

# BABIS VOVOS INTERNATIONAL CONSTRUCTION S.A.

**Figures and information for the period of 1 January 2008 until 30 September 2008**  
**Published according to the decision 6/448/11.10.2007 of the Board of Directors of the Capital Market Commission**

The financial data and information illustrated below, deriving from the financial statements, is aiming to provide a general awareness about the financial position and the financial results of Babis Vovos International Construction S.A. and its subsidiaries. We advise the reader, before making any investment decision or other transaction concerning the company, to visit the company's web site ([www.babisvovos.com](http://www.babisvovos.com)) where the financial statements according to International Financial Reporting Standards together with the audit report of the external auditor (when required) are presented.

## COMPANY DATA

**Registered Address :** 340 Kifissias Avenue, 154 51 N. Psychico  
**Company's No. in the register of Societes Anonymes :** 2283/06/B/86/12  
**Board of Directors :** Charalampos Vovos Chairman, Thaleia Vovos Vice-Chairman, Armodios Vovos Chief Executive Officer, Triada Vovos, Evangelia Asimakopoulos, Nicolaas Van Ommen, Kyriaki - Thaleia (Korina) Sylira - Members

**Date of approval of the interim Financial Statements (from which the summary data were derived) :** November 27th, 2008  
**Certified Auditor Accountant :** Marios Psaltis (SOEL Reg. No. 38081)  
**Auditing Firm :** PriceWaterhouseCoopers S.A.  
**Type of auditor's opinion :** Not required  
**Company Web site :** [www.babisvovos.com](http://www.babisvovos.com)

## BALANCE SHEET (consolidated and company data)

Amounts in €thousand

	CONSOLIDATED		COMPANY	
	30/09/2008	31/12/2007	30/09/2008	31/12/2007
<b>ASSETS</b>				
Investment property	1,367,449	1,231,727	933,697	827,569
Property, plant and equipment	10,517	10,620	1,693	1,708
Intangible assets	18,939	18,934	16,510	16,506
Other non -current assets	4,949	576	52,608	48,241
Inventories	31,195	31,868	33,646	35,085
Trade Receivables	5,493	3,746	3,879	2,194
Cash and cash equivalents	33,765	92,706	31,103	76,429
Other Assets	51,061	33,466	80,240	65,672
<b>TOTAL ASSETS</b>	<b>1,523,368</b>	<b>1,423,644</b>	<b>1,153,376</b>	<b>1,073,404</b>

## EQUITY AND LIABILITIES

Share capital	10,179	10,179	10,179	10,179
Retained earnings and reserves attributable to the Company's equity holders	560,886	519,721	361,711	338,809
Capital and reserves attributable to the Company's equity holders (a)	571,065	529,900	371,890	348,988
Minority interest (b)	7,382	7,020	-	-
Total equity (c)=(a)+(b)	<b>578,448</b>	<b>536,920</b>	<b>371,890</b>	<b>348,988</b>
Long -term borrowings	537,710	535,096	366,948	423,356
Deferred income tax long term liabilities	121,725	147,558	72,829	91,680
Provisions / Other long term liabilities	51,366	23,049	50,067	21,829
Short -term borrowings	185,583	97,254	178,291	46,373
Other short term liabilities	48,536	83,766	113,352	141,179
Total Liabilities (d)	944,920	886,723	781,487	724,416
<b>TOTAL EQUITY &amp; LIABILITIES (e)=(c)+(d)</b>	<b>1,523,368</b>	<b>1,423,644</b>	<b>1,153,376</b>	<b>1,073,404</b>

## CHANGES IN EQUITY (consolidated and company data)

Amounts in €thousand

	CONSOLIDATED		COMPANY	
	30/09/2008	30/09/2007	30/09/2008	30/09/2007
Total Equity (at 1/1/2008 and 1/1/2007 respectively)	<b>536,920</b>	<b>544,678</b>	<b>348,988</b>	<b>343,685</b>
Retained earnings (continued operations)	41,528	(8,799)	22,902	(7,670)
Equity balance (30/09/2008 and 30/09/2007 respectively)	<b>578,448</b>	<b>535,879</b>	<b>371,890</b>	<b>336,015</b>

