



KLEEMANN™

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

**ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR FROM 1 JANUARY TO 31 DECEMBER 2011
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 attached annual Financial Statements Separate and Consolidated of KLEEMANN HELLAS S.A., for the period of 1 January to 31 December 2011, which have been prepared according to the International Financial Reporting Standards as they have been adopted by the European Union, depict in a truthful way the figures of the assets, equity and liabilities as well as the Statement of Income of "KLEEMANN HELLAS S.A.", and also of the companies which are included in the consolidation taken as total,
- The Annual 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 27 March 2012

**THE CHAIRMAN OF
THE BOARD OF
DIRECTORS**

NIKOLAOS K.
KOUKOUNTZOS

**THE VICE PRESIDENT OF
THE BOARD OF
DIRECTORS**

MENELAOS K.
KOUKOUNTZOS

**THE MANAGING
DIRECTOR**

KONSTANTINOS N.
KOUKOUNTZOS

**THE MEMBER OF THE
BOARD OF
DIRECTORS**

NIKOLAOS N.
KOUKOUNTZOS

ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2011

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." and also of the Group, concerns the fiscal year 2011 (1 January to 31 December 2011), 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, included all the necessary thematic units according to the above mentioned legislative framework.

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 in 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	
		31.12.11	31.12.10
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	100%	60%
KLEEMANN LIFT RO S.R.L.	Bucharest, Romania	100%	100%
MODA LIFT S.A.	Industr. area of Kilkis, Greece	100%	100%
HONG KONG ELEVATOR SYSTEMS LIMITED	Hong-Kong	100%	100%
KLEEMANN LIFTS U.K. LTD	Oxford, United Kingdom	100%	-

Description of Activity

The main activity of both the Group 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.

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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.

The products and commodities are meant for elevators of houses, offices, malls, hotels, industrial areas, airports etc. The objective of KLEEMANN is to satisfy the particular needs of each client while simultaneously increasing its market share and its international brand awareness.

Tangible Fixed Assets of the Group

Land	Buildings
KLEEMANN HELLAS S.A.	
Sites in the Industrial area of Kilkis, of 53.632 m ² total surface.	Manufacturing and storage building, of 21.242 m ² total coverage.
	Testing tower building for high speed elevators with offices of 5.274 m ² total coverage.
	Manufacturing building (Electronics) and offices, opposite the main facilities of the Company, 2.301 m ² .
	Manufacturing and storage building (Cabins) close to the main Group of buildings, of 9.329 m ² total surface, together with an administration building, with a surface of 1.000 m ² .
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.	Logistics building and offices, with a surface of 15.511 m ² .
	Manufacturing and storage building, of 3.952 m ² total coverage, leased to the Company MODA LIFT S.A.
	Manufacturing and storage building, of 3.431 m ² total coverage, extension of the Company MODA LIFT S.A.
Plots of 12.882 m ² total surface in Aspropyrgos, Attica, next to Attica Highway.	Logistics center, of 3.642 m ² total surface in the plot. Including a warehouse building with a surface of 217,5 m ² leased to the company MODA LIFT S.A.
Site-Plot in Polichni of 2.483 m ² total surface	Buildings with offices, with a surface of 1.160 m ² . (basement 435 m ² , storage 435 m ² and 1 st floor 145 m ²)
Apartments	Ground floor store of 122 m ² , which remains unoccupied, in 23 Nestoros street and 52 Akropoleos street, in Nikaia, Piraeus.
	Semi – underground warehouse 174 m ² , in 13 Lesvou street, in Galatsi, Athens, which is currently leased.
	The (5/8) of a 81 m ² apartment, in Kilkis, which remains unoccupied.
	Apartment in Kilkis in 21 Iouniou & Grevenon street, with a surface of 93 m ² , which remains unoccupied
KLEFER S.A.	
Plots in the Industrial area of Kilkis, of 19.561 m ² total surface.	Manufacturing and storage building (Doors), with a total surface of 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, with a total surface of 10.000 m ² .	Manufacturing, warehouse and office buildings, with a total surface of 3.104 m ²
KLEEMANN ASANSOR S.A.	
Apartments	Apartment in Silivri, Turkey with a surface of 135 m ² which was leased until the of 2011 and is intended for sale.
	2 apartments in Diyarbakir, Turkey, with a surface of 125 m ² .

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	each, intended for sale, with a sale agreement having been agreed for one of them on January 2012
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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 forty four trucks for transportation of cargo, of various capability, and professional cars – vans used at service operation, five buses, seven privately owned cars, ten motorcycles for personnel transportation and forty six 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 1.700.000 euros and 3.000.000 euros, for loans taken by its subsidiaries "MODA LIFT S.A." and "KLEEMANN ASANSOR", respectively, of which they have made use of the amounts 1.700.000 euros and 3.000.000 euros respectively.

STATEMENT OF CORPORATE GOVERNANCE (ACCORDING TO ARTICLE 2, PAR. 2 OF L. 3873/2010)

The Statement covers all of the principles and practices adopted by the Company in order to ensure its efficiency, the interests of its shareholders and of all other interested parties. The Company according to article 2, par. 2 of l. 3873/2010 and par 43rd par. 29 of L. 21/90/1920 states the following:

A. Reference on the Corporate Governance code, which the company is coming under and the web site that can be found

The Company, complying with the requirements of the Law 3873/2010 implements the Corporate Governance Code, introduced by the Hellenic Federation of Enterprises that can be found in the following website: http://www.sev.org.gr/Uploads/pdf/KED_SEV_InternetVersion_updatednew2132011.pdf

B. Reference to the Corporate Governance practices, which the company has adopted beyond

The Company does not follow any other corporate governance practices additional to the requirements of the law.

C. DESCRIPTION OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM WITH REGARD TO THE PREPARATION OF THE COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors has the responsibility of monitoring and evaluating the adequacy of the Company's and the Group's system of internal audit. This purpose is contributed by the Audit Committee and Internal Audit department -through which is monitoring the of the Internal Control system compliance-. On the aforementioned are additional included the financial information for the preparation of the parent and consolidated financial statements and the Annual Report.

The main characteristics of the internal control and risk management systems employed by the Company in connection with the process of preparation of the financial statements and the Financial Report are the following:

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- Creation of automated procedures and coordinated actions of all group companies for the preparation of consolidated financial statements.
- Checks and balances of all transactions affecting the preparation of the consolidated financial statements of the Group (agreement, sales-purchases, receivables-liabilities, and intercompany reserves and other transactions).
- Review of accounting principles and policies, whenever is required.
- Existence of recorded procedures related to the issuance of financial statements.
- Existence of audits and development of audit mechanisms for security and reliability of the information used.
- Development of a common accounting platform and structure for the preparation and issuance of financial statements for all companies of the group.
- Adequate knowledge, skills of personnel involved per areas of responsibility.
- Continuous training and updating on new developments.
- Regular contact of the Audit Committee with independent auditors (certified public accountants)
- Preparation and presentation of risk management procedure.
- Evaluation of internal control and risk management systems by the Board of Directors upon the recommendation of the Audit Committee.
- Creation of corporate contracts with the management of Group companies, where are described and defined jurisdiction for conducting any kind of transactions.

An audit plan prepared by Internal Auditing department based on prior risk assessments, in order to provide assurance over key business processes and financial risks faced by the Company. This plan is approved by the Audit Committee yearly.

The Audit Committee considers significant audit matters raised by management and both the internal and external auditors and submits its findings to the Board of Directors. Where weaknesses of internal control systems are detected, the Audit Committee ensures that management will take all necessary corrective measures.

Specific operating procedures have been established for areas associated with high risk of fraud, which describe all authorization steps that are required in order to ensure effective safe and control of these transactions.

The company has established appropriate structures, procedures and controls in order to assess and manage risks that may arise on the preparation of separate and consolidated financial statements.

D. ADDITIONAL INFORMATION PURSUANT TO SECTIONS (C), (D), (F), (G) AND (H) OF ARTICLE 10 PAR. 1 OF THE 2004/25/EK DIRECTIVE

The required information pursuant to section (c), (d), (f), (g) and (h) of article 10 par. 1 of the 2004/25/EC Directive can be found in the section of Explanatory Report of the Board of Directors in these Financial Statements that presents the additional information pursuant to article 4 par. 7 of Law 3556/2007.

E. INFORMATION ABOUT THE GENERAL SHAREHOLDERS MEETING.

The General Shareholder Meeting is the supreme body of the Company, in accordance with the Law 2190/1920, as applicable. The General Shareholder Meeting has the authority to decide for the below:

- Amendment of Articles of association.
- Approval of annual separate and consolidated financial statements.
- Election of members of Board of Directors and Certified public accountants.
- Appropriation of profits.
- Merger, split, conversion, dissolution of the company.
- Appointment of liquidators.

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The General Assembly is always convened by the Board of Directors and meets at Company's headquarters at least once a year, within six months from the end of the fiscal year that is designated by the Articles of Associations on 31 December. All shareholders are entitled to the right to participate, either in person or by duly authorized agent, always according to the proposed legislation. Decisions of the General Assembly are also binding shareholders who are absent or disagree. At the General Meeting of the Company entitled to participate and vote is any shareholder who appears as such in the records of the institution which complies with the securities of the Company. The exercise of these rights does not require the freezing of shares of the beneficiary or keeping a similar procedure.

The General Assembly ensures the effective exercise of shareholder rights, who are informed for all issues of the General Assembly, including those on the agenda. The Chairman of the Board of Directors, the General Manager, the Chairmen of the Board of Directors Committees, the chief of the Shareholders' department and the chief of the Corporate Announcement's department attend the General Shareholder Assembly and provide shareholders with all necessary information with regard to of the items of the agenda and to the questions posed by the shareholders. The internal auditor also attends the General Shareholder Assembly. General Shareholders Assembly and pursuant to the provisions of Law 3884/2010, the Company publishes on its website at least 20 days prior to the General Shareholder Assembly, information relating to :

- The date, time and place of the convocation of the General Shareholders Meeting.
- The basic rules and practices regarding the participation of the shareholders, including the right to introduce topics in the agenda, to make enquiries and the deadline for the exercise of these rights.
- The voting procedure, the terms and conditions for proxy voting and the necessary forms and documents for proxy voting.
- The proposed agenda of the General Shareholders Assembly, including draft resolutions and any other accompanying documents.
- In case of election of Board of Directors members, the list of the proposed persons along with their curriculum vitae (in case of electing members).
- The total number of shares and voting rights at the time of the convocation of the General Shareholder Assembly.

Notes / summary of the minutes of the General Shareholders Assembly are made available on the Company's website within 5 days as of the end of the General Shareholder Assembly in both Greek and English.

F. Composition and functioning of the Board of Directors and any other administrative, management or supervisory bodies and committees of the company

The Board of Directors is the governing body of the Company that mainly shapes the strategy and policy development of the Group, having driven and purpose the effective ensuring of interests of the company (including participations) and all shareholders.

The Board of Directors consists totally of seven (7) members. The executive members of the Board of Directors are four (4) and non executives ones are three (3). Of the three (3) non-executive members two (2) are independent and one (1) has a dependent relationship under the meaning of Article 4 hereof.

Independent Directors do not hold more than 0.5% of share capital and not being subordinated to the Company or related parties. The independent members are appointed by the General Assembly. The Board of Directors determines whether an applicant meets the conditions of independence, before the election will be proposed by the General Assembly.

The Board of Directors is supported by competent, qualified and experienced corporate secretary. All members of the Board of Directors have access to the corporate secretary, whose role is to provide practical support to the President and other Board members, based on compliance with corporate rules and legal provisions.

The composition of the Board of Directors of the Company as at 31/12/2011 is presented below:

- 1) Nikolaos K. Koukountzos, Chairman, Executive Member.
- 2) Menelaos K. Koukountzos, Vice Chairman &, Executive Member.

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- 3) Konstantinos N. Koukountzos, Managing Director & Executive Member
- 4) Nikolaos N. Koukountzos, General Manager &. Executive Member
- 5) Stergios N. Georgalis, Independent non Executive Member.
- 6) Vasilios T. Ziogas, Independent non Executive Member.
- 7) Maria D. Karadedoglou, non Executive Member.

The duty of the above Board of Directors' expires on 30.06.2014.

During 2011, the Board of Directors convened 113 times. The attendance of each member of the Board of Directors during 2011 were: Nikolaos K. Koukountzos (113), Menelaos K. Koukountzos (113), Konstantinos N. Koukountzos (113), Nikolaos N. Koukountzos (111), Stergios N. Georgalis (112), Vasilios T. Ziogas (17), Maria D. Karadedoglou (34), Maria D. Karadedoglou.

Board Member's CV's

Nikolaos K. Koukountzos, Chairman, Executive Member. He was born in 1944 and is the founder and majority holder of the Company. Since the foundation of the Company he serves as Chairman of the Board of Directors. He is engaged with the strategic development of the Company and the supervision of the technological developments of the field, regarding matters of mechanical equipment and manufacturing process. His main target is the preservation and the expansion of the competitive position of the Company in a global level.

Menelaos K. Koukountzos, Vice Chairman, Executive Member. He was born in 1942 and is the vice-president of the Board. He has a long experience in the field of the lifts and of financial activities as well. Since 1988 he holds the position of Managing Director and is in charge of the financial administration of the Company and the supervision of the developments in the financial field.

Konstantinos N. Koukountzos, Managing Director, Executive Member. He was born in 1973 in Thessaloniki. He holds a degree in Mechanical Engineering from the Polytechnic school of Aristotle University of Thessaloniki. He also holds a Master's Degree in Business Administration (MBA), from Boston University, USA.

