



GROUP OF COMPANIES

Interim Financial Statements for the period from January 1st up to September 30th 2006

It is certified that the attached Interim Financial Statements, are those approved by the Board of Directors of "MICHANIKI S.A." at 20/11/2006 and have been published with their disclosure through the internet, at the website address www.michaniki.gr. It is noted that the published in the Press concise financial data and information, aim at providing to the reader certain general financial information but they do not provide the comprehensive view of the Company's and Group's financial position and results, in accordance with the International Accounting Standards. It is also noted that, for simplification purposes, the concise financial data published in the press have had certain item abridgements and reclassifications.

Prodromos Emfietzoglou
Chairman
MICHANIKI S.A.



MICHANIKI S.A.

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Balance Sheet

	THE GROUP		THE COMPANY	
	30/9/2006	31/12/2005	30/9/2006	31/12/2005
Non Current Assets				
Tangible Assets	69.238	66.076	42.778	38.132
Property Investments	40.329	43.255	0	0
Other Intangible Assets	45	11	9	5
Expenditures for exploration and evaluation of mineral resources	544	587	0	0
Investments in Subsidiaries	0	0	132.192	128.386
Investments in Affiliates	0	13	0	0
Investments in Joint Ventures/Consortiums	15.096	14.425	13.892	13.473
Financial assets valued at their fair value with changes in results	3	24	3	18
Less: Provisions for devaluations	41	(3)	(37.808)	(39.050)
Other Long-term Receivables	3.014	3.618	2.841	3.459
Deferred tax receivables	8.800	6.787	7.497	5.563
	137.110	134.794	161.405	149.986
Current assets				
Inventories	89.656	81.892	37.610	35.401
Commercial receivables	104.363	72.801	56.348	41.861
Receivables from Affiliated and other investment interest Companies	43.357	35.136	43.134	35.129
Other Receivables	5.130	3.828	2.805	3.256
Financial assets valued at their fair value with changes in results	56	545	51	540
Other Current Item Assets	1.987	2.410	1.355	466
Prepayments	19.617	13.882	3.468	4.231
Cash and cash equivalent	29.547	38.192	5.012	19.774
	293.713	248.686	149.781	140.658
Total Assets	430.824	383.480	311.186	290.644
Shareholders Equity & Liabilities				
Equity Capital				
Share Capital	137.502	137.502	137.502	137.502
Share Premium	129.629	129.629	129.629	129.629
Own Shares	(786)	(3.745)	(497)	(3.136)
Financial means fair value differences	0	0	1.242	0
Foreign Exchange Differences	1.846	(882)	0	0
Statutory Legal Reserve	6.209	3.152	5.554	2.616
Other Reserves	27.458	34.518	15.177	20.386
Retained Earnings	(86.336)	(98.607)	(94.726)	(92.777)
Equity Attributable to Parent Company Shareholders	215.522	201.566	193.879	194.219
Minority Rights	19.125	20.964	0	0
Total Equity	234.647	222.529	193.879	194.219
LIABILITIES				
Long-term Liabilities				
Bank Loans	14.554	8.392	0	0
Provisions for employee retirement benefits and other long-term grants	2.012	1.919	952	866
Deferred tax liabilities	17.647	18.409	12.328	12.944
Other Long-term Liabilities	7.623	7.120	(0)	(0)
Other Provisions	2.504	3.507	2.299	3.303
Total Long-term Liabilities	44.341	39.347	15.580	17.113
Short-term Liabilities				
Bank Loans	54.784	36.892	43.000	22.000
Short-term part of other short-term liabilities	1.865	2.502	0	692
Commercial Liabilities (trade creditors etc)	49.651	39.546	23.924	22.975
Taxes and social security	4.507	4.320	1.873	2.815
Other liabilities	9.834	14.895	5.188	8.462
Advances	10.315	2.929	7.612	2.238
Liabilities to affiliated and other investment interest companies	20.879	20.520	20.129	20.129
Total Short-term Liabilities	151.836	121.604	101.727	79.312
Total Liabilities	196.176	160.951	117.307	96.425
Total Shareholders Equity and Liabilities	430.824	383.480	311.186	290.644

