



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

ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR FROM 1 JANUARY TO 31 DECEMBER 2008
ACCORDING TO THE ARTICLE 4 OF L.3556/2007

KLEEMANN HELLAS S.A.
Registration No 10920/06/B/86/40
Head Offices: Industrial area of Stavrochori, Kilkis

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**DECLARATIONS OF THE MEMBERS OF THE BOARD OF DIRECTORS
(ACCORDING TO THE ARTICLE 4, PAR.2 OF THE LAW 3556/2007)**

The following undersigned, with the present Report, we responsibly declare that as far as we know:

- The annual Financial Statements, company and consolidated which have been prepared according to the financial standards in effect, depict in a truthful way the figures of the assets and liabilities, the Equity and Income Statement of the current fiscal year of "KLEEMANN HELLAS S.A." and also of the companies which are included in the consolidation taken as total, and
- The Report of the Board of Directors depicts in a truthful way the progress, the performance and the financial position of " KLEEMANN HELLAS S.A.", as well as of the companies which are included in the consolidation taken as total. Furthermore, it includes a description of the main risks and uncertainties that they confront.

Kilkis 23 March 2009

**THE CHAIRMAN OF THE
BOARD OF DIRECTORS**

**THE CHIEF EXECUTIVE
OFFICER**

**THE MEMBER OF THE BOARD OF
DIRECTORS**

NIKOLAOS K. KOUKOUNTZOS

MENELAOS K. KOUKOUNTZOS

KONSTANTINOS N. KOUKOUNTZOS

ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2008

TO THE ANNUAL ORDINARY GENERAL MEETING OF SHAREHOLDERS

The present annual Report of the Board of Directors (the "Report") of "KLEEMANN HELLAS MECHANICAL CONSTRUCTIONS SOCIETE ANONYME INDUSTRIAL TRADING COMPANY S.A.", concerns the fiscal year 2008 (1 January to 31 December 2008), has been edited and harmonized according to the relevant provisions of the L.3556/2007 (Government Paper 91A/30.4.2007) and with the corresponding executive rules issued by the Capital Market Commission.

The Report represents truly and includes all the information that is necessary according to the above mentioned legislation, in order for someone to have a substantial and thorough understanding of the activity of the company «KLEEMANN HELLAS S.A.», and of the Group of KLEEMANN as well, during the specific fiscal year, together with the annual Financial Statements and the declarations of the B.o.D.'s members.

The readers, who are interested for more information, can visit the website of the parent company www.kleemann.gr or contact during the working days and hours the head offices of the Company.

GENERAL INFORMATION

"KLEEMANN HELLAS MECHANICAL CONSTRUCTIONS SOCIETE ANONYME INDUSTRIAL TRADING COMPANY S.A." with distinctive title "KLEEMANN HELLAS S.A." (the "Parent" or the "Company") was lawfully established in June 1983 (Government Paper 2308/27.7.1983) and its S.A. registration number is 10920/06/B/86/40. Its operating duration has been defined until 31.12.2050 and its head offices are located in the Industrial area of Stavrochori, Kilkis.

GROUP STRUCTURE

The subsidiaries, which are consolidated according to the method of the total consolidation, are the following:

COMPANY	HEAD OFFICES	Participation	
		31.12.08	31.12.07
KLEFER S.A.	Industr. area of Kilkis, Greece	50%	50%
KLEEMANN ASANSOR S.A.	Istanbul, Turkey	70%	70%
KLEEMANN LIFTOVI D.o.o.	Belgrade, Serbia	60%	60%
KLEEMANN LIFT RO S.R.L.	Bucharest, Romania	100%	70%
MODA CABINA S.A.	Industr. area of Kilkis, Greece	85%	85%

DESCRIPTION OF ACTIVITY

The main activity of both the Group and the Company is the manufacturing and trading of elevator systems, such as: hydraulic elevating mechanisms (piston, power unit, car frame), electromechanical elevating mechanisms (machine, car frame, counterweights), cabins (passenger, cargo, panoramic), electronic controllers, electronic systems and compact type elevators for elevating cargos. The urge for immediate adaptation to customer needs and market trends, has led the Group to create a new business activity, which is the "complete elevator package".

The new products cover all possible requirements of every construction such as: hydraulic elevator without machine room (ARION Hydro MRL), electromechanical elevator without machine room (APOLLO Traction MRL, ATLAS Traction MRL), hydraulic elevator Maison Lift, elevator for smaller cargos DUMBWAITER and antiseismic elevator.

The main trading components that the Group and the Company uses for elevators of houses and offices, panoramic elevators of malls and hotels and elevators of cargos of industrial places are the following: electromechanical motors guide rails, oils, wires, buffers, ropes and other mechanical components.

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TANGIBLE FIXED ASSETS OF THE GROUP

Land and Buildings per company

Land	Buildings
KLEEMANN HELLAS S.A.	
Sites in the Industrial area of Kilkis, of 53.631,04 m ² total surface.	Manufacturing and storage building, of 21.294 m ² total coverage.
Plots of 99.840,00 m ² total surface, abutted on the border of the industrial area of Kilkis and the Land owned by the Company.	Manufacturing building (Controller-Electronics) and offices, opposite the main facilities of the Company, 2.054 m ² .
Plots of 12.882,24 m ² total surface in Aspropyrgos, Attica, which comprise an indiscrete entity.	Manufacturing and storage building (Cabin-Traction) close to the main group of buildings, of 9.330 m ² total surface, together with an administration building, with a surface of 1.000 m ² .
	Manufacturing and storage building, total surface, 19.463,48 m ² , together with the administration building.
	Also, a fully furnished home for security, of 52,82 m ² total surface.
	Semi – underground warehouse 174 m ² , in Lesvou 13 street, in Galatsi, Athens, which is currently leased.
	Ground floor store of 122,25 m ² , which is currently leased, in Nestoros 23 street and Akropoleos 52 street, in Nikaia, Piraeus.
	Logistics center, of 3.572 m ² total surface, in a privately owned plot, in Aspropyrgos, Attica, next to Attica Highway.
	The (5/8) of a 81 m ² apartment, in Kilkis, which remains unoccupied.
KLEFER S.A.	
Plots in the Industrial area of Stavrochori, Kilkis, of 19.561 m ² total surface.	Manufacturing and storage building, totally surfaced 11.547 m ² (1.736 m ² of which include administration buildings).
KLEEMANN LIFTOVI D.o.o.	
A plot in Simanovci of Pecinci Municipality, in Belgrade, Serbia in Golubinacka bb street, with a total surface of 10.000 m ² .	Office and storage buildings, totally surfaced 1.028 m ² , 288 m ² of which include administration buildings.
KLEEMANN ASANSOR S.A.	
	It has an apartment in Silivri, which remains unoccupied. Its facilities are located on a third parties' property, 1.930 m ² , (which are used as warehouses and offices).
KLEEMANN LIFT RO S.R.L.	
	Its facilities are located on a on a third parties' property, totally surfaced 600 m ² .
MODA CABINA S.A.	
	Its headquarters and facilities are located on a property, which belong to the parent company, with a monthly rent the amount of € 4.000.

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Properties that are leased by the company

A warehouse in Egaleo, Attica, totally surfaced 1.262 m², office – showroom in Municipality of Athens, in Alkifronos 81 street, of 105 m² total surface, for the period 30.05.2003 – 30.05.2009 and an office – showroom in Municipality of Polichni, Thessaloniki, 600 m².

Machinery equipment

Companies of the Group are equipped with machinery of latest technology, with high grade of automation and production capacity.

Means of transportation

The privately owned transportation fleet of the Group, consists of twenty one trucks for transportation of cargo, of various capability, eighteen professional cars – vans used at service operation, five buses, seven privately owned cars, ten motorcycles for personnel transportation and forty five internal transportation forklift trucks (automatically or manually operated).

Furniture & other equipment

Furniture & other equipment include the equipment with all the necessary furniture, office devices and machines, computers and computer systems, telecommunication systems equipment and all manufactured showroom exhibits located both in company and third parties-customers' premises.

INSURANCE CONTRACTS – GUARANTEES

The Group Companies have contracted a range of insurance contracts, such as for fire protection, profit-loss, credits policy, civil responsibility on products and transferred freights. Also, the parent company has given guaranties amounting to 3.000.000 euros, for a loan taken by its subsidiary "MODA CABINA S.A." and the latter used 2.800.000 euros.

CORPORATE GOVERNANCE AND CORPORATE SOCIAL RESPONSIBILITY

The Company has given significant emphasis on the application of operational rules and the adoption of principles concerning the Corporate Governance, as they are defined by the current Greek legislation and the international practices. The main purpose of the depositary of the specific principles -of the Management- is the creation of a complete and modern governance framework, which is characterized from basic principles such as the transparency at the company's operations for the benefit of the shareholders, the increase of the efficiency, the display of the corporate social responsibility and the independence at the ways of exercise of management and audit.

The company has Internal Regulation of Operation and Internal Audit department according to the legislation of the Corporate Governance (L. 3016 Gov. Paper 110/A/17.05.2002). The Internal Auditor is independent, he does not belong to any other department of the company and he generally fulfills all the preconditions of independency and qualifications according to the law. The Internal Auditor's work is the audit of the proceedings observance, which are provided by the Internal Regulation of Operation and the memorandum of the company, the audit of the compliance of the company to the regulations of the current legislation, the submission of proposals for the improvement of the company's proceedings, the preservation of the corporate resources, the information of the Board of Directors for the results of the audits and the proposal, when it is necessary, of correctional measures so as to be secured the protection of the company's shareholders and the improvement of the proceedings for the better operation of the company's departments.

At the same time, the company has posed as primary principle of its operations, the Corporate Social Responsibility, since its realization increases factually the sensibility level in social policy issues and gives the possibility for gradual and viable corporate development.

PERSONNEL

The Group executives are highly educated and qualified. More specifically, the Company insists on continuous training of its personnel, in order to successfully meet with the increasing market requirements. Moreover, the Management makes efforts and has managed to retain intact relations with its personnel, a fact that contributes to the harmonic operation of the Group. The evolution of the average personnel number for the

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3-year period 2006-2008 presents a continuous increase because of the high development of its activity and its evolution is presented in the following table:

	2006	2007	2008
Administrative – Technical personnel	289	358	394
Labor workers	469	574	628
TOTAL	758	932	1.022

INFORMATION ABOUT THE ELEVATOR MARKET

General Information About The Market

Group is activated in the industrial field that is referred to manufacturing and trading lift components. The demand of these products is related directly with the building activity, as well as the number and the type of buildings that are constructed. The market is also influenced by general trends as the saving of energy, new technologies, need for better services and more severe safety regulations.

Based on their business operation, companies of the field may be separated in four categories:

- Companies producing components. This category refers to a number of small companies, which produce lift components.
- Companies of lift installation and maintenance. These Companies supply the building contractor with the elevator and they undertake its installation as well as its maintenance.
- Commercial companies of lift components. These companies are activated between companies that produce lift components and those that do the installation of the lift systems.
- Companies-Suppliers of complete lift systems. This is a advanced type of companies that trade components. They can supply the installation companies with a complete package of components.

Competition and position of the Company in the branch

In Europe, multinational companies area activated in the market of hydraulic and mechanic elevators, who despite the production of various parts of the elevator, are also involved in the installation and maintenance of the elevators. In addition, there are other smaller companies that produce elevator parts like the company.

Currently in Greece, the Company is the largest Company in the sector of main elevator components industrial production, based on both volume of production and total turnover, whereas the competition of internal market mainly comes from importing Companies and small handicrafts that deal with the production of elevator components.

Perspectives of the global market

Concerning the global market of elevators, in Asia the increase of demand mainly derives from the urbanism and the financial development. In Europe and North America, the increase of demand mainly derives from the new houses, the renovations, the increased needs for commercial uses (malls), the needs of the continuously increasing elderly people and the financial development.

In 2007 the global elevator market had a total value of 33 bil. Euros, 40% (13,2 bil. euros), concerned new installations and materials, and 60% (19,8 bil. euros) concerned maintenance and renovations of existing systems. That means 8,7 mil. elevators, 48% of which are in Europe, 17% in America, 11% in Japan and Korea, 10% in China and 14% in the rest world. Concerning the market of new elevators (453 th. pieces), the 26% is found in Europe, 34% in China, 5% in India, 11% in America, 10% in Japan and Korea and the 14% in the rest world.

According to global market figures (before the crisis), the global market is expected to have annual rates of development of 5,4%, until 2011 and significant influence by new technologies and more ecological products. The markets of India and China are expected to play the most significant role. Also, the markets of Russia and the Arabian countries are expected to consist the new challenge with intense rates of the demand increase. In Europe and North America, the markets are expected to be reheated from the need of compliance to the new safety regulations.

SIGNIFICANT EVENTS OF THE FISCAL YEAR 2008

The most significant events which have taken place during the fiscal year 2008, as well as their impact to the Financial Report are the following:

Acquisition of the rest of LIFT RO and Share Capital Increase

On March 18th 2008, the Company proceeded to the acquisition of 6.000 social parts (the rest 30% of its share capital) of "KLEEMANN LIFT RO S.R.L.", of nominal value of 30.000 euros and after this, retains the 100% of the share capital of its specific subsidiary. Afterwards, the Company proceeded, at 22 April 2008, to an increase of its share capital by amount equivalent to 200.000 euros within the framework of its operational restructuring, its wider financial enforcement and employment, with target the strengthen of the presence of the parent company at the rapidly developing market of Romania.

Testing tower

On 25th January 2008, the company signed with the constructor "TERNA S.A.", a construction contract of a multi level testing tower for the evolution of high speed velocity and high rise elevator systems, of amount 2,90 mil. euros, having as main target to be further assisted the entrance of the company in the market of traction elevators, which consist the majority in the market abroad. The total investment for its completion will reach 4 mil. euros, from which amount of 1,97 mil. euros has been included in the provisions of the law 3299/2004 and its subsidy has approved by the competent bodies with a percentage of 35%.

Share capital increase of the Company

The Annual Ordinary General Meeting of 19 June 2008 decided the increase of the Share Capital of the company by 3.902.035,50 euros, with capitalization of part of the account «Share Premium» and the issuance of 11.824.350 new common nominal shares, of equal face value with the existents, namely 0,33 euro each, which will be distributed to the company's eligible shareholders, in proportion one new common share for each one old, and also the relevant modification of the article 5 of the Company's memorandum. The new shares do not merit dividend of the fiscal year 2007. Following the above increase the company's share capital amounts to 7.804.071,00 euros, divided into 23.648.700 shares of a face value of 0,33 euro each one.

Organization of 17th world congress of the International Association of Elevator Engineers Elevcon 2008

The company undertook the co-organization and the exclusive sponsorship of the specific congress, which took place from 11 to 13 of June 2008, after an invitation of the International Association of Elevator Engineers (IAEE). The scope of the congress was the technological evolutions in the field of elevators and stair-lifts, while there were presented 48 specialized subjects by professionals of the market who came from 15 countries. The congress has been attended by almost 200 participants, who came from 26 countries.

Market Maker

On September 5th 2008, the Company announced to the investment community that the ASE Board of Directors, during a meeting held on September 4th, 2008 approved the appointment of PROTON BANK S.A. (member of A.S.E.) as Market Maker for the shares of KLEEMANN HELLAS S.A. and defined September 8th, 2008 as market making commencement date, which will be of one year.

Distribution of dividend in 2008

Dividend of the fiscal year of 2007 from 0,32 euros per share, of total amount 3.783.792 euros, was approved by the Ordinary General Meeting of shareholders of 19 June 2008. The extraction of the relevant right has been done at Tuesday 8 July 2008 and beneficiaries are the share owners of the Company at the end of the Athens' Exchange Stock session of Monday 7 July 2008, while its payment started at Wednesday 16 July 2008.

Opening of the subsidiary "Moda Cabina S.A." in the Industrial Area of Stavrochori, Kilkis

On October 8th was realized the opening of the new subsidiary company "Moda Cabina S.A.". It is an industrial company, of total investment 1,5 mil. euros approximately and share capital of 500 th. euros. Specifically, the subsidiary is activated in construction and sale of specialized elevator components, such as cabins of special design, doors, innovation solutions etc, aiming to satisfy all the needs of the market for specialized and high quality products.

Productive expansion at the subsidiary in Serbia

During the second six-month period of 2008, it was decided for the commercial -until now- subsidiary company in Serbia "KLEEMANN LIFTOVI D.o.o.", to proceed to the installation of a manufacturing unit for the further coverage of the Serbian market. The plan includes an investment of 1 mil. euros for the construction of an industrial building and the supply of the necessary mechanical equipment, in 2009, aiming to the manufacture of elevator parts.

New Common Ministry Decision for installation, operation, maintenance and safety of elevators

The common ministry decision which was published towards the end of 2008, sets new rules for the installation, maintenance and safety of elevators. Concerning the existing elevators which have been installed before 1999, they are released from the obligation to comply immediately to the safety specifications that the previous Decision of the Ministry of Development provided. Any safety control provided to all elevators is now realized according to the safety specifications of its construction period. Finally, the new common ministry decision also provides new finishing deadlines for the issue of certificate of safety operation of elevators from an established control body. Thereby, the compliance of Greece to the regulations of the European Union is transferred at the end of 2012.

Change of the corporate environment

The arisen financial crisis during the last three-month period of 2008, with its international dimensions, has negative impact at the construction market and is expected to influence the activity of the Company.

There are no other events which took place after the end of the fiscal year and until the date of the Report compilation which have to be announced.

PROGRESS AND PERFORMANCE

The change of the financial environment at the forth quarter period of the year was indisputably a fact that influenced the majority of companies and the Group's as well, who adjusts operationally to the new market requirements for improved quality of complete elevator systems.

The year 2008 was characterized by the increase of sales both to traditional-and non-traditional markets, such as Russia, Australia, Norway and Ukraine. In other words, the Group followed an aggressive commercial policy, both in the existing markets that it is activated in and in new developing ones and as a result it increased its sales in value by 10,3%. Only the parent company in 2008 was activated in 52 countries in Europe, Asia, Africa, Oceania and America. The 78% of the sales abroad was from Europe, the 16% from Asia and the 6% from the rest world. The 7% of sales approximately (on the basis of value) in 2008 was from new customers.

At the same time, the advertising campaign of 2008, was focused on the increase of the recognition of the name of KLEEMANN by the general public and on the connection of the company's image with values such as status, high technology, innovation, safety, quality, style and comfort.

In consolidated basis, with a turnover of amount 117,5 mil. euros for 2008 and 12.350 works respectively, the market shares of KLEEMANN are the 0,36% of the total value of the global market of elevators (33 bil. euros), 0,89% of the total value of the global market about new installations and elevator materials (13,2 bil. euros) and 2,73% of the new elevators worldwide (453.000). Respectively, "KLEFER S.A." the biggest subsidiary of the Group, holds 3,14% of the total European market of 750.000 doors and 0,98% of the global market of 2.400.000 doors.

Regarding the activity of research and development, it has to be mentioned that at the end of 2008, a project of 16 months duration (first phase) and 290.766 euros in cost, was completed. The project was about the construction of a software system of order-receiving, of technical controls and transportation of order, named "DIAS". The complete development of the system was realized in-house, with the occupation of 88 engineers who co-operated from all the departments of the company in order for the software to be fully parameterized and adopted to the requirements of the parent company and of the subsidiaries as well. The cost of the completion of the specific investment is calculated to 400 th. euros, whereas the expenses of the current fiscal year amount to 116.876 euros.

The financial figures have improved significantly due to the contribution of the progress noticed at the subsidiary companies, mainly in Turkey and Serbia and secondarily in Romania, where the effort of increasing the company's presence is intense since they are experiencing high rates of development of the construction

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activity. The first two subsidiaries in the specific countries have as main target the penetration to the local market and contribute importantly to the development of the Group, as they achieved increase of their turnover by 40,4% and 27,8% respectively and increase in profit before tax by 107,5% and 41,2% respectively. At the same time, the acquisition of the rest of the share capital of the subsidiary in Romania ("KLEEMANN LIFT RO S.R.L.") from the parent company, was accompanied by a significant increase of orders in the local market, a fact that is expected to affect in a positive way its perspectives, despite the fact that its figures are still small.

Additionally, the Greek subsidiary "KLEFER S.A." contributed considerably in the profitability of the Group, through the improvement of its efficiency, as the sales were increased by 11,8% and its profit before tax by 17,0%, at 3,27 mil. euros. At the same time, the sales policy was focused on the promotion of the "Complete elevator system" which led to an increase of its sales, during 2008, by 50% at least. Finally, the new subsidiary "MODA CABINA S.A." encumbered the Group's Profit and Loss statement with increased setup costs as well as expenses relating to product development. For the specific company, equity capital at 31.12.2008 were negative by 620 th. euros approximately. According to the legislation, in order for the company to continue its activity legally, it is necessary the shareholders to proceed to a share capital increase, by analogy of their participation, and for the amount of 1 mil. euros. It has to be noticed that for the specific increase, 100% of the subsidiary's shareholders agree and therefore the Board of Directors of the subsidiary will proceed to a proposal to the forthcoming Ordinary General Meeting. The decision for the share capital increase of the subsidiary will affect the cash flow management of the parent company by the corresponding amount 2009.

The Group, during the fiscal year of 2008, proceeded to the realization of investments of total amount 5,37 mil. euros aiming to the expansion of its activity, the increase of the productive ability, the improvement of the productivity, and the improvement of the its quality and services. The most important of which concerned the construction of a multi level testing tower and the acquisition of modern mechanical equipment for the subsidiary "MODA CABINA S.A." and the other Group's companies.

COMMENT ON FIGURES

The positive progress of the Group, considering the new facts which arise from the financial crisis that affects the whole world, is imprinted on the financial results of the fiscal year.

Turnover: The turnover of the Group amounted to 117,5 mil. euros, presenting an increase of 10,3% in relation with the previous fiscal year. The respective figures for the single parent company, is turnover 102,7 mil. euros and 7,8% increase in relation with the fiscal year 2007.

The most important factors which contributed to the positive progress of sales are the continuous improvement of the products' quality, the enrichment of the sales mix with new products, the maintenance of competitive prices and the intensive efforts of penetration to new developing markets.

Gross profit: The preservation of the gross profit margin for the Group (33,9% compared to 33,9%) and for the Company (30,5% instead 30,9%) is because of the retention of production expenses and the price-list of products and commodities.

Earnings Before Interest Tax Depreciation and Amortization (EBITDA): The Earnings Before Interest Tax Depreciation and Amortization of the Group amounted to 20,1 mil. euros (2007: 20,0 mil. euros) whereas the margin EBITDA is 17,1% (2007:18,7%). At Company level, EBITDA amounted to 14,1 mil. euros (2007: 15,6 mil. euros), whereas the margin EBITDA is 13,7% (2007: 16,4%).

The worsening of the ratio is because of the increase of the sale expenses and especially the extensive promotion policy of the company's products and also because of the enforcement of its brand name. The results of the specific policy, the intense of which depends on the financial conditions and the strategic choices of the Group, are expected to become apparent at the forthcoming periods.

Net Earnings after tax: As a result of the above mentioned and considering the increased financial expenses and the loss because of impairment of a financial asset listed in ASE, the net earnings of the Group amounted to 12,2 mil. euros (2007: 13,3 mil. euros) presenting a decrease of 8,6%, whereas those of the Company amounted to 8,7 mil. euros (2007: 10,7 mil. euros).

Cash flow: The net cash flow from operating activities of the Group amounted to an outflow of 1,2 mil. euros (2007: inflow 2,3 mil. euros) and of the Company to an outflow of 1,7 mil. euros (2007: inflow 0,4 mil.