Nikolaos N. Koukountzos, General Manager, Executive Member, Member of Nomination and Remuneration Committee. He was born in 1977 in Thessaloniki. He holds a BSc degree in Electronic Engineering, an MSc in Mechanical Engineering from King's College, London and a Masters Degree in Business Administration (MBA), from Boston University, USA.

Vasilios T. Ziogas, Independent non Executive Member, (President of Audit Committee). He was born in 1956 in Fitia, Veria. He graduated from High Industrial School of Thessaloniki at 1979. He is a freelancer in Veria and works as an Economist at Companies. He has an extensive experience in accounting, tax and financial matters as well as in matters of Stock Market (IFRS, Legal Obligations S.A.,C.M.C etc).

Stergios N. Georgalis, Independent non Executive Member, (President of Nomination and Remuneration Committee, Member of Audit Committee). He was born in 1960 in Keramidi, Volos . He graduated from the Law School from the Aristotle University of Thessaloniki, and has attended courses to the MA department in Law of the Aristotle University of Thessaloniki. He is a lawyer in Thessaloniki since 1981, handling civil, trading and administrative cases.

Maria D. Karadedoglou, non Executive Member, (Member of Audit Committee & Nomination and Remuneration Committee). Born in 1974 at Thessaloniki. Graduate of the Faculty of Law of the Aristotle University of Thessaloniki, speaks English and French. She is an active lawyer at Kilkis since 1999, handling mainly cases of public, civil and commercial law. She is the Company's legal consultant since 2007.

The main, responsibilities of the Board of Directors should include:

- approving the overall long-term strategy and operational goals of the company.
- approving the Companies Internal Code of Operations, Corporate Governance code, code of Ethics and their revisions.
- approving annual budgets and business plans, as well as deciding on major capital expenditures, acquisitions and divestitures.
- development of a risk management and internal control systems.
- insurance of reliability and completeness of the published financial statements of the Group, of the financial reporting systems and of the published data and well-functioning control systems.
- create transparency regime on general business activities of the Group.
- insurance of an efficient regulatory compliance process of the Group.
- selecting Candidates as members of the Board of Directors, Managing Director and senior executives

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- existence of organizational structure for all group companies (organization chart), where included the basic areas of responsibility and the corresponding reference lines, for all operational activities and business units.
- responsibility for decision making and monitoring the effectiveness of the Company's management, including procedures for decision-making and delegation of powers to other managers.
- performance measure of senior management and the harmonization of remuneration, regarding long-term benefits of the company and its shareholders.

The Board of Directors meets at the Headquarters of the Company regularly at least once a month and extraordinarily whenever the President deems necessary or convergence of the request by letter, at least two of its members.

The remuneration of the Board of Directors is approved by the Annual General Meeting.

The operation of the Board of Directors is supported by two committees, the Audit Committee and Nomination and Remuneration Committee.

The Audit Committee is a committee of the Board of Directors constituted to provide assistance to the Board of Directors with respect to the fulfilment of its supervisory duties regarding the procedures for reviewing the financial statements, the compliance of the Company and its subsidiaries with the legal and regulatory regime, the assessment of the Company's internal control environment and the supervision of the internal and external auditors. The members of the Audit Committee are appointed by the General Shareholder Assembly following the proposal of the Board of Directors. The Audit Committee is made up of two (2) independent non executive members and of a non executive one. The Chairman of the Audit Committee is an independent non executive member and has an in-depth knowledge of financial reporting and accounting issues.

The present composition of the Audit Committee is as follows:

- Vasilios T. Ziogas - Chairman
- Stergios N. Georgalis - Member
- Maria D. Karadedoglou - Member

During 2011 the Audit Committee convened 5 times. The attendances of each member of the Audit Committee during 2011 were: Vasilios T. Ziogas (5), Stergios N. Georgalis (5), Maria D. Karadedoglou (5).

The Nomination and Remuneration Committee's mission is initially to support the Board of Directors in planning the succession of its members, the position of Managing Director and the development of senior management personnel. Secondly, the Commission's role is to formulate corporate policies and principles relating to the provision of remuneration of executive Board members and senior executives. Specifically, the Committee controls -for all above persons-, the system of rewards, evaluates their performance and suggests -with proposals to the Board of Directors - measures and rewards for further developments as well as the increase of their efficiency. The Commission consists of three (3) members, an executive, a non-executive and independent non-executive one.

The Nomination and Remuneration Committee meets as necessary but at least twice a year at the invitation of President. The current composition of the Nomination and Remuneration Committee comprises the following three (3) members:

- Stergios N. Georgalis - Chairman
- Nikolaos N. Koukountzos – Member
- Maria D. Karadedoglou – Member

During the year 2011, the Nomination and Remuneration Committee had no meetings because they are newly formed (has just established on 14th December 2011) and is awaiting final approval by the General Meeting.

G. Deviation from Corporate Governance code

The Company complies with the Code of Corporate Governance that was drafted at the initiative of Hellenic Federation of enterprises (SEV) for Listed Companies (version March 2011) with minor deviations that are presented and explained in the following table.

The Company is subject to the exceptions for the full implementation of the code, just as described in Annex I of the Code, as small size listed company (because it is not included in the indices FTSE / ATHEX 20 and FTSE / ATHEX MID 40). On this basis, the full implementation of the specific practices of Corporate Governance is not required, but it is possible only for specific articles the adoption of specific practices of Annex I. The deviations from the articles of the code are described below:

§ CODE	CORPORATE GOVERNANCE CODE OF HELLENIC FEDERATION OF ENTERPRISES (SEV) FOR LISTED COMPANIES	JUSTIFICATION FOR DEVIATION FROM SPECIAL PRACTICES OF CORPORATE GOVERNANCE CODE
A. The Board of Directors and its members		
3. Role and profile of the chairman of the Board).		
3.3	The Board of Directors should appoint an independent vice - chairman from among its independent Board members where a company chooses a) to combine the roles of Chairman and Chief Executive, b) appoint an executive Chairman. If a former Chief Executive of a company is appointed as Chairman within three (3) years of his retirement as Chief Executive, he should be considered as being an Executive Chairman.	The Company follows the provisions of Law 3016/2002. The Board of Directors has four (4) executive and three (3) non-executive members of which two (2) independent non-executive members. The President of the Board is executive like the vice president. The term of the members of the current Board expires on June 30, 2014, when it will review the implementation of this practice.
3.4	The independent Vice - Chairman should be empowered to request the Chairman to include specific items on the Board's agenda. This does not affect the legal rights of other Board members to request a meeting of the Board or to actually call a meeting in case the Chairman or Vice - Chairman does not comply with their request. The Independent Vice Chairman should also coordinate non - executive Board members and give voice to their views. He should be responsible for leading the Board's evaluation of the Chairman and the meeting of non - executive Board members (as described in paragraph A.VI. (6.5)). He should also be available to shareholders to discuss issues of corporate governance .	
5. Nomination of board of Director's members		
5.1	Board members should be subject to election by shareholders at intervals of no more than four years. They may be re-elected. Terms should be staggered so as to avoid replacement of the entire body at one general assembly and to favor an orderly succession of board members over time.	The members of the Board of Directors are elected by the General Assembly for five (5) years - instead of four (4) which provides the code and a maximum period of 6 years under the Law 2190/1920. The General Assembly in the next election of members in June 2014 would possibly revise the term limits of the members of the Board.
5.3	Executive board members should undertake to resign from the board upon the termination (in whatever manner) of their executive duties.	There is no written commitment by the members to resign in case of termination their executive duties. Responsible to act is the General Assembly.
5.6	The nomination committee should meet	The Nomination and Remuneration

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	sufficiently regularly to fulfill its responsibilities effectively. The nomination committee should disclose its terms of reference, explaining its role and responsibilities, on the website of the company. The work of the committee and the number of meetings held during the year should be described in the corporate governance statement.	Committee was established on December 14 th 2011. Not having the necessary time frame had neither meetings nor chart a regulation. For this reason, this practice will be fully implemented during the General Assembly on June 20 th 2012.
6. Functioning of the board of Directors		
6.1	The formal policy and procedure for the functioning and responsibilities of the board should be clear and well documented. At the beginning of every calendar year, the board should adopt a calendar of meetings and a 12-month agenda, which may be reviewed depending on the company's needs, to ensure that it properly, fully and timely fulfils its responsibilities and adequately considers all matters submitted to it for consideration.	The Board of Directors adopts a minimum number of meetings, which are usually revised to higher numbers determined by the needs of the Company. They also, does not determine an annual plan of action. The Board meets i a regular basis but also extraordinary whenever an issue arises.
7. Board evaluation		
7.1	The evaluation of the performance of the Board and its committees should take place at least every 2 years in line with a clearly established procedure. The evaluation exercise should be led by the Chairman and its results discussed by the Board. The Chairman should act on the results of the performance evaluation by addressing the weaknesses of the Board. The Board should also evaluate the performance of its Chairman. This should be led by the independent Vice-chairman, if appointed, or by another non-executive Board member.	Among the responsibilities of the Board of Directors is the evaluation of all committees. The Company has not decided upon an acceptable methodology for evaluating the effectiveness of the Board. This practice will be discussed at a future stage.
7.2	The non-executive Board members should convene periodically without the executive members in order to evaluate the latter's performance and discuss their remuneration.	
C. Remuneration		
1.3	Executive Board members' contracts should provide that the Board may demand full or partial recovery of any bonuses awarded on the basis of restated financial statements of previous years or otherwise erroneous financial data used to calculate such bonuses.	There are no contracts between the Company and the executive members of the Board which include the referring term to a specific practice. In case of a new contract will review the implementation of this specific practice.
1.4	Individual remuneration of executive Board members should be approved by the Board, on the proposal of the remuneration committee without the presence of executive board members. When remuneration needs to be approved by the general meeting of shareholders according to the law, the proposal to the general meeting should be developed by the Board according to the above procedure. In determining the remuneration of executive board members, the board should consider: <ul style="list-style-type: none"> • their role and responsibilities • their performance against predetermined quantitative and qualitative objectives 	The Board has a majority of four (4) executive members, so it is not possible to decide only the non-executive Board members.

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	<ul style="list-style-type: none"> the economic situation, performance and outlook of the company; the remuneration for similar executive functions in peer companies. 	
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For those cases referred to in this Statement as deviations from the Code of Corporate Governance of SEV, and combined with the fact that the Company is monitoring carefully the developments of corporate governance in Greek institutional environment, is intending with appropriate conditions in future to make full adoption of these developments, having always driven to promote transparency and efficiency of operations.

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 is presented in the following table:

	<u>2011</u>	<u>2010</u>
Salaried	488	486
Day laborers	363	389
TOTAL	851	875

INFORMATION ABOUT THE ELEVATOR MARKET

General Information About The Market

The 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.

The limits among the above mentioned categories are not well defined, as a consequence there are companies that combine some of the above activities. For example in elevator sector in Europe, are activated many multinational companies which apart from production of elevator parts they proceed to installation and maintenance. The specific companies have given during the last years great emphasis in the market of installation, where Kleemann Group is not activated. They are also companies that produce components. In this category belong companies of Kleemann Group (such as KLEFER S.A., MODA LIFT S.A. and KUNSHAN HK ELEVATOR SYSTEMS LTD subsidiary of HONG KONG ELEVATOR SYSTEMS LIMITED which will begin its activity in the six month period of 2012) and commercial companies of elevator parts among them there are companies of Kleemann Group such as (KLEEMANN ASANSOR S.A., KLEEMANN LIFT RO S.R.L. and KLEEMANN LIFTOVI D.o.o., KLEEMANN LIFTS U.K. LTD). Finally there are companies that produce and trade all elevator parts, providing complete lift solutions and one of them is the Parent Company Kleemann. The competition against Kleemann Group is coming mainly from small-medium production companies of lift compartments, from similar companies and from other competitors who are able to produce the main lift compartments and additionally they involve in installation and maintenance of the elevators. These kind of

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companies a lot of times are functioning as customers to Kleemann Group when there is no potentiality to be provided through their Group for their own various reasons all the lift compartments.

Prospects of the global market

In the international elevator market an increase up to 30% is expected until March 2016, translated to 630.000 units . which is based on the recovery of developing countries such as India and China. It should be noted that China is expected to create approximately half of the global demand, due to its urbanism and economic development.

Conversely, in Europe, U.S.A. and Japan a significant rise in demand for new products isn't expected but instead it is anticipated that there will be an higher demand for renovation products additionally due to the need of conferment with new security regulations. Generally, in the global market a higher demand is expected for products that are more energy efficient, environment-friendly and have improved characteristics of safety, comfort and efficiency.

Currently, it is calculated that 50% of the global population resides in cities, while in China the respective figure amounts to 43%, in Africa at 33% and in India at 29%. In 2050, it is expected that the percentage of the global population that resides in cities will reach 70%.

In 2011, the global elevator market had a total value of euros 32 bln. approximately the same as 2010 , 40% of which (euros 12,8 bln.) was attributed to new installations and materials while the remaining 60% (euros 19,2 bln) was attributed to maintenance and renovation of existing systems. This market is translated to approximately 10 mln. elevators, of which 50% is in Europe-Middle East- Africa,16% in America, 11% in Japan and Korea, 17% in China, and 6% in the rest of the world. In the market of new elevators (445 thous, units), 26% is 24% is in Europe-Middle East- Africa, 51% in China, 7% in America, 10% in Japan and Korea, and 8% in the rest of the world

Significant events of the fiscal year 2011

The most significant events which have took place during the fiscal year 2011, as well as their impact to the Financial Report are the following:

Distribution of dividend

The General Assembly of 14th of June 2011 has approved the dividend for the fiscal year 2010, which amounts to Euro 0,05 per share and to Euros 1.182.435 in total Dividend, which is subject to 21% tax withholding in accordance with law 3943/2011 and therefore the net final amount payable shall be Euro 0,0395. The beneficiaries of the dividend were those persons registered in the records of the DSS on Friday 15th July 2011, ex date was set as Wednesday 13th of July 2011. The commencement of the dividend payment started on Thursday 21st of July 2011.