Possible differences in totals are due to number rounding

Period Profit & Loss Account

	THE GROUP				THE COMPANY			
	1/1- 30/9/2006	1/1- 30/9/2005	1/7- 30/9/2006	1/7- 30/9/2005	1/1- 30/9/2006	1/1- 30/9/2005	1/7- 30/9/2006	1/7- 30/9/2005
Sales Turnover	120.032	86.849	42.867	26.330	44.909	64.892	14.989	19.268
Cost of Sales	(93.259)	(67.609)	(35.927)	(23.973)	(33.372)	(48.086)	(14.005)	(17.777)
Gross Profit	26.773	19.239	6.941	2.357	11.537	16.806	983	1.490
Other Operating Income	8.695	12.492	6.521	5.834	567	5.392	46	4.849
Selling Expenses	(3.042)	(1.102)	(1.392)	(449)	(33)	(27)	(14)	(8)
Administrative Expenses	(7.002)	(7.519)	(1.476)	(2.342)	(4.973)	(5.073)	(1.421)	(1.719)
Other Operating Expenses	(1.695)	(2.253)	(305)	(1.331)	(453)	(1.375)	(61)	(1.254)
Profit before Interest, Financial and Investment Results	23.729	20.858	10.288	4.069	6.644	15.722	(467)	3.360
Depreciation	4.761	4.933	1.659	1.615	2.356	2.464	846	790
Profit before Interest, Financial and Investment Results and depreciation	28.491	25.791	11.948	5.684	9.000	18.185	379	4.150
Financial Income	4.397	2.627	677	293	5.007	2.794	1.481	405
Financial Expenses	(4.089)	(11.970)	(2.322)	(2.733)	(3.602)	(11.202)	(1.897)	(1.036)
Other Financial Results	0	0	0	0	0	0	0	0
Share of profit from associate companies	668	5.500	(18)	(1.596)	409	4.909	(24)	(1.793)
Financial Result	975	(3.843)	(1.663)	(4.037)	1.814	(3.499)	(439)	(2.424)
Depreciation	(4.761)	(4.933)	(1.659)	(1.615)	(2.356)	(2.464)	(846)	(790)
Profit before Tax	24.704	17.015	8.625	32	8.459	12.223	(906)	936
Income Tax	(5.161)	(5.448)	(2.145)	(1.018)	(1.961)	(4.960)	43	(818)
Profit after tax	19.543	11.567	6.480	(985)	6.498	7.263	(864)	118
Attributable to:								
<i>Equity shareholders of the parent company</i>	19.103	11.502	6.264	(970)	6.498	7.263	(864)	118
<i>Minority Rights</i>	440	65	216	(16)	0	0	0	0
Profit after tax per share - basic (in €)	0,21	0,12	0,07	(0,01)	0,07	0,08	(0,01)	0,00

Possible differences in totals are due to number rounding

The attached notes constitute an integral part of these financial statements.

Consolidated Statement of Changes in Equity

	THE GROUP							
	Share Capital	Share Premium	Fair Value Reserves	Other Reserves	Retained Earnings	Total	Minority Rights	Total
Remaining balance at January 1st 2005, according to the IFRS	137.502	129.629	0	21.599	(101.229)	187.500	21.454	208.954
<i>Change of Equity Capital for the period 01/01 - 30/9/2005</i>								
Distributed dividends	0	0	0	(11.149)	0	(11.149)	0	(11.149)
Equity change from subsidiary company acquisition								
Reserve Change of Foreign Exchange Conversion	0	0	0	(439)	0	(439)	0	(439)
Minority rights from the change of the percentage participation to the share capital of a subsidiary company	0	0	0	0	0	0	(87)	(87)
Net income recorded directly to the net equity	0	0	0	459	0	459	0	459
Net Period Results 01/01-30/9/2005	0	0	0	4.949	6.079	11.028	539	11.567
Purchases (sales) of Own Shares	0	0	0	850	0	850	0	850
Profits / (Losses) from sale of Own Shares transferred directly to the Equity Capital	0	0	0	0	0	0	17	17
Total Period Change	0	0	0	(5.329)	6.079	750	469	1.219
Remaining Equity Capital Balance at 30/09/2005	137.502	129.629	0	16.270	(95.150)	188.250	21.923	210.173
Remaining balance at 1/1/2006, according to the IFRS	137.502	129.629	10.427	22.615	(98.607)	201.566	20.964	222.529
<i>Change of Equity Capital for the period 01/01 - 30/9/2006</i>								
Distributed dividends	0	0	0	(2.271)	(10.736)	(13.007)	0	(13.007)
Equity change from subsidiary company acquisition	0	0	0	0	0	0	0	0
Reserve Change of Foreign Exchange Conversion	0	0	0	2.204	525	2.729	(109)	2.620
Minority rights from the change of the percentage participation to the share capital of a subsidiary company	0	0	0	0	0	0	(1.401)	(1.401)
Net income recorded directly to the net equity	0	0	0	0	(883)	(883)	0	(883)
Net Period Results 01/01-30/9/2006	0	0	(1.974)	0	21.077	19.103	440	19.543
Purchases (sales) of Own Shares	0	0	0	3.727	0	3.727	(768)	2.959
Profits / (Losses) from sale of Own Shares transferred directly to the Equity Capital	0	0	0	0	2.289	2.289	0	2.289
Total Period Change	0	0	(1.974)	3.659	12.271	13.957	(1.838)	12.118
Remaining balance of Equity Capital at 30/9/2006	137.502	129.629	8.453	26.274	(86.336)	215.522	19.125	234.647

Possible differences in totals are due to number rounding.



From the subsidiary companies, "BALKAN EXPORT S.A.", "THOLOS S.A." and "ELVIX S.A.", which based upon the IFRS application were subject to the ordinances of article 47 of the C.L. 2190/1920 at 31/12/2005, "BALKAN EXPORT S.A." and "ELVIX S.A." have already, through the A' Repetitive Extraordinary General Assembly dated 16.05.2006 and the Extraordinary General Assembly dated 30.06.2006, respectively, engaged in the taking of appropriate measures and have settled their equity capital, whereas "THOLOS S.A." through the decision of the Extraordinary General Assembly dated 28.06.2006 has engaged in the taking of appropriate measures and has settled its Equity Capital at 04.08.2006.



