short-term liabilities.....	120.533	109.976	94.390	86.522
Total liabilities (d)	349.445	360.428	239.767	252.668
TOTAL NET EQUITY AND LIABILITIES (c) + (d)	553.449	563.127	408.931	438.460

DATA OF NET EQUITY CHANGES STATEMENT (amounts in € thousand)

	THE GROUP		THE COMPANY	
	1/1-30/6/2010	1/1-30/6/09	1/1-30/6/2010	1/1-30/6/09
Total Shares: 92.906.513 - (C) 66.937.526 - (P) 25.968.987				
Total Net equity at beginning of period (01.01.2010 and 01.01.2009 respectively)	202.699	273.812	185.792	200.664
Cumulative total income after tax (continuing and terminated activities)	3.534	(98)	(14.595)	12.301
Effect from change of investment percentage to a subsidiary company.....	(196)	(861)	0	0
Increase / (decrease) of share capital.....	0	0	0	0
Distributed Dividends (profits).....	(2.033)	(8.362)	(2.033)	(8.362)
Own shares (purchases/sales).....	0	297	0	0
Net Equity at end of period (30.06.2010 and 30.06.2009 respectively)	204.004	264.788	169.164	204.603

DATA OF TOTAL INCOME STATEMENT (amounts in € thousand)

	THE GROUP			
	1/1-30/6/2010	1/1-30/6/09	1/1-30/6/2010	1/1-30/6/09
Total sales turnover.....	39.508	74.470	18.355	40.734
Gross profits/(losses).....	(10.719)	13.267	(13.320)	8.320
Profits / (losses) before tax, financial and investment results.....	(7.554)	6.076	(11.708)	5.118
Profits / (losses) before tax.....	(13.355)	9.556	(14.968)	7.913
Profits / (losses) after tax (A).....	(11.111)	8.258	(12.418)	7.133
Distributed to:				
Parent Company shareholders.....	(11.681)	8.534	(12.845)	7.078
Minority Shareholders.....	570	(276)	427	56
Other total income after tax (B)	14.645	(8.356)	6.313	964
Cumulative total income after tax (A) + (B)...	3.534	(98)	(14.595)	8.097
Distributed to:				
Parent Company shareholders.....	1.132	1.143	(7.231)	7.595
Minority Shareholders.....	2.402	(1.241)	1.126	502
Profits/(losses) after tax per Share - Basic (in €).....	(0,1257)	0,0924	(0,1382)	0,0767
Profits / (losses) before tax, financial and investment results and depreciation.....	(4.235)	9.533	(10.133)	6.819

ADDITIONAL DATA AND INFORMATION

- All of the companies of the Group are consolidated with the full consolidation method, except the joint ventures which are consolidated with the net equity method. Analytical data relevant to the company name, the country of registration, the participation percentages (direct or indirect) of the parent company, the un-audited tax year-ends in addition to the consolidation method are presented for all of the above companies and joint ventures in paragraphs (7) and (9.12) of the financial statements.
- There is no change in the consolidation method of the companies and joint ventures regarding the current period and the comparative period, that are included in the consolidated financial statements.
- The Group's assets are free of mortgages and charging orders in favour of third parties, with the exception of an asset of the company "MICHANIKI RUSGIA" upon which a mortgage amounting to € 16.038 thousand exists for long-term liability guarantees.
- The Group's employed personnel at 30.06.2010 was 672 employees and the Company's 464 employees and at 30.06.2009, 896 and 662 respectively.
- The Group's and the Company's purchases in fixed assets during the current period amounted to € 678 thousand and € 653 thousand respectively.
- During the period 01.01-30.06.2010 an ordinary tax audit was performed for two Joint Ventures regarding the un-audited tax year-ends up to and 2008, for which sufficient provisions for potential taxes have taken place. More information is stated within the financial statements in paragraph (9.12).
- For the un-audited tax year-ends of the Parent company the remaining companies of the Group in addition to the joint ventures/consortiums, mentioned in the Group structure, sufficient provisions for potential taxes have taken place. More information is stated within the financial statements in paragraph (9.12).
- The amounts and the nature of the other total income after tax are analyzed as follows, as regarding the Group these result from foreign exchange differences conversions, for the period 01.01-30.06.2010 amounting to € 14.645 thousand, and for the period 01.01-30.06.2009 amounting to € (8.356) thousand b) regarding the Parent Company these result from the Valuation of cash and cash equivalents for assets for sale for the period 01.01-30.06.2010 amounting to € (5.363) thousand, and for the period 01.01-30.06.2009 amounting to € (3.500) thousand. More information is stated within the financial statements in paragraph (9.15).