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euros). The worsening of cash flow is because of the big decrease of liabilities to suppliers and the realization of the investing plans, which augmented the need for financing resources, having as a result the increase of loans.

Non-depreciated fixed assets: For the Group, on 31st of December 2008, amount to 34,7 mil. euros and consist the 23,6% of the total assets (2007: 31,6 mil. euros or 24,1% of total assets), whereas for the Company amount to 27,6 mil. euros and represent the 21,8% of its total assets (2007: 24,6 mil. euros or 24,1% of total assets).

Inventories: The Group's inventories amount to 27,5 mil. euros and represent the 18,7% of total assets (2007: 23,3 mil. euros or 17,7% of total assets), whereas for the Company amount to 21,9 mil. euros compared to 19,7 mil. euros (percentage of 17,3% and 17,1% on its total assets respectively). The increase of inventories is because the better support of increased sales and the policy which was chosen for mass purchase of raw materials aiming to the exploitation from an estimated future increase of their prices. The relevant increase of stocks of final products is due to difference in time-programming of production and sales, the latter of which took place partially in the next two months.

Receivables: The receivables from clients of the Group amounted to 73,6 mil. euros (2007: 65,3 mil. euros), which represent the 50,0% of total assets (2007: 49,7%), whereas for the Company amounted to 66,5 mil. euros (2007: 59,3 mil. euros) which represent the 52,6% of total assets (2007: 51,6%). Despite the increase of sales, the balance of receivables was retained at acceptable levels, with positive results regarding the cash management.

Equity Capital: Equity capital of the Group (including the minority rights) amounted to 88,1 mil. euros (2007: 81,1 mil. euros) or percentage of 59,8% (2007: 61,7%) of total liabilities, whereas for the Company amounted to 76,3 mil. euros (2007: 71,6 mil. euros) or percentage of 60,48% (2007: 62,2%) of total liabilities. The increase of Equity capital is mainly because of the profitability of the Group and the Company.

Long-term bank liabilities: For the Group and the Company as well, amount to 24,5 mil. euros (2007: 25 mil. euros) and they were increased marginally because of a transfer of amount 0,5 mil. euros, which concerned a bond loan, to the long-term bank liabilities payable the next fiscal year (payment on December of 2009).

Suppliers: The suppliers of the Group amounted to 10,7 mil. euros (2007: 14,9 mil. euros) or percentage of 7,2% (2007: 11,4%) of the total liabilities, whereas of the Company amount to 8,4 mil. euros (2007: 12,1 mil. euros) or percentage 6,6% (2007: 10,5%) of the total liabilities. Their significant decrease had as a result the increased cash requirements, for the Group and the Company as well. It is worth noting that the specific fact was realized in a fiscal year that the sales and inventories were increased.

Short-term bank liabilities: For the Group, they amounted to 16,1 mil. euros (2007: 3,0 mil. euros), whereas for the Company to 12,0 mil. euros (2007: 1,0 mil. euros) and they represent an increase because of the significant decrease of suppliers, the increase of receivables and the increased cash needs because of the realization of the investment plan of the Group and the Company.

The following table gives an information in percentages for the changes of the most important accounts of the Balance Sheets of the fiscal year 2008 and 2007.

Assets	Group		Company	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Tangible assets for own use	9,7%	22,9%	12,2%	18,1%
Inventory	18,3%	24,3%	11,3%	24,6%
Receivables	12,7%	21,9%	12,1%	22,0%
Participations in Subsidiaries	-	-	9,6%	21,7%
Other long-term Receivables	90,3%	(9,8%)	104,1%	(18,6%)
Deferred tax Receivables	99,3%	43,0%	-	-
Cash and cash equivalents	29,5%	68,0%	12,0%	111,7%
Capital and Liabilities				
Suppliers	(28,6%)	19,4%	(30,8%)	27,0%
Bank Liabilities	45,1%	66,2%	40,4%	68,2%
Deferred tax Liabilities	(54,1%)	89,1%	(58,3%)	89,3%
Equity Capital	8,7%	15,4%	6,7%	12,6%

For the Income Statement, it is presented the following table (amounts in mil. euros).

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<i>(Amounts in mil. euros)</i>	Group			Company		
	From 1 January to			From 1 January to		
	31.12.2008	31.12.2007	%	31.12.2008	31.12.2007	%
Sales	117.50	106.57	10,3	102.72	95.26	7,8
Cost of sales	(77.69)	(70.42)	10,3	(71.44)	(65.85)	8,5
Gross Profit	39.81	36.15	10,1	31.28	29.41	6,3
Other operating income	1.52	1.18	28,6	1.18	1.21	(2,7)
Administrative expenses	(5.06)	(4.31)	17,2	(3.83)	(3.28)	16,5
Research & development expenses	(1.31)	(1.31)	(0,0)	(1.30)	(1.30)	0,1
Selling expenses	(16.86)	(13.47)	25,3	(14.71)	(11.77)	25,0
Income from securities and participations	0.01	0.02	(28,6)	0.37	0.28	35,8
Interests and relevant expenses	(2.01)	(1.32)	53,0	(1.66)	(1.21)	37,4
Profit before tax	15.43	16.94	(8,9)	10.68	13.34	(19,9)
Income tax	(3.24)	(3.60)	(9,9)	(2.01)	(2.63)	(23,4)
Profit after tax	12.19	13.34	(8,6)	8.67	10.71	(19,1)

For the better comprehension of the Financial Statements, are presented the following financial ratios for the Group and the Company.

RATIOS	Group		Company	
	2008	2007	2008	2007
DEVELOPMENT (%)				
Changes in Sales	10,3%	24,7%	7,8%	25,1%
Changes in Net Profit after Tax	(14,0%)	6,6%	(19,1%)	20,4%
Changes in Fixed Assets	9,7%	23,9%	12,2%	18,5%
Changes in total Equity	7,3%	14,3%	6,7%	12,6%
PROFITABILITY (in thous. Euros or %)				
Earnings after Tax (EAT)	12.190	13.342	8.671	10.716
Earnings before Tax (EBT)	15.434	16.942	10.683	13.343
Earnings before Interest, Tax, Depreciation and Amortization(EBITDA)	20.068	19.967	14.087	15.622
ACTIVITY (days)				
Receivables turnover Ratio (Clients+Notes+Checks)	193,7	180,4	201,3	184,2
Liabilities turnover Ratio (Suppliers+ Notes + Checks.)	55,0	65,0	48,1	55,1
Inventory turnover Ratio (in days)	119,4	108,9	106,1	98,2
Operating turnover average duration	313,1	289,7	307,4	282,4
Commercial turnover average duration	258,1	224,7	259,2	227,3
CAPITAL STRUCTURE				
Ratio of Equity Capital to Total Capital	0,6	0,6	0,6	0,6
Equity to Debt Ratio	1,4	1,5	1,5	1,6
Banking Loans to Equity capital	0,5	0,4	0,5	0,4
LIQUIDITY				
Total Liquidity	3,5	4,5	4,0	5,4
Short-term Liabilities to Net Profits	3,0	1,8	2,7	1,5
Short-term Liabilities to Equity Capital	0,4	0,3	0,3	0,2
INVESTING				
Working Capital per Share	3,4	3,2	3,0	3,0
Book Value per Share (BVPS)	3,4	3,2	3,2	3,0
Share Price per Share (P/E)	3,7	8,1	5,1	10,0

During the year, both the Company and the subsidiaries which are included in the consolidation did not hold shares of the listed parent company.

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After the date of the Balance Sheet and until the date of the submission of this Report, there are no events that took place, to affect the financial statement of the Company and the Group Kleemann or to require their disclosure at the Financial Statements of the period. During this fiscal year, the activity of the Company was according the current legislation and its targets, as they are defined at its memorandum.

Regarding the distribution of dividend, the Management of the Company refers that its dividend policy is directly connected with its capital structure, its efficiency, its earnings and self-financing of its investments, with main target the long-term good of the Company and of its shareholders. Hence, for the fiscal year of 2008, the Board of Directors will propose to Regular General Meeting of the Shareholders, the distribution of gross dividend 0,12 euros per share, which is decreased by 25,0% in relation with the previous fiscal year, while according to the share price on 31.12.08, it generates a dividend return equal to 6,4%.

EXPECTED PROGRESS AND DEVELOPMENT

With main target the increase of the wealth of the shareholders, for the year 2009, the efforts of the Group concern the retention of the expenses, the maintenance of enough liquidity, the increase of productivity at all levels and finally the further effort of penetration in new markets.

The year 2009 is expected to be a difficult year for the industry, as the global crisis in construction market is expected to have an impact on the activity of the Group companies. The most important risks which expected to be faced are: the market risk, the credit risk, the liquidity risk and slightly the currency risk.

Due to the market conditions, which indicate to cause a restriction on demand, the Management of the Group apply a program which include actions of adjustment of the cost and expenses to new corporate environment. For instance, due to the uncertainty which characterize the changes in the corporate activity, the Company in Greece proceeded to the reduction of the time schedule by one hour, with the consistent opinion of the employees and with a short-term horizon until 31.03.2009.

As concerns the investing policy, the Group runs a large investing program for the three-year period of 2007-2009 of total amount 16,50 mil. euros. This program includes the construction of new industrial buildings, acquisition of high technology mechanical equipment and I.T. systems, development of innovating system of electronic sale and the construction of a multiple level trial tower which will help the evolution of high velocity and long-distances elevating systems.

The productive investments of the Company for 2009, which are estimated to 2,4 mil. euros approximately, will mainly concern the completion of the trial tower. In May 2009, the constructor is expected to finish the building works and until the end of 2009 will be totally completed the plant with the construction of the necessary elevators and mechanical constructions. Also, as it has mentioned before, they have been scheduled investments in the subsidiary in Serbia "Kleemann Liftovi D.o.o.", of amount 1 mil. euros and also a share capital increase in the subsidiary "MODA CABINA S.A." of 850 th. euros approximately. In new economic environment, the Group will complete its investment plan, whereas at the same time it has not scheduled new productive investments.

It must be emphasized that the estimations about the progress of the activities are based on parameters whose positive or negative change can not be forecasted with accuracy by the company. The major of these parameters are the progress in the raw materials market, the cost of energy, the trend in the construction activity, the interest rate levels, the credit expansion of banks, the inflation and the purchasing power of the consumers.

MAJOR RISKS AND UNCERTAINTIES – MANAGEMENT OF FINANCIAL RISK

The Company and the Group proceed to the required actions in order to limit the negative influence to their financial results, which is derived by the fluctuations of cost and sales variables as well as by the inherent disability to predict the financial markets. Specifically, the Company and the Group face the following risks:

Credit Risk

There are no significant credit risk concentrations for the Group. Sales mainly are realized to low-credit risk clients, there is credit insurance for the overseas sales and there is a great dispersion of balances, as there is no client with a percentage higher than 5% of total sales.

The impairment provision represents the Group's estimate for losses in respect with the customers and is composed of impairment losses of specific receivables of significant risk as well as of collective losses for groups

of similar receivables that they are estimated to have been incurred but not yet identified. In any case, there is a continuous control of the creditworthiness of large customers and in this way the exposure to risk is limited, with sufficient secure limits concerning the large customers.

On 31.12.2008 it is estimated that there is no essential credit risk, which is not covered by an insurance as a credit guarantee or by a provision for uncertain receivables.

Liquidity Risk

The approach of the Group about the liquidity management is to secure that in any case it will retain enough liquidity in order to meet its liabilities when they end, under usual or difficult conditions, without incurring non-acceptable losses or putting in danger its reputation. Prudent liquidity management is achieved by the appropriate combination of liquid assets and approved bank credits, while the unused approved bank credits, are adequate to encounter any potential shortage in cash.

Generally, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 30 days at least, including the servicing of financial obligations. This policy excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. For the minimization of risk in cash and cash equivalents, the Group transacts only with established financial institutes, of high credit level.

In addition, the Group maintains approved bank credits totally valued up to 71 mil. euros, of which has been used 25 mil. euros for the issue of four bonded loans and, approximately, 16 mil. euros in the form of short term loan. As concerns its investing policy, the Group limits its exposure to risks, by investing, at the time, only in directly cashable securities.

On 31.12.2008 it is estimated that there is no essential liquidity risk which is not covered either by the Group's cash or by approved bank credits.

Market risk

Market risk is defined as the risk associated with changes in the rate of growth of construction activities as well as with changes in market prices of materials, in foreign exchange rates, interest rates and equity prices, to affect the Group's financial results or the value of its financial assets. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while optimizing the return.

In market risk is included also the price of steel which is the main raw material. Due to the fact that steel is traded in organised stock exchanges (commodity), its price is affected by the supply, the demand and the level of reserves in a global perspective. Among the actions of the Company, in its effort to decrease the impact of the price of the raw material at the cost of production, is the mass purchases of raw materials (economies of scale) when their price is low. The exposure of economic results of the Group to the above risks is low.

○ Foreign exchange risk

The exposure of the Group in foreign exchange risks mainly derives from existing or expected cash flows in foreign currency (imports/exports), as well as investments abroad. This risk is confronted in the framework of approved policies. The Group operates mainly in Europe and, therefore, the majority of its transactions is based on Euros, while the operation that takes place apart from Europe is based on Euro clause, and therefore the exchange rate risk is minimized. Group is activated both in Greece and abroad, specifically in Turkey, Serbia and Romania and therefore, it is partly exposed to exchange rates risk, which arises from changes in the local currencies in relation to Euro.

○ Interest rate risk

The loan liabilities of the Group are based on pre-agreed and pre-set margins of interest, which according to the market conditions, may be changed into fixed. As a result, the consequences of the interest fluctuations at the Income Statement and the Cash Flow Statement of operating activities of the Group are not important. Group's policy is to observe the trends of the interests and the duration of the financial needs and according to the existing conditions, the Group determines the relation between long-term and short-term bank loans.

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The Group does not maintain commodity contracts, except from those required to cover anticipated needs of use and sale. The Company is activated in a corporate environment which is characterized by variability at interest rates, prices of raw materials and energy. The sensitivity analysis of the above, indicates the following:

<i>Amounts in mil euros</i>	Earnings before tax
<i>Published Earnings 2008</i>	10.683
<i>+0,5% interest rates</i>	10.525
<i>-0,5% interest rates</i>	10.840
<i>Increase 5% in prices of raw materials</i>	7.843
<i>Decrease 5% in prices of raw materials</i>	13.522
<i>Increase 10% in prices of energy</i>	10.431
<i>Decrease 10% in prices of energy</i>	10.934

VISION AND LONG-TERM TARGETS

The vision of the Management is Kleemann to be the company of first choice at the majority of elevator markets all over the world, due to the fact it constitutes a modern industry, with strong capital structure, close co-operation with its clients, great reputation and strong position in the international market of elevators. For the realization of this vision, the comparative advantages of the Group are the following:

- **Reliability** – The Group has succeeded to connect its name with the reliability, as its main target is to react directly at the expectations and the requirements of the clients, concerning the product, the quality, the speediness and the price. The presence of the Group at important international exhibitions and the records at international branch papers, contribute the brand “KLEEMANN” to be very known and recognizable to the global elevator market. The negotiating power, concerning the suppliers, and the vertical structure of the Group, result the complete control of the quality and cost of production of the final product.

- **Technology** – Based on the investments of the last five-year period, which are amounted to 23,6 mil. euros, the Group constitutes an industry of capital tension and the one of the most technologically modern in Europe. With a peak the investment in mechanical equipment, the strategy has based on the quality, innovation, speediness and flexibility.

- **Complete elevator system** – Holding the position of «leader», the Group is the only one in Greece which has the capability to offer complete solutions of elevators which assure compatibility of all the materials, absolute secure to the final user and maintainer, cover of specialized solutions (e.g. innovation), complete and continuous technical customer support.

- **Know-how** – the Group has the requisite know-how for the development of innovating and diversified products which is based on the 20-year presence in the international market, on the long-term co-operations with clients-installers, on the 1.000 employees (220 of University education, 150 mechanical engineers) and on the anthropocentric culture. The Research and Development department support the development of new products of high technology, which they meet the trends of the global market, while in addition they are designed and imported in the market innovative products, such as the antiseismic elevator, the hydraulic elevator without engine-room, innovative solutions for the refurbishment of elevators, etc, for which the Group has recorded 14 applications, both in Greece and internationally, for the safeguard of the industrial literary property and it has received the corresponding patents.

The strategic targets of the management are the enforcement of the leading position of the Group, both in the Greek and European market, as well as its further expansion and the improvement of products and services offered. The strategy to accomplish these targets is defined by the cooperation agreements both in the home country and abroad, the update of the information systems of the Company and the restructuring of its organization, the expansion of its international presence aiming at taking advantage of opportunities that arise abroad, the improvement of the training systems of both the personnel and the company's co-operators, the evolution of new executives, the fulfillment of its significant investment plan and the extensive investment program in Research and Development and the corresponding continuous development of the know-how.

The direct targets of Group's management include:

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○ **Evolution in home market.** The Group always aims at the expansion of the market share of the domestic market., which is based on the strategy of penetration in the Greek elevator market and on the evolution in new markets of parking, stair lifts and stairs.

○ **Increase in exports.** Having the above mentioned comparative advantages, the Group develops its strategy with the enlarge of its client base and the expansion to new demanding markets, as for instance the technologically developing countries of Europe with the strictest specifications in the quality, materials and services. At the same time, it achieves the decrease of dependence from existing markets.

○ **Penetration in the market of upgrading of old elevator systems.** In Greece today there are approximately 300.000 elevators, more than 30 years old, a significant part of which requires partial or total replacement. Despite the fact that the relative common ministry decision, which published at the end of 2008, has transferred the problem at the next years, the specific postponement does not improve the operation of the Group, but also does not influence its figures materially. The day to day reality indicates that there is a satisfying mobility for repair and maintenance services due to the mature and the needs of modernization of elevators.

Important transactions with Affiliated Entities

The most important transactions of the Company with affiliated entities, according the IFRS 24, concern transactions with its subsidiaries, with affiliated entities and with members of the Board of Directors and highest officials.

The transactions with the affiliated entities are summarily presented at the following table.

	Group		Company	
	Revenues / Sales	Expenses / Purchases	Revenues / Sales	Expenses / Purchases
Consolidated subsidiary companies	-	-	8.489.612	10.224.815
Affiliated Companies	6.739.974	2.742.116	3.348.389	236.732
B.o.D. Members and highest officials	5.678	1.959.451	5.678	1.546.932
	6.745.652	4.701.567	11.843.679	12.008.479

	Receivables	Liabilities	Receivables	Liabilities
Consolidated subsidiary companies	-	-	5.161.101	787.881
Affiliated Companies	1.982.121	744.374	850.913	1.551
B.o.D. Members and highest officials	3.276	16.386	3.276	4.502
	1.985.397	760.760	6.015.290	793.934

Analytically, the sales of the Company to the subsidiary companies, for the fiscal years 2008 and 2007 respectively, are analyzed as follows:

Sales 1 January to 31 December						
2008	Commodities	Products	Other inventory and useless material	Services	Other	Total
KLEFER S.A.	-	1.736	27.678	18.641	18.540	66.595
KLEEMANN ASANSOR S.A.	304.173	4.149.200	66.374	20.853	15	4.540.615
KLEEMANN LIFTOVI D.o.o.	482.346	1.875.936	104.140	963	-	2.463.385
KLEEMANN LIFT RO SRL	427.155	667.710	40.451	389	46.720	1.182.425
MODA CABINA S.A.	7.889	14.402	113.632	100.669	-	236.592
Total	1.221.563	6.708.984	352.275	141.515	65.275	8.489.612

Sales 1 January to 31 December						
2007	Commodities	Products	Other inventory and useless material	Services	Other	Total
KLEFER S.A.	-	44.702	87.108	99.835	17.136	248.781
KLEEMANN ASANSOR S.A.	228.060	3.340.396	82.102	888	-	3.651.447
KLEEMANN LIFTOVI D.o.o.	431.437	1.511.274	61.859	1.492	-	2.006.062
KLEEMANN LIFT RO SRL	56.430	49.290	9.143	-	935	115.798
MODA CABINA S.A.	68	16.141	18.575	-	387	35.171
Total	715.995	4.961.803	258.787	102.216	18.458	6.057.259

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Purchases 1 January to 31 December

2008	Commodities	Products	Other inventory and useless material	Services	Other	Total
KLEFER S.A.	2.000	9.490.542	312.907	6.617	-	9.812.066
KLEEMANN ASANSOR S.A.	35.113	-	-	-	1.271	36.384
KLEEMANN LIFTOVI D.o.o.	-	-	-	-	35.420	35.420
KLEEMANN LIFT RO SRL	-	-	-	-	10.018	10.018
MODA CABINA S.A.	-	320.021	10.906	-	-	330.927
Total	37.113	9.810.563	323.813	6.617	46.709	10.224.815

Purchases 1 January to 31 December

2007	Commodities	Products	Other inventory and useless material	Services	Other	Total
KLEFER S.A.	-	8.409.507	270.037	4.833	-	8.684.377
KLEEMANN ASANSOR S.A.	38.582	-	-	-	41.195	79.778
KLEEMANN LIFTOVI D.o.o.	-	-	-	-	1.815	1.815
KLEEMANN LIFT RO SRL	-	-	-	-	-	-
MODA CABINA S.A.	-	14.555	-	-	-	14.555
Total	38.582	8.424.063	270.037	4.833	43.010	8.780.525

Excluding the above, there are no other transactions between the Company and its subsidiaries.

As concerns the Receivables and Liabilities of the Company against its subsidiaries, it is laid the following table:

	Liabilities		Receivables	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
KLEFER S.A.	682.792	802.991	3.802	141.153
KLEEMANN ASANSOR S.A.	73.112	82.097	3.844.619	1.936.012
KLEEMANN LIFTOVI D.o.o.	-	-	723.471	586.888
KLEEMANN LIFT RO SRL	10.186	-	588.189	79.489
MODA CABINA S.A.	21.792	-	1.021	1.370
Total	787.882	885.088	5.161.102	2.744.912

The other affiliated companies, which do not consist a part of consolidation in order to accrue the financial results, are the following: AMETAL (Turkey), TECHNOLAMA (Spain), SKYLIFT (Greece), YAPILIFT (Turkey), GROSSI (Serbia). The receivables and liabilities of the Company and the Group against the above companies are analyzed as follows:

Company	Liabilities		Receivables	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
AMETAL	-	-	5.059	5.059
TECHNOLAMA	1.551	81.713	-	-
SKY LIFT	-	(11.469)	845.854	930.499
Total	1.551	70.244	850.913	935.558

Group	Liabilities		Receivables	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
AMETAL	-	-	128.499	77.026
GROSSI	-	-	947.282	639.330
TECHNOLAMA	738.445	588.369	-	42.375
SKY LIFT	5.929	(11.469)	846.005	930.762
YAPILIFT	-	-	60.334	11.042
Total	744.374	576.900	1.982.120	1.700.535

**EXPLANATORY REPORT
TO THE ORDINARY GENERAL SHAREHOLDERS' MEETING
ACCORDING TO THE ARTICLE 4, par 7 & 8
L. 3556/2007**

The present explanatory report of the General Meeting to the Ordinary General Shareholders' Meeting, contains analytical information related with the issues of the paragraph 7, Article 4 of Law N. 3556/2007.

a) Structure of Share Capital of KLEEMANN HELLAS S.A.

Share Capital of "KLEEMANN HELLAS S.A." comes up to 7.804.071,00 euros, divided by 23.648.700 ordinary registered shares, with one voting right and nominal value of 0,33€ each.