## CASH FLOW STATEMENT (consolidated and company data)

Amounts in €thousand

	CONSOLIDATED		COMPANY	
	1/1-30/9/2008	1/1-30/9/2007	1/1-30/9/2008	1/1-30/9/2007
<b>Operating activities</b>				
Net profit before tax (continued operations)	19,351	(6,650)	5,188	(5,501)
<i>Adjustments for:</i>				
Depreciation and amortisation	406	411	281	297
Interest expenses	38,024	30,152	27,847	21,718
Provisions	3,077	(515)	3,072	(806)
Results (revenues, expenses, profit, loss) from investment activities	(56,250)	(5,319)	(38,680)	(3,507)
Cash generated from operating activities before changes in working capital	4,609	18,079	(2,292)	12,201
Decrease / (increase) of inventory	(952)	9,554	(185)	9,348
Decrease / (increase) in trade & other receivables	(18,094)	2,792	(14,812)	(1,427)
Increase / (decrease) in short term liabilities (bank liabilities not included)	(36,977)	(7,058)	(27,308)	(731)
Cash flows from operating activities	(51,414)	23,366	(44,597)	19,391
Interest paid	(36,730)	(25,601)	(27,427)	(19,198)
Income tax paid	(3,519)	(3,322)	(2,648)	(3,242)
<i>Net cash generated from operating activities (a)</i>	<i>(91,663)</i>	<i>(5,556)</i>	<i>(74,672)</i>	<i>(3,049)</i>
<b>Cash flows from investing activities</b>				
Additions in investment property, Property, plant and equipment & intangible assets	(51,658)	(16,872)	(48,850)	(12,982)
Proceeds from sale of investment property and Property, plant and equipment	-	0	-	0
Interest received	2,408	882	1,884	577
<i>Net cash used in investing activities (b)</i>	<i>(49,250)</i>	<i>(15,990)</i>	<i>(46,966)</i>	<i>(12,404)</i>
<b>Cash flows from financing activities</b>				
Inflows from derivatives	3,749	4,445	3,749	4,445
Borrowings payback (bank loans)	(61,535)	(42,811)	(25,735)	(42,811)
Borrowings payback (finance leases)	(13,470)	(12,622)	(11,053)	(11,090)
Borrowings inflows	165,811	83,800	112,223	83,800
Increase / (Decrease) of other short - term financing	(12,580)	2,060	(2,870)	1,525
Dividend paid	(3)	(2,170)	(3)	(2,170)
<i>Net cash used in financing activities (c)</i>	<i>81,972</i>	<i>32,703</i>	<i>76,311</i>	<i>33,699</i>
<b>Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)</b>	<b>(58,941)</b>	<b>11,157</b>	<b>(45,326)</b>	<b>18,245</b>
Cash and cash equivalents at beginning of the period	92,706	71,509	76,429	46,627
<b>Cash and cash equivalents at end of the period</b>	<b>33,765</b>	<b>82,666</b>	<b>31,103</b>	<b>64,872</b>

## INCOME STATEMENT (consolidated and company data)

Amounts in €thousand

	CONSOLIDATED		COMPANY	
	Continued operations		Continued operations	
	1/1-30/9/2008	1/1-30/9/2007	1/1-30/9/2008	1/1-30/9/2007
Rental Revenue from Investment Property	23,488	22,497	15,607	14,858
Net gain / (loss) from fair value adjustment on investment property	84,430	-	57,607	-
Minus : operating expenses	2,965	1,605	1,993	1,035
Gross profit / (loss) from investing activity	<b>104,953</b>	<b>20,892</b>	<b>71,222</b>	<b>13,823</b>
Earnings / (loss) before interest and tax	85,555	18,183	51,962	12,710
<b>Profit / (loss) before taxation</b>	<b>19,351</b>	<b>(6,650)</b>	<b>5,188</b>	<b>(5,501)</b>
<b>Net Profit / (loss) for the year - total</b>	<b>41,528</b>	<b>(8,799)</b>	<b>22,902</b>	<b>(7,670)</b>
<u>Attributable to:</u>				
Equity holders of the Company	41,165	(8,753)	22,902	(7,670)
Minority interest	363	(45)	-	-
	<b>41,528</b>	<b>(8,799)</b>	<b>22,902</b>	<b>(7,670)</b>
Basic and diluted earnings per share for profit attributable to the equity holders of the Company during the year (expressed in € per share)	1.2132	(0.2580)	0.6750	(0.2261)
<b>Earnings / (loss) before interest, tax, depreciation and amortisation</b>	<b>85,961</b>	<b>18,594</b>	<b>52,243</b>	<b>13,007</b>

## INCOME STATEMENT (consolidated and company data)

Amounts in €thousand

	CONSOLIDATED		COMPANY	
	Continued operations		Continued operations	
	1/7-30/9/2008	1/7-30/9/2007	1/7-30/9/2008	1/7-30/9/2007
Rental Revenue from Investment Property	7,943	7,334	5,275	4,909
Net gain / (loss) from fair value adjustment on investment property	(1,191)	-	(1,191)	-
Minus : operating expenses	1,286	366	971	191
Gross profit / (loss) from investing activity	<b>5,466</b>	<b>6,968</b>	<b>3,113</b>	<b>4,718</b>
Earnings / (loss) before interest and tax	953	541	(1,122)	(1,319)
<b>Profit / (loss) before taxation</b>	<b>(18,601)</b>	<b>(9,794)</b>	<b>(18,055)</b>	<b>(9,139)</b>
<b>Net Profit / (loss) for the year - total</b>	<b>6,713</b>	<b>(10,353)</b>	<b>4,014</b>	<b>(9,778)</b>
<u>Attributable to:</u>				
Equity holders of the Company	6,568	(10,343)	4,014	(9,778)
Minority interest	145	(11)	-	-
	<b>6,713</b>	<b>(10,353)</b>	<b>4,014</b>	<b>(9,778)</b>
Basic and diluted earnings per share for profit attributable to the equity holders of the Company during the year (expressed in € per share)	0.1936	(0.3048)	0.1183	(0.2882)
<b>Earnings / (loss) before interest, tax, depreciation and amortisation</b>	<b>1,084</b>	<b>682</b>	<b>(1,034)</b>	<b>(1,216)</b>