Share capital increase of the subsidiary MODA LIFT S.A.

The General Assembly of 13th of June 2011 of the subsidiary MODA LIFT S.A. decided to increase the share capital by 923.000 euros, which was covered entirely by the Parent capital KLEEMANN HELLAS S.A. The aforementioned capital increase has taken place through cash contribution, similarly affecting the cash flow of the parent company KLEEMANN HELLAS S.A. and was completed in the third semester of 2011.

Establishment of subsidiary in the United Kingdom

KLEEMANN HELLAS S.A. proceeded on the 22nd of March 2011 to the founding of a subsidiary Company called "KLEEMANN LIFTS UK LTD", based in Oxford, UK with the purpose to promote modernization solutions and further enhance the overall product range of the parent company. The initial share capital of the new Subsidiary amounts to € 200.000,00 and was covered 100% by KLEEMANN HELLAS S.A.

Acquisition of 40% of KLEEMANN LIFTOVI

On the 27th of June 2011, KLEEMANN HELLAS S.A. acquired 40% of the subsidiary's "Kleemann Liftovi D.o.o" shares at the price of 1,090,000 euros. The aforementioned amount of shares was owned by the subsidiary "Kleemann Liftovi D.o.o" after being acquired from its partner "Grossi Engineering" on the 7th of March 2011. Therefore, the participation of KLEEMANN HELLAS S.A.in the Serbian subsidiary now amounts to 100%.

Establishment of subsidiary company of HONG KONG ELEVATORS SYSTEMS LIMITED in China

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On the 17th of March 2011, the subsidiary Company "HONG KONG ELEVATOR SYSTEMS LIMITED" acquired by the authorities of the People's Republic of China the business license to proceed with the establishment of a Wholly Foreign Owned Enterprise (WFOE) owning 100%. The company's name is KUNSHAN HK ELEVATOR SYSTEMS LTD and its purpose is to create a production base in China.

Testing tower inauguration

The first elevator testing tower in Greece as well as the fourth largest private one in a European level was inaugurated in Kilkis on the 14th of July 2011 by KLEEMANN HELLAS S.A. The tower offers testing capability for high speed elevators, initially at 6 meters/second. With 18 floors and five testing shafts, the tower is 61 meters high. Its construction began in 2008 and was completed in 2010, while the total investment exceeded 5 mln euros.

Change of Internal Auditor

On the 17th of June 2011, Mr. Chrysostomidis A. Apostolos was appointed as the new Internal Auditor of the Group in place of Mr. Paltsidis G. Dimitris who resigned for personal reasons.

KLEEMANN HELLAS S.A. joins the "STRONGEST COMPANIES IN GREECE"

KLEEMANN HELLAS S.A. was recognized by ICAP GROUP as fit to join the community "STRONGEST COMPANIES IN GREECE". More specifically, based on the ICAP score, KLEEMANN HELLAS S.A. is ranked amongst a group of companies with the lowest credit risk. The ICAP Group is recognized by the Bank of Greece as an External Organization of Credit Ratings and by the European Central Bank as an Acceptable Source of Credit Ratings.

"Extraversion " award from F.I.N.G.

In the context of the ceremony for the "Elliniki Aksia" (Greek Value) awards for 2011, which was organized by the Federation of Industries of Northern Greece and the newspaper EXPRESS, the parent Company received the award of extraversion as a result of its successful activities whilst in an unfavorable economic climate.

Events after the Balance Sheet Date

There are no other important events, that took place until the end of the of the fiscal year and until the date of composition of this Report, that require to be distinctively stated.

Progress and performance

In a period of crisis, the Group continues to be profitable and to adapt its strategy to the market conditions that are formulating, aiming the further enhancement of its innovation products, and of the "Specialized partner" institution. The adverse conditions that are dominating the Greek Economy in 2011 as well as the global market, have undoubtedly affected the Group's results, as the economic activity of the country is shrinking. The insecurity climate and the lack of liquidity have a significant effect in the real estate market and the construction activity with the number of licenses being reduced by approx 23,8% in the period of Dec 10 – Nov 11 in comparison with the previous year period, and the volume of building construction reduced by approximately 32,2%. Nevertheless, the Group maintains the strong market share it holds as the fall of the market in 2011 amounted to approximately 35% while the fall in the Group's sales in the domestic market is lower.

Concerning the Group's exporting activity, in 2011 the foundation of the subsidiary in China stands out, which aims in penetrating the wider area of Southeast Asia and Oceania and enhances the Group's extraversion. In certain countries of the European Union which were affected more from the economic crisis such as Ireland presented a reduction in sales, which was more than covered by the impressive increase from the activity in central and eastern Europe, Turkey and Asia. Moreover in 2011, the Company succeeded in further increasing the geographic dispersion of its clientele and specifically was active in 75 countries as compared to 63 in 2010 and 57 in 2009 (increase of 31,6% compared to 2009). Simultaneously, it increased the number of its clients by 42% compared to 2010, when the respective increase compared to 2009 was 37%. Approximately 17% of the value of exports in 2011 came from new clients.

The Group continued in 2011 its direct communication between the Greek and international market by participating in important exhibitions, of which INTERLIFT 2011 stands out, that took place in Augsburg, Germany and was attended by more than 18.700 visitors from 54 countries. KLEEMANN HELLAS S.A.

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presented its new -high tech- products, with the "green" elevator with an Energy Class A rating, without engine "ATLAS", among them, and attracted the interest of hundreds of visitors. Also, the Group of KLEEMANN HELLAS S.A. participated in the important exhibition ASANSOR, which took place in Istanbul, Turkey and in LIFT EXPO in Russia, as well as in other exhibitions in Ukraine, Serbia and Greece. Moreover, the Group proceeded to other promotional activities, such as appearances in seven industry-related magazines abroad, visits of customers in the facilities of the Group, customer training through seminars all over Greece and at the facilities of the subsidiary in Serbia, meetings and showrooms of specialized partners etc.

KLEEMANN HELLAS S.A. is launching its innovative iPhone application, named LIFT TESTER at the 19th "Elevcon 2012" International Congress on Vertical Transportation Technologies, to be held by the International Association of Elevator Engineers in Miami, Florida from May 22 to 24, 2012. The Company has designed this application in order to provide sector experts, as well as the end users of lifts, with the possibility of acquiring a comprehensive picture of the quality of motion, measuring data such as speed, acceleration, minor vibrations, and noise using their mobile phones. It should be noted that LIFT TESTER is a global innovation from KLEEMANN HELLAS S.A., which is opening out to mobile marketing and the provision of services through smart phones.

Furthermore, another innovative application was created by KLEEMANN HELLAS S.A., named "Design Your Lift". It concerns a virtual showroom that provides users with the ability to design their own lift cabin, selecting products from all of the Company's models, in every possible combination of materials. The application allows users to experiment with materials, colours and design options offered, in order to create the lift that best meets their needs and aesthetic. This application is available at www.designyourlift.com.

With a consolidated turnover amounting to Euro 91.2 mln, the Group's market share is 0.27% of the global elevator market (Euro 34 billion), 0,68% of the total value of the global market for new installation and lift equipments (Euro 13.6 billion). Similarly, the largest subsidiary of the Group, KLEFER SA owns 3.4% of total European market of 700.000 doors and 0.8% of the global market 3.000.000 for doors.

The increase of market share abroad has been also achieved due to the contribution of the foreign subsidiaries, whose performance is deemed satisfactory given the burdensome economic climate in the markets in which they operate. More specifically, the performance in Turkey is particularly good, with the sales of Kleemann Asansor being improved by 13,3% in comparison with 2010 and profit margin being 17,5% from 9,1% in 2010. In Serbia, sales are also increased by 22,5%, while the Romanian subsidiary's sales are reduced 22,4% due to the political instability in the country since the appeal to the International Monetary Fund and its general macroeconomic course. It must also be noted that foreign subsidiaries are commercial enterprises that operate in countries that have been severely been aggravated by the global crisis, but there are no indications of impairment.

As for the Greek subsidiaries are concerned, the largest in terms of turnover, KLEFER SA, presented an increase in turnover, but reduction of its gross margin. Its course is deemed particularly satisfactory as it maintains strong profitability and contributes significantly to the maintenance of the Group's share in the Greek market. Finally, in the subsidiary MODA LIFT S.A. there is significant improvement with sales presenting an impressive increase by 147,5%, and a great reduction of its losses by 72,4%.

During the examining period, the Parent Company contributed 70.8% of consolidated sales (72,8% in the corresponding last year), and 91.3% of total equity without minorities (91.7% at the end of the previous year).

The Group, during the fiscal year of 2011, proceeded to the realization of investments amounting to Euro 2,11 mln. aiming the expansion of its activities, the increase of the productivity, the improvement of its efficiency, and the improvement of the quality of its products and services-

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 91,2 mln. euros, presenting an increase of 0,3% from the previous fiscal year. The respective figures for the Parent Company, is turnover 73,8 mln. euros and 2,0% decrease.

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The Group managed to achieve increased sales despite the crisis of the Greek market, by covering its domestic losses with added sales from abroad. As a result, the percentage of turnover coming from exports amounts to 68,0% while in 2010 it was 55,3%.

Gross profit: The decrease of gross profit margin for both the Group (30,6% compared to 33,8% in 2010) and the Company (25,7% instead of 30,2% in 2010) is the result of the rise in the prices of raw materials and the intensification of efforts to penetrate new developing markets.

Earnings Before Interest Tax Depreciation and Amortization (EBITDA): The Earnings before Interest Tax Depreciation and Amortization of the Group amounted to 6,1 mln. euros (2010: 8,9 mln. euros) whereas the EBITDA margin is 6,6% (2010:9,8%). At the Company level, EBITDA amounted to 0,1 mln. euros (2010: 4,6 mln. euros), whereas the EBITDA margin is 0,2% (2010: 6,2%).

The worsening of the ratio is the result partly of high provisions for doubtful debtors amounting to € 3,5 mln partly due to expenses related to the development and expansion of the Group (promotion expenses, expenses related to expansion in new foreign markets, expenses related to the development of new products, etc) and therefore are necessary. More specifically, the results were aggravated by one-off administrative expenses amounting to 0,8 mln. euros of which 0,4 mln euros concern expenses and salaries for the creation and establishment of new subsidiaries and representation offices. The remaining amount concerns education, exhibition and hospitality expenses.

Net Earnings after tax: As a result of the aforementioned, the net earnings of the Group amounted to 1,5 mln. euros (2010: 3,6 mln. euros) presenting a decrease of 56,8%, whereas those of the Company amounted to -1,7 mln. euros (2010: 1,1 mln. euros) decreased by 263,5%.

Cash flow: The net cash flow from operating activities of the Group amounted to an inflow of 7,0 mln. euros (2010: inflow 10,3 mln. euros) and of the Company to an inflow of 9,5 mln. euros (2010: inflow 6,8 mln. euros).

Non-depreciated fixed assets: For the Group, on 31st of December 2011, amount to 36,1 mln. euros and consist the 23,8% of the total assets (2010: 36,9 mln. euros or 23,6% of total assets), whereas for the Company amount to 28,9 mln. euros and represent the 23,3% of its total assets (2010: 29,7 mln. euros or 22,8% of total assets).

Inventories: The Group's inventories amount to 18,5 mln. euros and represent the 12,2% of total assets (2010: 21,4 mln. euros or 13,7% of total assets), whereas for the Company amount to 14,6 mln. euros compared to 17,1 mln. euros (percentage of 11,8% and 13,1% on its total assets respectively).

Receivables: The total receivables from clients of the Group amounted to 58,4 mln. euros (2010: 64,0 mln. euros), which represent the 38,5% of total assets (2010: 40,8%), whereas for the Company amounted to 42,9 mln. euros (2010: 51,7 mln. euros) which represent the 34,6% of total assets (2010: 39,8%).

Equity Capital: Equity capital of the Group (including the non-controlling interest) amounted to 89,8 mln. euros (2010: 92,6 mln. euros) or percentage of 59,2% (2010: 59,1%) of total equity and liabilities, whereas for the Company amounted to 72,2 mln. euros (2010: 75,8 mln. euros) or percentage of 58,2% (2010: 58,3%) of total equity and liabilities.

Long-term bank liabilities: For the Group and the Company as well, amount to 9,2 mln. euros (2010: 21,1 mln. euros) and they were decreased because of a the transfer of bond loans amounting to 11,9 mln. euros, to bank liabilities payable the next fiscal year (payment on December of 2012).

Short-term bank liabilities: For the Group, they amounted to 23,1 mln. euros (2010: 14,9 mln. euros), whereas for the Company to 18,4 mln. euros (2010: 10,9 mln. euros) and increased because of the aforementioned transfer of bond loans amounting to 11,9 mln euros.

Suppliers: The suppliers of the Group amounted to 19,5 mln. euros (2010: 18,6 mln. euros) or percentage of 31,4% (2010: 29,0%) of total liabilities, whereas of the Company amount to 17,0 mln. euros (2010: 15,4 mln. euros) or percentage 32,7% (2010: 28,4%) of the total liabilities.

The following table gives an information in percentages for the changes of the most important accounts of the Balance Sheets of the fiscal year 2011 and 2010.