Shares of the Company are listed for negotiation in the Value Market of the Athens Stock Exchange.

Each Share of the Company includes all benefits and obligations defined by the Law and Articles of Association of the Company, which does not include provisions, more restrictive than what the Law defines. The ownership of a share title implies by right its owners' acceptance of the Articles of Association of the Company and all the legal decisions of the General Shareholders' Meetings, even if they have not participated to them. Articles of Association of the Company does not include any special rights in favor of specific shareholders.

Shareholders' responsibility is restricted to the amount of the nominal value of the shares that they hold and they participate proportionally in the management and the profits of the Company, according to the provisions of the Law and the Articles of Association. The benefits and obligations that arise from each share are followed on any, total or particular, shareholders' successor.

Shareholders can exercise their rights regarding the Management of the Company only through General Meetings and they hold the right of preference on any future increase of Share Capital of the Company, depending on their participation in the existing share capital, as this is defined in Article 13, paragraph 5 of the Encoded Law 2190/1920.

Shareholders' borrowers and their total or particular successors, can neither cause, under any condition, any seizure or inactivation of any property or the Company's accounts, nor ask for its settlement and distribution and be involved in any way in its management or its administration.

Each shareholder, wherever he or she may lives, concerning his relationship with the Company, is considered to be a permanent resident in its Head Offices and he or she is liable to Greek Legislation. Any disagreement between the Company and the shareholders or any other third party is subject to the exclusive responsibility of Greek Courts, while the Company is subject only to the Courts of its Head Offices.

Common shares provide only one voting right. All co-owners of a share, should present a common representative for that share, literally, to the Company, in order to retain the voting right. This representative will stand for them in the General Meeting. Until the representative is appointed, the execution of their rights is postponed.

According to the Legislation and the Articles of Association of the Company and based on Article 51 of the Law v. 2396/96, shareholders that are willing to participate in General Meeting, are:

a. All shareholders that have an administrator (Bank or A.S.E.) are obliged to engage their shares, through their administrator and submit the relevant guarantee of share commitment for participation in General Meeting, which is issued by the company "HELLENIC EXCHANGES S.A.", together with any potential documents of representation.

b. All shareholders that do not have an administrator, but are enrolled in the special account of the ration, which is operated by "HELLENIC EXCHANGES S.A.", are obliged to engage their shares, with a relevant statement directly sent to the "HELLENIC EXCHANGES S.A." and submit the above guarantee to the same address, together with any possible documents of representation.

The supporting documents of all the above cases should be submitted to the Company at least five (5) working days before the defined assembly of the General Meeting.

Shareholders that do not comply with the above, may participate in General Meeting, only with its permission.

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Shareholders that represent 1/20 of the deposited Share Capital: a. They have the right to ask the Court of first instance of the Company Head Offices, the auditing of the Company, according to Articles 40, 40e of Law N.2190/1920 and b. They can request the convocation of Irregular Shareholders' General Meeting. The Board of Directors is obliged to convoke this Meeting in a time period of no more than forty five (45) days from the day that the application to the President of the B.o.D. was submitted. In this application, applicant shareholders are compelled to mention all the issues that the General Meeting will decide for.

Ten (10) days before the Ordinary General Meeting, each shareholder can ask for the annual Financial Statements and the relevant reports of the Board of Directors and the Auditors of the Company.

The dividend of each share is paid to the Shareholders of the Company, within two (2) months from the date of the Ordinary General Meeting, which approved the annual Financial Statements. The payment is held with the presentation of the Guarantee of Dividend Beneficiary of Anonymous Values in the Offices of the Company or wherever else defined. The method of deposit is announced in the Press. Dividends that are not demanded for more than five years, are statute-barred in favor of State.

As far as the procedure of depositing the shares is concerned, the shareholders' participation to the General Shareholders' Meetings of the Company and the process of dividend payment, requires the application of everything that the Regulation for the Operation and Liquidation of Immaterial Titles System of the Central Value Warrant defines, as these are in force on any time.

b) Restrictions to the transfer of the Company shares.

The transfer of the Company shares is held as the Law defines, there are no restrictions, impelled by the Articles of Association.

c) Significant direct or indirect participations as these are defined by Law 3556/2007

The following shareholders hold significant direct or indirect participations, as these are defined by Articles 9-11 of Law 3556/2007, owning directly or indirectly more than 5% of the total number of Company shares:

**SHAREHOLDERS WITH PERCENTAGE \geq 5% ON 31/12/2008
WITH TOTAL SHARE CAPITAL 23.648.700**

	NAME	NUMBER	PERCENTAGE%
1	KOUKOUNTZOS K. NIKOLAOS	3.847.558	16,27
2	KOUKOUNTZOS N. KONSTANTINOS	2.934.490	12,41
3	KOUKOUNTZOS N. NIKOLAOS	2.722.400	11,51
4	KOUKOUNTZOS K. MENELAOS	2.454.500	10,38
5	KOUKOUNTZOU N. EKATERINI	2.373.940	10,04
SUB TOTAL		14.332.888	60,61
	REMAINING INVESTORS	9.315.812	39,39
TOTAL NUMBER OF SHARES		23.648.700	100,00

d) Shares that provide special auditing rights.

There are not any Company shares that offer special auditing rights to their owners.

e) Restriction on voting right.

The Articles of Association does not inflict any restrictions on the voting right that arises from shares of the Company.

f) Agreements between Shareholders

The Company is not aware of the existence of any possible agreements between its shareholders, which imply restrictions in the transfer of its shares or the execution of the voting rights that arise from its shares.

g) Rules about the appointment and replacement of Board of Directors members and about the Modification of the Articles of Association .

The rules that the Articles of Association of the Company define with respect to the appointment and replacement of Board of Directors members and about the modification of its provisions, are not different from the definitions of K.N.2190/1920.

h) Authority of the Board of Directors for the issue of new shares or the purchase of owned shares

a) According to the provisions of Article 13 Par. 1 Elem. B of K.N. 2190/1920 and Article 6 of the Articles of Association of the Company, after a relevant decision by General Meeting, which is subject to the publicity formalities of the 7b Article of K.N. 2190/1920, Board of Directors are entitled to increase the share capital of the Company, by issuing new shares, with a decision that requires the priority of at least two thirds (2/3) of total members. In this case, and according to Article 6 of the Articles of Association, share capital can be increased up to five times more than its paid up capital or two times more than the approval of the relevant modification of Article 5 of the Article of Association.

b) The Board of Directors of the Company have the right to proceed to the purchase of owned shares strictly under a decision of General Shareholders' Meeting, which has been taken according to Article 16 of Law 2190/20.

i) Important agreements that come into force, are modified, or expire in the occasion of change of auditing, after public proposal.

There are no important agreements that come into force, are modified, or expire in the occasion of change of auditing, after public proposal.

j) Agreements with the members of Board of Directors or the personnel of the Company.

There are not any special agreements between the Company and the members of its' Board of Directors or its personnel, which define the deposit of any compensation, especially on the occasion of resignation or dismissal, without reasonable cause for termination either of duty or of employment, because of public proposal.

Kilkis, 23 March 2008

President
Of Board of Directors.

Nikolaos K. Koukountzos

INDEPENDENT AUDITOR'S REPORT

(Translated from the original in Greek)

To the Shareholders of
KLEEMANN HELLAS A.B.E.E.

Report on the Financial Statements

We have audited the accompanying separate and consolidated Financial Statements of KLEEMANN HELLAS A.B.E.E. (the "Company") which comprise the separate and consolidated balance sheet as of 31 December 2008 and the separate and consolidated statements of income, changes in Equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards as adopted by the European Union. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Financial Statements give a true and fair view of the separate and consolidated financial position of the Company as of 31 December 2008, of its separate and consolidated financial performance and its separate and consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on other legal and regulatory requirements

We verified that the contents of the Board of Directors' Report are consistent and correspond with the accompanying Financial Statements within the scope set by articles 37 43a and 107 of C.L. 2190/1920.

Athens, 24 March 2009

KPMG Certified Auditors A.E.

KPMG Certified Auditors A.E.
3 Stratigou Tombra Street
153 42 Aghia Paraskevi
Greece

Ioannis A. Achilas, Certified Auditor Accountant
AM SOEL 12831

ANNUAL FINANCIAL STATEMENTS

Balance sheet

(amounts in euros, unless it is mentioned differently)

		GROUP		COMPANY	
	NOTE	2008	2007	2008	2007
ASSETS					
Non-current Assets					
Tangible Assets for own use	5	34.714.421	31.637.169	27.621.542	24.625.347
Investment Property	7	359.497	385.722	287.532	293.778
Intangible Assets	6	633.056	479.124	574.193	425.539
Participations in Subsidiaries	9	-	-	2.617.391	2.387.391
Other long-term receivables	12	968.661	509.106	901.180	441.506
Deferred tax receivables	10	89.800	45.068	-	-
		36.765.435	33.056.189	32.001.838	28.173.561
Current Assets					
Inventory	11	27.540.379	23.288.121	21.876.259	19.651.648
Trade Receivables	13	73.581.610	65.278.816	66.530.907	59.334.304
Other receivables	14	1.549.059	3.020.043	960.793	2.657.240
Short-term investments and securities	8	49.179	705.672	49.179	699.611
Cash and cash equivalents	15	7.726.107	5.966.806	5.075.290	4.532.965
		110.446.334	98.259.458	94.492.428	86.875.768
Total Assets		147.211.769	131.315.647	126.494.266	115.049.329
EQUITY AND LIABILITIES					
Equity					
Share Capital	16	7.804.071	3.902.035	7.804.071	3.902.035
Share Premium	16	22.271.083	26.173.118	22.271.083	26.173.118
Other Reserves	16	32.977.761	27.577.193	31.362.541	26.150.056
Profit carried forward		18.508.815	17.730.552	14.908.110	15.336.671
Exchange Rate differences from consolidation of foreign Subsidiaries		(507.783)	130.369	-	-
Equity attributable to Company Shareholders		81.053.947	75.513.267	76.345.805	71.561.880
Minority Interest		7.050.930	5.540.310	-	-
Total Equity		88.104.877	81.053.577	76.345.805	71.561.880
Long-term Liabilities					
Long-term bank liabilities	17	24.500.000	25.000.000	24.500.000	25.000.000
Liabilities from employees' termination benefits	18	1.746.113	1.440.948	1.567.150	1.307.313
Other long-term liabilities	21	983.695	691.278	13.359	9.646
Deferred tax liabilities	10	624.364	1.360.725	502.806	1.204.422
		27.854.172	28.492.951	26.583.315	27.521.381
Short-term liabilities					
Suppliers	19	10.665.402	14.932.138	8.375.470	12.109.526
Current tax liabilities	27	2.047.313	1.900.218	1.170.588	1.325.827
Other liabilities	20	2.140.005	1.964.927	1.799.088	1.530.715
Short term Bank Liabilities	17	16.100.000	2.971.836	12.000.000	1.000.000
Provisions	27	300.000	-	220.000	-
		31.252.720	21.769.119	23.565.146	15.966.068
Total liabilities		59.106.892	50.262.070	50.148.461	43.487.449
Total Equity And Liabilities		147.211.769	131.315.647	126.494.266	115.049.329

The attached notes, included in pages 28 to 64 consist an inextricable part of these Financial Statements.

**KLEEMANN HELLAS MECHANICAL CONSTRUCTIONS SOCIETE ANONYME INDUSTRIAL TRADING
COMPANY S.A.
ANNUAL FINANCIAL REPORT OF 2008**

Income Statement

(amounts in euros, unless it is mentioned differently)

	NOTE	GROUP		COMPANY	
		From 1 January to		From 1 January to	
		31.12.2008	31.12.2007	31.12.2008	31.12.2007
Turnover	22	117.497.432	106.571.552	102.717.573	95.258.392
Cost of Sales	24	(77.691.404)	(70.420.227)	(71.436.126)	(65.843.927)
Gross Profit		39.806.028	36.151.325	31.281.447	29.414.465
Other income / (expenses)	23	1.520.956	1.182.676	1.179.146	1.212.073
Selling Expenses	24	(16.864.921)	(13.464.784)	(14.711.639)	(11.766.183)
Administrative Expenses	24	(5.058.562)	(4.314.793)	(3.825.848)	(3.282.895)
Research and Development Expenses	24	(1.313.619)	(1.313.047)	(1.298.916)	(1.297.916)
Operating Income		18.089.882	18.241.377	12.624.190	14.279.544
Financial income	26	231.495	36.307	87.989	37.866
Financial expenses	26	(2.251.091)	(1.355.969)	(1.753.285)	(1.249.666)
Income from Dividends		14.155	19.817	374.226	275.654
Increase (decrease) of investments value in participations and securities		(650.431)	-	(650.431)	-
Profit before Taxes		15.434.010	16.941.532	10.682.689	13.343.398
Income Tax	27	(3.244.043)	(3.599.790)	(2.011.584)	(2.627.342)
Profit after taxes		12.189.967	13.341.742	8.671.105	10.716.056
Attributable to:					
Shareholders of parent company	30	10.304.937	11.983.679	8.671.105	10.716.056
Minority Interest		1.885.030	1.358.063	-	-
Earnings per share attributed to the shareholders of the parent company for the period, basic (in Euros)	29	0,4358	0,5067	0,3667	0,4531
Earnings before Interest, Taxes, Depreciation and Amortization		20.068.115	19.967.145	14.087.762	15.622.063

The attached notes, included in pages 28 to 64 consist an inextricable part of these Financial Statements.

KLEEMANN HELLAS MECHANICAL CONSTRUCTIONS SOCIETE ANONYME INDUSTRIAL TRADING COMPANY S.A.
ANNUAL FINANCIAL REPORT OF 2008

Statement of changes in Equity
(amounts in euros, unless it is mentioned differently)

GROUP

	Share capital	Share premium	Regular Reserve	Reserves & readjustment differences	Exchange Rate differences	Profit carried forward	Total Equity of the Company's shareholders	Minority Interest	Total Equity
Balance 1 January 2007	3.902.035	26.173.118	1.452.475	19.032.352	(2.105)	15.493.251	66.051.126	4.179.093	70.230.219
Profits of the period	-	-	-	-	-	11.983.679	11.983.679	1.358.063	13.341.742
Dividends	-	-	-	-	-	(3.746.308)	(3.746.308)	-	(3.746.308)
Dividends of Subsidiaries	-	-	-	-	-	(27.500)	(27.500)	(178.573)	(206.073)
Rewards of B.o.D. Members	-	-	-	-	-	-	-	-	-
Regular Reserve	-	-	53.769	-	-	(53.769)	-	-	-
Tax-free Reserves	-	-	-	2.068.801	-	(2.068.801)	-	-	-
Other Reserves	-	-	-	3.850.000	-	(3.850.000)	-	-	-
Readjustment differences of assets	-	-	-	1.119.796	-	-	1.119.796	50.115	1.169.911
Exchange rate differences from Subsidiaries	-	-	-	-	132.474	-	132.474	56.612	189.086
Issue of share capital	-	-	-	-	-	-	-	75.000	75.000
Purchase of block of shares in subsidiary	-	-	-	-	-	-	-	-	-
Balance 31 December 2007	3.902.035	26.173.118	1.506.244	26.070.949	130.369	17.730.552	75.513.267	5.540.310	81.053.577
Balance 1 January 2008	3.902.035	26.173.118	1.506.244	26.070.949	130.369	17.730.552	75.513.267	5.540.310	81.053.577
Profits of the period	-	-	-	-	-	10.304.937	10.304.937	1.885.030	12.189.967
Dividends	-	-	-	-	-	(3.783.792)	(3.783.792)	-	(3.783.792)
Dividends of Subsidiaries	-	-	-	-	-	(215.641)	(215.641)	(77.345)	(292.986)
Rewards of B.o.D. Members	-	-	-	-	-	(207.900)	(207.900)	-	(207.900)
Regular Reserve	-	-	76.562	-	-	(76.562)	-	-	-
Tax-free Reserves	-	-	-	2.179.497	-	(2.179.497)	-	-	-
Other Reserves	-	-	-	3.040.000	-	(3.040.000)	-	-	-
Readjustment differences of assets	-	-	-	104.509	-	-	104.509	-	104.509
Exchange rate differences from Subsidiaries	-	-	-	-	(638.152)	-	(638.152)	(290.347)	(928.499)
Issue of share capital	3.902.036	(3.902.036)	-	-	-	-	-	-	-
Purchase of block of shares in subsidiary	-	-	-	-	-	(23.282)	(23.282)	(6.718)	(30.000)
Balance 31 December 2008	7.804.071	22.271.082	1.582.806	31.394.955	(507.783)	18.508.815	81.053.946	7.050.930	88.104.876

The attached notes, included in pages 28 to 64 consist an inextricable part of these Financial Statements.

KLEEMANN HELLAS MECHANICAL CONSTRUCTIONS SOCIETE ANONYME INDUSTRIAL TRADING COMPANY S.A.
ANNUAL FINANCIAL REPORT OF 2008

Statement of changes in Equity
(amounts in euros, unless it is mentioned differently)

COMPANY

	Share capital	Share premium	Regular Reserve	Reserves & readjustment differences	Exchange Rate differences	Profit carried forward	Total Equity Capital of the Company's shareholders
Balance 1 January 2007	3.902.035	26.173.118	1.329.999	17.529.473	700.436	13.895.211	63.530.272
Profits of the period	-	-	-	-	-	10.716.057	10.716.057
Dividends	-	-	-	-	-	(3.746.305)	(3.746.305)
Rewards of B.o.D. Members	-	-	-	-	-	-	-
Other Reserves	-	-	-	3.500.000	-	(3.500.000)	-
Tax-free Reserves	-	-	-	2.028.292	-	(2.028.292)	-
Reserves	-	-	-	-	-	-	-
Readjustment differences of assets	-	-	-	-	1.061.856	-	1.061.856
Balance 31 December 2007	3.902.035	26.173.118	1.329.999	23.057.765	1.762.292	15.336.671	71.561.880
Balance 1 January 2008	3.902.035	26.173.118	1.329.999	23.057.765	1.762.292	15.336.671	71.561.880
Profits of the period	-	-	-	-	-	8.671.105	8.671.105
Dividends	-	-	-	-	-	(3.783.792)	(3.783.792)
Rewards of B.o.D. Members	-	-	-	-	-	(207.899)	(207.899)
Tax-free Reserves	-	-	-	2.107.975	-	(2.107.975)	-
Other Reserves	-	-	-	3.000.000	-	(3.000.000)	-
Readjustment differences of assets	-	-	-	-	104.510	-	104.510
Issue of share capital	3.902.036	(3.902.036)	-	-	-	-	-
Balance 31 December 2008	7.804.071	22.271.082	1.329.999	28.165.740	1.866.802	14.908.110	76.345.804

The attached notes, included in pages 28 to 64 consist an inextricable part of these Financial Statements.

KLEEMANN HELLAS MECHANICAL CONSTRUCTIONS SOCIETE ANONYME INDUSTRIAL
TRADING COMPANY S.A.
ANNUAL FINANCIAL REPORT OF 2008

Cash Flow Statement
(amounts in euros, unless it is mentioned differently)

NOTE	GROUP		COMPANY		
	From 1 January to		From 1 January to		
	31.12.2008	31.12.2007	31.12.2008	31.12.2007	
Cash Flows from operating activities					
Cash generated from operations	28	4.037.998	6.257.737	2.176.062	3.268.938
Interests paid		(1.434.028)	(1.064.819)	(1.259.648)	(976.895)
Income tax paid		(3.828.228)	(2.947.178)	(2.657.964)	(1.910.010)
		(1.224.258)	2.245.740	(1.741.550)	382.033
Cash Flows from investing activities					
Acquisition of subsidiaries, related companies, joint ventures and other investments		(23.939)	-	(230.000)	(425.000)
Purchases of Tangible and Intangible Assets		(5.257.654)	(7.000.437)	(4.513.207)	(4.558.907)
Sales of Tangible and Intangible Assets		35.279	18.263	15.737	-
Interests received		72.110	-	55.089	-
Dividends received		14.155	(49.263)	455.330	206.574
		(5.160.049)	(7.031.437)	(4.217.051)	(4.777.333)
Cash Flows from financing activities					
Increase of share capital		-	75.000	-	-
Increase of Bank Loans		17.300.000	11.144.249	14.500.000	10.543.913
Repayment of Bank Loans		(4.671.836)	-	(4.000.000)	-
Dividends paid and rewards of B.o.D.		(4.484.555)	(4.019.593)	(3.999.074)	(3.756.624)
		8.143.609	7.199.656	6.500.926	6.787.289
Net increase / (decrease) in cash and cash equivalents		1.759.302	2.413.959	542.325	2.391.989
Cash and cash equivalents in the beginning of the period		5.966.806	3.552.847	4.532.965	2.140.976
Cash and cash equivalents in the end of the period		7.726.108	5.966.806	5.075.290	4.532.965

The attached notes, included in pages 28 to 64 consist an inextricable part of these Financial Statements.

Notes on Financial Statements of the fiscal year 2008

1. GROUP ESTABLISHMENT AND ACTIVITIES

KLEEMANN HELLAS S.A., a Mechanical Constructions Societe Anonyme Industrial Trading Company, with descriptive title KLEEMANN HELLAS S.A. («The Company») was incorporated in 1983 and is registered in the Register of Societes Anonymes under No. 10920/06/B/86/40. Its duration is set up to 31 December 2050, even though it is possible to be extended, under a General Meeting decision.

Main activity of the Company is the manufacturing and trading of complete elevating systems, maintaining a leading position in its sector. Its Head Offices and its contact address are located in the Industrial Area of Stavrochori, Kilkis, while its web site address is www.kleemann.gr.

The Company's share has been listed on the Athens Stock Exchange since April 1999. The total number of traded shares, on 31 December 2008, comes up to 23.648.700 and they are all common registered shares.

2. FINANCIAL STATEMENTS' BASIS OF PREPARATION

2.1. NOTE OF COMPLIANCE

The Financial Statements have been prepared in accordance with the International Financial Reporting Standards (I.F.R.S.) as they have been adopted by the European Union, under the rule of the European parliament and Council of the European union in 19th July of 2002.

2.2. BASIS OF VALUATION

The Financial Statements were prepared on the basis of the historical cost principle with the exception of Land and Securities that are recorded at their fair value.

2.3. OPERATING EXCHANGE RATE AND PRESENTATION

The financial statements and all the financial information are expressed in Euros (unless it is mentioned differently), which constitutes the company's operating currency.

2.3. APPLICATION OF EVALUATIONS AND JUDGMENTS

For the preparation of financial statements in accordance with the I.F.R.S. is required from the management to take decisions and make estimations it is necessary for the management to resort to evaluations and judgments that affect the application of accounting policies, as well as the recorded figures regarding assets, liabilities, income and expenses. Actual results may differ from those calculations.

The revisions of evaluations and the relative assumptions are revised on a continuous basis and recognized in the period in which they were made and in future periods if there are any. Special information, in the areas where there is uncertainty regarding the evaluations and the crucial judgments concerning the application of accounting policies, with significant impact on the figures recorded in the financial statements, is given in the following notes:

- Tangible Assets (Note 5)
- Intangible Assets (Note 6)
- Inventories (Note 11)
- Trade and other receivables (Note 13)

The accounting policies that are presented below have been consistently applied in all the periods that are presented in these Financial Statements and have been consistently adopted by all of the Group's companies.