CASH FLOW STATEMENT INFORMATION (Indirect Method) (amounts in € thousand)

	THE GROUP		THE COMPANY	
	1/1-30/6/2010	1/1-30/6/09	1/1-30/6/2010	1/1-30/6/09
Operating Activities				
Profit before tax.....	(13.355)	9.556	(11.536)	17.222
Plus / less adjustments for:				
Depreciation.....	3.385	3.514	2.530	2.658
(Depreciation of assets grants).....	(66)	(57)	(42)	(33)
Losses / (Profits) from asset sale.....	91	37	203	0
Provisions / (Revenues from unused provisions of previous year-ends).....	769	(149)	882	(109)
Losses / (Profits) of fair value Property Investments.....	(8.938)	0	(2.127)	0
Foreign exchange differences.....	7.759	(7.940)	0	0
Results (income, expenses, profits and losses) from investment activity.....	0	(255)	0	(255)
Credit interest and similar income.....	(16)	(7.567)	(378)	(7.501)
Debit interest and similar charges.....	7.104	5.548	5.056	3.623
Plus/ less adjustments for changes of working capital accounts that are related with operating activities:				
Decrease / (increase) of inventories.....	119	(3.796)	12.764	1.143
Decrease / (increase) of receivables.....	18.358	14.349	12.360	4.251
(Decrease / Increase of liabilities (except bank).....	11.210	(10.094)	4.663	(13.024)
Less:				
Paid up Debt interest and similar charges.....	(5.001)	(6.548)	(3.028)	(3.623)
Paid up income taxes.....	(1.699)	(4.359)	(2.078)	(1.343)
Total inflows / (outflows) from operating activities (a)	19.718	(6.891)	19.272	2.999
Investment activities				
Disposal/Acquisition of subsidiaries, associates and other investments.....	(196)	(861)	(196)	(861)
Purchases of tangible and intangible assets.....	(682)	(1.124)	(708)	(1.095)
Loans rendered/returned to/from associate parties.....	0	0	(847)	0
Collections from sale of tangible and intangible assets.....	754	35	617	0
Disposal/Acquisition of property investments.....	(473)	(3.943)	0	0
Dividends received.....	0	0	1.352	0
Interest received.....	13	121	1	55
Settlement of Derivative Financial Items.....	0	(1.245)	0	(1.245)
Total inflows / (outflows) from investment activities (b)	(583)	(7.018)	(1.132)	(1.796)
Financial Activities				
Collections from issued / undertaken loans.....	(19.834)	18.136	(17.814)	7.809
Sales / (Purchases) of own shares.....	0	297	0	0
Loan settlements.....	0	0	0	0
Liability settlements from financial leases (amortization).....	(258)	(245)	(258)	(245)
Paid dividends to parent company shareholders.....	(14)	(20)	(13)	(21)
Total inflows / (outflows) from financial activities (c)	(20.106)	18.168	(18.089)	7.543
Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)	(971)	4.349	55	8.746
Cash and cash equivalents at the beginning of period.....	2.583	9.854	609	1.526
Cash and cash equivalents at the end of the period	1.613	14.213	665	10.272

DATA OF TOTAL INCOME STATEMENT (amounts in € thousand)

	THE COMPANY			
	1/1-30/6/2010	1/1-30/6/09	1/1-30/6/2010	1/1-30/6/09
Total sales turnover.....	37.801	59.730	17.137	33.271
Gross profits/(losses).....	(6.371)	14.683	(10.633)	8.946
Profits / (losses) before tax, financial and investment results.....	(8.145)	10.382	(12.704)	6.214
Profits / (losses) before tax.....	(11.638)	17.222	(14.455)	9.500
Profits / (losses) after tax (A).....	(9.232)	15.801	(11.762)	8.126
Distributed to:				
Parent Company shareholders.....	(9.232)	15.801	(11.762)	8.126
Minority Shareholders.....	0	0	0	0
Other total income after tax (B)	(5.363)	(3.500)	(5.106)	1.865
Cumulative total income after tax (A) + (B)...	(14.595)	12.301	(16.868)	9.991
Distributed to:				
Parent Company shareholders.....	(14.595)	12.301	(16.868)	9.991
Minority Shareholders.....	0	0	0	0
Profits/(losses) after tax per Share - Basic (in €).....	(0,0994)	0,1711	(0,1266)	0,0880
Profits / (losses) before tax, financial and investment results and depreciation.....	(5.657)	13.007	(11.602)	7.528

Amarusio, August 26th 2010

THE CHAIRMAN OF THE BOARD

THE MANAGING DIRECTOR

THE FINANCIAL DIRECTOR

THE CHIEF ACCOUNTING MANAGER

PRODROMOS S. EMPIETZOGLOU
ID No: E 498825/86

MELPOMENI PR. EMPIETZOGLOU
ID No: AE 034080/06

IOANNIS EV. MESSINIS
ID No.: F1675804/92

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