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Assets	Group		Company	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Tangible assets for own use	(2,2%)	4,3%	(2,4%)	4,8%
Inventory	(13,4%)	5,2%	(14,6%)	4,4%
Receivables	(8,6%)	(5,8%)	(17,1%)	(9,6%)
Participations in Subsidiaries	-	-	72,5%	37,8%
Other long-term Receivables	0,2%	370,4%	0,2%	381,5%
Deferred tax Receivables	84,1%	820,8%	105,6%	100,0%
Cash and cash equivalents	(3,5%)	35,5%	(7,3%)	45,9%
Capital and Liabilities				
Suppliers	4,7%	87,7%	10,5%	87,4%
Bank Liabilities	(10,3%)	5,3%	(13,8%)	16,4%
Deferred tax Liabilities	(69,2%)	(56,2%)	-	(100,0%)
Equity Capital	(3,0%)	0,7%	(4,7%)	(2,6%)

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

(Amounts in mln. euros)	Group			Company		
	From 1 January to			From 1 January to		
	31.12.2011	31.12.2010	%	31.12.2011	31.12.2010	%
Sales	91,19	90,94	0,3%	73,85	75,34	(2,0%)
Cost of sales	(63,28)	(60,20)	5,1%	(54,84)	(52,58)	4,3%
Gross Profit	27,91	30,74	(9,2%)	19,01	22,76	(16,5%)
Other operating income	2,64	0,82	222,0%	1,73	1,06	63,2%
Administrative expenses	(6,99)	(5,53)	26,4%	(5,54)	(4,31)	28,5%
Research & development expenses	(1,22)	(1,18)	3,4%	(1,11)	(1,06)	4,7%
Selling expenses	(18,58)	(18,02)	3,1%	(15,67)	(15,34)	2,2%
Income from Dividends	-	0,07	(100,0%)	0,42	0,45	(6,7%)
Income from securities and participations	(0,04)	(0,10)	(60,0%)	(0,04)	(0,45)	(91,1%)
Interests and relevant expenses	(1,32)	(1,00)	32,0%	(0,97)	(0,77)	26,0%
Profit/(loss) before tax	2,40	5,80	(58,6%)	(2,17)	2,34	(192,7%)
Income tax	(0,86)	(2,23)	(61,4%)	0,45	(1,29)	(134,9%)
Profit/(loss) after tax	1,54	3,57	(56,9%)	(1,72)	1,05	(263,8%)

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

RATIOS	Group		Company	
	2011	2010	2011	2010
DEVELOPMENT (%)				
Changes in Sales	0,3%	(5,1%)	(2,0%)	(8,6%)
Changes in Net Profit after Tax	(56,8%)	(45,6%)	(16,5%)	(72,9%)
Changes in Fixed Assets	(0,6%)	4,2%	(97,2%)	4,7%
Changes in total Equity	(3,0%)	0,7%	(193,1%)	(2,6%)
PROFITABILITY (in thous. Euros)				
Earnings after Tax (EAT)	1.540	3.568	(1.723)	1.054
Earnings before Tax (EBT)	2.402	5.798	(2.174)	2.335
Earnings before Interest, Tax, Depreciation and Amortization(EBITDA)	6.050	8.945	131	4.653
ACTIVITY (days)				
Receivables turnover Ratio (Clients+Notes+Checks)	225,7	237,8	216,9	237,7
Liabilities turnover Ratio (Suppliers+ Notes + Checks.)	99,4	78,2	98,0	74,5
Inventory turnover Ratio (in days)	115,2	126,5	105,4	116,1
Operating turnover average duration	340,9	364,4	322,4	353,9
Commercial turnover average duration	241,4	286,2	224,4	279,4

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CAPITAL STRUCTURE

Ratio of Equity Capital to Total Capital	0,6	0,6	0,6	0,6
Equity to Debt Ratio	1,5	1,4	1,4	1,4
Banking Loans to Equity capital	0,4	0,4	0,4	0,4

LIQUIDITY

Total Liquidity	2,1	2,7	1,9	2,7
Short-term Liabilities to Net Profits	653,1	17,2	(22,7)	28,8
Short-term Liabilities to Equity Capital	0,5	0,4	0,5	0,4

INVESTING

Working Capital per Share	2,3	2,9	1,5	2,2
Book Value per Share (BVPS)	3,8	3,9	3,1	3,2
Share Price per Share (P/E)	10,3	7,7	(9,2)	26,0

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

After the date of the Statement of Financial Position 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 benefit of the Company and of its shareholders.

For the fiscal year 2011, the Board of Directors does not intend to propose to the General Meeting the distribution of Dividend.

Expected progress and development

It is common knowledge that in the global economic environment of 2011, the Greek Financial debt crisis was in the spotlight, as it was expected from 2010 when signs of the crisis were obvious. The country found itself in a dire situation resulting in the agreement and signing in June of "the framework for fiscal adjustment", a package of important austerity measures, cost cuts and restructuring actions. Moreover, new loans were given from the European Central Bank and the International Monetary Fund, which helped the country to meet its obligations and avoid a default. In October, a European Union summit decided to cut Greek debt by 50% and to sign a new loan agreement, with the pre-requisite of adopting a new austerity package. Finally, in February 2012 the required second memorandum was voted in, and the PSI was completed successfully, thus the country avoided a credit event and is starting to gradually turn towards the path of development.

It is obvious that the vibe of the domestic economy has affected the Company's domestic industry of activity, as it has affected the real estate market, the construction industry and in extension the lift market. The Group's response is extraversion and the geographical dispersion of its clientele. As a result, this strategy allows the Group to be less influenced than its competitors, to be constantly enhancing its presence in countries where it's presence is established and to penetrate new markets all over the world.

Penetrating new markets abroad will continue to be the principal goal of the Company in 2012, in order to cover its domestic losses due to the Greek financial crisis, as it has been done successfully in 2011. In this context, the strategic plan includes promotional activities, such as the establishment of new representation offices abroad, as well as the development of new products and services. Naturally, significant importance is given constantly, to projects concerning the finding and implementation of activities that reduce costs even further, in order to adapt to new the economic conditions and to improve the efficiency of procedures, mainly in production and administrative departments.

At the same time, it is estimated that liquidity will continue to be maintained in high levels giving the Group the required flexibility and the ability to proceed in new investments. The Group is in a position to cover its

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operational needs and additionally to fund its geographic and product growth. Validation of the Group's healthy economic structure is its recent award from ICAP GROUP, ranking the Group amongst "STRONGEST COMPANIES IN GREECE", as it was aforementioned with more details at the section with the important events of the fiscal year.

It must be emphasized that the estimations about the progress of the activities are based on parameters whose positive or negative change cannot be forecasted with accuracy by the management. The most important of these parameters are the development in the raw materials market, the energy costs, the trend in the construction activity, the interest rate levels, the credit expansion of banks, the current state of the Greek economy, 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 of the Group with a percentage higher than 5% of total sales.

The provision for bad debt presents the estimation of the Company for losses in relation to its 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. 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.

At the end of the fiscal year 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 ordinary 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.

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 credit limits up to Euro 56 mln, from Euro 80,5 mln at the 31st of December, decreased due to a reduction asked by the banks. The existence of unutilized approved credit limits from banks, affects their capital adequacy ratios and in the present critical economic situation, it was deemed appropriate to reduce them since the borrowing needs of the Company will remain low throughout 2011. The reduction of the credit limits does not affect the financing needs of the Company and the Group. From the total of Euro 56 mln, Euro 21,1 mln has been used for the issue of four bond loans and Euro 6,5 mln in the form of short term loan for the Parent Company and Euro 4,7 mln for its subsidiaries. It should be noted that the Group was recently awarded from ICAP GROUP, who ranked the Group amongst the "STRONGEST COMPANIES IN GREECE", as it was aforementioned with more details at the section with the important events of the fiscal year.

On 31 December 2011 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

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affect the Group's financial results or the value of its financial assets. It also includes the price of steel which is the main raw material (commodity). Its price is affected by the supply, the demand and the level of reserves in a global perspective. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while optimizing the return. The exposure of economic results of the Group to the above risks is low. The biggest part of exchange differences of the Group, comes from Turkey, due to the strong activity of the Group and the intense volatility of the exchange difference of Euro – Turkish Lira.

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.

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. 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.

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:

Amounts in thous euros	Earnings before tax	% change
Published Earnings for 2011	(2.174)	100,0%
+5% interest rates	(3.544)	163,0%
-0,5% interest rates	(2.037)	93,7%
Increase 5% in prices of raw materials	(4.287)	197,2%
Decrease 5% in prices of raw materials	(61)	2,8%
Increase 10% in prices of energy	(2.443)	112,4%
Decrease10% in prices of energy	(1.905)	87,6%

Vision and long-term targets

The vision of the Management is for Kleemann to be the Company of first choice for the international elevator market, due to the fact that it constitutes a modern industry, with strong capital structure, close co-operation with its clients, great reputation and strong market position. To achieve the Group vision, specific strategic objectives have been set which are:

- **High quality:** The Group's objective is for quality to be the key feature of its products and services. Product quality must exceed customer expectations, while at the same time the existing processes must ensure its continuous improvement.
- **Consistency - helpfulness:** The consistency and helpfulness towards the customer is of key strategic objectives of the Group. Delivery time of products and customer service constitute critical success factors of the objectives of the Group.
- **Economy - Efficiency:** Maximum results must be achieved by using the least possible resources. The benefits may be significant and disseminate both within the Group (shareholders, management, employees, etc.) and outside (customers, suppliers, community, etc.)
- **Development:** The continuous growth in business activity primarily ensures the viability of the Company and then ensures its leading market position.

For the realization of this vision and strategic objectives, 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 21,8 mln. 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 873 employees (245 of University education, 178 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 as well as the new legal requirements, 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, elevation systems, regulations of reduction of energy consumption 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:

- **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 the promotion of the complete elevator package, the strengthening of the network of collaborators, the promotion of new proposals such as "Kleemann Design", the communication with the public, engineers and architects and finally in the development of new markets such as parking system, stair lifts and escalators.

- **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. In addition, the Group tries to promote its new products and apply a more competitive pricing policy in order to strengthen its presence in the international market.

- **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. Although the official Ministry decision, which refers to security of elevators and published at the end of 2008, transferring replacement at the next years, this specific postponement neither improves the operation of the Group, nor it affects significantly the financial figures. The daily reality indicates that there is a sufficient mobility regarding the repair and maintenance services because of the fact that existing elevators become older and need to be modernized.

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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.

2011	Group		Company	
	Revenues / Sales	Expenses / Purchases	Revenues / Sales	Expenses / Purchases
Consolidated subsidiary companies	-	-	9.800.564,83	9.282.215,62
Affiliated Companies	3.094.681,05	3.686.952,94	1.772.302,33	856.432,00
B.o.D. Members and highest officials	16.670,35	2.078.272,18	15.561,01	1.573.956,89
	3.111.351,40	5.765.225,12	11.588.428,17	11.712.604,51

2011	Group		Company	
	Receivables	Liabilities	Receivables	Liabilities
Consolidated subsidiary companies	-	-	2.829.777,00	1.080.588,08
Affiliated Companies	1.625.895,88	756.435,57	1.155.015,71	163.898,12
B.o.D. Members and highest officials	8.098,54	82.395,84	6.734,05	59.105,91
	1.633.994,42	838.831,41	3.991.526,76	1.303.592,11

2010	Group		Company	
	Revenues / Sales	Expenses / Purchases	Revenues / Sales	Expenses / Purchases
Consolidated subsidiary companies	-	-	8.135.676,70	9.122.197,61
Affiliated Companies	4.813.734,21	3.182.304,79	2.223.273,41	985.928,14
B.o.D. Members and highest officials	49.616,68	2.256.733,25	49.616,68	1.801.468,59
	4.863.350,89	5.439.038,04	10.408.566,79	11.909.594,34

2010	Group		Company	
	Receivables	Liabilities	Receivables	Liabilities
Consolidated subsidiary companies	-	-	2.293.533,64	808.983,11
Affiliated Companies	2.433.071,55	812.354,17	1.194.461,55	223.192,16
B.o.D. Members and highest officials	11.761,82	8.906,08	11.761,82	-
	2.444.833,37	821.260,25	3.499.757,01	1.032.175,27

Analytically, the sales of the Company to the subsidiary companies, for the fiscal years 2011 and 2010 respectively, are analyzed as follows:

Sales 1 January to 31 December

2011	Sales 1 January to 31 December					Total
	Commodities	Products	Other inventory and useless material	Services	Other	
KLEFER S.A.	11,04	10.938,09	15.996,21	104.746,21	25.025,20	156.716,75
KLEEMANN ASANSOR S.A.	349.270,52	4.402.028,64	152.089,26	22.054,80	-	4.925.443,22
KLEEMANN LIFTOVI D.o.o.	690.225,36	1.598.483,39	88.318,24	744,00	-	2.377.770,99
KLEEMANN LIFT RO SRL	411.527,79	749.935,23	37.710,28	11.588,00	59.007,00	1.269.768,30
MODA LIFT S.A.	221.528,20	711.749,22	37.838,15	435,50	53.800,00	1.025.351,07
HONG KONG ELEVATOR SYSTEMS	9.344,77	34.606,79	1.509,94	-	-	45.461,50
KLEEMANN LIFTS U.K. LTD	-	-	37,00	-	16,00	53,00
Total	1.681.907,68	7.507.741,36	333.499,08	139.568,51	137.848,20	9.800.564,83

Sales 1 January to 31 December

2010	Sales 1 January to 31 December					Total
	Commodities	Products	Other inventory and useless material	Services	Other	
KLEFER S.A.	319,57	3.197,10	27.205,85	68.120,94	21.811,40	120.654,86
KLEEMANN ASANSOR S.A.	290.364,28	3.843.172,43	59.497,33	1.493,00	-	4.194.527,04
KLEEMANN LIFTOVI D.o.o.	465.959,27	1.245.718,44	57.918,29	658,00	-	1.770.254,00
KLEEMANN LIFT RO SRL	581.052,01	952.045,28	32.572,43	-	69.841,00	1.635.510,72
MODA LIFT S.A.	70.963,16	279.995,35	13.371,57	-	50.400,00	414.730,08
Total	1.408.658,29	6.324.128,60	190.565,47	70.271,94	142.052,40	8.135.676,70