Statement of Changes in Equity of Parent Company

THE COMPANY						
	Share Capital	Share Premium	Fair Value Reserves	Other Reserves	Retained Earnings	Total
Remaining balance at 1/1/2005, according to the IFRS	137.502	129.629	0	28.777	(107.852)	188.055
Distributed Dividends	0	0	0	(11.149)	0	(11.149)
Net Period Results 01/01-30/9/2005	0	0	0	0	7.263	7.263
Purchases (sales) of Own Shares	0	0	0	921	0	921
Profits / (Losses) from sale of Own Shares transferred directly to the Equity Capital	0	0	0	0	17	17
Total Period Change	0	0	0	(10.228)	7.281	(2.947)
Remaining Equity Capital Balance at 30/9/2005	137.502	129.629	0	18.549	(100.571)	185.108
Remaining balance at 1/1/2006, according to the IFRS	137.502	129.629	0	19.866	(92.777)	194.219
<i>Change of Equity Capital for the period 01/01 - 30/9/2006</i>						
Distributed Dividends	0	0	0	(2.271)	(10.736)	(13.007)
Net income recorded directly to the net equity	0	0	1.242	0	0	1.242
Offset of "Retained Losses" with "Share Capital"						
Net Period Results 01/01-30/9/2006	0	0	0	0	6.498	6.498
Purchases (sales) of Own Shares	0	0	0	2.639	0	2.639
Profits / (Losses) from sale of Own Shares transferred directly to the Equity Capital	0	0	0	0	2.289	2.289
Total Period Change	0	0	1.242	367	(1.949)	(340)
Remaining balance of Equity Capital at 30/9/2006	137.502	129.629	1.242	20.233	(94.726)	193.879

Possible differences in totals are due to number rounding

The attached notes constitute an integral part of these financial statements.

Cash flow statement (Indirect method)

The cash flow statement on a group and company basis is presented below:

	THE GROUP		THE COMPANY	
	1/1- 30/9/2006	1/1- 30/9/2005	1/1- 30/9/2006	1/1- 30/9/2005
Operating activities				
Profit before tax	24.704	17.015	8.459	12.223
Plus / less adjustments for:				
Depreciation	4.761	4.933	2.356	2.464
(Depreciation of grants)	(87)	(86)	(50)	(50)
Losses / (Profits) from asset sales	(1.435)	669	41	1.107
Provisions / (Revenues from unused provisions of previous year-ends)	251	(5.340)	204	(5.086)
Losses / (Profits) of fair value property investments	(5.532)	(5.687)	0	0
Results (income, expenses, profits and losses) from investment activity	(3.439)	(701)	(2.687)	(415)
Joint venture valuation with the net equity method	(668)	(5.500)	(409)	(4.909)
Credit interest and similar income	(361)	(123)	(89)	(49)
Debit interest and similar charges	3.643	1.223	2.040	536
<i>Plus/ less adjustments for changes of working capital accounts or accounts related with operating activities:</i>				
Decrease / (increase) of inventories	(7.068)	(7.977)	(2.208)	(4.454)
Decrease / (increase) of receivables	(36.444)	(11.119)	(18.608)	(10.685)
(Decrease) / increase of liabilities (except banks)	17.535	25.243	1.938	19.449
Less:				
Paid up Debit interest and similar charges	(3.645)	(1.065)	(2.040)	(536)
Paid up taxes	(10.820)	(9.205)	(6.634)	(7.181)
Total inflows / (outflows) from operating activities (a)	(18.606)	2.279	(17.688)	2.414
Investment activities				
Disposal (Acquirement) of subsidiaries, associates, joint ventures and other investments	392	(1.622)	(1.513)	(3.312)
Purchases of tangible and intangible assets	(13.464)	(3.207)	(4.714)	(1.794)
Collections from sales of tangible and intangible assets	2.999	1.724	163	916
Acquirement from property investments	0	(330)	0	0
Collections from sales of property investments	9.033	0	0	0
Loans provided to affiliated parties	(7.900)	(5.591)	(7.900)	(5.951)
Interest received	207	99	22	4
Settlement of Derivative Financial Items	1.548	(781)	1.548	(782)
Dividends collected	0	147	883	147
Total inflows / (outflows) from investment activities (b)	(7.184)	(9.559)	(11.511)	(10.771)
Financial Activities				
Collections from share capital increase	0	0	0	0
Collections from issued / undertaken loans	40.122	14.996	24.000	8.000
Sales / (Purchases) of own shares	7.216	780	7.216	938
Loan settlements	(15.829)	(7.166)	(3.000)	0
Liability settlements from financial leases (amortization)	(1.275)	(2.364)	(692)	(1.806)
Paid dividends	(13.087)	(10.249)	(13.087)	(10.561)
Total inflows / (outflows) from financial activities (c)	17.145	(4.002)	14.436	(3.428)
Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)	(8.645)	(11.282)	(14.762)	(11.786)
Cash and cash equivalents at the beginning of the period	38.192	31.965	19.774	21.814
Cash and cash equivalents at the end of the period	29.547	20.682	5.012	10.028

The items "Valuation of Joint Ventures through the Net Equity method" and "Decrease/(Increase) of receivables" have been equivalently adjusted (€5.500 thousand on a group level & € 4.909 thousand on a parent company level) in relation to the published items of the comparative period, without altering the total of the operational Activities.