**KLEEMANN HELLAS MECHANICAL CONSTRUCTIONS SOCIETE ANONYME INDUSTRIAL
TRADING COMPANY S.A.
ANNUAL FINANCIAL REPORT OF 2008
(AMOUNTS IN EUROS UNLESS IT IS MENTIONED DIFFERENTLY)**

3. BASIC ACCOUNTING POLICIES

3.1 CONSOLIDATION BASIS

3.1.1 SUBSIDIARIES

Subsidiaries are the companies controlled by the parent company. Control is exercised when the parent company has the power to reach decisions, directly or indirectly, that concern the subsidiaries' principles of financial management with the beneficiary purposes. The existence of any potential voting rights which may be exercised at the time of preparation of the financial statements is taken into account in order to ascertain whether the parent company controls the subsidiaries.

The subsidiaries are consolidated in full (integrated consolidation) from the date that control over them is acquired and cease to be consolidated from the date that such control ceases to exist.

The Company records the investments in subsidiaries in the Individual Financial Statements at their acquisition cost less any possible impairment of their value.

3.1.2 TRANSACTIONS ELIMINATED DURING CONSOLIDATION

Inter-group balances and transactions, as well as profits and losses which occurred from inter-group transactions are written off during the preparation of the consolidated financial statements. Non-realized profits and non-realized losses from transactions between the companies of the group, in case there is no indications of impairment of the value are written off by the percentage of the Group's holding in them.

3.2 INFORMATION BY SECTOR

As a business sector is defined a group of assets and operations providing goods and services which are under various risks and yields from those of other business sectors. A geographic sector is defined as a geographical area where goods and services are under various risks and yields from other areas.

IAS 14 "Segment Reporting" set standards for the determination of distinguished activity sectors of entities, which defined according to the structure of the entity. The segments of the entity that have to be disclosed separately are defined according to the quantitative criteria which sets out Standard 14.

3.3 FOREIGN CURRENCY

3.3.1 TRANSACTIONS IN FOREIGN CURRENCY

The company keeps the accounting books in euro. Transactions in foreign currency are converted into euro under the official spot exchange rate. Profits and losses from exchange rate differences accrued from the settlement of such transactions during the fiscal year and from the conversion of currency items expressed in foreign currency with the prevailing rate on the date of the balance sheet are recorded in the Profit and Loss Statement.

3.3.2 TRANSACTIONS WITH FOREIGN COMPANIES

The conversion of the financial statements of the companies of the Group that are in a different operational currency than the group's presentation currency (none of which is operating under a status of a hyperinflationary economy), are converted as follows:

Assets and liabilities of activities that are carried out abroad, including the goodwill and readjustment of fair value, during consolidation, are converted to Euro under the base of the foreign currency's official prevailing rate on the date of the Balance Sheet.

Income and expenses are converted to Euro under the base of the average exchange rate during the fiscal year, which approaches the spot exchange rate.

Foreign exchange differences arising from the conversion of the net investment in a foreign business unit and of the relative offsets are recognized in a separate line in the Equity account.

**KLEEMANN HELLAS MECHANICAL CONSTRUCTIONS SOCIETE ANONYME INDUSTRIAL
TRADING COMPANY S.A.
ANNUAL FINANCIAL REPORT OF 2008
(AMOUNTS IN EUROS UNLESS IT IS MENTIONED DIFFERENTLY)**

3.4 TANGIBLE FIXED ASSETS

Tangible fixed assets are shown at acquisition cost, plus all the relative expenditures that are directly associated with them, less accumulated depreciation and any potential impairment of their value, except for Land which is evaluated in fair value.

Later expenditures are recorded as an increase in the accounting value of the tangible fixed assets or as a separate fixed asset only where there is a possibility that the future financial benefits shall flow into the group and the company and their cost could be reliably measured. Repairs and maintenance costs are recorded in the Profits and Loss Statement when they are realized.

The acquisition cost and the accumulated depreciation on tangible fixed assets which are sold or withdrew, are transferred from the specific accounts at the moment of sale or withdrawal and the difference between the selling price and the accounting value are recorded as profit or loss in the Profit & Loss account.

According to the clause of I.F.R.S. 16, the cost that related with the obligations for withdrawal tangible fixed assets are recognized in the period when it appeared and in degree that it could be a logical estimation of its fair value. The aforementioned cost are capitalized as a part of the value of the acquired tangible fixed assets and depreciated respectively.

Land is not depreciated. Depreciation on the rest tangible fixed asset items is calculated by the straight line method during the estimated useful life of these assets and of their sections thereof. Useful life range is estimated as follows:

Buildings 20-50 years

Mechanical equipment 6-20 years

Transportation 10-25 years

Other equipment 5-20 years

The residual values and the useful life of tangible fixed assets are subject to review on every balance sheet date, if it is necessary, whereas the accounting values are investigated for impairment when there are such indications. In such cases the recoverable value is calculated and if the accounting value exceeds them, the difference is recognized as impairment loss in the Profit & Loss account and the value of tangible fixed assets are decreased in their recoverable value that is higher among the fair value minus the required cost for sale and the value in use of them that estimated through the estimated future cash flows discounted in their present value with a discounted rate that reflects the current estimation of the market for the perpetual value of money and the related risks with these assets.

3.5 INTANGIBLE FIXED ASSETS

Intangible Fixed Assets concern software licenses. They are evaluated at acquisition cost less accumulated depreciation, less any accumulated impairment. They are depreciated by the straight line method over their useful life, which is from 3 to 10 years.

Expenditure necessary for the development and maintenance of software is recognized as an expense in the Profit and Loss Statement for the year in which it occurs.

Costs and expenses concerning the internal creation and development of software are capitalized, in the extent that requirements of the related Standard are fulfilled.

3.6 IMPAIRMENT IN VALUE OF ASSETS

The book value of the Group's assets is checked for impairment when there are indications that their book value will not be recovered. In this case, the asset's recoverable amount is determined and if the book value thereof exceeds the estimated recoverable value, an impairment loss is recognized, which is recorded directly in the Profit and Loss Statement. The recoverable value is the greater amount between an asset's fair value, less the cost that is required for the sale thereof, and the value of the use thereof. In order to estimate the use value, the estimated future cash flows are discounted to the asset's present value with the use of a discount rate that reflects the market's current estimations for the cash's temporal value and for

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the risks that are associated with these assets. If an asset does not bring significant independent cash flows, the recoverable amount is determined for the cash flow production unit to which the asset belongs.

If an impairment loss is recognized, on each balance sheet date the Group examines if the conditions that led to the recognition thereof continue to exist. In this case, the asset's recoverable value is re-determined and the impairment loss is offset restoring the asset's book value to its recoverable amount to the extent that this does not exceed its book value (net of depreciation) that would have been determined if an impairment loss had not been recorded.

3.7 INVESTMENTS

Investments are classified according to the purpose for which they were acquired. Management decides on the appropriate classification of the investment when the investment is acquired and reviews the classification at every presentation date.

3.7.1 FINANCIAL ASSETS AT A REASONABLE VALUE THROUGH THE PROFIT AND LOSS STATEMENT

This category includes financial assets acquired for the purpose of being resold soon. Assets in this category are classified as Current Assets if they are held to be traded or if it is expected that they shall be sold within 12 months from the balance sheet date.

3.7.2 INVESTMENTS HELD TILL EXPIRY

This category includes investments with fixed or pre-determined payments and a specific expiry date which the Group and the Company are intending as far as possible to hold onto until their expiry.

3.7.3 FINANCIAL ASSETS AVAILABLE FOR SALE

This category includes assets which are either designated for this category or cannot be classified in one of the above categories. They are included in non-Current Assets provided Management does not intent to liquidate them within 12 months from the balance sheet date.

Purchases and sales of investments are recognized on the date of the transaction which is the date the Group and the Company commit themselves to buy or sell the item. Investments are initially recognized at their fair value plus transaction costs. Investments are eliminated when the rights to collect cash flows from the investments expire or are transferred and the Group has materially transferred all risks and benefits inherent in their ownership.

3.8 INVENTORIES

Inventories are evaluated at the lower, per item, price between the acquisition cost and net liquidation value. Acquisition cost is designated by the FIFO method. Net liquidation value is evaluated on the basis of current stock sale prices in the context of usual business after subtracting any cost of completion and sale where there is such a case. Eliminations are recognized in the Profit and Loss Statement of the year in which they occur.

3.9 CUSTOMERS AND OTHER CURRENT RECEIVABLES

Customer account receivables are recorded at cost and are controlled on an annual basis for impairment. Impairment losses are recorded when there is an objective indication that the Group and the Company are not in a position to collect all the sums owed on the basis of contractual terms. The provision figure is recorded as an expense in the Profit and Loss Statement. Possible deletions of receivables from accounts receivables are effected through the provision that has been formed. Receivables that are deemed as doubtful are deleted.

3.10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash balance and short term bank deposits.

3.11 LOANS

Loans are initially recorded at their fair value. Following their initial recording they are monitored at their outstanding balance. Loans are classified as Current Liabilities unless the Group and the Company have the right to postpone final settlement of the liability for at least 12 months from the date of the balance sheet. In this case they are classified as Long-term Liabilities.

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3.12 INCOME TAX

Income tax of the fiscal year is comprised of both current and deferred tax. Income tax is recorded in the Profit and Loss Statement unless it concerns amounts that are directly recorded in Equity, in which case it is recorded in Equity.

Current income tax is the expected payable tax against taxable income of the fiscal year, based on the instituted tax rates on the balance sheet date, as well as any readjustment to the payable tax of previous fiscal years.

Deferred income tax is calculated by the balance sheet method, based on the balance sheet, which derives from the provisional differences between the accounting value and the tax base of assets and liabilities. Deferred income tax is not accounted for if it derives from the initial recognition of an asset or liability item in a transaction, apart from a business merger, which when the transaction took place, affected neither the accounting nor the taxation profit or loss. Deferred tax is calculated using the tax rates which are expected to be in force in the period when the asset shall be liquidated or the liability settled. The usage of future tax rates is based on laws which have been passed at the date of drawing up the financial statements.

Deferred tax claims are recognized in the extent to which there shall be a future tax profit for the use of the provisional difference establishing the deferred tax claim. Deferred tax claims are reduced when the respective tax benefit is materialized.

As concerns the tax, which are possible to arise from the tax audits, the Company and its subsidiary "KLEFER S.A." use historical statistic figures from tax audits of previous tax audited fiscal years and through them, they make a provision of future tax differences which will arise from the tax audit of the unaudited fiscal years, despite the fact that the outcome of the tax audit is not possible to be predicted reliably.

Additional income taxes which emerge from the distribution of dividends are set in the same time with the obligatory payment of the relevant dividend.

3.13 PERSONNEL FRINGE BENEFITS

3.13.1 DEFINED CONTRIBUTION PLAN

The duties towards benefits in Defined Contribution Plan are registered as an expense in the profits and loss statement during their year of realization.

3.13.2 LIABILITIES ARISING FROM THE PROVISIONS OF THE LAW 2112/1920, ACCORDING TO IAS 19.

The liability recorded in financial statements with regard to established benefit plans is the present value of the accrued benefits, taking any adjustments for potential actuarial results (profits/losses) and the cost of previous maintenance into consideration.

The sum of the liability is calculated annually by an actuarial project, which is executed by independent actuarial company, applying the projected unit credit method.

The present value is defined by discounting the estimated future cash flows with the rate of a high credibility-grading bond, which is issued in the same currency as the one of the benefit and its remaining duration approaches the duration of the relevant liability.

Accumulated actuarial profits / losses that arise from the deviation between estimations and experience and from the alteration in the actuarial assumptions applied, are depreciated in a period equal to the employees' average remaining working life, to the extent that they do not exceed 10% of the higher between accrued liabilities and the fair value of the fixed assets of the plan.

The actuarial profit and loss arising for the adjustments based on historical data over or under 10% margin of the accumulated liability is recorded in the Profit and Loss Statement within the expected average insurance time of the plan's participants. The cost of previous maintenance is recorded directly in the Profit and Loss Statement with the exception of the case where variations in the plan depend on the remaining time of maintenance of employees. In this case the cost of previous maintenance is recorded in the Profit and Loss Statement by the straight line method over the maturity period.

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3.14 STATE SUBSIDIES

State subsidies are recognized at their fair value when it is expected with certainty that they shall be collected and the Group and the Company shall comply with all terms provided.

State subsidies regarding expenses, are deferred and recognized in the Profit and Loss Statement so as to correspond to the expenses they are designated to indemnify.

State subsidies related to the purchase of tangible fixed assets are included in Long-term Liabilities as deferred state subsidies and are transferred as gains to the Profit and Loss Statement by the straight line method over the expected useful life of the relative assets.

3.15 PROVISIONS

Provisions are recognized when the Group has a present commitment (legal or justified) for which a cash outflow may arise for its settlement. Moreover, the amount of this commitment must be able to be determined with a significant degree of reliability. Provisions are re-examined on each balance sheet date and if it is deemed that no cash outflow shall arise for the commitment's settlement, a reverse entry must be made for these provisions. Provisions are used solely for the purposes for which they were initially formed. Provisions for future losses are not recognized. Contingent claims and liabilities are not recognized in the Financial Statements.

3.16 INCOME

Income includes the fair value of sales of goods and maintenances, net of Value Added Tax, discounts and returns. The Group's inter-company income is fully eliminated. Income is recognized as follows:

3.16.1 SALE OF GOODS

The sale of goods is recognized when the significant risks and property benefits have been transferred to the buyer, the collection of the amount to be received is deemed reasonably ensured, the relevant expenses and possible returns of goods can be reliably evaluated and there is no continuing involvement in the management of goods.

3.16.2 SERVICES

Income from services is recognized in the period in which these maintenances are rendered, on the basis of the completion stage of the service provided with relation to services provided overall.

3.16.3 INTEREST INCOME

Interest income is recognized when interest is rendered accrued (based on the actual interest rate method).

3.16.4 INCOME FROM DIVIDENDS

Dividends are accounted as income upon the approval of their distribution by the General Shareholders' Meeting

3.17 FINANCIAL INCOME-EXPENSES (NET)

Net financial expenditures are comprised of debit interest on loans as well as foreign exchange profits/losses that arise from the companies' lending. In addition, they also include income from accrued credit interest from invested cash.

3.18 LEASES

Criterion to designate if a lease is finance or operational is the substance of the transaction and not the type of the contract.

Specific cases where the contract consider as finance and recorded as acquisition of fixed asset and generated a liability is described as follows:

- Transfer of the property of the leased asset to the lessee at the end of the leased period
- Purchase option of the leased asset from the part of lessee at the end of the leased period in a favorable terms.

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- Duration of the lease greater or equal than 75% of the accounting life of the leased asset.
- Present value of the minimum payments of the lease, greater or equal than 90% of the real value of the leased asset

In all the above cases the paid rents separate into finance expenses (interests) which are recorded directly in Profit & Loss account and into decrease of the obligation.

All the rest contracts are designated as operational. In this case the rents are recorded directly in the Profit & Loss account at the time they realized.

3.19 DIVIDENDS

Dividends that are distributed to the parent Company's shareholders are recognized as a Liability in the Financial Statements when the distribution is approved by the General Shareholders' Meeting.

3.20 EARNINGS PER SHARE

The basic earnings per share are estimated by dividing the earnings or losses, which correspond to the common shares holders, with the weighted average number of common shares that stand over during the period.

3.21 NEW STANDARDS AND INTERPRETATIONS WHICH HAVE BEEN ADOPTED FROM 01.01.2007

The accounting principles that have been adopted, for the preparation of the attached parent and consolidated Financial Statements, are consistent with the ones described at the published Financial Statements of December 31 December 2007, after taking into consideration the following Standards and Interpretations that were issued by the International Accounting Standards Board (IASB), were adopted by the European Union and their application is mandatory from 1 January 2008.

- IFRIC 11 IFRS 2, : "Group and Treasury Share Transactions"

It requires, as a payment which is based at the share value, that a financial entity receives goods or maintenances as a return of its own participating securities, to be accounted as payments, which are defined from the value of the share and they are settled as a participating security, without regard to how they had been acquired the specific participating securities. It didn't caused effects on the Financial Statements of 31 December 2008.

- IFRIC 12 "Maintenances Concession Arrangements"

It gives instructions for recognition and measurement issues that arise during the accounting treatment of maintenances concession arrangements between the public and the private sector. It did not caused effects on the Financial Statements of 31 December 2008.

- IFRIC 14 "IAS 19 – Recognition limit of elements of assets, by programs of defined benefits, minimum financing requirements and their interaction."

It makes clear when the returns or the decreases of future contributions are supposed to be available in connection with the elements of assets of defined benefits and gives instructions about the effect of the minimum financing requirements of these elements and it refers to the time that a minimum financing requirement can create a liability. It didn't caused effects on the Financial Statements of 31 December 2008.

- Amendment of IAS 39 «Financial Instruments: Recognition and Evaluation» and IFRIC 7 « Financial Instruments: Notification»

The specific amendment allows, under preconditions, the reclassification of certain financial instruments, in evaluation categories, different from those which had classified at their first recognition. The above possibility can be applied retrospectively from 1st July 2008. The Group and the Company did not use the above possibility and as a result, it didn't caused effects on the Financial Statements of 31 December 2008.

3.22 NEW ACCOUNTING STANDARDS AND INTERPRETATIONS BY IASB WHICH HAS NOT ADOPTED YET

The International Accounting Standards Board, as well as the IFRIC, have already issued a number of new accounting standards and interpretations whose application is mandatory for future accounting periods:

- IFRS 8 Operating Segments

It is mandatory for the Financial Statements of the fiscal year 2009 and it admits the «approach of the Management» to the information per segment, namely it will require the disclosure of information per segment according to internal reports which are surveyed at regular periods by the Highest Management of the Company, competent for the decision with a purpose the evaluation of the efficiency of each segment and the apportionment of the resources to them. At present time, the Group presents information per business and geographical segments (note 4) but it didn't determined yet the effects of the interpretation.

- Amendment of IAS 23 "Borrowing cost"

It requires by an entity to capitalize borrowing costs directly related with the acquisition, the construction or manufacture of an asset element which fulfil the conditions, as a part of its cost. It will be mandatory for the Financial Statements of the fiscal year 2009 and it will consist a change of accounting policy. The company, according to the interim provisions, applies it to asset elements which fulfil the conditions for which the capitalization begins the date that it will be in force or after it. (Note 35)

- IFRIC 13 "Clients' Reward Programs"

It concerns Clients' Reward Programs, according of which, the clients can settle reward credits, such as the free or with discount supply of products and maintenances and it refers to the accounting treatment by the economic entities which are activated, or differently participate in clients' reward programs for their clients. It becomes mandatory for the Financial Statements of the fiscal year 2009, but it is possible to have effects at the Financial Statements.

- Amendment of IAS 1, Presentation of Financial Statements

It requires to be included in the Statement of changes in Equity only the transactions with the shareholders. Is being inserted a new statement of total income and the dividends to the shareholders will be presented only at the Statement of changes in Equity or at the notes of the Financial Statements. It becomes in force for fiscal years which begin 1 January 2009 or after this date.

- Amendment of IFRIC 2, Benefits which are concerned by the value of the shares' "conditions of practice and cancellations"

It clarifies the definition of «condition of entrenchment», with the input of the clause « no-condition of entrenchment», for conditions that do not consist conditions of maintenance or efficiency and that all the cancellations that derives from the entity or the covenanters parts, must have the same accounting treatment. It becomes in force for fiscal years which begin 1 January 2009 or after this date.

- IFRS 3, "Business Combinations" and IAS 27 "Consolidated and Separate Financial Statements"

Their application field have amended in order to include combinations of companies under common control and without a price payment (parallel admission of shares). They require, among others, major use of the fair value through the Income Statement and enforcement of the financial position of the specific entity. In addition, they require to be done recalculation of the participating share, when the control is reacquired or lost, to be recognized at the Equity Capital the effect of all the transactions between controlled and not parts (when the control has not been lost), and it is focused on what has been given to the seller as a price and not on the amount of the expense for the acquisition. More specifically, figures as costs which are directly related to the purchase, the changes at the value of the possible price, benefits which are depended on the value of the shares and payments of agreements that preexisted, will be accounted separately from the combinations of companies and will frequently affect the Income Statement too. They become in force for fiscal years which begin 1 July 2009 or after this date.

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- IAS 32 and IAS 1, Financial instruments available from the owner

The first amendment requires as certain financial instruments available from the owner (puttable) and obligations which are appeared during the liquidity of an entity, to be classified at the Equity Capital if specific criteria are fulfilled, while the second requires disclosure of information in regard to them. The first becomes in force for fiscal years which begin 1 January 2009 or after this date.

In addition, the IASB issued the following standards, which have not yet been endorsed by the EU and have not been applied by the Company.

- Amendment of IFRS 1, First adoption of IFRS

The revised edition of IFRS 1 concerns the improvement of information and the facilitation of application of future amendments. They become in force for fiscal years which begin 1 July 2009 and it is not possible to have effects at the Financial Statements.

- Amendment of IAS 39, "Financial instruments: recognition and measurement"

Clarifies that changes in circumstances relating to derivatives – specifically derivatives designated or de-designated as hedging instruments after initial recognition – are not reclassifications. Thus, a derivative may be either removed from, or included in, the 'fair value through profit or loss' classification after initial recognition. Similarly, when financial assets are reclassified as a result of an insurance company changing its accounting policy in accordance with paragraph 45 of IFRS 4 Insurance Contracts, this is a change in circumstance, not a reclassification. It is not possible to have effects at the Financial Statements.

- Amendment of IAS 27, "Consolidated and separate financial statements"

It is effective for financial years beginning on or after 1 July 2009 and the major modifications are the following:

- The value of investment, which existed before the change of percentage participation in an entity, with which it is acquired or lost the control, it must be measured using the fair value and the difference must recognized in the profit or loss.
- It is provided the opportunity to measure the rights that belong to third parties, in the initial recognition, in the fair value and, thereafter, they will absorb the total losses that correspond to them.
- Potential price for acquisition of an entity is recognized as a liability and is measured using the fair value.
- The procedural expenses that relate to an acquisition do not belong to the total price of acquisition, instead they recognized in the profit or loss statements.
- During the change in the participation percentage in a subsidiary, over which it is still exist control, potential difference between price and value of the participation percentage, is recognized directly in the equity.

- IFRIC 15, "Agreements for the Construction of Real Estate"

It provides guidance on how to determine whether an agreement for the construction of real estate is within the scope of IAS 11 'Construction Contracts' or IAS 18 'Revenue' and, accordingly, when revenue from such construction should be recognized. This Interpretation has not yet been endorsed by the EU. It is effective for financial years beginning on or after 1 January 2009 and it is not possible to have effects at the Financial Statements.

- IFRIC 16, "Hedges of a Net Investment in a foreign operation"

It clarifies that a presentation currency does not create an exposure to which an entity may apply hedge accounting. It is effective for financial years beginning on or after 1 October 2010 and it is not possible to have effects at the Financial Statements.

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- IFRIC 17, "Distributions of Non-cash Assets to Owners"
It provides guidance about the recognition and the subsequent measurement of the liability to distribute to shareholders assets other than cash. It is effective for financial years beginning on or after 1 July 2009 and it is not possible to have effects at the Financial Statements.
- IFRIC 18, "Transfer of Assets from customers"
This Interpretation is of particular relevance for the utility sector as it clarifies the accounting for agreements where an entity receives an item of PP&E (or cash to construct such an item) from a customer and this equipment in turn is used to connect a customer to the network or to provide ongoing access to supply of goods/services. It is effective for financial years beginning on or after 1 July 2009 and it is not possible to have effects at the Financial Statements

It is pinpointed that at the Balance Sheet of 31 December 2007, amount of 397.485 Euros and 304.456 Euros, that concerns investment cost in Properties of the Group and the Company respectively and amounts of 11.763 Euros and 10.768 Euros that concerns accumulative depreciation of them respectively, have been transferred from the Tangible Fixed Assets for own use to the Investments in Properties, in order to be comparable to the respective figures of the current period.