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Purchases 1 January to 31 December

2011	Commodities	Products	Other inventory and useless material	Services	Other	Total
KLEFER S.A.	-	8.102.321,99	418.265,49	41.504,14	-	8.562.091,62
KLEEMANN ASANSOR S.A.	14.700,00	-	-	-	-	14.700,00
KLEEMANN LIFTOVI D.o.o.	4.440,00	-	-	-	-	4.440,00
KLEEMANN LIFT RO SRL	43.890,00	-	-	-	-	43.890,00
MODA LIFT S.A.	-	536.867,65	394,58	74.357,43	-	611.619,66
HONG KONG ELEVATOR SYSTEMS	-	-	-	-	-	-
KLEEMANN LIFTS U.K. LTD	-	-	-	45.474,34	-	45.474,34
Total	63.030,00	8.639.189,64	418.660,07	161.335,91	-	9.282.215,62

Purchases 1 January to 31 December

2010	Commodities	Products	Other inventory and useless material	Services	Other	Total
KLEFER S.A.	-	8.384.314,73	316.642,82	22.264,88	600,00	8.723.822,43
KLEEMANN ASANSOR S.A.	11.563,94	-	-	-	-	11.563,94
KLEEMANN LIFTOVI D.o.o.	18.430,00	-	-	-	-	18.430,00
KLEEMANN LIFT RO SRL	14.938,00	-	-	-	-	14.938,00
MODA LIFT S.A.	-	276.518,60	2.200,03	74.724,61	-	353.443,24
Total	44.931,94	8.660.833,33	318.842,85	96.989,49	600,00	9.122.197,61

Excluding the above, there are no other transactions between the Company and its subsidiaries. Concerning the Receivables and Liabilities of the Company against its subsidiaries, the information is as follows:

	Liabilities		Receivables	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
KLEFER S.A.	923.891,89	236.164,30	-	-
KLEEMANN ASANSOR S.A.	95.772,81	92.342,81	1.642.651,11	702.026,36
KLEEMANN LIFTOVI D.o.o.	-	-	380.253,76	811.895,89
KLEEMANN LIFT RO SRL	4.460,00	10.660,00	596.849,53	749.454,50
MODA LIFT S.A.	(184,50)	5.859,08	85,76	30.156,89
HONG KONG ELEVATOR SYSTEMS	-	463.956,92	45.461,50	-
KLEEMANN LIFTS U.K. LTD	56.647,88	-	164.475,34	-
Total	1.080.588,08	808.983,11	2.829.777,00	2.293.533,64

The other affiliated companies, which are not consolidated in order to accrue the financial results, are the following: AMETAL (Turkey), TECHNOLAMA (Spain), SKYLIFT (Greece), CITYLIFT (Greece), YAPILIFT (Turkey) and GROSSI (Serbia), which isn't affiliated as of the 7th of March 2011 and thus only transactions which have occurred before that date are displayed. The receivables and liabilities of the Company and the Group with these companies are analyzed as follows:

Company	Liabilities		Receivables	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
AMETAL	-	-	-	-
YAPILIFT	163.274,51	205.551,90	-	-
GROSSI	-	-	-	-
TECHNOLAMA	-	17.640,26	0,04	-
CITYLIFT	-	-	13.841,45	13.841,45
SKYLIFT	623,61	-	1.141.174,22	1.180.620,10
Total	163.898,12	223.192,16	1.155.015,71	1.194.461,55

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Group	Liabilities		Receivables	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
AMETAL	-	-	101.857,97	90.132,18
YAPILIFT	163.274,51	205.551,90	148.659,57	100.632,85
GROSSI	-	-	-	1.031.361,49
TECHNOLAMA	592.537,45	606.802,27	200.000,37	4.053,83
CITYLIFT	-	-	13.841,45	13.841,45
SKYLIFT	623,61	-	1.161.536,52	1.193.049,75
Total	756.435,57	812.354,17	1.625.895,88	2.433.071,55

**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, which 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.

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.

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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 >=5% ON 31/12/2011

WITH TOTAL SHARE CAPITAL 23.648.700

	NAME	NUMBER	PERCENTAGE%
1	KOUKOUNTZOS KONSTANTINOS, KOUKOUNTZOS MENELAOS, KOUKOUNTZOU EKATERINI (J.I.A.)	3.958.866	16,740*
2	KOUKOUNTZOS K. NIKOLAOS	3.864.558	16,342
3	KOUKOUNTZOS N. KONSTANTINOS	2.934.490	12,409
4	KOUKOUNTZOS N. NIKOLAOS	2.722.400	11,512
5	KOUKOUNTZOU N. EKATERINI	2.390.431	10,108
	SUB TOTAL	15.870.745	67,111
	REMAINING INVESTORS	7.777.955	32,889
	TOTAL NUMBER OF SHARES	23.648.700	100,00

*Ownership undivided

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

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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.

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 2190/1920, under the terms and prerequisites mentioned in Law 2190/1920 as is applies modified.

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, 27th of March 2012

President
Of the 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 Standalone and Consolidated Financial Statements

We have audited the accompanying standalone and consolidated financial statements of KLEEMANN HELLAS – A.B.E.E. (the "Company") which comprise the standalone and consolidated statement of financial position as of 31 December 2011 and the standalone and consolidated statements of income and comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these standalone and consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of standalone and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone and consolidated 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 standalone and consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone and consolidated 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 standalone and consolidated 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 standalone and consolidated 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 accompanying standalone and consolidated financial statements give a true and fair view of the financial position of KLEEMANN HELLAS – A.B.E.E. as of 31 December 2011 and of its financial performance and its 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

- (a) The Board of Directors' Report includes a corporate governance statement, which provides the information set by paragraph 3d of article 43a of C.L. 2190/1920.
- (b) We verified that the contents of the Board of Directors' Report are consistent and correspond with the accompanying standalone and consolidated financial statements within the scope set by articles 37 and 43a of C.L. 2190/1920.

Athens, 28 March 2012

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Apostolos Th. Spoutis, Certified Auditor Accountant
AM SOEL 16921

ANNUAL FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION 31 DECEMBER

(amounts in euros, unless it is mentioned differently)

	NOTE	GROUP		COMPANY	
		2011	2010	2011	2010
ASSETS					
Non-current Assets					
Tangible Assets for own use	5	36.092.106,58	36.911.991,54	28.941.746,47	29.658.980,31
Investment Property	6	546.063,50	346.488,46	406.043,24	274.409,46
Intangible Assets	7	1.314.676,68	910.544,82	974.884,04	871.743,92
Participations in Subsidiaries	8	-	-	7.826.826,57	4.536.320,36
Other long-term receivables	9	10.986.966,16	10.964.606,71	10.917.286,74	10.897.415,75
Deferred tax receivables	10	1.479.240,00	803.615,56	1.367.129,33	664.838,38
		50.419.052,92	49.937.247,09	50.433.916,39	46.903.708,18
Current Assets					
Inventory	11	18.538.083,03	21.400.471,86	14.591.346,58	17.092.677,73
Trade Receivables	12	58.431.356,72	63.960.596,96	42.895.122,06	51.714.256,62
Other receivables	13	5.400.378,39	1.668.761,03	3.923.966,34	980.544,47
Short-term investments and securities	14	18.745,68	54.841,44	18.745,68	54.841,44
Cash and cash equivalents	15	18.937.514,00	19.630.543,65	12.273.010,51	13.237.267,38
		101.326.077,82	106.715.214,94	73.702.191,17	83.079.587,64
Total Assets		151.745.130,74	156.652.462,03	124.136.107,56	129.983.295,82
EQUITY AND LIABILITIES					
Equity					
Share Capital	16	7.804.071,00	7.804.071,00	7.804.071,00	7.804.071,00
Share Premium	16	22.271.082,62	22.271.082,62	22.271.082,62	22.271.082,62
Other Reserves	16	42.512.811,69	41.014.033,43	40.111.923,04	38.759.979,90
Profit carried forward		8.707.589,80	12.680.310,98	2.041.907,69	6.918.701,64
Exchange Rate differences from consolidation of foreign Subsidiaries		(1.250.269,25)	(509.436,88)	-	-
Equity attributable to Company Shareholders		80.045.285,86	83.260.061,15	72.228.984,35	75.753.835,16
Non-controlling interest		9.783.860,71	9.353.976,13	-	-
Total Equity		89.829.146,57	92.614.037,28	72.228.984,35	75.753.835,16
Long-term Liabilities					
Long-term bank liabilities	17	9.200.000,00	21.100.000,00	9.200.000,00	21.100.000,00
Liabilities from employees' termination benefits	18	2.619.011,98	2.633.143,82	2.334.101,00	2.365.385,00
Other long-term liabilities	19	2.241.583,72	1.237.314,83	1.230.765,33	425.497,27
Deferred tax liabilities	10	22.859,27	74.226,01	-	-
		14.083.454,97	25.044.684,66	12.764.866,33	23.890.882,27
Short-term Liabilities					
Suppliers	20	19.467.555,12	18.585.116,98	16.993.163,21	15.378.074,10
Current tax liabilities	27	646.133,71	1.030.123,49	283.852,06	509.540,17
Other liabilities	21	3.996.340,37	3.810.999,62	2.937.741,61	3.023.464,12
Short term Bank Liabilities	17	23.100.000,00	14.900.000,00	18.400.000,00	10.900.000,00
Provisions	27	622.500,00	667.500,00	527.500,00	527.500,00
		47.832.529,20	38.993.740,09	39.142.256,88	30.338.578,39
Total Liabilities		61.915.984,17	64.038.424,75	51.907.123,21	54.229.460,66
Total Equity And Liabilities		151.745.130,74	156.652.462,03	124.136.107,56	129.983.295,82

The attached notes, included in pages 37 to 70 consist an inextricable part of these Financial Statements.

STATEMENT OF INCOME FOR THE PERIOD 1 JANUARY TO 31 DECEMBER

(amounts in euros, unless it is mentioned differently)

	NOTE	GROUP		COMPANY	
		From 1 January to		From 1 January to	
		31.12.2011	31.12.2010	31.12.2011	31.12.2010
Sales	22	91.187.203,71	90.942.574,51	73.849.200,83	75.342.996,22
Cost of Sales	23	(63.276.899,23)	(60.201.396,84)	(54.838.824,68)	(52.580.984,31)
Gross Profit		27.910.304,48	30.741.177,67	19.010.376,15	22.762.011,91
Other income / (expenses)	25	2.642.197,46	824.525,65	1.729.060,96	1.060.486,26
Selling Expenses	23	(18.576.855,29)	(18.019.740,69)	(15.667.321,48)	(15.341.540,41)
Administrative Expenses	23	(6.988.858,47)	(5.527.403,55)	(5.542.273,52)	(4.309.430,79)
Research and Development Expenses	23	(1.222.946,19)	(1.180.223,96)	(1.105.476,86)	(1.061.763,18)
Operating Income / (loss)		3.763.841,99	6.838.335,12	(1.575.634,75)	3.109.763,79
Financial income	26	333.272,89	460.077,20	223.924,99	252.374,92
Financial expenses	26	(1.655.751,24)	(1.463.833,70)	(1.201.681,45)	(1.020.870,96)
Income from Dividends		-	67.229,75	418.353,83	447.259,85
Increase (decrease) of investments value in participations and securities		(38.926,80)	(103.332,96)	(38.926,80)	(453.332,96)
Profit / (loss) before tax		2.402.436,84	5.798.475,41	(2.173.964,18)	2.335.194,64
Income Tax	27	(862.003,14)	(2.230.206,24)	451.048,37	(1.281.202,27)
Profit / (loss) after tax		1.540.433,70	3.568.269,17	(1.722.915,81)	1.053.992,37
Attributable to:					
-Equity holders of the Parent	29	73.235,53	2.271.628,12	(1.722.915,81)	1.053.992,37
-Non-controlling interest		1.467.198,17	1.296.641,05	-	-
		1.540.433,70	3.568.269,17	(1.722.915,81)	1.053.992,37
Earnings / (loss) per share attributed to the shareholders of the Parent Company for the period, basic (in absolute amounts)	30	0,0031	0,0961	(0,0729)	0,0446
Earnings before Interest, Taxes, Depreciation and Amortization		6.050.319,69	8.945.071,19	130.652,52	4.652.692,09

The attached notes, included in pages 37 to 70 consist an inextricable part of these Financial Statements.

STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE PERIOD 1 JANUARY TO 31 DECEMBER

(Amounts in Euros, unless it is mentioned differently)

	GROUP		COMPANY	
	From 1 January to		From 1 January to	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Profit / (loss) after tax	1.540.433,70	3.568.269,17	(1.722.915,81)	1.053.992,37
Foreign exchange differences	(901.567,46)	57.951,26	-	-
Rewards of B.o.D.	-	(240.000,00)	-	(240.000,00)
Government grants	-	326.397,00	-	-
Revaluation of assets	-	14.376,70	-	-
Other comprehensive income after tax	(901.567,46)	158.724,96	-	(240.000,00)
Total comprehensive income after tax	638.866,24	3.726.994,13	(1.722.915,81)	813.992,37
Attributable to:				
-Equity holders of the Parent	(546.358,14)	2.418.681,12	(1.722.915,81)	813.992,37
-Non-controlling interest	1.185.224,38	1.308.313,01	-	-
	638.866,24	3.726.994,13	(1.722.915,81)	813.992,37

The attached notes, included in pages 37 to 70 consist an inextricable part of these Financial Statements.

