

KLEEMANN HELLAS MECHANICAL CONSTRUCTIONS SOCIETE ANONYME INDUSTRIAL TRADING COMPANY S.A.

SIX-MONTH FINANCIAL REPORT FOR THE PERIOD 1 JANUARY TO 30 JUNE 2010

(AMOUNTS IN EUROS UNLESS IT IS MENTIONED DIFFERENTLY)

KLEEMANN HELLAS S.A.

Registration Number: 10920/06/B/86/40

Head Offices: Industrial Area Stavrochori, Kilkis

FIGURES AND INFORMATION OF THE PERIOD

from 1st January 2009 to 30st June 2010

According to the 4/507/28.04.2009 Decision of the Board of Directors of the Capital Market Committee

The financial data and information contained below is only for general information purposes regarding the financial position and results of KLEEMANN HELLAS S.A. Therefore, we recommend the users, before making any investment decision or proceeding to any transaction with the company, to visit the company's website, where all financial statements are available, together with the auditors' report, whenever this is demanded, are presented.

Web Site address of the Company: www.kleemann.gr

Date of approval of Financial Statements by the Board of Directors	27 August 2010
Certified Auditor Accountant:	Apostolos Th. Spoutis (AM SOEL 16921)
Certified Auditors' Company	KPMG Certified Auditors S.A.
Type of Auditing Report:	Unqualified opinion

1.1 STATEMENT OF FINANCIAL POSITION (consolidated and non-consolidated)

Amounts expressed in thousands Euros

	GROUP		COMPANY	
	30.06.2010	31.12.2009	30.06.2010	31.12.2009
<u>ASSETS</u>				
Tangible Assets for own use	36.391	35.381	28.997	28.295
Investment Property	355	351	278	281
Intangible Assets	878	895	831	841
Other Non -Current Assets	6.122	2.418	10.318	5.556
Inventories	20.628	20.343	16.460	16.366
Trade Receivables	65.688	67.907	55.695	57.186
Other Current Assets	18.000	16.470	10.416	10.581
TOTAL ASSETS	148.062	143.765	122.995	119.106
<u>EQUITY AND LIABILITIES</u>				
Share Capital	7.804	7.804	7.804	7.804
Other Equity	74.492	75.875	67.721	69.974
Equity attributable to the equity holders of the parent (a)	82.296	83.679	75.525	77.778
Non-controlling Interest (b)	8.748	8.261	-	-
Total Equity (c) = (a) + (b)	91.044	91.940	75.525	77.778
Long-term borrowings	23.000	23.000	23.000	23.000
Provisions / Other Long – Term Liabilities	3.413	3.289	2.184	2.034
Short term liabilities	10.700	11.200	4.500	4.500
Other short - term Liabilities	19.905	14.336	17.786	11.794
Total Liabilities (d)	57.018	51.825	47.470	41.328
TOTAL EQUITY & LIABILITIES (c) + (d)	148.062	143.765	122.995	119.106

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1.2 STATEMENT OF TOTAL COMPREHENSIVE INCOME (consolidated and non-consolidated)

Amounts expressed in thousands Euros.

	GROUP				COMPANY			
	Continuing operations				Continuing operations			
	01.01- 30.06.2010	01.01- 30.06.2009	01.04- 30.06.2010	01.04- 30.06.2009	01.01- 30.06.2010	01.01- 30.06.2009	01.04- 30.06.2010	01.04- 30.06.2009
Revenues	44.434	47.966	22.642	24.792	37.240	41.669	18.530	21.445
Gross Profit / (losses)	15.208	16.467	7.606	9.349	11.581	13.031	5.681	7.524
Profit / (loss) before tax, financial and investing activities	3.845	6.724	1.801	4.175	2.305	4.823	1.039	3.173
Profit / (loss) before tax	3.156	6.047	1.356	3.874	1.862	3.992	786	2.738
Profit / (loss) after tax (A)	1.513	4.445	163	2.865	825	2.923	(24)	2.003
Equity holders of the parent	1.051	3.762	1	2.511	-	-	-	-
Non-controlling Interest	462	683	162	354	-	-	-	-
Other comprehensive income after tax (B)	529	305	341	515	(240)	379	(240)	380
Total comprehensive income after tax (A+B)	2.042	4.750	504	3.380	585	3.302	(264)	2.383
Equity holders of the parent	1.455	4.094	265	2.984	-	-	-	-
Non-controlling Interest	587	656	239	396	-	-	-	-
Earnings per share after tax – Basic (in Euros)	0,0444	0,1591	0,0000	0,1062	0,0349	0,1236	(0,0010)	0,0847
Profit / (loss) before interest, tax, depreciation and amortization (EBITDA)	4.871	7.722	2.321	4.676	3.063	5.559	1.424	3.543