3.23 CONSOLIDATION PRINCIPLE

The annual consolidated financial statements includes the parent company and it's subsidiaries that controls. Control is considered to exist, when the parent company has the possibility to define the decisions that deal with the financial and operational administration of the subsidiaries, aiming to gain profits through them.

The financial statements of the subsidiaries are prepared at the same date and using the same accounting principles, as the parent company does wherever is required, the necessary readjustments are recorded for the security of the consistence in the adopted of accounting principles.

The subsidiaries are consolidated from the date that control is gained and cease to consolidate from the date that control is transferred outside of the group. The subsidiaries that consolidated with the full method are the follow:

Name of Subsidiary	Activity	Head Offices	Participation Percentages 31.12.2008
KLEFER S.A.	Company that manufactures and trades automatic elevator doors	Industrial area of Kilkis, Greece	50%
KLEEMANN ASANSOR SA	Company that trades complete elevator systems	Istanbul, Turkey	70%
KLEEMANN LIFTOVI D.O.O	Company that trades complete elevator systems	Belgrade, Serbia	60%
KLEEMANN LIFT RO S.R.L.	Company that trades complete elevator systems	Bucharest, Romania	100%
MODA CABINA S.A.	Company that manufactures and trades elevator components	Industrial area of Kilkis, Greece	85%

Inter-group balances and transactions, as well as profits and losses which occurred from inter-group transactions are written off during the preparation of the consolidated financial statements while non-realized profits from transactions between the group and its affiliated companies, are written off by the percentage of the Group's holding in the affiliated companies.

4 SEGMENT REPORTING

The following information refers to the activity sectors of the Group Companies, which have to be presented separately at the financial statements, while their segmental accounting policies are the same with those, followed at the preparation of the annual Financial Statements for the parent company and the Group of 31 December 2007.

Management appraises the segmental influence, based on operating and net profits. Applying the quantitative criteria that the relevant accounting standard establishes, manufacture and trade were

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defined as business activity sectors and the activities in Greece and abroad were defined as geographical sectors.

Business activity sectors of the Group are organized and managed supplementary, depending on their object in products and commodities, with every sector to constitute a business unit, which supplies the same market with various, necessary for the completion of the elevator, components. Manufacturing sector concerns the production of the main components of an elevator (hydraulic or traction), which are: the piston, the power unit (oil tank), the car frame and its accomplices, the cabin, the controller unit with its electronic devices, the buttons and the automatic and semi-automatic elevator doors. Trade sector refers to the sale of lift components that are: oils, ropes, guide rails and traction machines.

Geographic sectors of the group are defined by the location of the assets and the activity of its operation. The turnover of the geographic sector is presented in the geographic area that the client is located and includes the sale of both products and commodities.

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4.1 BUSINESS ACTIVITY SECTORS OF THE GROUP	1 January to 31 December 2008				January to 31 December 2007			
	Manufacture	Trade	Others	Total	Manufacture	Trade	Others	Total
Revenues from group clients	81.530.186	51.790.001	5.346.921	138.667.108	76.417.196	41.599.128	4.968.958	122.985.282
Intra-group sales	(18.975.889)	(1.258.676)	(935.111)	(21.169.676)	(14.962.313)	(754.577)	(696.840)	(16.413.730)
Total sales	62.554.297	50.531.325	4.411.810	117.497.432	61.454.883	40.844.551	4.272.118	106.571.552
Cost of sales	(57.566.465)	(37.511.965)	(3.770.500)	(98.848.930)	(53.159.693)	(30.111.179)	(3.455.572)	(86.726.444)
Intra-group cost of sales	18.964.998	1.257.954	934.574	21.157.526	14.864.307	749.634	692.276	16.306.217
Gross Profit	23.952.830	14.277.314	1.575.884	39.806.028	23.159.497	11.483.006	1.508.822	36.151.325
Other income / (expenses)	-	-	1.681.491	1.681.491	-	-	1.244.145	1.244.145
Other intra-group income / (expenses)	-	-	(160.535)	(160.535)	-	-	(61.469)	(61.469)
Selling Expenses	(10.382.158)	(5.786.128)	(696.635)	(16.864.921)	(8.574.363)	(4.330.106)	(560.315)	(13.464.784)
Administrative Expenses	-	-	(5.171.097)	(5.171.097)	-	-	(4.376.262)	(4.376.262)
Intra-group administrative Expenses	-	-	112.535	112.535	-	-	61.469	61.469
Research and Development Expenses	(1.313.619)	-	-	(1.313.619)	(1,313.047)	-	-	(1,313.047)
Operating Income	12.257.053	8.491.186	(2.658.357)	18.089.882	13.272.087	7.152.900	(2.183.610)	18.241.377
Financial income	-	-	231.495	231.495	-	-	36.307	36.307
Financial income expenses	-	-	(2.251.091)	(2.251.091)	-	-	(1.355.969)	(1.355.969)
Revenues from participations & securities	-	-	374.226	374.226	-	-	275.654	275.654
Intra-group Revenues from Participations	-	-	(360.071)	(360.071)	-	-	(255.837)	(255.837)
Increase in value of securities	-	-	(650.431)	(650.431)	-	-	-	-
Profit before taxes	12.257.053	8.491.186	(5.314.229)	15.434.010	13.272.087	7.152.900	(3.483.455)	16.941.532
Income Tax	-	-	(3.244.043)	(3.244.043)	-	-	(3.599.790)	(3.599.790)
Profit after taxes	12.257.053	8.491.186	(8.558.272)	12.189.967	13.272.087	7.152.900	(7.083.245)	13.341.742
Minority interest	-	-	(1.885.030)	(1.885.030)	-	-	(1.358.063)	(1.358.063)
Profit after tax and minority interest	12.257.053	8.491.186	(10.443.302)	10.304.937	13.272.087	7.152.900	(8.441.308)	11.983.679
ASSETS								
Tangible Assets for own use	15.776.406	5.406.193	13.531.822	34.714.421	14.490.084	5.069.982	12.077.103	31.637.169
Intangible Assets	336.978	81.758	214.320	633.056	243.523	64.690	70.911	479.124
Investment Property	-	-	359.497	359.497	-	-	385.722	385.722
Inventory	19.752.720	8.538.985	-	28.291.705	16.744.838	7.234.461	-	23.979.299
Intra-group Inventory	(524.561)	(226.765)	-	(751.326)	(583.666)	(107.512)	-	(691.178)
Receivables	-	-	80.817.467	80.817.467	-	-	69.566.387	69.566.387
Intra-group Receivables	-	-	(7.235.858)	(7.235.858)	-	-	(4.287.571)	(4.287.571)
Investments	-	-	49.179	49.179	-	-	705.672	705.672
Other elements of Assets	-	-	10.333.628	10.333.628	-	-	9.541.023	9.541.023
Total assets	35.341.543	13.800.171	98.070.055	147.211.769	30.894.779	12.261.621	88.159.247	131.315.647
EQUITY AND LIABILITIES								
Suppliers	-	-	17.901.261	17.901.261	-	-	19.219.709	19.219.709
Intra-group Suppliers	-	-	(7.235.858)	(7.235.858)	-	-	(4.287.570)	(4.287.570)
Profit carried forward	12.267.944	8.491.908	(8.149.664)	12.610.188	13.370.092	7.157.842	(6.822.844)	13.705.090
Intra-group Profit carried forward	(2.244.197)	(1.553.440)	1.492.388	(2.305.249)	(1.668.518)	(893.261)	851.455	(1.710.324)
Profit of previous periods	10.286.783	6.134.570	(5.671.844)	10.749.509	6.557.304	4.062.058	(3.459.859)	7.159.503
Intra-group Profit of previous periods	(2.436.054)	(1.452.752)	1.343.172	(2.545.634)	(1.303.967)	(807.769)	688.018	(1.423.718)
Other elements of Equity and Liabilities	-	-	123.606.316	123.606.316	-	-	98.697.483	98.697.483
Other intra-group elements of Equity and Liabilities	-	-	(5.568.764)	(5.568.764)	-	-	(44.526)	(44.526)
Total Equity and Liabilities	17.875.990	11.621.333	117.714.446	147.211.769	16.954.911	9.518.870	104.841.866	131.315.647

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4.2 BUSINESS ACTIVITY SECTORS OF THE COMPANY

	1 January to 31 December 2008				1 January to 31 December 2007			
	Manufacture	Trade	Others	Total	Manufacture	Trade	Others	Total
Sales	65.720.518	32.505.874	4.491.181	102.717.573	63.026.984	28.090.158	4.141.250	95.258.392
Cost of sales	(45.706.095)	(22.606.587)	(3.123.444)	(71.436.126)	(43.565.129)	(19.416.308)	(2.862.490)	(65.843.927)
Gross Profit	20.014.423	9.899.287	1.367.737	31.281.447	19.461.855	8.673.850	1.278.760	29.414.465
Other income / (expenses)	-	-	1.179.146	1.179.146	-	-	1.212.073	1.212.073
Selling Expenses	(9.412.766)	(4.655.626)	(643.246)	(14.711.638)	(7.785.004)	(3.469.657)	(511.521)	(11.766.183)
Administrative Expenses	-	-	(3.825.848)	(3.825.848)	-	-	(3.282.895)	(3.282.895)
Research and Development Expenses	(1.298.916)	-	-	(1.298.916)	(1.297.916)	-	-	(1.297.916)
Operating Income	9.302.741	5.243.661	(1.922.211)	12.624.191	10.378.935	5.204.193	(1.303.583)	14.279.545
Financial income	-	-	87.989	87.989	-	-	37.866	37.866
Financial expenses	-	-	(1.753.285)	(1.753.285)	-	-	(1.249.666)	(1.249.666)
Revenues from participations & securities	-	-	374.226	374.226	-	-	275.654	275.654
Impairment of Financial assets	-	-	(650.431)	(650.431)	-	-	-	-
Profit after taxes	9.302.741	5.243.661	(3.863.712)	10.682.690	10.378.935	5.204.193	(2.239.729)	13.343.399
Minority interest	-	-	(2.011.584)	(2.011.584)	-	-	(2.627.342)	(2.627.342)
Profit after tax and minority interest	9.302.741	5.243.661	(5.875.296)	8.671.106	10.378.935	5.204.193	(4.867.071)	10.716.057

ASSETS

Tangible Assets for own use	9.943.755	4.447.068	13.230.719	27.621.542	8.865.125	3.964.681	11.795.541	24.625.347
Intangible Assets	311.787	71.200	191.206	574.193	231.068	52.767	141.704	425.539
Investment Property	-	-	287.532	287.532	-	-	293.778	293.778
Participations	1.279.105	1.338.286	-	2.617.391	1.279.105	1.108.286	-	2.387.391
Inventory	15.661.990	6.214.269	-	21.876.259	13.765.375	5.886.273	-	19.651.648
Receivables	-	-	66.530.907	66.530.907	-	-	9.334.304	59.334.304
Investments	-	-	49.179	49.179	-	-	699.611	699.611
Other elements of Assets	-	-	6.937.263	6.937.263	-	-	7.631.711	7.631.711
Total assets	27.196.637	12.070.823	87.226.806	126.494.266	24.140.673	11.012.007	79.896.649	115.049.329

EQUITY AND LIABILITIES

Suppliers	-	-	8.375.470	8.375.470	-	-	12.109.526	12.109.526
Profit carried forward	9.302.741	5.243.661	(5.875.297)	8.671.105	10.378.934	5.204.193	(4.867.070)	10.716.057
Profit of previous periods	6.040.791	3.028.966	(2.832.753)	6.237.004	4.308.605	2.009.215	(1.697.206)	4.620.614
Other elements of Equity and Liabilities	-	-	103.210.687	103.210.687	-	-	87.603.132	87.603.132
Total Equity and Liabilities	15.343.532	8.272.627	102.878.107	126.494.266	14.687.539	7.213.408	93.148.382	115.049.329

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4.3 GEOGRAPHIC ACTIVITY SECTORS OF THE GROUP

	1 January to 31 December 2008				1 January to 31 December 2007			
	Home Country	Overseas	Others	Total	Home Country	Overseas	Others	Total
Revenues from clients	72.038.531	66.628.577	-	138.667.108	71.704.679	51.280.603	-	122.985.282
Intra-group sales	(10.466.955)	(10.702.721)	-	(21.169.676)	(8.969.759)	(7.443.971)	-	(16.413.730)
Total sales	61.571.576	55.925.856	-	117.497.432	62.734.920	43.836.632	-	106.571.552
Cost of sales	(50.938.527)	(47.910.403)	-	(98.848.930)	(49.889.851)	(36.836.593)	-	(86.726.444)
Intra-group cost of sales	10.460.948	10.696.578	-	21.157.526	8.911.005	7.395.212	-	16.306.217
Gross Profit	21.093.997	18.712.031	-	39.806.028	21.756.074	14.395.251	-	36.151.325
Other income / (expenses)	-	-	1.681.491	1.681.491	-	-	1.244.145	1.244.145
Other intra-group income / (expenses)	-	-	(160.535)	(160.535)	-	-	(61.469)	(61.469)
Selling Expenses	(9.454.688)	(7.410.233)	-	(16.864.921)	(8.270.515)	(5.194.269)	-	(13.464.784)
Administrative Expenses	-	-	(5.171.097)	(5.171.097)	-	-	(4.376.261)	(4.376.261)
Intra-group Administrative Expenses	-	-	112.535	112.535	-	-	61.469	61.469
Research and Development Expenses	(780.679)	(532.940)	-	(1.313.619)	(862.665)	(450.382)	-	(1.313.047)
Operating Income	10.858.630	10.768.858	(3.537.606)	18.089.882	12.622.894	8.750.600	(3.132.116)	18.241.377
Financial income	-	-	231.495	231.495	-	-	36.308	36.307
Financial expenses	-	-	(2.251.091)	(2.251.091)	-	-	(1.355.969)	(1.355.969)
Revenues from participations & securities	-	-	374.226	374.226	-	-	275.654	275.654
Intra-group Revenues from Participations	-	-	(360.071)	(360.071)	-	-	(255.837)	(255.837)
Impairment of Financial assets	-	-	(650.431)	(650.431)	-	-	-	-
Profit before taxes	10.858.630	10.768.858	(6.193.478)	15.434.010	12.622.894	8.750.600	(4.431.960)	16.941.532
Income Tax	-	-	(3.244.043)	(3.244.043)	-	-	(3.599.790)	(3.599.790)
Profit after taxes	10.858.630	10.768.858	(9.437.521)	12.189.967	12.622.894	8.750.600	(8.031.750)	13.341.742
Minority interest	-	-	1.885.030	1.885.030	-	-	(1.358.063)	(1.358.063)
Profit after tax and minority interest	10.858.630	10.768.858	(11.322.551)	10.304.937	12.622.894	8.750.600	(9.389.813)	11.983.679
ASSETS								
Tangible Assets for own use	-	-	34.714.421	34.714.421	-	-	31.637.169	31.637.169
Intangible Assets	-	-	633.056	633.056	-	-	479.124	479.124
Investment Property	-	-	359.497	359.497	-	-	385.722	385.722
Inventory	-	-	28.291.705	28.291.705	-	-	23.979.298	23.979.298
Intra-group Inventories	-	-	(751.326)	(751.326)	-	-	(691.178)	(691.178)
Receivables	60.516.700	20.300.767	-	80.817.467	53.924.455	15.641.932	-	69.566.387
Intra-group Receivables	(5.418.262)	(1.817.596)	-	(7.235.858)	(3.323.515)	(964.056)	-	(4.287.571)
Investments	49.179	-	-	49.179	699.611	6.061	-	705.672
Other elements of Assets	-	-	10.333.628	10.333.628	-	-	9.541.023	9.541.023
Total Assets	55.147.617	18.483.171	73.580.981	147.211.769	51.300.551	14.683.937	65.331.158	131.315.646
EQUITY AND LIABILITIES								
Suppliers	7.152.574	10.748.687	-	17.901.261	10.230.920	8.988.788	-	19.219.708
Intra-group Suppliers	(2.891.138)	(4.344.720)	-	(7.235.858)	(2.282.334)	(2.005.236)	-	(4.287.570)
Profit carried forward	10.864.637	10.775.001	(9.029.451)	12.610.187	12.772.148	8.708.857	(7.775.915)	13.705.090
Intra-group Profit carried forward	(1.987.487)	(1.971.091)	1.653.329	(2.305.249)	(1.593.898)	(1.086.820)	970.394	(1.710.324)
Profit of previous periods	9.039.915	8.091.786	(6.382.190)	10.749.511	5.642.582	5.418.493	(3.901.572)	7.159.503
Intra-group Profit of previous periods	(2.140.778)	(1.916.248)	1.511.392	(2.545.634)	(1.122.068)	(1.077.506)	775.855	(1.423.718)
Other elements of Equity and Liabilities	-	-	123.606.315	123.606.315	-	-	98.697.484	98.697.484
Intra-group other elements of Equity and Liabilities	-	-	(5.568.764)	(5.568.764)	-	-	(44.526)	(44.526)
Total Equity and Liabilities	20.039.062	21.384.745	105.787.962	147.211.769	23.647.350	18.946.576	88.721.720	131.315.647

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4.4 GEOGRAPHIC ACTIVITY SECTORS OF THE COMPANY

	1 January to 31 December 2008				1 January to 31 December 2007			
	Home Country	Overseas	Others	Total	Home Country	Overseas	Others	Total
Sales	60.987.166	41.730.407	-	102.717.573	62.610.741	32.647.651	-	95.258.392
Cost of sales	(42.414.231)	(29.021.895)	-	(71.436.126)	(43.277.416)	(22.566.511)	-	(65.843.927)
Gross Profit	18.572.935	12.708.512	-	31.281.447	19.333.325	10.081.140	-	29.414.465
Other income / (expenses)	-	-	1.179.146	1.179.146	-	-	1.212.073	1.212.073
Selling Expenses	(8.734.836)	(5.976.803)	-	(14.711.639)	(7.733.591)	(4.032.592)	-	(11.766.183)
Administrative Expenses	-	-	(3.825.848)	(3.825.848)	-	-	(3.282.895)	(3.282.895)
Research and Development Expenses	(771.214)	(527.702)	-	(1.298.916)	(853.085)	(444.831)	-	(1.297.916)
Operating Income	9.066.885	6.204.007	(2.646.702)	12.624.190	10.746.649	5.603.717	(2.070.822)	14.279.544
Financial income	-	-	87.989	87.989	-	-	37.866	37.866
Financial expenses	-	-	(1.753.285)	(1.753.285)	-	-	(1.249.666)	(1.249.666)
Revenues from participations & securities	-	-	374.226	374.226	-	-	275.654	275.654
Increase (decrease) in value of securities	-	-	(650.431)	(650.431)	-	-	-	-
Profit before taxes	9.066.885	6.204.008	(4.588.203)	10.682.689	10.746.649	5.603.717	(3.006.968)	13.343.398
Income Tax	-	-	(2.011.584)	(2.011.584)	-	-	(2.627.342)	(2.627.342)
Profit after taxes	9.066.885	6.204.008	(6.599.787)	8.671.105	10.746.649	5.603.717	(5.634.310)	10.716.056

ASSETS

	Home Country	Overseas	Others	Total	Home Country	Overseas	Others	Total
Tangible Assets for own use	-	-	27.621.542	27.621.542	-	-	24.625.347	24.625.347
Intangible Assets	-	-	574.193	574.193	-	-	425.539	425.539
Investment Property	-	-	287.532	287.532	-	-	293.778	293.778
Participations	1.598.882	1.018.509	-	2.617.391	1.598.882	788.509	-	2.387.391
Inventories	-	-	21.876.259	21.876.259	-	-	19.651.648	19.651.648
Receivables	55.648.171	10.882.736	-	66.530.907	50.025.654	9.308.650	-	59.334.304
Investments	49.179	-	-	49.179	699.611	-	-	699.611
Other elements of Assets	-	-	6.937.263	6.937.263	-	-	7.631.711	7.631.711
Total Assets	57.296.232	11.901.245	57.296.789	126.494.266	52.324.147	10.097.159	52.628.023	115.049.329

CAPITAL AND LIABILITIES

Suppliers	5.141.181	3.234.289	-	8.375.470	7.794.018	4.315.508	-	12.109.526
Profit carried forward	9.066.885	6.204.008	(6.599.788)	8.671.105	10.746.649	5.603.718	(5.634.310)	10.716.057
Profit of previous periods	6.254.810	3.261.499	(3.279.305)	6.237.004	4.347.731	2.272.874	(1.999.991)	4.620.614
Other elements of Equity and Liabilities	-	-	103.210.687	103.210.687	-	-	87.603.132	87.603.132
Total Equity and Liabilities	20.462.876	12.699.796	93.331.594	126.494.266	22.888.398	12.192.100	79.968.831	115.049.329

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5. TANGIBLE ASSETS FOR OWN USE

Use of fair value as revaluation method: In 31 December 2008, the Group and the Company performed an appraisal of the value of Land. For the evaluation of the value of Land, the method of market value was applied. Every 3-5 years, the Group and the Company performs a revaluation of its Fixed Assets.