KLEEMANN HELLAS MECHANICAL CONSTRUCTIONS SOCIETE ANONYME INDUSTRIAL TRADING COMPANY S.A.
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STATEMENT OF CHANGES IN EQUITY

(amounts in euros, unless it is mentioned differently)

	GROUP							
	Share capital	Share premium	Regular Reserve	Other Reserves	Profit carried forward	Equity attributable to Company Shareholders	Non-controlling interest	Total Equity
Balance 1 January 2010	7.804.071,00	22.271.082,62	2.064.408,28	36.205.041,46	15.334.620,81	83.679.224,17	8.260.913,94	91.940.138,11
Total comprehensive income after tax	-	-	-	387.055,18	2.031.626,21	2.418.681,39	1.308.313,19	3.726.994,58
Dividends	-	-	-	-	(2.837.844,41)	(2.837.844,41)	(215.251,00)	(3.053.095,41)
Regular Reserve	-	-	329.319,03	-	(329.319,03)	-	-	-
Tax-free Reserves	-	-	-	1.256.025,69	(1.256.025,69)	-	-	-
Other Reserves	-	-	-	262.746,91	(262.746,91)	-	-	-
Purchase of block of shares	-	-	-	-	-	-	-	-
Balance 31 December 2010	7.804.071,00	22.271.082,62	2.393.727,31	38.110.869,24	12.680.310,98	83.260.061,15	9.353.976,13	92.614.037,28
Balance 1 January 2011	7.804.071,00	22.271.082,62	2.393.727,31	38.110.869,24	12.680.310,98	83.260.061,15	9.353.976,13	92.614.037,28
Total comprehensive income after tax	-	-	-	(619.593,67)	73.235,53	(546.358,14)	1.185.224,38	638.866,24
Dividends	-	-	-	-	(1.182.435,00)	(1.182.435,00)	(205.424,94)	(1.387.859,94)
Regular Reserve	-	-	141.725,24	-	(141.725,24)	-	-	-
Tax-free Reserves	-	-	-	1.124.703,21	(2.157.411,47)	(1.032.708,26)	-	(1.032.708,26)
Other Reserves	-	-	-	111.111,11	(111.111,11)	-	-	-
Purchases / (sales) of own shares	-	-	-	-	(453.273,89)	(453.273,89)	-	(453.273,89)
Purchase of block of shares	-	-	-	-	-	-	(549.914,86)	(549.914,86)
Balance 31 December 2011	7.804.071,00	22.271.082,62	2.535.452,55	38.727.089,89	8.707.589,80	80.045.285,86	9.783.860,71	89.829.146,57

The attached notes, included in pages 37 to 70 consist an inextricable part of these Financial Statements.

KLEEMANN HELLAS MECHANICAL CONSTRUCTIONS SOCIETE ANONYME INDUSTRIAL TRADING COMPANY S.A.
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STATEMENT OF CHANGES IN EQUITY

(amounts in euros, unless it is mentioned differently)

	COMPANY					
	Share capital	Share premium	Regular Reserve	Other Reserves	Profit carried forward	Total Equity
Balance 1 January 2010	7.804.071,00	22.271.082,62	1.721.179,12	35.332.037,15	10.649.316,31	77.777.686,20
Total comprehensive income after tax	-	-	-	-	813.993,37	813.993,37
Dividends	-	-	-	-	(2.837.844,41)	(2.837.844,41)
Tax-free Reserves	-	-	199.164,23	-	(199.164,23)	-
Other Reserves	-	-	-	1.244.852,09	(1.244.852,09)	-
Issue of share capital	-	-	-	262.747,31	(262.747,31)	-
Balance 31 December 2010	7.804.071,00	22.271.082,62	1.920.343,35	36.839.636,55	6.918.701,64	75.753.835,16
Balance 1 January 2011	7.804.071,00	22.271.082,62	1.920.343,35	36.839.636,55	6.918.701,64	75.753.835,16
Total comprehensive income after tax	-	-	-	-	(1.722.915,81)	(1.722.915,81)
Dividends	-	-	-	-	(1.182.435,00)	(1.182.435,00)
Regular Reserve	-	-	51.160,62	-	(51.160,62)	-
Tax-free Reserves	-	-	-	1.189.671,41	(1.809.171,41)	(619.500,00)
Other Reserves	-	-	-	111.111,11	(111.111,11)	-
Balance 31 December 2011	7.804.071,00	22.271.082,62	1.971.503,97	38.140.419,07	2.041.907,69	72.228.984,35

The attached notes, included in pages 37 to 70 consist an inextricable part of these Financial Statements.

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STATEMENT OF CASH FLOWS 31 DECEMBER

(amounts in euros, unless it is mentioned differently)

	NOTE	GROUP		COMPANY	
		From 1 January to		From 1 January to	
		31.12.2011	31.12.2010	31.12.2011	31.12.2010
Cash Flows from operating activities					
Cash generated from operations	28	10.074.754,55	13.249.276,58	11.343.674,21	8.614.415,32
Interests paid		(948.506,25)	(853.882,99)	(675.237,55)	(545.568,95)
Income tax paid		(2.117.683,81)	(2.096.160,77)	(1.156.022,77)	(1.307.793,27)
		7.008.564,49	10.299.232,82	9.512.413,89	6.761.053,10
Cash Flows from investing activities					
Acquisition of subsidiaries, related companies, joint ventures and other investments		72.191,52	-	(3.682.240,32)	(1.130.000,00)
Purchases of Tangible and Intangible Assets		(2.055.899,52)	(3.736.693,77)	(1.225.129,96)	(2.930.884,96)
Sales of Tangible and Intangible Assets		9.298,82	1.295,57	-	-
Interests received		318.509,97	307.900,55	221.093,95	222.001,55
Dividends received		-	-	418.353,83	328.581,14
		(1.655.899,21)	(3.427.497,65)	(4.267.922,50)	(3.510.302,27)
Cash Flows from financing activities					
Increase of Bank Loans		8.993.000,00	6.135.000,00	8.900.000,00	6.000.000,00
Repayment of Bank Loans		(12.693.000,00)	(4.335.000,00)	(13.300.000,00)	(1.500.000,00)
Settlement (payment) of financial leasing liabilities		(5.124,73)	-	-	-
Government grants		456.393,00	326.397,00	782.790,00	-
Dividends paid and rewards of B.o.D.		(2.796.963,20)	(3.851.985,73)	(2.591.538,26)	(3.585.285,76)
		(6.045.694,93)	(1.725.588,73)	(6.208.748,26)	914.714,24
Net increase / (decrease) in cash and cash equivalents					
		(693.029,65)	5.146.146,44	(964.256,87)	4.165.465,07
Cash and cash equivalents in the beginning of the fiscal year		19.630.543,65	14.484.397,21	13.237.267,38	9.071.802,31
Cash and cash equivalents in the end of the of the fiscal year		18.937.514,00	19.630.543,65	12.273.010,51	13.237.267,38

The attached notes, included in pages 37 to 70 consist an inextricable part of these Financial Statements.

**KLEEMANN HELLAS MECHANICAL CONSTRUCTIONS SOCIETE ANONYME INDUSTRIAL
TRADING COMPANY S.A.
ANNUAL FINANCIAL REPORT OF 2011
(AMOUNTS IN EUROS UNLESS IT IS MENTIONED DIFFERENTLY)
NOTES ON FINANCIAL STATEMENTS**

1. COMPANY 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 2011, 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 attached individual and consolidated 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.

2.4. APPLICATION OF EVALUATIONS AND JUDGMENTS

For the preparation of financial statements it is required from the management to take decisions and make 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 7)
- Inventories (Note 11)
- Trade receivables (Note 12)
- Provisions (Note 27.3)
- Contigent Liabilities (Note 31)

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.

2.5. READJUSTMENT OF ACCOUNTS

Some specific figures have been readjusted in order to be consistent and comparable with the corresponding figures of the present period. More specifically, in the Company's figures an amount of 619.500,00 euros from its tax free reserves has been transferred to other liabilities, while for the Group the respective figure amounts to 945.897,00 euros.

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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 accounting policies of subsidiaries have been changed where needed to align with the ones of the Group.

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.

IFRS 8 "Operating Segments" 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 8.

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 Statement of Financial Position.

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 statement of other Comprehensive income and in a separate line in the Equity account.

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3.4 TANGIBLE ASSETS FOR OWN USE

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 clauses 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 it's 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	1-20 years

The residual values and the useful life of tangible fixed assets are subject to review on every Statement of Financial Position date, if it is necessary, whereas the accounting values are investigated for impairment when there are such indications (see paragraph 3.6).

In such cases the recoverable value is calculated and if the accounting value exceed 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 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 Statement of Financial Position of 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 Statement of Financial Position.

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 Statement of Financial Position.

Purchases and sales of investments are recognized on the date of the transaction which is the date the Group commits itself 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 or production 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. Cost production includes direct materials, direct labor and the corresponding General Industrial Expenses which are incurred in order to transform inventory in their present situation. 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 is 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 has the right to postpone final settlement of the liability for at least 12 months from the date of the Statement of Financial Position. In this case they are classified as Long-term Liabilities.

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 Statement of Financial Position 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 additional tax, which are possible to arise from the tax audits, the Company and its domestic subsidiaries 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 tax audits of the tax unaudited fiscal years.

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 for bond credit rating AA, 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 exceed 10% of the higher between accrued liabilities and the fair value of the fixed assets of the plan.

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 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 Statement of Financial Position 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.

Provisions for restructuring are recognized when the Group has approved a detailed and official restructuring plan, which has commenced or been announced publicly. Future operating costs are not included in the provision.

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 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 and interest on current accounts of customers.

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

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- Purchase option of the leased asset from the part of lessee at the end of the leased period in a favorable terms.
- 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 in Profit & Loss account at the time they realized.

3.19 DIVIDENDS

Dividends that are distributed to the Group's shareholders are recognized as a Liability in the Financial Statements when the distribution is approved by the General Shareholders' Meeting. According to the Greek Legislation, companies are required to distribute to their shareholders as a dividend a percentage of 35% of profits that arise from the published financial statements, after the deduction of the income tax and the regular reserve or they may not distribute any dividend with the consistent opinion of the total shareholders.

Dividend which is lower than the 35% of the earnings after taxes and the regular reserve can be announced and paid with the approval of the 70% of the shareholders. However, with an unanimous approval of all the shareholders, the Company may not announce a dividend.

Shareholders collect dividends, distributed at any time, and they have a right for one vote, per share, at Company shareholders' meetin.-

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 JANUARY 2011

These financial statements concern the fiscal year 01.01-31.12.2010, and have been prepared:

a) According to the International Financial Reporting Standards (I.F.R.S.), as they are adopted by the European Union, based on Regulation numb. 1606/2002 of the European Congress and the European Union Council of 19th July 2002 and

b) Based on the principle of historic cost

The figures included in the present financial statements are presented in Euro, unless stated otherwise in the individual notes.

The estimations and criteria which are applied by the Group for decision making and which affect the preparation of the financial statements, are based in historic facts and assumptions that, under the present circumstances, are deemed logical.

The estimations and decision making criteria are revaluated to take into account current developments and effects from potential changes which are acknowledged in the financial statements during the year they are realized.

New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2011, and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group, except for IFRS 9 *Financial Instruments*, which becomes mandatory for the Group's 2013 consolidated financial statements and could change the classification and measurement of

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financial assets. The Group does not plan to adopt this standard early and the extent of the impact has not been determined.

3.22 CONSOLIDATION PRINCIPLE

The Financial Report includes the Parent Company and its 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 policies, as the Parent Company does wherever is required, the necessary readjustments are recorded for the security of the consistence in the adopted of accounting policies. 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 31.12.2010
KLEFER S.A.	Company that manufactures and trades automatic elevator doors	Industrial area of Kilkis, Greece	50%
KLEEMANN ASANSOR S.A.	Company that trades complete elevator systems	Istanbul, Turkey	70%
KLEEMANN LIFTOVI D.O.O	Company that trades complete elevator systems	Belgrade, Serbia	100%
KLEEMANN LIFT RO S.R.L.	Company that trades complete elevator systems	Bucharest, Romania	100%
MODA LIFT S.A.	Company that manufactures and trades elevator components	Industrial area of Kilkis, Greece	100%
HONG KONG ELEVATOR SYSTEMS LIMITED	Holding Company	Hong-Kong	100%
KLEEMANN LIFTS U.K. LTD	Company that trades complete elevator systems	Oxford, UK	100%

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.

Management appraises the segmental influence, based on operating and net profits. Applying the quantitative criteria that the relevant accounting standard establishes, the activities in Greece, European Union, Turkey, and other countries were defined as geographical sectors.