Possible differences in totals are due to number rounding

The negative operating flows of the parent company, amounting to € 17.688 thousand are caused mainly due to the increase of trade receivables, paid up taxes and interest in addition to the increase in inventories resulting from the construction of luxurious apartments for sale. On a group basis the negative operating flows, amounting to € 18.606 thousand are caused due, apart from the pre-mentioned information, to the cash outflow from a subsidiary company for the construction of pipes that will be delivered in the U.S. and the Greek State.

1. Nature of Activities

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

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

I. Constructions,

II. Real Estate Development-Utilization,

III. Energy, and

IV. Industries

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

2. Financial statements form framework

The consolidated financial statements of MICHANIKI S.A. dated September 30th 2006 (January 1st, 2004 is the transition date) that cover the period from January 1st up to and September 30th 2006, have been prepared based upon the principle of the historical cost as amended through the readjustment of specific asset and liability data in current values, the principle of going concern and are in compliance with the International Financial Reporting Standards (IFRS) as published by the International Accounting Standards Board (IASB), in addition to their interpretations, as issued by the International Financial Reporting Interpretations Committee (I.F.R.I.C.) of IASB.

IASB has issued a series of standards that are referred to as "IFRS Stable Platform 2005". The Group applies the IFRS Stable Platform 2005 since January 1st, 2005. The standards that apply to the Group are the following:

I.A.S. 1	Presentation of Financial Statements
I.A.S. 2	Inventories
I.A.S. 7	Cash flow statements
I.A.S. 8	Net profit or loss for the period, fundamental errors and changes in accounting practices
I.A.S. 10	Events after the balance sheet date
I.A.S. 11	Construction contracts
I.A.S. 12	Income taxes
I.A.S. 14	Segment reporting
I.A.S. 16	Property, plant and equipment
I.A.S. 17	Leases
I.A.S. 18	Revenue
I.A.S. 19	Employee benefits
I.A.S. 20	Accounting for government grants and disclosure of government assistance
I.A.S. 21	The effects of changes in foreign exchange rates
I.A.S. 23	Borrowing costs
I.A.S. 24	Related party disclosures
I.A.S. 26	Accounting and reporting by retirement benefit plans
I.A.S. 27	Consolidated financial statements
I.A.S. 28	Investments in associates
I.A.S. 29	Financial reporting in hyperinflationary economies
I.A.S. 30	Disclosures in the financial statements of banks and similar financial institutions
I.A.S. 31	Financial reporting of interests in joint ventures
I.A.S. 32	Financial instruments: disclosure and presentation
I.A.S. 33	Earnings per share
I.A.S. 34	Interim financial reporting
I.A.S. 36	Impairment of assets
I.A.S. 37	Provisions, contingent liabilities and contingent assets
I.A.S. 38	Intangible assets
I.A.S. 39	Financial instruments: recognition and measurement
I.A.S. 40	Investment property
I.A.S. 41	Agriculture
I.F.R.S. 1	First-time adoption of I.F.R.S.
I.F.R.S. 2	Share based payment
I.F.R.S. 3	Business combinations
I.F.R.S. 4	Insurance contracts
I.F.R.S. 5	Non-current assets held for sale and discontinued operations

The policies mentioned below have been applied with consistency to all periods presented.

It is noted that the comparative data of the previous period 1/1-30/9/2005 differ from the ones that the company had published for the period 1/1-30/9/2005. More information is mentioned in the company's notification dated 30/5/2006.

The compilation of financial statements according to the IFRS requires the use of estimations and judgments at the enforcement of the company's accounting principles. Important acknowledgments from the Administration have been noted wherever deemed necessary for the application of the Company's accounting methods.

3. Basic Accounting Principles

3.1 New accounting standards and IFRIC interpretations

The International Accounting Standards Board (IASB) as well as the International Financial Reporting Interpretations Committee (IFRIC) has already published a series of new accounting standards and interpretations, which are not included in the "IFRS Stable Platform 2005". The IFRS and the IFRIC are mandatory for the accounting periods beginning January 1st, 2006, except the IFRS 7 which is applied for the periods beginning from 01/01/2007. The Group's assessment of the impact of these new standards and interpretations is presented below:

- IAS 39 (Amendment), Fair Value Option (In effect from January 1st 2006)

This amendment changes the definition of the financial means that have been classified at fair value through results and limits the potential of characterizing these financial means as part of this category. The company at the current fiscal year-end abided with the amendments of the standard and values the financial means at their fair value through the equity.

- IFRS 6, Exploration and Evaluation of Mineral Resources

The Group applied in total the ordinances of the above standard.

- IFRS 7, "Financial Instruments: disclosures"

The group will apply the IFRS 7 from January 1st, 2007.

- IFRIC 3, Emission Rights

The above standard is not applicable to the Group and will not affect the Group's financial statements.

- IFRIC 4, Determining whether a receivable contains a Lease

The application of IFRIC 4 is not expected to change the accounting operation of any of the in effect contracts of the Group.