GROUP	Land	Buildings	Mechanical equipment	Means of transportation	Furniture and Fixtures	Fixed Assets in course of construction	TOTAL
Acquisition cost 1 January 2007	3.466.920	13.935.528	9.985.426	2.019.523	3.173.847	1.532.025	34.113.268
Additions	-	266.562	3.108.555	244.259	565.499	2.347.777	6.532.653
Revaluations	1.546.841	-	-	-	-	-	1.546.841
Transfers	-	1.482.257	292.518	15.307	58.923	(1.849.004)	-
Sales	-	-	238.860	(101.457)	(120.353)	(249.374)	(232.324)
Destructions	-	(449.940)	(72.892)	(11.300)	(5.251)	-	(539.383)
Exchange Rate differences	(189)	(2.102)	2.886	(92)	4.251	-	4.755
Acquisition cost 31 December 2007	5.013.572	15.232.305	13.555.352	2.166.241	3.676.915	1.781.425	41.425.810
Accumulated Depreciation 1 January 2007	-	1.464.083	4.647.751	679.912	1.552.377	-	8.344.123
Depreciation of the year	-	326.278	789.718	133.961	415.614	-	1.665.571
Sales	-	-	(5.834)	(80.692)	(121.238)	-	(207.763)
Destructions	-	(10.170)	(5.642)	(685)	(301)	-	(16.798)
Exchange Rate differences	-	(41)	890	(14)	2.674	-	3.509
Accumulated Depreciation 31 December 2007	-	1.780.149	5.426.883	732.482	1.849.127	-	9.788.641
Net Book Value as of 31 December 2007	5.013.572	13.452.156	8.128.469	1.433.758	1.827.788	1.781.425	31.637.169
Acquisition cost 1 January 2008	5.013.572	15.232.305	13.555.352	2.166.241	3.676.915	1.781.425	41.425.810
Additions	338.711	205.331	760.701	153.613	418.005	3.266.588	5.142.950
Revaluations	-	-	-	-	-	-	-
Transfers	-	1.802.607	46.145	-	17.989	(1.866.741)	-
Sales	-	-	-	(77.471)	(19.050)	-	(96.521)
Destructions	-	-	-	-	(12.624)	-	(12.624)
Exchange Rate differences	(10.805)	(75.834)	(16.163)	(3.391)	(29.960)	-	(136.154)
Acquisition cost 31 December 2008	5.341.478	17.164.410	14.346.035	2.238.991	4.051.275	3.181.273	46.323.461
Accumulated Depreciation 1 January 2008	-	1.780.149	5.426.883	732.482	1.849.127	-	9.788.641
Depreciation of the period	-	346.939	951.158	143.331	460.659	-	1.902.088
Sales	-	-	-	(35.689)	(12.010)	-	(47.698)
Destructions	-	-	-	-	(12.624)	-	(12.624)
Exchange Rate differences	-	(3.675)	(3.213)	(1.330)	(13.148)	-	(21.366)
Accumulated Depreciation 31 December 2008	-	2.123.413	6.374.828	838.795	2.272.004	-	11.609.040
Net Book Value as of 31 December 2008	5.341.478	15.040.997	7.971.206	1.400.196	1.779.271	3.181.273	34.714.421

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COMPANY	Land	Buildings	Mechanical equipment	Means of transportation	Furniture and Fixtures	Fixed Assets in course of construction	TOTAL
Acquisition cost 1 January 2007	2.954.811	10.783.777	8.071.804	1.739.189	2.556.562	1.522.040	27.628.182
Additions	-	242.957	1.345.812	198.482	441.358	2.022.994	4.251.603
Revaluations	1.415.809	-	-	-	-	-	1.415.809
Transfers	-	1.471.876	292.518	-	50.805	(1.815.198)	-
Sales	-	-	(5.390)	(101.457)	(121.359)	-	(228.206)
Destructions	-	(449.940)	(72.892)	(11.300)	(5.251)	-	(539.383)
Acquisition cost 31 December 2007	4.370.620	12.048.670	9.631.852	1.824.914	2.922.115	1.729.835	32.528.006
	-	1.247.794	3.689.703	617.775	1.274.352	-	6.829.623
Accumulated Depreciation 1 January 2007	-	262.530	593.838	100.608	339.765	-	1.296.741
Depreciation of the year	-	-	(4.978)	(80.692)	(121.238)	-	(206.907)
Sales	-	(10.170)	(5.642)	(685)	(301)	-	(16.798)
Destructions	-	1.500.153	4.272.921	637.006	1.492.578	-	7.902.658
Accumulated Depreciation 31 December 2007	4.370.620	10.548.516	5.358.931	1.187.908	1.429.537	1.729.835	24.625.347
Acquisition cost 1 January 2008	4.370.620	12.048.670	9.631.852	1.824.914	2.922.115	1.729.835	32.528.006
Additions	338.711	199.849	411.348	91.015	257.942	3.125.714	4.424.579
Revaluations	-	-	-	-	-	-	-
Transfers	-	1.795.236	43.711	-	-	(1.838.947)	-
Sales	-	-	-	(47.894)	(13.235)	-	(61.129)
Destructions	-	-	-	-	-	-	-
Acquisition cost 31 December 2008	4.709.331	14.043.754	10.086.911	1.868.034	3.166.822	3.016.822	36.891.456
Accumulated Depreciation 1 January 2008	-	282.328	650.509	105.913	365.590	-	1.404.340
Depreciation of the period	-	282.328	650.509	105.913	365.590	-	1.404.340
Sales	-	-	-	(25.536)	(11.548)	-	(37.084)
Destructions	-	-	-	-	-	-	-
Accumulated Depreciation 31 December 2008	-	1.782.481	4.923.430	717.383	1.846.620	-	9.269.914
Net Book Value as of 31 December 2008	4.709.331	12.261.273	5.163.481	1.150.652	1.320.202	3.016.822	27.621.542

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6. INTANGIBLE ASSETS

They concern licenses of software programs and costs and expenses concerning the in-house creation and development of software.

	GROUP	COMPANY
Acquisition cost 1 January 2007	455.058	350.415
Additions	365.059	322.733
Exchange Rate differences	751	-
Acquisition cost 31 December 2007	820.867	673.148
Accumulated Depreciation 1 January 2007	286.179	201.831
Depreciation of the year	55.138	45.779
Exchange Rate differences	426	-
Accumulated Depreciation 31 December 2007	341.743	247.609
Net Book Value as of 31 December 2007	479.124	425.539
Acquisition cost 1 January 2007	820.867	673.148
Additions	107.486	84.764
Additions DIAS	116.876	116.876
Exchange Rate differences	(4.318)	-
Acquisition cost 31 December 2008	1.040.911	874.788
Accumulated Depreciation 1 January 2008	341.743	247.609
Depreciation of the year	68.043	52.986
Exchange Rate differences	(1.931)	-
Accumulated Depreciation 31 December 2008	407.855	300.595
Net Book Value as of 31 December 2008	633.056	574.194

Additions of Company during 2008 concerns costs and expenses for the in-house creation and development of software, amounted to 116.876 euros.

7. INVESTMENT PROPERTY

	GROUP	COMPANY
Acquisition cost 1 January 2007	304.456	304.456
Additions	93.029	-
Acquisition cost 31 December 2007	397.485	304.456
Accumulated Depreciation 1 January 2007	10.678	10.678
Depreciation of the year	1.085	-
Accumulated Depreciation 31 December 2007	11.763	10.678
Net Book Value as of 31 December 2007	385.722	293.778
Acquisition cost 1 January 2008	397.485	304.456
Additions	-	-
Exchange Rate differences	(18.711)	-
Acquisition cost 31 December 2008	378.774	304.456
Accumulated Depreciation 1 January 2008	11.763	10.678
Depreciation of the period	7.732	6.246
Exchange Rate differences	(218)	-
Accumulated Depreciation 31 December 2008	19.277	16.924
Net Book Value as of 31 December 2008	359.497	287.532

The Group and the Company apply the cost model for the measurement of the investment property. It concerns property that they own and they don't use them in their traditional line of business, but they lease them to third parties.

Depreciations on investment property is calculated using the straight line method during the estimated useful lives of these assets, which is estimated to last between 20 to 50 years.

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The fair value of investment property at 31 December 2008 is estimated at € 513.578 for the Company and € 622.726 for the Group.

8. INVESTMENTS

Other investments of the Group and the Company were attributed as below:

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Financial Assets in fair values through profit and losses	49.179	705.672	49.179	699.611

It refers to 70.776 shares of PROTON BANK, with a total acquisition cost of 614.687 euros.

9. PARTICIPATIONS

Participations are analyzed with the following:

Corporate Name	Country	Value at the beginning of the period	Additions	Value at 31.12.07	Direct Holding Percentage
KLEFER S.A.	GREECE	1.173.882	-	1.173.882	50%
KLEEMANN ASANSOR San. Ve Tic As	TURKEY	232.206	-	232.206	70%
KLEEMANN LIFTOVI D.o.o.	SERBIA	486.162	-	486.162	60%
KLEEMANN LIFT RO S.R.L.	ROMANIA	70.141	-	70.141	70%
MODA CABINA S.A.	GREECE	-	425.000	425.000	85%
31 December 2007		1.962.391	425.000	2.387.391	

Corporate Name	Country	Value at the beginning of the period	Additions	Value at 31.12.08	Direct Holding Percentage
KLEFER S.A.	GREECE	1.173.882	-	1.173.882	50%
KLEEMANN ASANSOR San. Ve Tic As	TURKEY	232.206	-	232.206	70%
KLEEMANN LIFTOVI D.o.o.	SERBIA	486.162	-	486.162	60%
KLEEMANN LIFT RO S.R.L.	ROMANIA	70.141	230.000	300.141	100%
MODA CABINA S.A.	GREECE	425.000	-	425.000	85%
31 December 2008		2.387.391	230.000	2.617.391	

On March 18th 2008, the Company proceeded to the acquisition of 6.000 social parts (the rest 30% of its share capital) of KLEEMANN LIFT RO S.R.L., of nominal value of 30.000 € and after this, retains the 100% of the share capital of the specific subsidiary. Afterwards, within the framework of its operational restructuring and enforcement of its presence in the Romanian market, the Company proceeded, at 22nd April 2008, to an increase of its share capital by amount equivalent to 200.000 Euros.

The Company registers the participations in subsidiaries at its individual Financial Statements at their acquisition cost reduced with possible impairment of their value. Based on a performed impairment control, the management considers that there are no reasons indicating impairment.

10. DEFERRED TAX RECEIVABLES AND LIABILITIES

The deferred taxes are calculated on the temporary differences, according the method of liability, with the use of the tax rates which are in force in the countries that the companies of the Group are activated in.

The deferred taxation Receivables and Liabilities are set off when there exists an applicable legal right to set off the current taxation demands with the current taxation liabilities when the deferred income taxes concern the same tax authority.

The calculation of deferred tax of the Group and the Company is re-examined in every fiscal year, in order for the balance which is presented in the Balance Sheet to represent the current tax rates.

The rate based on which is calculated the deferred tax, is equal to the one that is estimated that will be in force at the time of inversion of the temporary tax differences.

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In 2008, it has been published by the Greek State the Law 3697/2008, according to which, for the fiscal years 2010-2014 the tax rates will be decreasing by one percentage unit for each fiscal year. Deferred taxation of the Company and its Subsidiaries with Head offices in Greece has been calculated considering this change.

The deferred tax receivables and liabilities for the Group and the Company, of the year 2008 and 2007 are mentioned below :

GROUP	Receivables		Liabilities		Net Amount	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Tangible Fixed Assets	-	1	1.128.806	1.547.459	(1.128.806)	(1.547.458)
Intangible Fixed Assets	9.720	-	5.278	7.803	4.442	(7.803)
Provisions for devaluated inventories	59.534	73.186	-	-	59.534	73.186
Receivables clients	239.327	178.419	-	-	239.327	178.419
Provisions for employees' termination benefits	345.144	358.784	-	-	345.144	358.784
Readjustment of Fixed Assets	-	-	255.890	391.879	(255.890)	(391.879)
Subsidies for Fixed Assets	2.410	-	-	2.230	2.410	(2.230)
Other Provisions	187.158	56.239	47.695	58.746	139.464	(2.506)
Other	59.810	25.831	-	-	59.810	25.831
Total deferred tax	903.104	692.460	1.437.668	2.008.117	(534.564)	(1.315.657)

Correspondingly, the amounts for the Company are mentioned below :

COMPANY	Receivables		Liabilities		Net Amount	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Tangible Fixed Assets	-	-	1.026.645	1.377.862	(1.026.645)	(1.377.862)
Intangible Fixed Assets	9.720	-	-	1.832	9.720	(1.832)
Provisions for devaluated inventories	55.861	40.041	-	-	55.861	40.041
Receivables clients	239.327	178.419	-	-	239.327	178.419
Provisions for employees' termination benefits	313.430	326.828	-	-	313.430	326.828
Readjustment of Fixed Assets	-	-	255.890	368.902	(255.890)	(368.902)
Subsidies for Fixed Assets	2.410	-	-	2.230	2.410	(2.230)
Other Provisions	158.981	22.347	-	21.231	158.981	1.116
Other	-	-	-	-	-	-
Total deferred tax	779.729	567.635	1.282.535	1.772.057	(502.806)	(1.204.422)

Regarding deferred taxation, movements of the year were the following:

GROUP	Balance 1 Jan. 07	Charge in Results	Change in Equity	Exchange rate difference	Balance 31 Dec. 07
Tangible Fixed Assets	(1.394.517)	(152.694)	-	(247)	(1.547.458)
Intangible Fixed Assets	1.996	(9.670)	-	(129)	(7.803)
Provisions for devaluated inventories	33.238	39.948	-	-	73.186
Provisions for employees' termination benefits	355.002	(176.583)	-	-	178.419
Deprofitization of Inventories	305.434	53.071	-	279	358.784
Readjustment of Fixed Assets	(14.940)	-	(376.939)	-	(391.879)
Subsidies for Fixed Assets	(1.536)	(694)	-	-	(2.230)
Provisions for doubtful receivables	15.133	(19.344)	-	1.704	(2.506)
Other	12.142	12.686	-	1.003	25.831
Total deferred tax	(688.048)	(253.280)	(376.939)	2.610	(1.315.657)

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GROUP	Balance 1 Jan. 08	Charge in Results	Change in Equity	Exchange rate difference	Balance 31 Dec. 08
Tangible Fixed Assets	(1.547.458)	425.989	-	1.166	(1.120.303)
Intangible Fixed Assets	(7.803)	11.888	-	358	4.443
Provisions for devaluated inventories	73.186	(13.652)	-	-	59.534
Provisions for employees' termination benefits	178.419	60.908	-	-	239.327
Deprofittization of Inventories	358.784	(12.700)	-	(940)	345.144
Readjustment of Fixed Assets	(391.879)	22.977	104.510	-	(264.392)
Subsidies for Fixed Assets	(2.230)	4.640	-	-	2.410
Provisions for doubtful receivables	(2.506)	146.164	-	(4.194)	139.464
Other	25.831	36.278	-	(2.299)	59.810
Total deferred tax	(1.315.657)	682.492	104.510	(5.909)	(534.564)

The respective amounts for the Company are presented at the following table.

COMPANY	Balance 1 Jan. 07	Charge in Results	Change in Equity	Exchange rate difference
Tangible Fixed Assets	(1.278.624)	(99.238)	-	(1.377.862)
Intangible Fixed Assets	6.437	(8.269)	-	(1.832)
Provisions for devaluated inventories	32.614	7.427	-	40.041
Receivable clients	355.002	(176.583)	-	178.419
Provisions for employees' termination benefits	281.401	45.427	-	326.828
Readjustment of Fixed Assets	(14.940)	-	(353.962)	(368.902)
Subsidies for Fixed Assets	(1.536)	(694)	-	(2.230)
Other Provisions	(16.573)	17.689	-	1.116
Others	-	-	-	-
Total deferred tax	(636.219)	(214.241)	(353.962)	(1.204.422)

COMPANY	Balance 1 Jan. 07	Charge in Results	Change in Equity	Exchange rate difference
Tangible Fixed Assets	(1.377.862)	359.720	-	(1.018.143)
Intangible Fixed Assets	(1.832)	11.552	-	9.720
Provisions for devaluated inventories	40.041	15.820	-	55.861
Receivable clients	178.419	60.908	-	239.327
Provisions for employees' termination benefits	326.828	(13.398)	-	313.430
Readjustment of Fixed Assets	(368.902)	-	104.510	(264.392)
Subsidies for Fixed Assets	(2.230)	4.640	-	2.410
Other Provisions	1.116	157.865	-	158.981
Others	-	-	-	-
Total deferred tax	(1.204.422)	597.107	104.510	(502.806)

11. INVENTORY

The inventories of the Group and the Company are analyzed below:

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Finished and semi-finished products	6.709.623	4.784.194	5.467.376	3.926.674
Raw material and other production materials	13.684.834	12.397.132	10.442.886	9.996.973
Commodities	8.150.703	7.093.948	6.214.269	5.888.163
Minus: Intercompany Inventories	(751.326)	(691.178)	-	-
Minus: Provision for devaluation of Inventories	(253.455)	(295.975)	(248.272)	(160.162)
Total	27.540.379	23.288.121	21.876.259	19.651.648

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Trade commodities that belong to Parent Company totaled approximately 248,3 th. euros and others that belong to "KLEEMAN LIFTOVI", totaled approximately 5,2 th. euros, mainly of amount 253 th. euros approximately, remain immobilized for more than one year and therefore a provision for their devaluation has been calculated.

There are not real or other encumbrances on the Group's total Inventories

12. OTHER LONG-TERM RECEIVABLES

Other long-term receivables of the Group and the Company are analyzed below:

For the notes receivables of long-term expiry, they were brought to present value terms and as a

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Notes Receivables of long-term expiry	859.873	350.544	822.482	350.544
Other long-term receivables	108.788	158.562	78.698	90.962
	968.661	509.106	901.180	441.506

result, the profit and loss statement was encumbered with 66.944 euros (2007: 35.574 euros).

13. RECEIVABLES CLIENTS

Receivables Clients of the Group and the Company include the following :

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Clients	48.072.865	43.938.289	42.257.089	38.988.133
Minus: provision for doubtful clients	(1.418.155)	(785.006)	(1.279.945)	(353.764)
Post-dated Checks Receivables	31.217.499	25.822.491	23.950.642	20.110.722
Minus: provision for doubtful	(523.320)	(498.358)	(478.477)	(498.358)
Notes Receivables	4.186.923	1.626.982	2.441.081	1.625.582
Minus: provision for doubtful	(718.344)	(538.011)	(359.483)	(538.011)
Intercompany Receivables	(7.235.858)	(4.287.571)	-	-
TOTAL	73.581.610	65.278.816	66.530.907	59.334.304

14. OTHER RECEIVABLES

Other Receivables for the Group and the Company are analyzed below:

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Various Debtors	478.163	1.799.272	316.689	1.762.711
Accounts for management of prepayments & credits	46.228	57.805	24.828	23.693
Expenses of next years	56.018	235.581	56.018	-
Purchases under delivery	546.584	768.766	546.584	768.766
Short-term receivables	187.516	2.248	-	-
Orders from abroad	338	154.301	-	100.000
Other	234.212	2.069	16.674	2.069
Total	1.549.059	3.020.043	960.793	2.657.240

15. CASH AND CASH EQUIVALENTS

Cash and cash equivalents of the Group and the Company are mentioned below:

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	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Cash Balance	91.055	128.466	73.020	82.995
Bank Deposits	7.635.052	5.838.340	5.002.270	4.449.971
Total	7.726.107	5.966.806	5.075.290	4.532.965

The bank deposits consist of short term bank deposits and term deposits.

16.SHARE CAPITAL AND RESERVES

The share Capital of the Company amounts to € 7.804.071 (Note 1) and consists of 23.648.700 common registered shares with a nominal value of € 0,33 each.

Reserves of the Group and the Company were formed as below:

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
<u>Share premium</u>	22.271.083	26.173.118	22.271.083	26.173.118
<u>Other Reserves</u>				
Regular Reserve	1.582.805	1.506.243	1.329.999	1.329.999
Specially taxed Reserves	8.290.000	5.250.000	7.900.000	4.900.000
Specially tax-free Reserves	730.429	730.429	730.429	730.429
Contingency Reserve	65.856	65.856	65.856	65.856
Differences from readjustment in the value of other assets	1.989.806	1.885.296	1.866.803	1.762.293
Tax-free Reserves of developmental Laws	19.412.864	17.233.367	18.566.062	16.458.087
Reserves free of income taxation	837.751	837.751	835.142	835.142
Reserves from specially taxed Revenues	68.250	68.250	68.250	68.250
Total	32.977.761	27.577.193	31.362.541	26.150.056

Share premium

The share premium accrued from the issue of shares to cash, of value bigger than their nominal value, at the fiscal years 1999 and 2000.

Regular Reserve

According to Greek Legislation, the companies are obliged, from their yearly profits, to retain 5% as an ordinary reserve until it reaches 1/3 of their initial paid-up share capital. During a company's life-cycle the distribution of its ordinary reserve is prohibited.

Specially taxed Reserves

Specially taxed Reserves concern undistributed earnings of which an amount of 960.000 euros concerns cover of owned participation in a subsidized investing plan of the Law 3299/04, an amount of 440.000 euros concerns cover of owned participation in a subsidized investing plan of Measure 6.5 and an amount of 6.500.000 euros which is formed in the fiscal years 2007 (3.500.000 euros) and 2008 (3.000.000 euros), concern a voluntary special Reserve for investment purposes.

Specially tax-free Reserves

Specially tax-free Reserves concern undistributed earnings of the Law v. 3220/03 for investment purposes of at least equal value, within the next three years from the time that it was formed. In the case of distribution, this amount will be taxed at the rate prevailing at the time of distribution.

Contingency Reserve

Contingency Reserve concerns undistributed, untaxed earnings and it was formed according to the provisions of the Law v. 1892/90, for the purpose of covering owned participation in subsidized investing plans, which are included in the provisions of this Law. In the case of distribution, this amount will be taxed at the rate prevailing at the time of distribution.

Differences from readjustment in the value of other assets

It concerns a Reserve which aroused from the re-estimation in the value of Real Estate (Land) at fair value, according to IAS 16.

Tax-free Reserves of developmental Laws

Tax-free Reserves concern undistributed earnings, which, according to developmental laws, are free of taxation, for investments which have taken place, based on the provisions of the Laws v.1828/89, v. 1892/90, v. 2601/98 and v. 3299/04 (on the condition that there are adequate earnings, for the creation of these Reserves, remaining from the earnings balance, after the dividend distribution and their proportionate taxes). In the case of distribution, this amount will be taxed at the rate prevailing at the time of distribution.

Reserves free of income taxation

Reserves that are free of income taxation concern revenues from bank interests. In the case of distribution, this amount will be taxed at the rate prevailing at the time of distribution.

Reserves from specially taxed Revenues

Reserves from specially taxed Revenues concern revenues from interests and tax withholding has been applied in source. Beyond the prepaid taxes, these Reserves are liable to taxation, according to current tax rate, in case of their distribution.

For the above untaxed Reserves, there are not any deferred taxes to be recorded, in case they are distributed.

17. LOANS

Analytically, the long-term loans concern four bond loans, the expiration date of which is presented at the Note 33.3, and the short-term loans of the Group and the Company are the following:

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Short-term loans	16.100.000	2.971.836	12.000.000	1.000.000
Long-term loans	24.500.000	25.000.000	24.500.000	25.000.000
Total	40.600.000	27.971.836	36.500.000	26.000.000

The total loans, short-term and long-term are in euro and the duration of bond loans is presented in the Note 33.3.

The real interest rates are as follows:

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Short-term loans	5,3%	5,4%	5,3%	5,4%
Long-term loans	2,3%	5,0%	2,3%	5,0%

In addition, the Group maintains approved bank credit totally valued up to € 71 millions, of which has been used € 25 millions for the issue of four bonded loans and, approximately, € 16 millions in the form of short term bank loans.

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The exposure of debt liabilities of Group to interest rate changes and the conventional date of re-measurement restricts to a maximum period of 180 days for the bond loans and to 30-90 days for the short-term bank loans.

The fair value of these loans approaches their accounting value at the date of balance sheet, as the impact of discount is not material. The fair value has been estimated using cash flows, which have been discounted using an interest rate relevant to current flexible interest rates.