Geographic sectors of the Group are defined by the location of the assets and the activity of its operation, as well as by the commercial, technician and political-economic environment. 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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OPERATING ACTIVITY SECTORS OF GROUP	1 January to 31 December 2011						1 January to 31 December 2010					
	Greece	E.U.	Other countries	Turkey	Other	Total	Greece	E.U.	Other countries	Turkey	Other	Total
Revenues from Group clients	36.228.212,20	27.159.164,31	28.049.505,82	21.626.553,76	-	113.063.436,09	49.405.824,80	21.471.711,03	18.725.054,69	20.975.729,85	-	110.578.320,37
Intra-Group sales	(7.009.664,81)	(5.254.927,77)	(5.427.196,69)	(4.184.443,11)	-	(21.876.232,38)	(8.773.150,26)	(3.812.800,37)	(3.325.067,82)	(3.724.727,41)	-	(19.635.745,86)
Total sales	29.218.547,39	21.904.236,54	22.622.309,13	17.442.110,65	-	91.187.203,71	40.632.674,54	17.658.910,66	15.399.986,87	17.251.002,44	-	90.942.574,51
Cost of sales	(27.322.024,87)	(20.348.257,80)	(21.222.190,14)	(16.573.875,03)	-	(85.466.347,84)	(35.033.789,26)	(15.324.008,64)	(13.508.840,73)	(16.038.062,59)	-	(79.904.701,22)
Intra-Group cost of sales	7.110.026,73	5.330.165,98	5.504.901,40	4.244.354,50	-	22.189.448,61	8.803.335,06	3.825.918,65	3.336.508,01	3.737.542,66	-	19.703.304,38
Gross Profit	9.006.549,25	6.886.144,72	6.905.020,39	5.112.590,12	-	27.910.304,48	14.402.220,34	6.160.820,67	5.227.654,15	4.950.482,51	-	30.741.177,67
Other income / (expenses)	4.440,00	1.200,00	20.081,85	777.528,83	1.976.794,98	2.780.045,66	18.430,00	-	17.357,77	(173.952,00)	1.105.342,28	967.178,05
Other intra-Group income / (expenses)	-	-	-	-	(137.848,20)	(137.848,20)	-	-	-	-	(142.652,40)	(142.652,40)
Selling Expenses	(6.413.652,86)	(5.219.576,67)	(5.020.710,38)	(1.922.915,38)	-	(18.576.855,29)	(8.987.390,61)	(3.784.947,79)	(3.254.401,34)	(1.993.000,95)	-	(18.019.740,69)
Administrative Expenses	-	-	-	-	(7.072.906,67)	(7.072.906,67)	-	-	-	-	(5.619.655,95)	(5.619.655,95)
Intra-Group Administrative Expenses	-	-	-	-	84.048,20	84.048,20	-	-	-	-	92.252,40	92.252,40
Research and Development Expenses	(456.265,51)	(357.999,27)	(334.950,56)	(73.730,85)	-	(1.222.946,19)	(632.792,56)	(260.911,12)	(210.386,87)	(76.133,41)	-	(1.180.223,96)
Operating Income	2.141.070,88	1.309.768,78	1.569.441,30	3.893.472,72	(5.149.911,69)	3.763.841,99	4.800.467,17	2.114.961,76	1.780.223,71	2.707.396,15	(4.564.713,67)	6.838.335,12
Financial income	-	-	-	-	333.272,89	333.272,89	-	-	-	-	460.077,20	460.077,20
Financial expense	-	-	-	-	(1.655.751,24)	(1.655.751,24)	-	-	-	-	(1.463.833,70)	(1.463.833,70)
Income from Dividends	-	-	-	-	-	-	-	-	-	-	67.229,75	67.229,75
Increase (decrease) in value of securities	-	-	-	-	(38.926,80)	(38.926,80)	-	-	-	-	(103.332,96)	(103.332,96)
Profit before tax	2.141.070,88	1.309.768,78	1.569.441,30	3.893.472,72	(6.511.316,84)	2.402.436,84	4.800.467,17	2.114.961,76	1.780.223,71	2.707.396,15	(5.604.573,38)	5.798.475,41
Income Tax	-	-	-	-	(862.003,14)	(862.003,14)	-	-	-	-	(2.230.206,24)	(2.230.206,24)
Profit after tax	2.141.070,88	1.309.768,78	1.569.441,30	3.893.472,72	(7.373.319,98)	1.540.433,70	4.800.467,17	2.114.961,76	1.780.223,71	2.707.396,15	(7.834.779,62)	3.568.269,17
Non-controlling interest	-	-	-	-	(1.467.198,17)	(1.467.198,17)	-	-	-	-	(1.296.641,05)	(1.296.641,05)
Parent Company Shareholders' Profit	2.141.070,88	1.309.768,78	1.569.441,30	3.893.472,72	(8.840.518,15)	73.235,53	4.800.467,17	2.114.961,76	1.780.223,71	2.707.396,15	(9.131.420,67)	2.271.628,12

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OPERATING ACTIVITY SECTORS OF GROUP	1 January to 31 December 2011						1 January to 31 December 2010					
	Greece	E.U.	Other countries	Turkey	Other	Total	Greece	E.U.	Other countries	Turkey	Other	Total
ASSETS												
Tangible Assets for own use	34.564.306,73	21.373,19	1.196.021,56	33.643,70	276.761,40	36.092.106,58	35.697.395,26	11.458,51	1.153.402,77	49.735,00	-	36.911.991,54
Intangible Assets	997.108,03	485,25	-	6.722,31	310.361,09	1.314.676,68	900.007,31	1.331,51	-	9.206,00	-	910.544,82
Investment Property	406.043,24	-	-	140.020,26	-	546.063,50	274.409,46	-	-	72.079,00	-	346.488,46
Inventory	-	-	-	-	18.855.486,49	18.855.486,49	-	-	-	-	21.999.553,53	21.999.553,53
Intra-Group Inventory	-	-	-	-	(317.403,46)	(317.403,46)	-	-	-	-	(599.081,67)	(599.081,67)
Receivables	39.813.585,24	5.867.687,12	4.949.412,28	12.560.223,01	-	63.190.907,65	49.292.301,00	4.739.235,19	4.518.962,05	9.104.943,19	-	67.655.441,43
Intra-Group Receivables	-	-	-	-	(4.759.550,93)	(4.759.550,93)	-	-	-	-	(3.694.844,47)	(3.694.844,47)
Investments	18.745,68	-	-	-	-	18.745,68	54.841,44	-	-	-	-	54.841,44
Other elements of Assets	-	-	-	-	36.804.098,55	36.804.098,55	-	-	-	-	33.067.526,95	33.067.526,95
Total Assets	75.799.788,92	5.889.545,56	6.145.433,84	12.740.609,28	51.169.753,14	151.745.130,74	86.218.954,47	4.752.025,21	5.672.364,82	9.235.963,19	50.773.154,34	156.652.462,03
EQUITY AND LIABILITIES												
Suppliers	17.025.313,41	2.574.490,43	1.627.250,64	2.942.154,68	13.138,41	24.182.347,57	16.491.756,95	2.595.560,66	1.542.916,03	1.649.727,81	-	22.279.961,45
Intra-Group Suppliers	(3.319.397,30)	(501.944,16)	(317.262,37)	(573.627,05)	(2.561,57)	(4.714.792,45)	(2.734.945,35)	(430.440,28)	(255.872,74)	(273.586,10)	-	(3.694.844,47)
Profit carried forward	-	-	-	-	1.695.184,10	1.695.184,10	-	-	-	-	3.581.140,75	3.581.140,75
Intra-Group Profit carried forward	-	-	-	-	(1.626.135,77)	(1.626.135,77)	-	-	-	-	(1.309.512,63)	(1.309.512,63)
Profit of previous periods	-	-	-	-	13.886.566,53	13.886.566,53	-	-	-	-	14.930.325,11	14.930.325,11
Intra-Group Profit of previous periods	-	-	-	-	(5.248.025,06)	(5.248.025,06)	-	-	-	-	(4.521.642,25)	(4.521.642,25)
Other elements of Equity and Liabilities	-	-	-	-	125.283.441,22	125.283.441,22	-	-	-	-	125.155.239,15	125.155.239,15
Other intra-Group elements of Equity and Liabilities	-	-	-	-	(1.713.455,40)	(1.713.455,40)	-	-	-	-	231.794,92	231.794,92
Total Equity and Liabilities	13.705.916,11	2.072.546,27	1.309.988,27	2.368.527,63	132.288.152,46	151.745.130,74	13.756.811,60	2.165.120,38	1.287.043,29	1.376.141,71	138.067.345,05	156.652.462,03

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5. TANGIBLE ASSETS FOR OWN USE

Use of fair value as revaluation method: In 31 December 2007, the Group 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.

Tangible assets for own use are as follow:

GROUP	Land	Buildings	Mechanical equipment	Means of transportation	Furniture and Fixtures	Fixed Assets in course of construction	TOTAL
Acquisition cost 1 January 2010	5.349.130,10	18.124.016,52	14.541.419,69	2.433.904,59	4.303.060,37	4.143.029,45	48.894.560,72
Additions	314.009,82	538.641,14	927.154,64	55.560,63	314.635,26	1.466.215,52	3.616.217,01
Revaluation	14.376,70	-	-	-	-	-	14.376,70
Transfers	-	4.776.787,15	708,05	-	9.179,00	(4.786.674,15)	0,05
Sales	-	(2.484,98)	-	-	(7.242,11)	-	(9.727,09)
Disposals	-	-	-	-	(132.089,78)	-	(132.089,78)
Exchange Rate differences	(9.182,62)	(54.184,59)	3.158,24	(2.328,14)	(3.422,58)	(43.717,85)	(109.677,54)
Acquisition cost 31 December 2010	5.668.334,00	23.382.775,24	15.472.440,62	2.487.137,08	4.484.120,16	778.852,97	52.273.660,07
Accumulated Depreciation 1 January 2010	-	2.495.871,94	7.337.232,47	975.920,27	2.704.300,11	-	13.513.324,79
Depreciation of the year	-	398.469,28	984.307,18	158.640,06	451.200,24	-	1.992.616,76
Sales	-	(439,42)	-	-	(7.192,56)	-	(7.631,98)
Disposals	-	-	-	-	(131.909,26)	-	(131.909,26)
Exchange Rate differences	-	(4.048,19)	1.237,94	(1.269,49)	(652,04)	-	(4.731,78)
Accumulated Depreciation 31 December 2010	-	2.889.853,61	8.322.777,59	1.133.290,84	3.015.746,49	-	15.361.668,53
Net Book Value as of 31 December 2010	5.668.334,00	20.492.921,63	7.149.663,03	1.353.846,24	1.468.373,67	778.852,97	36.911.991,54
Acquisition cost 1 January 2011	5.668.334,00	23.382.775,24	15.472.440,62	2.487.137,08	4.484.120,16	778.852,97	52.273.660,07
Additions	-	97.229,61	200.559,63	111.857,35	396.461,32	527.106,45	1.333.214,36
Revaluation	-	-	(1.334,80)	-	(11.779,96)	(7.104,93)	(20.219,69)
Transfers	-	177.999,08	330.885,69	(5.715,47)	38.055,91	(546.940,68)	(5.715,47)
Sales	-	(1.230,92)	(44.218,01)	(11.374,87)	(3.023,00)	-	(59.846,80)
Disposals	-	-	-	-	(503,21)	-	(503,21)
Exchange Rate differences	854,24	4.455,98	(11.131,59)	44,59	(14.339,40)	3.050,50	(17.065,68)
Acquisition cost 31 December 2011	5.669.188,24	23.661.228,99	15.947.201,54	2.581.948,68	4.888.991,82	754.964,31	53.503.523,58
Accumulated Depreciation 1 January 2011	-	2.889.853,61	8.322.777,59	1.133.290,84	3.015.746,49	-	15.361.668,53
Depreciation of the period	-	530.139,69	985.909,44	158.939,62	449.309,92	-	2.124.298,67
Sales	-	(10,24)	(40.549,61)	(2.047,90)	(14.802,91)	-	(57.410,66)
Disposals	-	-	-	-	(477,92)	-	(477,92)
Exchange Rate differences	-	138,70	(5.076,40)	312,86	(12.036,78)	-	(16.661,62)
Accumulated Depreciation 31 December 2011	-	3.420.121,76	9.263.061,02	1.290.495,42	3.437.738,80	-	17.411.417,00
Net Book Value as of 31 December 2011	5.669.188,24	20.241.107,23	6.684.140,52	1.291.453,26	1.451.253,02	754.964,31	36.092.106,58

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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 2010	4.709.330,66	14.896.674,11	10.259.879,06	2.049.802,96	3.396.474,98	3.658.795,16	38.970.956,93
Additions	314.009,82	538.641,14	268.126,93	40.160,63	266.284,88	1.384.224,40	2.811.447,80
Transfers	-	4.773.388,34	-	-	6.854,96	(4.780.243,30)	-
Sales	-	-	-	-	(5.086,72)	-	(5.086,72)
Disposals	-	-	-	-	(131.767,00)	-	(131.767,00)
Acquisition cost 31 December 2010	5.023.340,48	20.208.703,59	10.528.005,99	2.089.963,59	3.532.761,10	262.776,26	41.645.551,01
Accumulated Depreciation 1 January 2010	-	2.090.163,87	5.580.375,41	821.597,92	2.183.826,67	-	10.675.963,87
Depreciation of the year	-	327.679,97	645.877,51	120.245,43	353.606,91	-	1.447.409,82
Sales	-	-	-	-	(5.037,17)	-	(5.037,17)
Disposals	-	-	-	-	(131.765,82)	-	(131.765,82)
Accumulated Depreciation 31 December 2010	-	2.417.843,84	6.226.252,92	941.843,35	2.400.630,59	-	11.986.570,70
Net Book Value as of 31 December 2010	5.023.340,48	17.790.859,75	4.301.753,07	1.148.120,24	1.132.130,51	262.776,26	29.658.980,31
Acquisition cost 1 January 2011	5.023.340,48	20.208.703,59	10.528.005,99	2.089.963,59	3.532.761,10	262.776,26	41.645.551,01
Additions	-	83.278,99	128.780,93	14.882,41	351.544,80	268.166,50	846.653,63
Transfers	-	177.999,08	313.131,59	-	34.114,72	(525.245,39)	-
Sales	-	-	(33.517,38)	-	(3.023,00)	-	(36.540,38)
Disposals	-	-	-	-	-	-	-
Acquisition cost 31 December 2011	5.023.340,48	20.469.981,66	10.936.401,13	2.104.846,00	3.915.397,62	5.697,37	42.455.664,26
Accumulated Depreciation 1 January 2011	-	2.417.843,84	6.226.252,92	941.843,35	2.400.630,59	-	11.986.570,70
Depreciation of the year	-	459.179,11	631.324,09	119.275,36	352.806,28	-	1.562.584,84
Sales	-	-	(32.214,80)	-	(3.022,95)	-	(35.237,75)
Disposals	-	-	-	-	-	-	-
Accumulated Depreciation 31 December 2011	-	2.877.022,95	6.825.362,21	1.061.118,71	2.750.413,92	-	13.513.917,79
Net Book Value as of 31 December 2011	5.023.340,48	17.592.958,71	4.111.038,92	1.043.727,29	1.164.983,70	5.697,37	28.941.746,47

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6. INVESTMENT PROPERTY

	GROUP	COMPANY
Acquisition cost 1 January 2010	378.102,93	304.456,26
Exchange Rate differences	3.997,00	-
Acquisition cost 31 December 2010	382.099,93	304.456,26
Accumulated Depreciation 1 January 2010	27.290,78	23.485,85
Depreciation of the year	8.113,82	6.560,95
Exchange Rate differences	206,87	-
Accumulated Depreciation 31 December 2010	35.611,47	30.046,80
Net Book Value as of 31 December 2010	346.488,46	274.409,46
Acquisition cost 1 January 2011	382.099,93	304.456,26
Additions	222.161,06	140.321,30
Exchange Rate differences	(12.540,23)	-
Acquisition cost 31 December 2011	591.720,76	444.777,56
Accumulated Depreciation 1 January 2011	35.611,47	30.046,80
Depreciation of the period	10.944,38	8.687,52
Exchange Rate differences	(898,59)	-
Accumulated Depreciation 31 December 2011	45.657,26	38.734,32
Net Book Value as of 31 December 2011	546.063,50	406.043,24

The Group applies the cost model for the measurement of the investment property. It concerns property that it owns and doesn't use them in their traditional line of business, but leases them to third parties.