- IFRIC 5, Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds.

The above standard is not applicable to the Group and will not affect the Group's financial statements.

- IFRIC 6, Liabilities arising from participating in specific markets – Waste electrical and electronic equipment.

The above standard is not applicable to the Group and will not affect the Group's financial statements.

- IFRIC 8 "IFRS 2 scope"

The financial statements of the Group are not expected to be affected from the above IFRIC.

3.2 Group Structure – Consolidated Financial Statements

Group Structure

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

Company Name	Headquarters	Participation Percentage	Relation that dictated the consolidation
BALKAN EXPORT S.A.	AGHIALOS SALONIKA	50,31%	Control after shareholders agreement
THOLOS S.A.	AMAROUSIO ATTICA	100%	The participation percentage
MICHANIKI REAL ESTATE S.A.	AMAROUSIO ATTICA	100%	The participation percentage
HELLENIC PIPE WORKS S.A.	CHALKIDA	100%	The participation percentage
MARMARA KAVALAS S.A.	KAVALA	77,07%	The participation percentage
HELLENIC WOOD INDUSTRY S.A.	SAPES KOMOTINI	98,62%	The participation percentage
MICHANIKI UKRAINE S.A.	UKRAINE	100%	The participation percentage
MICHANIKI BULGARIA S.A.	BULGARIA	95,70%	The participation percentage
MICHANIKI RUSSIA S.A.	RUSSIA	60,00% directly 26,43% indirectly	The participation percentage

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

Company Name	Headquarters	Participation Percentage	Un-audited Tax Year-Ends	Consolidation Method
JOINT VENTURE:"MICHANIKI S.A.-EDISTRA EDILIZIA STRADALE SPA"	GREECE	99,00%	2003-2005	NET EQUITY
JOINT VENTURE:"MICHANIKI S.A.-ELLISDON CONSTRUCTION INC."	GREECE	50,00%	2003-2005	NET EQUITY
JOINT VENTURE:"MICHANIKI S.A.-EMPEDOS S.A.-EYCLIDES-ELLINIKI DYNAMIKI"	GREECE	93,00%	2002-2005	NET EQUITY
JOINT VENTURE:"MICHANIKI S.A.-ATHINA S.A."	GREECE	50,00%	2005	NET EQUITY
JOINT VENTURE:" MICHANIKI S.A.-TERNA S.A."	GREECE	2,00%	2002-2005	NET EQUITY
JOINT VENTURE:" MICHANIKI S.A.-ATTI-KAT S.A."	GREECE	99,80%	2003-2005	NET EQUITY
JOINT VENTURE:" MICHANIKI S.A.-ATHINAIKI CONSTRUCTION S.A.-PARNON S.A."	GREECE	62,50%	2003-2005	NET EQUITY
JOINT VENTURE:"AKTOR-PANTEHNIKI- MICHANIKI"	GREECE	20,00%	2003-2005	NET EQUITY
JOINT VENTURE:"AKTOR- MICHANIKI-MOHLOS-ALTE"	GREECE	4,38%	2003-2005	NET EQUITY
JOINT VENTURE:"AKTOR- MICHANIKI-MOHLOS-ALTE(EGNATIA AVE. – VEROIA)"	GREECE	20,00%	2003-2005	NET EQUITY
JOINT VENTURE:" MICHANIKI S.A.-THEMELI S.A.-PARNON S.A."	GREECE	90,00%	2003-2005	NET EQUITY
JOINT VENTURE:" MICHANIKI S.A.-PANTEHNIKI S.A."	GREECE	50,00%	2003-2005	NET EQUITY
JOINT VENTURE:" MICHANIKI S.A.-CHR. KONSTANTINIDIS S.A."	GREECE	50,00%	2000-2005	NET EQUITY
JOINT VENTURE:" MICHANIKI S.A.-PARNON S.A."	GREECE	92,50%	1993-2005	NET EQUITY
JOINT VENTURE:" MICHANIKI S.A.-PANTEHNIKI S.A. (ALEXANDROUPOLI)"	GREECE	50,00%	2003-2005	NET EQUITY
JOINT VENTURE:"THESSALIKI-ELTER- MICHANIKI-TE CHR. KON/DIS"	GREECE	28,33%	2002-2005	NET EQUITY
JOINT VENTURE:"THESSALIKI- MICHANIKI-ELTER"	GREECE	25,00%	2002-2005	NET EQUITY
JOINT VENTURE:"ATHINA- MICHANIKI"	GREECE	50,00%	2005	NET EQUITY
JOINT VENTURE:"TERNA- MICHANIKI"	GREECE	35,00%	2005	NET EQUITY
JOINT VENTURE:"THEMELIODOMI- MICHANIKI-MOHLOS"	GREECE	40,00%	2003-2005	NET EQUITY

During the A' nine month period of 2006 the participation percentage of the company in "BALKAN S.A." was altered from 42,21% (31/12/2005) to 50,31%.

4. Financial information by segments

4.1 Segment reporting

A business segment is defined as a group of assets and operations engaged in providing products and services, that are subject to different risks and returns from those of other business segments. A geographical sector is defined as a geographical area, within which products and services are provided and which is subject to different risks and returns from other segments.