The interest of loans that credited to Group's Income Statement is as follows:

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Short-term loans	407.890	1.052.237	309.903	969.223
Long-term loans	1.331.519	148.472	1.331.519	148.472
	1.739.409	1.200.709	1.641.422	1.117.695

18. LIABILITIES FROM EMPLOYEES' TERMINATION BENEFITS

Liabilities of the Group and the Company that arise from employees' termination benefits are the following:

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Present value of non-financed liabilities	1.360.891	1.410.850	1.204.419	1.251.285
Non-registered actuarial (profits) / losses	385.222	30.098	362.731	56.028
Liability in Balance Sheet	1.746.113	1.440.948	1.567.150	1.307.313
Alterations in net liability recognized in Balance Sheet				
Net liability in the beginning of the year	1.440.948	1.225.113	1.307.313	1.125.607
Benefits paid	(39.901)	(129.966)	(19.010)	(91.895)
Total expense recognized in Results	345.237	345.803	278.847	273.601
Exchange rate differences	(170)	(2)	-	-
Present value of liability in the end of the period	1.746.113	1.440.948	1.567.150	1.307.313
Cost of current employment	265.580	245.165	213.347	198.770
Interest in liability	66.147	59.794	59.876	55.505
Expenses & depreciation of actuarial loss	(4.089)	2.194	-	683
Total expense recognized in Results	327.638	307.154	273.223	254.958

The assumptions based on which the actuarial plan was based, for the calculation of provision, are mentioned below:

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Discounting Rate	5,7%	4,8%	5,7%	4,8%
Future increases of salaries	5,0%	5,0%	5,0%	6,0%
Average future duration of working life	20,59	21,28	20,60	21,30

19. SUPPLIERS

Dues to Suppliers for the Group and the Company are the following:

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Suppliers	13.414.353	14.459.402	5.438.279	9.128.449
Checks payables	4.486.907	4.744.871	2.937.191	2.965.641
Notes payables	-	15.437	-	15.437
Inter-company liabilities	(7.235.858)	(4.287.571)	-	-
Total	10.665.402	14.932.138	8.375.470	12.109.526

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20. OTHER SHORT-TERM LIABILITIES

Other short-term liabilities are analyzed below:

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Various Creditors	162.325	330.886	114.977	188.278
Dividends	68.774	176.156	68.774	76.156
Insurance Organizations	1.305.925	1.217.814	1.092.301	1.040.852
Others	29.392	-	-	-
Accrued expenses	573.589	240.070	523.036	225.428
Total	2.140.005	1.964.927	1.799.088	1.530.715

21. OTHER LONG-TERM LIABILITIES

Other long-term liabilities for the Group and the Company are formed as below:

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Notes payables (Long-term)	64.952	61.215	-	-
Subsidies for investments in Fixed Assets	916.196	630.063	13.359	9.646
Others	2.546	-	-	-
Total	983.695	691.278	13.359	9.646

22. SALES

Sales of the Group and the Company, excluding intercompany amounts, consist of the following figures:

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Finished and semi-finished products	47.056.866	64.931.609	32.505.874	63.026.984
Commodities	66.019.421	37.367.825	65.720.518	28.090.158
Raw materials	4.024.514	3.824.648	4.056.200	3.783.961
Services	396.631	447.470	434.980	357.289
Total	117.497.432	106.571.552	102.717.573	95.258.392

23. OTHER INCOME / (EXPENSES)

Other income / (expenses) of the Group and the Company are analyzed below :

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Subsidies & Revenues from various sales	391.260	312.468	353.513	275.495
Revenues from subsequent activities	872.703	558.005	780.784	533.227
Revenues from provisions of previous years	159.883	618.816	136.256	454.743
Exchange Rate differences	2.787.211	640.604	-	-
Insurance compensations	55.153	-	55.153	-
Returns from trial processes	80.000	-	80.000	-
Other Revenues	45.228	10.819	40.991	-
Revenues & Expenses of previous years	82.891	(93.846)	(91.066)	(83.829)
Total Income	4.391.438	2.140.712	1.446.697	1.263.465
Extraordinary & non-organic results	(388.141)	(5.901)	(176.484)	32.436
Exchange Rate differences	(2.404.695)	(796.821)	-	-
Intra-group eliminations	(160.535)	(61.469)	-	-
Total Expenses	(2.953.371)	(864.191)	(176.484)	32.436
Total Other income / (expenses) (net)	1.520.958	1.182.676	1.179.146	1.212.073

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24. EXPENSES

The expenses that are included in the Financial Statements of the Group and the Company are as follows:

	Cost of Sales	Selling Expenses	Administration Expenses	Research & Development Expenses	Total
GROUP 2007					
Employees' Benefits	13.764.469	6.719.798	2.529.646	810.790	23.824.703
Cost of consumption of inventories	70.347.595	-	-	-	70.347.595
Depreciation	1.124.164	443.261	84.000	74.344	1.725.768
Other Expenses	1.490.217	6.301.726	1.762.615	427.913	9.982.471
De-profitization of inventories	107.512	-	-	-	107.512
Other consolidation registrations	(16.413.731)	-	(61.469)	-	(16.475.200)
Total	70.420.227	13.464.784	4.314.793	1.313.047	89.512.850
GROUP 2008					
Employees' Benefits	14.924.714	8.607.028	2.852.402	997.163	27.381.307
Cost of consumption of inventories	80.347.683	-	-	-	80.347.683
Depreciation	1.194.492	542.711	164.305	80.357	1.981.865
Other Expenses	2.382.042	7.715.182	2.154.390	236.099	12.487.713
De-profitization of inventories	60.148	-	-	-	60.148
Other consolidation registrations	(21.217.674)	-	(112.535)	-	(21.330.210)
Total	77.691.404	16.864.921	5.058.562	1.313.619	100.928.506
COMPANY 2007					
Employees' Benefits	11.261.632	5.873.863	1.991.348	810.791	19.937.634
Cost of consumption of inventories	52.712.309	-	-	-	52.712.309
Depreciation	845.824	370.047	53.331	73.318	1.342.519
Other Expenses	1.024.163	5.522.273	1.238.216	413.807	8.198.459
Total	65.843.927	11.766.183	3.282.895	1.297.916	82.190.921
COMPANY 2008					
Employees' Benefits	11.550.357	7.434.017	2.293.779	997.163	22.275.316
Cost of consumption of inventories	57.167.044	-	-	-	57.167.044
Depreciation	815.941	453.922	114.104	79.312	1.463.278
Other Expenses	1.902.784	6.823.700	1.417.965	222.441	10.366.890
Total	71.436.126	14.711.638	3.825.848	1.298.916	91.272.528

25. PERSONNEL EXPENSES

Payroll Costs included in Financial Statements is analyzed below:

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Wages and salaries	21.231.024	18.406.241	17.196.992	15.329.228
Employers' contributions	5.528.763	4.833.373	4.589.969	4.132.174
Other benefits granted to employees	580.121	526.796	469.345	457.799
Compensations due to dismissal	41.398	58.293	19.010	18.433
Total payment cost	27.381.307	23.824.703	22.275.316	19.937.634
Provision for employees' termination benefits	430.477	447.173	380.277	255.167
Total Payment Expenses	27.811.784	24.271.876	22.655.593	20.192.801
Expenses included in production	14.924.714	13.764.469	11.550.357	11.261.632
Expenses included in selling & distribution	8.607.028	6.719.798	7.434.017	5.873.863
Expenses included in administration	2.852.402	2.529.646	2.293.779	1.991.348
Expenses included in Research & Development	997.163	810.790	997.163	810.791
Total	27.381.307	23.824.703	22.275.316	19.937.634

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26. FINANCIAL INCOME / (EXPENSES) (NET)

Financial income / (expenses) (net) of the Group and the Company were formed as below :

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Income from Interests	108.849	37.866	87.989	37.866
Other financial Income (expenses)	(187.977)	(1.558)	-	-
Interest expenses	(1.940.467)	(1.355.969)	(1.753.285)	(1.249.666)
Total	(2.019.596)	(1.319.662)	(1.665.296)	(1.211.800)

27. INCOME TAX

27.1 GREEK COMPANIES

According to the provisions of the law 3697/2008, the current tax rate of 25% of profits applied is being decreased gradually by a percentage unit every year, from the fiscal year 2010 to 2014, when will be 20%.

Greek Tax Legislation and the relevant regulations are subject to interpretations by tax authorities. Income tax statements are registered, on an annual basis, but profits or losses presented for tax purposes, remain temporarily at the proper financial Conservancy, until tax authorities examine all tax statements and books of tax payer and relative tax liabilities are finalized, based on these audits. Tax losses, at the level they are recognized by tax authorities, can be used for compensation of profits for the five subsequent fiscal years, following the referred fiscal year.

Pursuant to the provisions of the Greek Tax Legislation, companies pay an income tax down payment each year, which is estimated at 80% on the income tax of the current fiscal year. When the tax is settled in the next fiscal year, any excess amount that is paid in advance is returned to the company after the tax audit.

Parent Company and its subsidiary in Greece, KLEFER SA, have not been audited by tax authorities, for the fiscal years 2005 to 2008. Therefore, tax liabilities of the above companies, are not finalized for both the unaudited years and the period ended on 31 December 2008. In addition, the newly-established subsidiary company MODA CABINA S.A. has not been audited by tax authorities, due to the fact that its first fiscal year ends up at 31.12.2008.

27.2 FOREIGN COMPANIES

Foreign subsidiaries have not been audited, from tax authorities for the following years, for which there is a possibility of imposing additional taxes and surcharges, at the time that they will be examined and finalized.

	Unaudited Years	Corporate Tax	Tax at distributed
KLEEMANN ASANSOR S.A.	2004-2008	20%	15%
KLEEMANN LIFTOVI D.o.o.	2007-2008	10%	20%
KLEEMANN LIFT RO S.R.L.	2006-2008	16%	10%

It is pinpointed that at the current period the tax audit of the fiscal years 2005 and 2006 of the subsidiary KLEEMANN LIFTOVI D.o.o was finalized and it didn't arise significant encumbrance.

It has to be noted that in Turkey and Romania, where the Group is activated in through its subsidiaries, does not being realized audit from the tax authorities. The authorities have the right to audit the accounting books of the Company for a specific time period, only when there is a reason or doubt for malpractice. As a result, the expression "unaudited fiscal year" for the specific subsidiaries is not applicable.

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27.3 ESTIMATION OF INCOME TAX

Pursuant to Law 3296/2004 the income tax rate was 29% in 2006, while for the period 2007 and afterwards is 25% and is analyzed as:

	GROUP		COMPANY	
	1 January to 31.12.2008	31.12.2007	1 January to 31.12.2008	31.12.2007
Current income Tax	3.610.843	3.346.511	2.388.691	2.413.101
Tax Provisions of tax audit	315.691	-	220.000	-
Deferred Tax	(682.492)	253.279	(597.107)	214.241
Total	3.244.042	3.599.790	2.011.584	2.627.342

The tax basis has been increased by the non-deducted expenses and the presumable accounting differences of tax audit. The tax of profits of the Group and the Company, differs from the notional amount that would have accrued using the weighed average tax rate, on profits. Additionally, the real tax rate for the Group, is formed from the different tax factors applied at the countries that the Group is activated, too.

The Company and its subsidiary KLEFER have been audited by the tax authorities until the fiscal year 2004. Despite the fact that the outcome of the tax audit cannot be forecasted reliably, the specific companies, using statistical figures from tax audits of previous tax audited fiscal years, have formed for the first time at the current period, tax provision of tax audit for the potential tax liabilities that will be occurred by the tax audit of the unaudited fiscal years, which amounts to 220.000 Euros totally for the Group and to 300.000 Euros for the Company and it encumbered their results.

Agreement of Real Tax Rate:

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Earnings before taxes	15.434.012	16.941.532	10.682.690	13.343.398
Theoretical Tax, 25%	3.858.503	4.235.383	2.670.673	3.335.850
Impact of foreign tax Rates (decrease of tax Rates)	(156.638)	(237.397)	-	-
Non – deducted expenses	122.421	157.778	47.104	138.250
Tax-free Revenues	(595.206)	(555.001)	(563.556)	(845.782)
Loss of subsidiary	210.325	-	-	-
Impact of change of future tax rate and tax readjustment of fixed assets	(639.337)	-	(472.028)	-
Differences of tax audit	15.691	-	-	-
Provisions of unaudited fiscal years	300.000	-	220.000	-
Tax on properties	23.694	(973)	4.801	(973)
Impact of deferred tax in equity	104.590	-	104.590	-
Real tax encumbrance	3.244.043	3.599.790	2.011.584	2.627.342
Real tax encumbrance Rate	21,0%	21,2%	18,8%	19,7%

28. CASH FLOWS FROM OPERATING ACTIVITIES

Cash generated from operations, which is included in cash flows statement, is analyzed in the table below:

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	GROUP		COMPANY	
	From 1 January to		From 1 January to	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Profit of the year	15.434.012	16.941.533	10.682.690	13.343.399
Adjustments for:				
Depreciation	1.978.233	1.725.768	1.463.572	1.342.519
Increase / (decrease) in provisions	740.521	(229.391)	867.009	(281.033)
Increase / (decrease) in the liability for employees' termination benefits	314.445	214.443	259.837	181.706
Exchange rate differences	(844.869)	184.449		
(Profits) / losses from sale of Fixed Assets	13.515	528.453	8.307	528.453
(Profits) / losses from sale of Participation & Securities	650.431	82.100	650.431	82.100
Interest Expenses	1.902.913	1.271.154	1.686.342	1.167.566
(Income) from Dividends	(107.307)	(62.553)	(448.060)	(315.476)
Subsidies for Fixed Assets of the period	286.134	(76.885)	3.713	(25.132)
	20.368.028	20.579.071	15.173.842	16.024.101
Changes in operating items				
(Increase) / Decrease of Inventories	(4.237.158)	(4.718.501)	(2.312.721)	(3.915.472)
(Increase) / Decrease of Receivables	(7.932.297)	(12.811.427)	(6.705.829)	(11.702.021)
Increase / (decrease) of Liabilities	(4.160.575)	3.208.594	(3.979.229)	2.862.329
	(16.330.030)	(14.321.334)	(12.997.780)	(12.755.163)
Cash flows from operating activities	4.037.998	6.257.737	2.176.062	3.268.938

29. EARNINGS PER SHARE

Basic Earnings per share are calculated by dividing net profit, attributable to shareholders of the Parent Company, with the weighted average number of common shares, in circulation, during the year, excluding the owned common shares that were purchased by the company (owned shares).

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Earnings attributed to shareholders of Parent Company	10.304.937	11.983.679	8.671.106	10.716.057
Weighted average number of shares (in thousands)	23.648.700	23.648.700	23.648.700	23.648.700
Basic Earnings per share	0,4358	0,5067	0,3667	0,4531

30. DIVIDENDS

Pursuant to Greek Legislation, companies are obligated to distribute to their shareholders a dividend equal to at least 6% of their paid-up capital or 35% of the profits that arise from their accounting logs (published financial statements) after the relative income tax and statutory reserve is deducted, provided this is greater than 6% of the paid-up capital. In spite of the above, companies may not distribute dividends following the unanimous agreement of their shareholders.

A dividend, which is lower than 35% of profit after taxes, but higher than 6% of paid up share capital can be announced and be paid, with the approval of 70% of shareholders. Following the unanimous agreement of its shareholders, it is not necessary for the Company to announce a dividend.

Dividends that were distributed in 2007 amounted to 0,16 euros per share. The proposed dividend from the profits of fiscal year 2008 amounts to 0,12 euros per share or 2.837.844 euros.

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31. COMMITMENTS, CONTINGENT LIABILITIES AND RECEIVABLES

31.1 COMMITMENTS

Operating leases concern automobile leases. According to the specific contracts, the Group is obliged to fulfill the duration of the lease, as this is determined by every contract. On a different occasion, it will be encumbered with the relevant clauses for premature cease.

Liabilities of the group and the Company that arise from operating leases that can not be cancelled are mentioned below:

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Between one and five years	345.932	483.904	269.472	380.474
More than five years	-	-	-	-
Total	345.932	483.904	269.472	380.474

31.2 CONTINGENT LIABILITIES / RECEIVABLES

The Group has potential liabilities in relation with banks, other guarantees and other issues that arise in the framework of its ordinary activity. The group does not expect to be encumbered significantly by the potential liabilities, nor additional payments, after the date of drawing the specific Financial Statements.

Against the credit limits that have been granted by the banks to the Company, it has not been granted any tangible security. The Company grants financial guarantees to its subsidiaries for the granting of bank credits and fixed assets purchasing, that up to 31 December 2008, concerns guarantee of to 3 mil. euros to the subsidiary MODA CABINA for loan receiving.

The granted letters of guarantee of the Group to suppliers and the Greek State at 31 December 2008 amount to 510,9 th. euros and 50,6 th. euros respectively, whereas at 31 December 2007 the figures were 296,8 th. euros and 50,5 th. euros respectively.

Unaudited tax years Note **27.3**

Tax-free reserves Note **16**

There are no unsettled judicial and arbitral cases or contingent liabilities, which may cause significant consequences on the financial status of both the Group and Company.

32. TRANSACTIONS WITH AFFILIATED ENTITIES

The Company, its subsidiaries, its associate companies, Management with the highest Officials and their direct relatives are considered to be the affiliated parties of the Group. Affiliated parties concern companies with common ownership status and/or Management, with the Company and Companies that are related with it.

The Company purchases goods (mainly elevator doors on cost basis plus profit margin) and maintenances and goods from affiliated parties, while it offers and sells maintenances and goods (mainly commodities and products) to them. All the above transactions are being done on cost basis, plus profit.

The transactions with affiliated entities are presented in the following table:

	Purchases - Expenses		Sales - Revenues	
COMPANY	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Group Companies	10.224.815	8.780.525	8.489.612	6.057.259
B.o.D Members.	222.900	218.000	2.541	3.524
Highest Officials	1.324.032	1.144.354	3.137	2.901
Affiliated Companies	236.731	427.841	3.348.389	3.904.382
Total	12.008.479	10.570.720	11.843.679	9.968.065

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Group Companies	322.624	296.548	2.541	3.524
B.o.D Members.	1.636.827	1.513.735	3.137	2.901
Highest Officials	2.742.116	2.760.596	6.739.974	6.773.318
Affiliated Companies	4.701.567	4.570.879	6.745.652	6.779.742

COMPANY

	Liabilities to:		Receivables from :	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
KLEFER S.A.	682.792	802.991	3.802	141.153
KLEEMANN ASANSOR S.A.	73.112	82.097	3.844.619	1.936.012
KLEEMANN LIFTOVI D.o.o.	-	-	723.471	586.888
KLEEMANN LIFT RO SRL	10.186	-	588.189	79.489
B.o.D Members	21.792	-	1.021	1.370
Highest Officials	4.500	-	639	657
Affiliated Companies	2	2	2.637	3.530
AMETAL	-	-	5.059	5.059
TECHNOLAMA	1.551	81.713	-	-
SKY LIFT	-	(11.469)	845.854	930.499
	793.934	955.334	6.015.290	3.684.658

GROUP

B.o.D Members	4.500	-	639	657
Highest Officials	11.886	7.177	2.637	3.530
Affiliated Companies	-	-	128.499	77.026
AMETAL	-	-	947.282	639.330
GROSSI	738.445	588.369	-	42.375
TECHNOLAMA	5.929	(11.469)	846.005	930.762
SKY LIFT	-	-	60.334	11.042
	760.760	584.077	1.985.397	1.704.722

The Board of Directors of the Company is consisted of the following:

1. Nikolaos K. Koukountzos, Chairman
2. Menelaos K. Koukountzos, Vice President and Managing Director
3. Konstantinos N. Koukountzos, member and General Manager
4. Stergios N. Georgalis, independent, non executive member
5. Dimitrios A. Daios, independent, non executive member

The total rewards that have been given to executive and non executive members of the Board of Directors, during 2008 come up to 207.900 euros and 15.000 euros, respectively.

33. FINANCIAL RISK MANAGEMENT

33.1 GENERAL

The Group's activities expose it to a variety of financial risks:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management

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policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Internal Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group Audit Committee is assisted in its oversight role by Internal Audit, Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

33.2 CREDIT RISK

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, have less of an influence on credit risk. The Group has no significant credit risk concentrations, while the sales mainly occur by clients with low receiving risk, it has been contracted a security of credits for sales abroad and there is a huge dispersion of balances, since there is no customer with a percentage higher than 5% of the total revenues of the Group. In addition, geographically there is no concentration of credit risk, except from Greece with a percentage of 82,5%.

The Group has an established Finance and Sales Department in order to exercise a credit policy under which each customer, both current customers and new, is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes the level of receivables and sales, as well as the investigation of bank references, when available.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, geographic location, aging profile, maturity and existence of previous financial difficulties.

The majority of traded goods (90%) are sold subject to retention of title clauses so that in the event of non-payment, the Group may have a secured claim. The Group does not require collateral in respect of trade and other receivables.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. The main components of this allowance a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. In any case, there is a continuous control of the creditworthiness of the big customers and by this way, the exposure to risk is limited, taking care of existing enough insurance limits at the big customers.

At 31.12.2008 it is estimated that there is not an essential credit risk, which is not already covered using insurance terms as a credit guarantee or by a provision of doubtful receivable.

For risk minimization in cash and cash equivalents, the Group transacts only with established financial institutes, of high credit level, of high credit graduation.

Investments

The Group limits its exposure to credit risk by only investing in fast liquidated securities (note 9).

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Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Held-to-maturity investmets	-	-	-	-
Financial assets at fair value through profit or loss	49.179	705.672	49.179	699.611
Loans and receivables	73.581.610	65.278.816	66.530.907	59.334.304
Other receivables	1.549.059	3.020.043	960.793	2.657.240
Cash and cash equivalents	7.726.107	5.966.806	5.075.290	4.532.965
	82.905.955	74.971.337	72.616.169	67.224.120

The maximum exposure to credit risk for trade receivables at the reporting date by geographic region was:

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Domestic	60.687.216	52.977.846	56.928.116	50.179.050
European Union	5.141.972	6.473.374	5.034.702	6.145.839
Other countries	7.752.422	5.827.596	4.568.089	3.009.415
	73.581.610	65.278.816	66.530.907	59.334.304

Impairment losses

The aging of trade receivables at the reporting date was:

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Past due 1-45 days	17.062.950	7.765.301	14.748.142	6.711.061
Past due 45-90 days	20.969.002	8.196.736	17.718.266	7.982.996
Past due 91-150 days	13.298.046	41.324.712	12.291.413	37.429.593
More than 150 days	22.251.612	7.992.067	21.773.086	7.210.654
	73.581.610	65.278.816	66.530.907	59.334.304

The movement in the allowance for impairment in respect of trade receivables during the year was as follows.

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Balance at 1 January	1.821.250	2.196.843	1.390.132	1.752.261
Impairment loss	838.568	(375.593)	727.772	(362.129)
Balance at 31 December	2.659.818	1.821.250	2.117.904	1.390.132

33.3 LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its obligations as they fall due. The Group's approach to managing liquidity is to ensure, in any case, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Prudent liquidity management is achieved by the appropriate combination of liquid assets and approved bank credit limits. The unused but approved bank credit limits of the Group, are adequate to confront any potential shortage in cash equivalents.

Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 30 days at least, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

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In addition, the Group maintains approved bank credit totally valued up to € 71 millions, of which has been used € 25 millions for the issue of four bonded loans and, approximately, € 16 millions in the form of short term bank loans.

On 31.12.2008, it is estimated that there is not any essential liquidity risk, which is not covered by the Group's cash or approved bank credit limits. The long-term loan of the Group and the Company is presented at its fair value, because the interest rates do not differ significantly.

GROUP

	31 December 2008						
	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Unsecured bank loans	24.500.000	27.291.200	309.500	309.500	2.107.000	17.020.200	7.545.000
Finance lease liabilities	48.294	83.716	10.984	10.984	43.934	17.814	-
Trade and other payables	10.665.402	10.665.402	10.665.402	-	-	-	-
Bank overdraft	16.100.000	16.100.000	16.100.000	-	-	-	-
Total	51.313.696	54.140.318	27.085.886	320.484	2.150.934	17.038.014	7.545.000

	31 December 2007						
	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Unsecured bank loans	25.000.000	31.855.200	622.000	622.000	2.963.500	17.952.700	9.695.000
Finance lease liabilities	69.856	92.279	12.395	12.395	49.675	17.814	-
Trade and other payables	14.932.138	14.932.138	14.932.138	-	-	-	-
Bank overdraft	2.971.836	2.985.705	2.985.705	-	-	-	-
Total	42.973.830	49.865.322	18.552.238	634.395	3.013.175	17.970.514	9.695.000

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

COMPANY

	31 December 2008						
	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Unsecured bank loans	25.000.000	30.611.200	622.000	1.122.000	2.719.500	18.352.700	7.795.000
Bank overdraft	8.375.470	8.375.470	8.375.470	-	-	-	-
Total	33.375.470	38.986.670	8.997.470	1.122.000	2.719.500	18.352.700	7.795.000

COMPANY

	31 December 2007						
	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Trade and other payables	25.000.000	31.855.200	622.000	622.000	2.963.500	17.952.700	9.695.000
Bank overdraft	12.109.526	12.109.526	12.109.526	-	-	-	-
Total	1.000.000	1.004.500	1.004.500	-	-	-	-

33.4 MARKET RISK

Market risk is defined as the risk associated with changes in the growth rate of construction activities as well as with changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

In market risk is included also the price of steel which is the main raw material used. Due to the fact that steel is traded in organised financial markets (commodity), its price is affected by the supply, the demand

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and the level of reserves in a global perspective. Among the acts of the Company in order to decrease the impact of the price of the raw material at the cost of production, consist the mass purchase of raw materials (economies of scale), the mass purchase of raw materials when their price is low, etc. The exposure of economic results of Group to the above risks is low.