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1.3 STATEMENT OF CHANGES IN EQUITY (consolidated and non-consolidated)

Amounts expressed in thousands Euros

	GROUP		COMPANY	
	30.06.2010	30.06.2009	30.06.2010	30.06.2009
Equity Capital in the beginning of the period (01.01.2010 and 01.01.2009, correspondingly)	91.940	88.105	77.778	76.346
Total comprehensive income, after tax (continuing and discontinued operations)	2.042	4.750	585	3.302
Increase / (decrease) of company Share Capital	-	-	-	-
Distributed dividends	(2.938)	(2.937)	(2.838)	(2.838)
Equity Capital in the end of the period (30.06.2010 and 30.06.2009 correspondingly)	91.044	89.918	75.525	76.810

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1.4 STATEMENT OF CASH FLOWS (consolidated and non-consolidated)

Amounts expressed in thousands Euros

	GROUP		COMPANY	
	01.01- 30.06.2010	01.01- 31.12.2009	01.01- 30.06.2010	01.01- 31.12.2009
Operating Activities				
Profits before Tax (continuing operations)	3.156	6.047	1.862	3.992
Plus / minus adjustments for:				
Depreciation	1.026	997	758	736
Impairment of tangible and intangible fixed assets	-	-	-	-
Provisions	1.686	882	1.555	557
Exchange Rate differences	508	(22)	-	-
Results (revenues, expenses, profits and losses) from Investing Activities	(100)	(254)	(159)	23
Interest charged and relevant expenses	777	901	622	800
Plus / minus adjustments for alterations in working capital accounts or related with operating activities:				
Decrease / (increase) of Inventories	(391)	4.749	(146)	3.614
Decrease / (increase) of Receivables	(2.109)	1.586	(2.563)	4.333
(Decrease) / increase of Liabilities (except for bank Liabilities)	667	(3.826)	477	(2.736)
Minus:				
Interest payable and relevant expenses paid	(401)	(768)	(252)	(657)
Taxes paid	(415)	(1.072)	(213)	(667)
Total inflows / (outflows) from operating activities (a)	4.404	9.220	1.941	9.995
Investing activities				
Acquisition of subsidiaries, affiliated companies, joint – ventures and other investments	-	-	-	(550)
Purchase of tangible and intangible fixed assets	(2.116)	(1.137)	(1.459)	(931)
Receipts from sales of tangible and intangible fixed assets	-	-	-	-
Interests received	164	162	135	124
Dividends received	-	-	-	-
Total inflows / (outflows) from investing activities (b)	(1.952)	(975)	(1.324)	(1.357)
Financing Activities				
Receipts from loans issued / undertaken	103	3.400	-	-
Repayment of loans	(603)	(2.000)	-	(2.000)
Government grants	327	620	-	620
Dividends paid	(39)	(67)	(39)	(12)
Total Inflows / (outflows) from Financing Activities (c)	(212)	1.953	(39)	(1.392)
Net increase / (decrease) in cash and cash equivalents of the period (a) + (b) + (c)	2.240	10.198	578	7.246
Cash and cash equivalents at the beginning of the period	14.485	7.726	9.072	5.075
Cash and cash equivalents at the end of the period	16.725	17.924	9.650	12.321

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ADDITIONAL DATA AND INFORMATION: (Presented descriptively on parent and consolidated basis)

1. Note 3.2 of the Group Financial Statements contains the names of all subsidiary companies and their related information (locations, participation percentage and consolidation method).

2. The Interim Financial Statements of 30.06.2010 have been prepared in accordance with the accounting principles followed at the preparation of the Annual Financial Statements of the fiscal year ended on 31.12.2009.

3. On June 2nd the company made the establishment of a subsidiary company called "HONG KONG ELEVATOR SYSTEMS LIMITED", based in Hong Kong and with an aim to expand its activities in the region of Southeast Asia and Oceania. The initial share capital of the new subsidiary amounts to 1.050 € and the participation of KLEEMANN HELLAS SA in its share capital is 100%. In addition, the General Assembly of subsidiary MODA LIFT S.A. decided on June 15th, 2010 the share capital increase by Euro 1.1 million. This increase will be realized through cash contributions of the shareholders of subsidiary (100% shareholder is KLEEMANN HELLAS SA). Note 14 of the financial statements indicate this fact.