The Group operates in the following segments:

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

The above segregation was set in order to ensure the in depth analysis of the company's aggregate operations in segments with particular technical and economic characteristics.

It is noted that the Metallic Structures segment terminated its operations within fiscal year-end of 2005.



4.2 Segment Analysis

Primary sector information – Business sectors

Group

1/1-30/9/2006

	HYDROELEC TRIC				WOOD INDUSTRY		REAL ESTATE UTILIZATION			TOTAL
	ENERGY	PARKING	CEMETARY	WORKS		PIPING		MARBLES	OTHER	
Total gross sales turnover per sector	958	995	692	65.328	12.275	23.067	16.549	1.927	400	122.190
Domestic sales turnover	0	0	0	(667)	(3)	(1.431)	0	(58)	0	(2.158)
Net Sales Turnover	958	995	692	64.662	12.272	21.636	16.549	1.869	400	120.032
Cost of Sales	328	509	473	50.198	11.928	17.372	13.038	1.367	314	95.527
Domestic sales turnover Cost of Sales	0	0	0	(667)	(3)	(1.540)	0	(58)	0	(2.267)
Gross Result	629	487	219	15.130	347	5.804	3.510	560	87	26.773
Administrative Expenses	153	159	111	5.026	480	358	485	166	64	7.002
Selling Expenses	2	1	0	28	510	2.237	39	222	2	3.042
Other income	50	0	0	408	1.130	457	6.354	177	118	8.695
Other expenses	0	27	0	170	105	243	834	18	299	1.695
Operating result	524	299	108	10.315	382	3.423	8.506	332	(160)	23.729
										0
Financial results	(6)	(2)	-	(447)	134	(369)	(579)	(161)	2.404	975
Profit before tax	519	298	108	9.868	516	3.054	7.927	171	2.244	24.704
Income tax	-	-	-	-	-	(630)	(1.499)	-	(3.032)	(5.161)
Net profit	519	298	108	9.868	516	2.424	6.428	171	(788)	19.543

1/1-30/9/2006

	HYDROELEC TRIC				WOOD INDUSTRY		REAL ESTATE UTILIZATION			TOTAL
	ENERGY	PARKING	CEMETARY	WORKS		PIPING		MARBLES	OTHER	
<i>Sector Assets</i>	8.012	2.791	20.727	170.420	39.886	37.641	98.384	15.760	0	393.621
Non distributable Asset items	0	0	0	0	0	0	0	0	37.202	37.202
Consolidated Assets	8.012	2.791	20.727	170.420	39.886	37.641	98.384	15.760	37.202	430.824
<i>Sector Liabilities</i>	2.871	245	135	66.449	5.466	20.127	28.544	6.933	0	130.770
Non distributable Liability items	0	0	0	0	0	0	0	0	65.406	65.406
Consolidated Liabilities	2.871	245	135	66.449	5.466	20.127	28.544	6.933	65.406	196.176



1/1 - 30/9/2005

	HYDROE LECTRIC ENERGY	PARKING	CEMETARY	WORKS	WOOD INDUSTRY	PIPING	REAL ESTATE UTILIZATION	MARBLES	OTHER	CONTINUING UTILIZATIONS TOTAL	TERMINATED METALLIC CONSTRUCTIONS	TOTAL
Total gross sales turnover per sector	792	1.076	965	62.144	12.281	5.817	1.396	2.068	0	86.538	434	86.972
Domestic sales turnover	0	0	0	0	(0)	(31)	(4)	(88)	0	(123)	0	(123)
Net Sales Turnover	792	1.076	965	62.144	12.281	5.786	1.392	1.980	0	86.415	434	86.849
Cost of Sales	239	476	725	46.534	12.085	4.468	1.111	1.496	0	67.133	600	67.733
Domestic sales turnover Cost of Sales	0	0	0	0	(0)	(31)	(4)	(88)	0	(123)	0	(123)
Gross Result	554	600	240	15.610	196	1.348	285	572	(0)	19.405	(166)	19.239
Administrative Expenses	74	101	91	5.081	496	355	311	186	0	6.695	824	7.519
Selling Expenses	0	0	0	27	542	222	0	310	0	1.101	0	1.101
Other income	50	1	0	4.884	481	43	6.448	120	177	12.204	288	12.492
Other expenses	0	27	0	285	(72)	87	775	44	48	1.195	1.058	2.253
Operating result	529	472	149	15.100	(289)	727	5.647	152	129	22.618	(1.759)	20.858
Financial results	(0)	(2)	0	(73)	660	(57)	(357)	(83)	(9.393)	(9.305)	(38)	(9.343)
Share of results of affiliate companies	0	0	0	5.500	0	0	0	0	0	5.500	0	5.500
Profit before tax	529	471	149	20.527	371	670	5.290	69	(9.264)	18.813	(1.797)	17.016
Income tax					0	(293)	(68)	(127)	(4.960)	(5.448)		(5.448)
Net profit	529	471	149	20.527	371	377	5.222	(58)	(14.224)	13.365	(1.797)	11.567