## Additional data & information:

1. Group companies that are included in the consolidated financial statements with their respective registered office and percentage of ownership are as follows:

	Percentage %
<i>Full Consolidation method</i>	
a. BABIS VOVOS INTERNATIONAL CONSTRUCTION S.A.	Parent
Registered office : 340 Kifissias Avenue, N. Psychico	
b. BABIS VOVOS INTERNATIONAL CONSTRUCTION S.A. & Co G.P.	99.90%
Registered office : 340 Kifissias Avenue, N. Psychico	
c. DOMA S.A.	98.98%
Registered office : 64 Kifissias Avenue, Maroussi	
d. ALTECO S.A.	99.01%
Registered office : 340 Kifissias Avenue, N. Psychico	
e. ERGOLIPTIKI - KTIMATIKI - TOURISTIKI S.A.	51.00%
Registered office : 340 Kifissias Avenue, N. Psychico	
f. INTERNATIONAL PALACE HOTEL S.A.	51.00%
Included in the consolidation with 51% percentage of ownership through " ERGOLIPTIKI - KTIMATIKI - TOURISTIKI S.A."	
which owns 100% of its share capital. Registered office : 340 Kifissias Avenue, N. Psychico	
g. ELFINKO S.A.	99.00%
Registered office : 340 Kifissias Avenue, N. Psychico	

2. The companies included in the consolidation have been tax audited as follows : the parent company 'Babis Vovos International Construction S.A.' up to the fiscal year 2006, 'Babis Vovos International Construction S.A. & Co G.P.' up to the fiscal year 2006, 'Ergoliptiki - Ktimatiki - Touristiki S.A.' up to the fiscal year 2002, 'DOMA S.A.' up to the fiscal year 1998, 'INTERNATIONAL PALACE HOTEL S.A.' up to the fiscal year 2002, 'ALTECO S.A.' up to the fiscal year 1998 and 'ELFINKO S.A.' up to the fiscal year 2004.
3. The Group and Company's Investment properties, as well as inventories and intangible assets, include mortgage amounts to the value of €302,151 thousand for the Group and €221,729 thousand for the company to secure borrowings (including sale and leaseback agreements), as at 30/09/2008.
4. At 30/09/2008, there were pending court decisions over injunctions filled against the Group and the Company from third parties, for which a total provision of €967 thousand and €517 thousand for the Group and the Company respectively was formed. Based on the estimations of the company management and the legal counsels, the provision is considered adequate. There is no expectation that any significant additional liability will incur.
5. At 30/09/2008, the Group and the Company have formed a total provision amounting to €2,367 thousand (31.12.2007: €7,755 thousand) and €1,469 thousand (31.12.2007: €3,327 thousand) respectively for probable additional tax liabilities due to tax unaudited fiscal years.
6. Number of employees at the end of year (30/09/2008): Group 528 individuals, Parent company 513 individuals.(30/09/2007: Group: 513, Parent Company:469)

	CONSOLIDATED		COMPANY	
	1/1-30/9/2008	1/1-30/9/2007	1/1-30/9/2008	1/1-30/9/2007
7. Related party transactions at 30/09/2008 :				
a) Revenue	219			3
b) Expenses	1,064			1,172
c) Receivables	13,895			50,053
d) Payables	5			47,766
e) Remuneration of BoD members and key management personnel	1,112			1,112
f) Receivables from BoD members and key management personnel	562			562
g) Payables to BoD members and key management personnel	486			486
8. Turnover Analysis according to STAKOD-2003 :				
	1/1-30/9/2008	1/1-30/9/2007	1/1-30/9/2008	1/1-30/9/2007
Code 701.1 Development and sale of real estate :	4,716	49,960	4,716	49,960
Code 702.0 Leasing of private real estate :	34,812	34,136	23,841	23,428
Code 452.1 Construction of buildings and civil engineer technical works :	773	760	773	690
Code 515.3 Wholesale trade of wood, building material and sanitary goods	-	-	3	6
Code 515.7 Wholesale trade of scrap :	-	50	-	50

9. Any differences to the totals are due to rounding.