Currency risk

The exposure of the Group to currency risk mainly derives from existing or expecting cash flows in foreign currency (imports / exports) as well as from investments in countries abroad. The specific risk is being confronted in the framework of approved policies.

The Group operates mainly in Europe and, therefore, the majority of its transactions is based on Euros. In addition, the operation that takes place apart from Europe is based on Euro clause, and therefore the exchange rate risk is minimized.

The whole of the loans of the Group have been taken in Euros and, hence, they are not exposed to currency risk.

Interest rate risk

The loan liabilities of the Group are based on agreed and set margins of interest rates, which according to the market conditions can be converted to fixed rates. As a result, the consequences of the fluctuations of the interest rates at the Income Statement and the Cash flows from operating activities of the Group are not important.

The Group's policy is to continuously observe the tendency of the interest rates, as well as the duration of the financial needs. According to the current conditions, the Group determines the relation between long-term and short-term bank loans.

The loan liabilities of Group are on a flexible rate basis, which can be maintain flexible or convert to fixed rate, according to market conditions. The flexible exchange rates are calculated based on Euribor plus spread.

The Group does not maintain commodity contracts, except from those required for the cover of needs using and selling. These contracts are not settled out by netting.

Fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amount shown in the balance sheet, are as follows:

	Carrying amount	Fair value	Carrying amount	Fair value
GROUP	31 December 2008		31 December 2007	
<i>Financial assets</i>				
Receivables	73.581.610	73.581.610	65.278.816	65.278.816
Other long term receivables	968.661	968.661	509.106	509.106
Cash and cash equivalents	7.726.107	7.726.107	5.966.806	5.966.806
<i>Financial liabilities</i>				
Long term loans	24.500.000	24.500.000	25.000.000	25.000.000
Short term loans	16.100.000	16.100.000	2.971.836	2.971.836
Other long term liabilities	983.695	983.695	691.278	691.278
Suppliers and other liabilities	10.665.402	10.665.402	14.932.138	14.932.138

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COMPANY	Carrying amount 31 December 2008	Fair value	Carrying amount 31 December 2007	Fair value
<i>Financial assets</i>				
Investments	2.617.391	2.617.391	2.387.391	2.387.391
Receivables	66.530.907	66.530.907	59.334.304	59.334.304
Other long term receivables	901.180	901.180	441.506	441.506
Cash and cash equivalents	5.075.290	5.075.290	4.532.965	4.532.965
<i>Financial liabilities</i>				
Long term loans	24.500.000	24.500.000	25.000.000	25.000.000
Short term loans	12.000.000	12.000.000	1.000.000	1.000.000
Other long term liabilities	13.359	13.359	9.646	9.646
Suppliers and other liabilities	8.375.470	8.375.470	12.109.526	12.109.526

34. BORROWING COST

The Group has applied the Amendment of IAS 23 for the first time at the current period, according to which, it is mandatory to capitalize the borrowing cost that concerns directly the acquisition, construction or manufacture of a fixed asset.

The borrowing cost, that has been capitalized during the specific period, amounts to 54.321 euros, which has influenced respectively the Income Statement and the Equity capital of the Group and the Company while the interest rate of capitalization that used is 5,67%.

35. EXISTENT REAL ENCUMBRANCES

There are not real or other encumbrances on the Group's Fixed Assets.

36. EVENTS AFTER THE BALANCE SHEET DATE

There are no important events, which affect the financial status and results of the Group and the Company, occurring after 31st December 2008.

Kilkis 23 March 2009

President of the Board of Directors	Managing Director	General Manager	Financial Manager
Nikolaos K. Koukountzos	Menelaos K. Koukountzos	Konstantinos N. Koukountzos	Christos N. Petides



KLEEMANN HELLAS S.A.

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

Head Offices: Industrial Area Stavrochori, Kilkis

CONDENSED FINANCIAL FIGURES AND INFORMATION FOR THE PERIOD

from 1st January 2008 to 31st December 2008

(published according to L. 2190/20, article 135 for companies that prepare annual financial statements, consolidated and non-consolidated, according to IFRS)

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 obtain the necessary information from the company's website, where the financial statements are available in accordance with International Financial Reporting Standards, together with the auditors' report, are presented.

Observing Authority

Ministry of Development, S.A. and Conviction Department

Web Site address of the Company:

www.kleemann.gr

Board of Directors Composition

President: Nikolaos K. Koukountzos,
Vice-President and Managing Director: Menelaos K. Koukountzos,
Member: Konstantinos N. Koukountzos,
Independent non – executive : Stergios N. Georgalis, Dimitrios A. Daios

Date of approval of annual Financial Statements

23 March 2009

Certified Auditor Accountant:

John A. Achilas (AM SOEL 12831)

Certified Auditors' Company

KPMG Certified Auditors S.A.

Type of Auditing Report:

Unqualified opinion

1.1 BALANCE SHEET FIGURES (annual consolidated and non-consolidated)

Amounts expressed in thousands Euros

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
<u>ASSETS</u>				
Tangible Assets for own use	34.714	31.637	27.622	24.625
Investment Property	360	386	287	294
Intangible Assets	633	479	574	425
Other Non -Current Assets	1.059	554	3.519	2.829
Inventories	27.540	23.288	21.876	19.652
Trade Receivables	73.582	65.279	66.531	59.334
Other Current Assets	9.324	9.693	6.085	7.890
TOTAL ASSETS	147.212	131.316	126.494	115.049
<u>CAPITAL AND LIABILITIES</u>				
Share Capital	7.804	3.902	7.804	3.902
Other Equity Capital	73.250	71.612	68.542	67.660
Shareholders' Equity Capital (a)	81.054	75.514	76.346	71.562
Minority Rights (b)	7.051	5.540	-	-
Total Equity Capital (c) = (a) + (b)	88.105	81.054	76.346	71.562
Long-term Bank Liabilities	24.500	25.000	24.500	25.000
Provisions / Other Long – Term Liabilities	3.354	3.493	2.083	2.521
Short term Bank liabilities	16.100	2.972	12.000	1.000
Other short - term Liabilities	15.153	18.797	11.565	14.966
Total liabilities (d)	59.107	50.262	50.148	43.487
TOTAL CAPITAL & LIABILITIES (c) + (d)	147.212	131.316	126.494	115.049

1.2 INCOME STATEMENT FIGURES OF THE YEAR (annual consolidated and non-consolidated)

Amounts expressed in thousands Euros.

	GROUP Continuing operation		COMPANY Continuing operation	
	01.01- 31.12.2008	01.01- 31.12.2007	01.01- 31.12.2008	01.01- 31.12.2007
Turnover	117.497	106.572	102.718	95.258
Gross Profits / (losses)	39.806	36.151	31.281	29.414
Profit / (loss) before tax, financial and investment results	18.090	18.241	12.624	14.280
Profit / (loss) before tax	15.434	16.942	10.683	13.343
Profit / (loss) after tax	12.190	13.342	8.671	10.716
<u>Attributable to</u>				
Equity holders of the parent Company	10.305	11.984	8.671	10.716
Minority Interest	1.885	1.358	-	-
Profit after Tax per Share –Basic (in Euros)	0,4358	0,5067	0,3667	0,4531
Proposed dividend per share– (in €)	-	-	0,1200	0,1600
Profit / (loss) before interest, tax, depreciation and amortization (EBITDA)	20.068	19.967	14.088	15.622

1.3 STATEMENT OF CHANGES IN EQUITY FIGURES OF THE YEAR (annual consolidated and non-consolidated)

Amounts expressed in thousands Euros

	GROUP		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Equity Capital in the beginning of the period (01.01.2008 and 01.01.2007 correspondingly)	81.053	70.230	71.562	63.530
Earnings after tax of the period (continuing and discontinued operations)	12.190	13.342	8.671	10.716
Increase / (decrease) of company Share Capital	-	75	-	-
Distributed dividends	(4.285)	(3.953)	(3.992)	(3.746)
Net Income straightly recognized in Equity	105	1.170	105	1.062
Acquisition of 30% of the share capital of KLEEMANN LIFT RO	(30)	-	-	-
Exchange Rate differences of subsidiaries	(929)	189	-	-
Equity Capital in the end of the period (31.12.2008 and 31.12.2007 correspondingly)	88.104	81.053	76.346	71.562

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1.4 CASH FLOW STATEMENT FIGURES OF THE YEAR (annual consolidated and non-consolidated)

Amounts expressed in thousands Euros

	GROUP		COMPANY	
	01.01- 31.12.2008	01.01- 31.12.2007	01.01- 31.12.2008	01.01- 31.12.2007
<u>Operating Activities</u>				
Profits before Tax (continuing operations)	15.434	16.942	10.683	13.343
Plus / minus adjustments for:				
Depreciation	1.978	1.726	1.464	1.343
Provisions	1.055	(15)	1.127	(99)
Exchange Rate differences	(845)	184	-	-
Results (revenues, expenses, profits and losses) from Investing Activities	843	471	214	270
Interest charged and relevant expenses	1.903	1.271	1.686	1.168
Plus / minus adjustments for alterations in working capital accounts or related with operating activities:				
Decrease / (increase) of Inventories	(4.237)	(4.719)	(2.313)	(3.916)
Decrease / (increase) of Receivables	(7.932)	(12.811)	(6.706)	(11.702)
(Decrease) / increase of Liabilities (except for bank Liabilities)	(4.161)	3.209	(3.979)	2.862
Minus:				
Interest payable and relevant expenses paid	(1.434)	(1.065)	(1.260)	(977)
Taxes paid	(3.828)	(2.947)	(2.658)	(1.910)
Total inflows / (outflows) from operating activities (a)	(1.224)	2.246	(1.742)	382
<u>Investing activities</u>				
Acquisition of subsidiaries, affiliated companies, joint – ventures and other investments	(24)	-	(230)	(425)
Purchase of tangible and intangible fixed assets	(5.257)	(7.000)	(4.513)	(4.559)
Receipts from sales of tangible and intangible fixed assets	35	18	16	-
Interests received	72	-	55	-
Dividends received	14	(49)	455	207
Total inflows / (outflows) from investing activities (b)	(5.160)	(7.031)	(4.217)	(4.777)
<u>Financing Activities</u>				
Receipts of share capital increase	-	75	-	-
Receipts from loans issued / undertaken	17.300	11.144	14.500	10.544
Repayment of loans	(4.672)	-	(4.000)	-
Dividends paid	(4.485)	(4.020)	(3.999)	(3.757)
Total Inflows / (outflows) from Financing Activities (c)	8.143	7.199	6.501	6.787
Net increase / (decrease) in cash and cash equivalents of the period (a) + (b) + (c)	1.759	2.414	542	2.392
Cash and cash equivalents at the beginning of the period	5.967	3.553	4.533	2.141
Cash and cash equivalents at the end of the period	7.726	5.967	5.075	4.533

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

1. Note 3.23 of the Group Financial Statements contains the names of all subsidiary companies and their related information (locations, participation percentage and consolidation method).

2. In the Balance Sheet of 31 December 2007, there has been a reclassification of fund. According to this reclassification, there has been a transfer of an amount from the Tangible Fixed Assets for own use to the Investments in Properties. Explicit description is being realized at the Note 3.22 of the Financial Statements. Also, as mentioned in note 27 of the Financial Statements, at the current period there has been realized for the first time, a Provision for the unaudited fiscal years of the Company and the Group's subsidiaries. In all other respects, the Annual Financial Statements of 31.12.2008 have been prepared in accordance with the accounting principles followed at the preparation of the Annual Financial Statements of the fiscal year ended on 31.12.2007.

3. 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 27 in the Financial Statements.

4. At 18 of March, the Company proceeded to the acquisition of 6.000 social parts of KLEEMANN LIFT RO S.R.L., with nominal value of 30.000 €, from the partner Aggelos Pamos, who resigned. The Note 9 of the Financial Statements includes details of the specific fact.

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 31.12.2008 are:

(amounts in th. euros)	<u>Group</u>	<u>Company</u>
a) for fiscal years unaudited by tax authorities	300	220
b) for other provisions relating to expenses	4.761	4.036

7. Number of employees at the end of the reporting fiscal year: Parent Company 804 (31.12.2007: 797), Group 1.020 (31.12.2007: 990).

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	6.746	11.844
b) Expenses	4.702	12.008
c) Receivables	1.985	6.015
d) Liabilities	761	794
e) Transactions and rewards of Highest Officials and members of the Management	1.965	1.553
f) Receivables from Highest Officials and members of the Management	3	3
g) Liabilities to Highest Officials and members of the Management	16	5

9. Profit per share, are calculated, by dividing net profit, attributable to parent company shareholders, with the new number of outstanding shares, which accrued from the share capital increase at the current period and it amounts to 23.648.700. The Note 1 of the Interim Financial Statements includes details of the specific fact.

10. No shares are owed either by the statutory company or any subsidiary of the Group at 31.12.2008.

11. There are not 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. In addition, there are no companies or/and partnerships that :

- have been included for the first time in the consolidated figures during the current fiscal year,
- have not been included in the consolidated figures of the current fiscal year but were included last year.

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12. At the fiscal year 2008 a revenue was registered directly at the Group's and Company's Equity of amount 105 th. euros, which resulted from a readjustment of fixed assets and a change in the tax rates used for deferred tax.

13. Investments for the fiscal year 2008 amounted to 5.367 th. euros (and 6.982 th. euros in 2007) for the Group and 4.626 th. euros in 2008 (and 4.574 th. euros in 2007), for the Company, respectively.

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

	GROUP		COMPANY	
	From 1 January to		From 1 January to	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Current Income Tax	3.611	3.347	2.389	2.413
Tax of previous fiscal years	16	-	-	-
Tax Provisions of tax audit	300	-	220	-
Deferred Tax	(682)	(253)	(597)	214

Industrial Area of Stavrochori, Kilis 23 March 2009

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

I.D. NUMBER: AB 454713

I.D. NUMBER: AB
454710

I.D. NUMBER: AE 171629

N. OF 1ST CLASS LICENSE:
20384

**REPORT OF ARTICLE 2, PAR. 4 OF LAW 3016/2002
ABOUT THE COMPANY'S TRANSACTIONS OF THE FISCAL YEAR 2008
WITH ITS RELATED PARTIES**

According to the provisions of the par. 4, article 2 of the law 3016/2002, we present to you the transactions of the company "KLEEMANN HELLAS S.A." with its related parties. According to the article 42e par. 5 of the law 2190/1920, the related parts to the parent company at 31 of December 2007 are the following:

COMPANY NAME:	RELATION TO THE PARENT	GROUP PERCENTAGE	METHOD OF CONSOLIDATION
KLEFER S.A.	DIRECT	50%	FULL
KLEEMANN ASANSOR S.A.	DIRECT	70%	FULL
KLEEMANN LIFTOVI D.o.o	DIRECT	60%	FULL
KLEEMANN LIFT RO S.R.L.	DIRECT	100%	FULL
MODA CABINA S.A.	DIRECT	85%	FULL

The transactions that the company "KLEEMANN HELLAS S.A." realized with its above-mentioned subsidiaries during the fiscal year of 2007 according to the IFRS were the following (amounts in €) :

COMPANY	RECEIVABLES	LIABILITIES	REVENUES	EXPENSES
KLEFER S.A.	3.802	682.792	66.595	9.812.066
KLEEMANN ASANSOR S.A.	3.844.619	73.112	4.540.614	36.384
KLEEMANN LIFTOVI D.o.o	723.471	-	2.463.385	35.420
KLEEMANN LIFT RO S.R.L.	588.189	10.186	1.182.426	10.018
MODA CABINA S.A.	1.021	21.792	236.592	330.927
TOTAL	5.161.101	787.881	8.489.612	10.224.815

Industrial Area Kilkis 23 March 2009

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

INFORMATION ACCORDING TO ARTICLE 10 OF LAW 3401/2005

The following Announcements/Notifications have been sent to the Daily Official List Announcements and are posted to the Athens Exchange website as well as to our Company's website www.kleemann.gr

Date	Subject
22/12/2008	Announcement for insider trading
22/12/2008	Announcement for insider trading
15/12/2008	Announcement for insider trading
15/12/2008	Announcement for insider trading
11/12/2008	Announcement for insider trading
11/12/2008	Announcement for insider trading
08/12/2008	Announcement for insider trading
08/12/2008	Announcement for insider trading
04/12/2008	Announcement for insider trading
04/12/2008	Announcement for insider trading
03/12/2008	Announcement for insider trading
03/12/2008	Announcement for insider trading
02/12/2008	Announcement for insider trading
02/12/2008	Announcement for insider trading
01/12/2008	Announcement for insider trading
01/12/2008	Announcement for insider trading
28/11/2008	Announcement for insider trading
28/11/2008	Announcement for insider trading
27/11/2008	Announcement for insider trading
27/11/2008	Announcement for insider trading
27/11/2008	Announcement of annotation of the financial/accounting statements of the nine-month period of 2008
27/11/2008	Figures of Financial Statements of nine-month period of 2008 according to IFRS
27/11/2008	Figures of Financial Statements of nine-month period of 2008 according to IFRS
26/11/2008	Release of financial results for the nine-month period of 2008
06/11/2008	Announcement for the collection of the year 2002 dividend
31/10/2008	Announcement for insider trading
31/10/2008	Announcement for insider trading
29/10/2008	Announcement for insider trading
29/10/2008	Announcement for insider trading
29/10/2008	Announcement for insider trading
08/10/2008	Opening of the subsidiary Moda Cabina S.A.
05/09/2008	Announcement for the commencement of market making on Kleemann Hellas S.A. shares
05/09/2008	Announcement for the commencement of market making on Kleemann Hellas S.A. shares
28/08/2008	Announcement of annotation of the financial/accounting statements of the six-month period of 2008

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28/08/2008	Figures of Financial Statements of six-month period of 2008 according to IFRS
28/08/2008	Figures of Financial Statements of six-month period of 2008 according to IFRS
26/08/2008	Release of financial results for the six-month period of 2008
31/07/2008	Announcement regarding company's share capital and number of outstanding shares according to law 3556/2007
21/07/2008	Announcement for increase of company's share capital
14/07/2008	Information document in accordance with article 4 (2e) of law 3401/2005
26/06/2008	Announcement for the distribution of dividend
25/06/2008	Press release of the Annual General Meeting
19/06/2008	Decisions of the annual General Meeting
18/06/2008	Announcement of a draft of the Articles of Association of the Company/Decision of amendment of Articles of Association
17/06/2008	Press Release - 17th international congress on Vertical Transportation Technologies, Elevcon 2008
17/06/2008	Amendment of financial calendar 2008
10/06/2008	Co-organization and exclusive sponsorship of the 17th international congress on vertical transportation technologies
10/06/2008	Co-organization and exclusive sponsorship of the 17th international congress on vertical transportation technologies
05/06/2008	Response to Article
05/06/2008	Response to Article
03/06/2008	Announcement of annotation of the financial/accounting-Clarification about Figures and Information of 2007
28/05/2008	Invitation to the Annual General Meeting
26/05/2008	Announcement of annotation of the financial/accounting statements of the three-month period of 2008
26/05/2008	Figures of Financial Statements of three-month period of 2008 according to IFRS
26/05/2008	Figures of Financial Statements of three-month period of 2008 according to IFRS
23/05/2008	Release of financial results for the three-month period of 2008
14/05/2008	Annual report of fiscal year 2007
07/05/2008	Press release-Investing program of 16,5 million Euros
06/05/2008	Transfer of the analyst briefing date
09/04/2008	Assumption of the position of group chief financial officer
31/03/2008	Announcement for insider trading
31/03/2008	Announcement for insider trading
31/03/2008	Announcement for insider trading
31/03/2008	Announcement for insider trading
31/03/2008	Announcement for insider trading
27/03/2008	Announcement of annotation of the financial/accounting statements of fiscal year 2007
27/03/2008	Figures of Financial Statements of fiscal year 2007 according to IFRS
27/03/2008	Figures of Financial Statements of fiscal year 2007 according to IFRS
26/03/2008	Release of financial results of the fiscal year 2007
21/03/2008	Financial calendar 2008
21/03/2008	Acquisition of the subsidiary in Romania
17/03/2008	Announcement for insider trading

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17/03/2008	Announcement for insider trading
05/03/2008	Announcement for insider trading
05/03/2008	Announcement for insider trading
29/02/2008	Announcement for insider trading
29/02/2008	Announcement for insider trading
28/02/2008	Announcement for insider trading
28/02/2008	Announcement for insider trading
28/02/2008	Announcement for insider trading
26/02/2008	Announcement for insider trading
26/02/2008	Announcement for insider trading
25/02/2008	Announcement for insider trading
25/02/2008	Announcement for insider trading
22/02/2008	Announcement for insider trading
22/02/2008	Announcement for insider trading
21/02/2008	Announcement for insider trading
21/02/2008	Announcement for insider trading
12/02/2008	Announcement of other important events -Fire compensation
06/02/2008	Announcement for insider trading
06/02/2008	Announcement for insider trading
04/02/2008	Announcement for insider trading
04/02/2008	Announcement for insider trading
01/02/2008	Announcement for insider trading
01/02/2008	Announcement for insider trading
31/01/2008	Announcement for insider trading
31/01/2008	Announcement for insider trading
30/01/2008	Announcement for insider trading
30/01/2008	Announcement for insider trading
29/01/2008	Announcement for insider trading
29/01/2008	Announcement for insider trading
28/01/2008	Announcement for insider trading
28/01/2008	Announcement for insider trading
25/01/2008	Announcement for insider trading
25/01/2008	Announcement for insider trading
25/01/2008	Announcement for insider trading
24/01/2008	Announcement for insider trading
24/01/2008	Announcement for insider trading
24/01/2008	Announcement for insider trading
24/01/2008	Announcement for insider trading
24/01/2008	Announcement for insider trading
24/01/2008	Announcement for insider trading
24/01/2008	Announcement for insider trading
22/01/2008	Announcement for insider trading
22/01/2008	Announcement for insider trading

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22/01/2008	Announcement for insider trading
22/01/2008	Announcement for insider trading
21/01/2008	Announcement for insider trading
21/01/2008	Announcement for insider trading
18/01/2008	Announcement for insider trading
18/01/2008	Announcement for insider trading
18/01/2008	Announcement for insider trading
18/01/2008	Announcement for insider trading
17/01/2008	Announcement for insider trading
17/01/2008	Announcement for insider trading
17/01/2008	Announcement for insider trading
17/01/2008	Announcement for insider trading

For the continuous and timely information of its investors and shareholders, the Company has a website in the internet without charge, at the address www.kleemann.gr.

At the website of the Company, and more specifically under the section "Investor Relations", all Annual Financial Statements, the Independent Auditor's Report and the Report of the Board of Directors of the companies that are incorporated in the Consolidated Financial Statements of the company are fully disclosed.