31.12.2005

	HYDROE LECTRIC ENERGY	PARKING	CEMETARY	WORKS	WOOD INDUSTRY	PIPING	REAL ESTATE UTILIZATION	MARBLES	OTHER	CONTINUING UTILIZATIONS TOTAL	TERMINATED METALLIC CONSTRUCTIONS	TOTAL
<i>Sector Assets</i>	8.195	2.964	17.954	145.714	39.627	32.673	63.246	15.622	0	325.996	3.470	329.466
Non distributable Asset items									54.014	54.014	0	54.014
Consolidated Assets	8.195	2.964	17.954	145.714	39.627	32.673	63.246	15.622	54.014	380.010	3.470	383.480
<i>Sector Liabilities</i>	80	129	0	57.676	5.791	14.661	20.570	6.572		105.479	747	106.226
Non distributable Liability items									54.725	54.725	0	54.725
Consolidated Liabilities	80	129	0	57.676	5.791	14.661	20.570	6.572	54.725	160.205	747	160.951

The remaining land parcels and buildings of the terminated utilization at 30.9.2006 are included in the category "Other".

Secondary sector information – Geographical sectors

Financial information by geographical segment

	THE GROUP		THE COMPANY	
	1/1 - 30/09/2006	1/1 - 30/09/2005	1/1 - 30/09/2006	1/1 - 30/09/2005
Greece	84.973	83.393	44.513	64.746
Other Countries	35.060	3.456	396	146
Total	120.032	86.849	44.909	64.892

Sale analysis by category

	THE GROUP		THE COMPANY	
	1/1 - 30/09/2006	1/1 - 30/09/2005	1/1 - 30/09/2006	1/1 - 30/09/2005
Merchandise sales	19.781	3.464	1	0
Product Sales	76.229	66.657	28.113	48.691
Other inventory sales	997	283	29	210
Income from services	2.518	2.148	2.217	1.803
Construction contracts	20.508	14.297	14.548	14.188
Total	120.032	86.849	44.909	64.892

5. Financial Statement Notes

5.1 Engagements

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

	THE GROUP		THE COMPANY	
	30/9/2006	31/12/2005	30/9/2006	31/12/2005
Unexecuted works	368.130	237.405	287.666	219.267
L/G Good Performance	183.060	124.687	155.200	112.051
L/G Retention Replacement	8.372	7.312	7.250	6.954
L/G Advance Payment	13.919	3.684	9.375	3.684
TOTAL	205.351	135.682	171.825	122.688

5.2 Existing Encumbrances

The group's assets are free of mortgages and charging orders in favour of third parties, with the exception of a building of the company THOLOS S.A., upon which a mortgage amounting to € 0,15 million exists for liability guarantees.

5.3 Judicial or under litigation disputes

There are no judicial or administrative or under litigation disputes for which, in sum taken into consideration by case, may have a significant impact on the financial position or operation of the company and the group. There are no potential receivables and liabilities of the group based upon the Legal Advisor's statement.

5.4 A' Nine month Period of 2006 Investments

The Company during the A' nine month period of 2006 proceeded in total asset investments amounting to approximately € 4.713 thousand.

5.5 Un-audited tax year-ends

The parent company has not been audited by the tax authorities for the fiscal year-ends 2002 up to and 2005, for these fiscal year-ends an ordinary tax audit is performed from 20/11/2006. The tax un-audited fiscal year-ends for the other companies of the Group are depicted in the table below:

COMPANY NAME	TAX UN-AUDITED FISCAL YEAR-ENDS
HELLENIC PIPE WORKS S.A.	2001-2005
BALKAN EXPORT S.A.	2000-2005
MARMARA KAVALAS S.A.	2003-2005
THOLOS S.A.	2003-2005
HELLENIC WOOD INDUSTRY S.A.	2003-2005
MICHANIKI REAL ESTATE S.A.	2005
MICHANIKI BULGARIA S.A.	1998-2005
MICHANIKI UKRAINE	-
MICHANIKI RUSSIA LTD	2004-2005

There have been recognized potential taxes for the parent company amounting to € 1.016 thousand and for the Group € 1.220 thousand. The outcome of the joint venture/consortium tax liabilities in which the company participates in can not be forecasted at this current stage. It is estimated that as far as the inactive joint ventures/consortiums is concerned an additional taxation will not emerge due to the implicit taxation, and as far as the active joint ventures/consortiums is concerned any potential taxation will limit the profits towards its members.

5.6 Employed personnel

The personnel occupied by the Group and the Company is presented below:

	THE GROUP		THE COMPANY	
	30/9/2006	30/9/2005	30/9/2006	30/9/2005
Salaried Employees	399	409	232	252
Daily Wage Employees	389	462	205	359
Total Employees	788	871	437	611

The reduction of employees presented in the comparative periods of the parent company, is caused mainly due to the completion of construction works and the termination of the metallic structure utilization.