4. There are no encumbrances on the tangible assets of both parent Company and subsidiaries, included in the above consolidation.

5. There are neither any judicial or arbitral differences of both the Company and the Group, nor any decisions of judicial or arbitral authorities to cause any significant consequence on the financial position of the Company and of the Group.

6. The amount of cumulative provisions which have been realized until 30.06.2010 are:

(amounts in th. euros)	<u>Group</u>	<u>Company</u>
a) for fiscal years unaudited by tax authorities	573	448
b) for other provisions relating to expenses	8.651	6.953

7. Number of employees at the end of the reporting period: Parent Company 682 (30.06.2009: 709), Group 848 (30.06.2009: 899).

8. The amounts of revenues and expenses accumulatively from the beginning of the fiscal year and the outstanding balances of receivables and payables of the Company to and from its related parties at the end of the current period (according to the provisions of IAS 24) were as follows:

(amounts in th. euros)	<u>Group</u>	<u>Company</u>
a) Revenues	2.150	4.709
b) Expenses	2.059	5.067
c) Receivables	1.682	3.392
d) Liabilities	726	2.100
e) Transactions and rewards of Highest Officials and members of the Management	919	702
f) Receivables from Highest Officials and members of the Management	8	8
g) Liabilities to Highest Officials and members of the Management	367	359

9. Earnings per share, are calculated, by dividing net profit, attributable to parent company shareholders, with the weighted average number of outstanding shares.

10. The fiscal years that are unaudited by the tax authorities for the Parent Company and the Group's subsidiaries are presented in detail in note 8 in the consolidated financial statements.

11. No shares of the Company are owed either by the company or any subsidiary of the Group at 30.06.2010.

12. There are no changes at the consolidation method of the companies which are being consolidated at the consolidated Annual Financial Statements and also, there are no companies or/and partnerships that the Company participates in and they are not included at the consolidated Annual Financial Statements of the Group. The company "HONG KONG ELEVATOR SYSTEMS LIMITED" established on June 2nd, 2010 and included in the consolidated financial statements for the first time this period. The reason for inclusion in the consolidated financial statements is that the parent company KLEEMANN HELLAS SA owns 100% of its share capital and therefore has complete control of the subsidiary. Except for the specific company, there are no companies or/and partnerships that :

a. have been included for the first time in the consolidated figures during the current fiscal year,

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b. have not been included in the consolidated figures of the current fiscal year but were included last year.

13. Other comprehensive income (after tax), which is recognized directly in Group's Equity is analyzed below (amounts in th. Euros):

	GROUP		COMPANY	
	01.01-30.06.10	01.01-30.06.09	01.01-30.06.10	01.01-30.06.09
Exchange rate differences from the conversion of foreign subsidiaries	443	(74)	-	-
B.o.D. rewards	(240)	(240)	(240)	(240)
Government grants	326	620	-	620
Other comprehensive income	529	306	(240)	380

14. Investments for the first 6 months of 2010 amounted to 2.116 th. Euros (and 1.137 th. euros in the corresponding period of 2009) for the Group and 1.459 th. euros in 2010 (and 931 th. euros in the corresponding period of 2009), for the Company, respectively.

15. Income Tax, included in the income statement, is analyzed, as follows (amounts in th. euros):

	GROUP		COMPANY	
	01.01-30.06.10	01.01-30.06.09	01.01-30.06.10	01.01-30.06.09
Current Income Tax	911	1.584	480	1.121
Tax Provisions of tax audit	83	60	68	40
Extraordinary tax	876	-	683	-
Deferred Tax	(227)	(42)	(193)	(92)
Tax on previous periods	2	-	-	-

Industrial Area of Stavrochori, Kilkis, 27 August 2010

CHAIRMAN OF THE B.o.D.	CHIEF EXECUTIVE OFFICER	GENERAL MANAGER	FINANCIAL MANAGER
NIKOLAOS K. KOUKOUNTZOS	MENELAOS K. KOUKOUNTZOS	KONSTANTINOS N. KOUKOUNTZOS	CHRISTOS N. PETRIDES
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