5.7 Transactions with associated parties

The transactions referring to Receivables-Liabilities, Sales and Purchases to and from associated parties of the group are analyzed below:

	THE GROUP 01/01-30/09/2006	THE COMPANY 01/01-30/09/2006
COMMODITIES AND SERVICES SALES COMMODITIES AND SERVICES PURCHASES	3.644	4.309
RECEIVABLES	47.668	47.358
LIABILITIES	21.731	20.450

ANALYSIS OF PURCHASES - SALES OF PARENT COMPANY WITH SUBSIDIARIES 01/01/2006 - 30/09/2006

	BALKAN S.A.	MARMARA S.A.	PIPING S.A.	THOLOS S.A.	ELVIX S.A.	MICHANIKI REAL ESTATE S.A.	PARENT COMPANY TOTAL TRANSACTIONS WITH SUBSIDIARIES	OTHER ASSOCIATED PARTIES OF SUBSIDIARIES	OTHER ASSOCIATED PARTIES OF PARENT
COMMODITIES AND SERVICES SALES COMMODITIES AND SERVICES PURCHASES	-	64	266	333	-	3	667	2	3.642
	3	58	63	-	-	-	124	10	119

ANALYSIS OF RECEIVABLES-LIABILITIES OF PARENT COMPANY WITH SUBSIDIARIES AT 30/09/2006

	BALKAN S.A.	MARMARA S.A.	PIPING S.A.	THOLOS S.A.	ELVIX S.A.	MICHANIKI REAL ESTATE S.A.	PARENT COMPANY TOTAL RECEIVABLES-LIABILITIES WITH SUBSIDIARIES		
RECEIVABLES	-	22	-	59	-	3	84	395	47.273
LIABILITIES	20	47	-	-	0	-	67	1.347	20.384



01/01-30/09/2005

	THE GROUP	THE COMPANY
	01/01-30/09/2005	01/01-30/09/2005
COMMODITIES AND SERVICES SALES	9.011	9.094
COMMODITIES AND SERVICES PURCHASES	174	183
	31/12/2005	31/12/2005
RECEIVABLES	38.331	40.756
LIABILITIES	22.094	20.424

ANALYSIS OF PURCHASES - SALES OF PARENT COMPANY WITH SUBSIDIARIES 01/01/2005 - 30/09/2005

	BALKAN S.A.	MARMARA S.A.	PIPING S.A.	THOLOS S.A.	ELVIX S.A.	MICHANIKI REAL ESTATE S.A.	PARENT COMPANY TOTAL TRANSACTIONS WITH SUBSIDIARIES	OTHER ASSOCIATED PARTIES OF SUBSIDIARIES	OTHER ASSOCIATED PARTIES OF PARENT COMPANY
COMMODITIES AND SERVICES SALES	-	88	-	-	0	-	88	6	9.005
COMMODITIES AND SERVICES PURCHASES	0	-	31	-	0	4	35	25	149

ANALYSIS OF RECEIVABLES-LIABILITIES OF PARENT COMPANY WITH SUBSIDIARIES AT 31/12/2005

	BALKAN S.A.	MARMARA S.A.	PIPING S.A.	THOLOS S.A.	ELVIX S.A.	MICHANIKI REAL ESTATE S.A.	PARENT COMPANY TOTAL RECEIVABLES-LIABILITIES WITH SUBSIDIARIES	OTHER ASSOCIATED PARTIES OF SUBSIDIARIES	OTHER ASSOCIATED PARTIES OF PARENT COMPANY
RECEIVABLES	-	32	-	2.644	-	-	2.676	251	38.080
LIABILITIES	17	-	5	-	0	-	22	1.692	20.402

Apart from the Parent Company's transactions with the subsidiary companies and the other associated parts there are transactions between the subsidiary companies of the Group. At the period 01/01/2006 – 30/09/2006 a sale took place amounting to approximately € 1.367 thousand from PIPEWORKS S.A. to THOLOS S.A. and the liability of THOLOS S.A. to PIPEWORKS S.A. at 30/09/2006 amounts to approximately € 704 thousand whereas at 31/12/2005 the liability of THOLOS S.A. towards the same company amounted to approximately € 1.477 thousand.

5.8 Management & Executive grants

	THE GROUP		THE COMPANY	
	1/1- 30/09/2006	1/1- 30/09/2005	1/1- 30/09/2006	1/1- 30/09/2005
Salaries and other short-term employee grants	1.598	1.387	1.154	968
	1.598	1.387	1.154	968

The liabilities towards the members of the Management and the executives of the Group and the company at 30/09/2006 amounts to € 22,3 thousand and € 14,8 thousand respectively.

No loans have been granted to members of the BoD or to any other Senior Executives of the Group (and their families).

5.9 Profits per share

	THE GROUP		THE COMPANY	
	30/9/2006	30/9/2005	30/9/2006	30/9/2005
Profits proportioned to the parent company shareholders	19.103	11.502	6.498	7.263
Total number of shares	92.906.513	92.906.513	92.906.513	92.906.513
Basic profits (losses) per share (€ per share)	0,21	0,12	0,07	0,08

5.10 Events after the date of the balance sheet

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

THE CHAIRMAN

PRODROMOS S. EMFIETZOGLOU
ID No: Ξ 498825/86

THE MANAGING DIRECTOR

MELPOMENI PR. EMFIETZOGLOU
ID No: P 580621/94

THE FINANCIAL DIRECTOR

APOSTOLOS N. ATHANASOPOULOS
ID No: Ξ 288898/87

THE CHIEF ACCOUNTING MANAGER

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