Depreciation 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.

The fair value of investment property at 31 December 2011 is estimated at 653.899 euros for the Company and 844.887 euros for the Group.

7. 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 2010	1.321.125,10	1.211.059,21
Additions	120.471,98	119.437,03
Exchange Rate differences	1.560,21	-
Acquisition cost 31 December 2010	1.443.157,29	1.330.496,24
Accumulated Depreciation 1 January 2010	425.806,79	369.794,10
Depreciation of the year	106.005,39	88.958,22
Exchange Rate differences	800,29	-
Accumulated Depreciation 31 December 2010	532.612,47	458.752,32
Net Book Value as of 31 December 2010	910.544,82	871.743,92
Acquisition cost 1 January 2011	1.443.157,29	1.330.496,24
Additions	556.846,13	238.155,03
Exchange Rate differences	(5.199,43)	-
Acquisition cost 31 December 2011	1.994.803,99	1.568.651,27
Accumulated Depreciation 1 January 2011	532.612,47	458.752,32
Depreciation of the year	151.234,65	135.014,91
Exchange Rate differences	(3.719,81)	-
Accumulated Depreciation 31 December 2011	680.127,31	593.767,23
Net Book Value as of 31 December 2011	1.314.676,68	974.884,04

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8. PARTICIPATIONS

The Company registers the participations in subsidiaries at its individual Financial Statements at their acquisition cost reduced by potential impairment of their value. Participations are analyzed as following:

Corporate Name	Country	Value at 01.01.10	Additions	Impairment	Value at 31.12.10	Direct Holding %
KLEFER S.A.	GREECE	1.173.881,21	-	-	1.173.881,21	50%
KLEEMANN ASANSOR S.A.	TURKEY	232.206,36	-	-	232.206,36	70%
KLEEMANN LIFTOVI D.o.o.	SERBIA	486.161,93	-	-	486.161,93	60%
KLEEMANN LIFT RO S.R.L.	ROMANIA	300.141,00	-	-	300.141,00	100%
MODA Lift S.A.	GREECE	1.100.002,00	1.100.000,00	(350.000,00)	1.850.002,00	100%
HONG KONG ELEVATOR SYSTEMS LIMITED	HONG-KONG	-	493.927,86	-	493.927,86	100%
		2.617.391	1.000.002	(325.000)	3.292.393	

Corporate Name	Country	Value at 01.01.11	Additions	Impairment	Value at 31.12.11	Direct Holding %
KLEFER S.A.	GREECE	1.173.881,21	-	-	1.173.881,21	50%
KLEEMANN ASANSOR S.A.	TURKEY	232.206,36	-	-	232.206,36	70%
KLEEMANN LIFTOVI D.o.o.	SERBIA	486.161,93	1.090.000,00	-	1.576.161,93	100%
KLEEMANN LIFT RO S.R.L.	ROMANIA	300.141,00	-	-	300.141,00	100%
MODA CABINA S.A.	GREECE	1.850.002,00	923.000,00	-	2.773.002,00	100%
HONG KONG ELEVATOR SYSTEMS LIMITED	HONG-KONG	493.927,86	1.277.503,98	-	1.771.431,84	100%
KLEEMANN LIFTS U.K. LTD	UNITED KINGDOM	-	2,23	-	2,23	100%
		4.536.320,36	3.290.506,21	-	7.826.826,57	

KLEEMANN HELLAS S.A. proceeded on the 22nd of March 2011 to the founding of a subsidiary Company called "KLEEMANN LIFTS UK LTD", based in Oxford with the purpose to promote modernization solutions and further enhance the overall product range of the parent company. The initial share capital of the new Subsidiary on the 30th of September 2011 amounts to Euro 2,23 and is expected to reach Euro 200.000,00. The participation of by KLEEMANN HELLAS S.A. is 100%.

On the 27th of June 2011, KLEEMANN HELLAS S.A. acquired 40% of the subsidiary's "Kleemann Liftovi d.o.o" shares at the price of 1.090.000 euros. The aforementioned amount of shares was owned by the subsidiary "Kleemann Liftovi D.o.o" after being acquired from its partner "Grossi Engineering" on the 7th of March 2011. Therefore, the participation of the parent company in the Serbian subsidiary now amounts to 100%.

Also, the General Assembly of subsidiary MODA LIFT S.A. decided on June 13th, 2011 the share capital increase by Euro 923.000. This capital increase was realized through cash contributions of the shareholders of the subsidiary (100% shareholder is KLEEMANN HELLAS S.A.) and will be used for the covering of working capital needs and reduction of borrowing.

The Management of the Company considers that there are no reasons indicating impairment of value of the other participations.

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9. OTHER LONG-TERM RECEIVABLES

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

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Notes Receivables of long-term expiry	8.179.165,67	7.706.593,54	8.179.165,67	7.706.593,54
Checks receivables of long-term expiry	2.676.750,11	3.129.457,35	2.676.750,11	3.129.457,35
Other long-term receivables	131.050,38	128.555,82	61.370,96	61.364,86
	10.986.966,16	10.964.606,71	10.917.286,74	10.897.415,75

For the notes receivables and checks of long-term expiry, they were brought to present value terms and as a result, the profit and loss statement was encumbered with 291.119 euros (2010: 386.981 euros). The Company has reached an agreement with certain clients for the long-term settlement of their debts.

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 is re-examined in every fiscal year, in order for the balance which is presented in the Statement of Financial Position to represent the current tax rates.

The rate at which the deferred tax is calculated, is equal to the one that is estimated to be in force at the time of reversal of temporary tax differences. For the Company and its subsidiaries in Greece, in 2011 this rate is 20%. The Company's deferred tax is calculated by taking into account the tax rate that will be in force on the date of retrieval of the relative values.

The deferred tax receivables and liabilities for the Group, of the year 2011 and 2010 are mentioned below:

GROUP	Receivables		Liabilities		Net Amount	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Tangible Fixed Assets	(1.616,38)	-	1.722.350,29	1.600.619,45	(1.723.966,67)	(1.600.619,45)
Intangible Fixed Assets	2.360,43	2.320,61	89.787,84	39.868,77	(87.427,41)	(37.548,16)
Provisions for devaluated inventories	95.759,41	98.430,51	-	-	95.759,41	98.430,51
Receivables clients	1.627.266,49	1.086.799,72	-	-	1.627.266,49	1.086.799,72
Provisions for employees' termination benefits	523.350,36	526.243,37	-	-	523.350,36	526.243,37
Subsidies for Fixed Assets	46.771,69	157,10	-	-	46.771,69	157,10
Other Provisions	956.342,77	634.736,66	(10.922,00)	(12.130,62)	967.264,77	646.867,28
Other	7.558,10	9.059,18	196,01	-	7.362,09	9.059,18
Total deferred tax	3.257.792,87	2.357.747,15	1.801.412,14	1.628.357,60	1.456.380,73	729.389,55

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Correspondingly, the amounts for the Company are analyzed as follows:

COMPANY	Receivables		Liabilities		Net Amount	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Tangible Fixed Assets	-	-	1.539.149,56	1.437.086,81	(1.539.149,56)	(1.437.086,81)
Intangible Fixed Assets	-	-	86.607,17	36.607,01	(86.607,17)	(36.607,01)
Provisions for devaluated inventories	77.896,45	86.789,34	-	-	77.896,45	86.789,34
Receivables clients	1.600.914,24	1.064.621,17	-	-	1.600.914,24	1.064.621,17
Provisions for employees' termination benefits	466.820,20	473.077,00	-	-	466.820,20	473.077,00
Subsidies for Fixed Assets	182,36	157,10	-	-	182,36	157,10
Other Provisions	847.072,81	513.887,59	-	-	847.072,81	513.887,59
Other	-	-	-	-	-	-
Total deferred tax	2.992.886,06	2.138.532,20	1.625.756,73	1.473.693,82	1.367.129,33	664.838,38

The movements of the year for the Group are analyzed as follows:

GROUP	Balance 1 Jan. 10	Charge in Results	Modification of tax rate	Charge in Equity	Balance 31 Dec. 10
Tangible Fixed Assets	(1.499.027,13)	(211.758,11)	110.167,33	(1,54)	(1.600.619,45)
Intangible Fixed Assets	(15.213,23)	(25.705,64)	3.468,71	(98,00)	(37.548,16)
Provisions for devaluated inventories	72.800,79	34.756,66	(9.126,94)	-	98.430,51
Receivables clients	631.040,45	455.832,34	-	(73,07)	1.086.799,72
Provisions for employees' termination benefits	446.315,10	80.932,93	(1.401,00)	396,34	526.243,37
Readjustment of Fixed Assets	-	-	-	-	-
Subsidies for Fixed Assets	145,74	27,07	(15,71)	-	157,10
Other provisions	279.871,38	405.285,33	(42.828,77)	4.539,34	646.867,28
Other	2.029,95	8.985,00	(1.820,00)	(135,77)	9.059,18
Total deferred tax	(82.036,95)	748.355,58	58.443,62	4.627,30	729.389,55

GROUP	Balance 1 Jan. 11	Charge in Results	Modification of tax rate	Charge in Equity	Balance 31 Dec. 11
Tangible Fixed Assets	(1.600.619,45)	(123.889,95)	-	542,73	(1.723.966,67)
Intangible Fixed Assets	(37.548,16)	(50.143,30)	-	264,05	(87.427,41)
Provisions for devaluated inventories	98.430,51	(2.671,10)	-	-	95.759,41
Receivables clients	1.086.799,72	547.279,38	-	(6.812,61)	1.627.266,49
Provisions for employees' termination benefits	526.243,37	(973,59)	-	(1.919,42)	523.350,36
Readjustment of Fixed Assets	-	-	-	-	-
Subsidies for Fixed Assets	157,10	46.614,59	-	-	46.771,69
Other provisions	646.867,28	339.275,51	-	(18.878,02)	967.264,77
Other	9.059,18	(1.626,75)	-	(70,34)	7.362,09
Total deferred tax	729.389,55	753.864,79	-	(26.873,61)	1.456.380,73

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

COMPANY	Balance 1 Jan. 10	Charge in Results	Modification of tax rate	Charge in Equity	Balance 31 Dec. 10
Tangible Fixed Assets	(1.346.215,67)	(199.337,47)	108.466,33	-	(1.437.086,81)
Intangible Fixed Assets	(12.300,55)	(27.967,17)	3.660,71	-	(36.607,01)
Provisions for devaluated inventories	61.252,98	34.215,30	(8.678,94)	-	86.789,34
Receivable clients	631.040,45	433.580,72	-	-	1.064.621,17
Provisions for employees' termination benefits	404.396,80	68.680,20	-	-	473.077,00
Readjustment of Fixed Assets	-	-	-	-	-
Subsidies for Fixed Assets	145,74	27,07	(15,71)	-	157,10
Other Provisions	252.848,23	288.261,13	(27.221,77)	-	513.887,59
Others	-	1.820,00	(1.820,00)	-	-
Total deferred tax	(8.832,02)	599.279,78	74.390,62	-	664.838,38

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COMPANY	Balance 1 Jan. 11	Charge in Results	Modification of tax rate	Charge in Equity	Balance 31 Dec. 11
Tangible Fixed Assets	(1.437.086,81)	(102.062,75)	-	-	(1.539.149,56)
Intangible Fixed Assets	(36.607,01)	(50.000,16)	-	-	(86.607,17)
Provisions for devaluated inventories	86.789,34	(8.892,89)	-	-	77.896,45
Receivable clients	1.064.621,17	536.293,07	-	-	1.600.914,24
Provisions for employees' termination benefits	473.077,00	(6.256,80)	-	-	466.820,20
Readjustment of Fixed Assets	-	-	-	-	-
Subsidies for Fixed Assets	157,10	25,26	-	-	182,36
Other Provisions	513.887,59	333.185,22	-	-	847.072,81
Others	-	-	-	-	-
Total deferred tax	664.838,38	702.290,95	-	-	1.367.129,33

11. INVENTORY

The inventories are analyzed below:

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Finished and semi-finished products	3.803.261,87	5.150.694,61	3.202.674,93	4.468.468,71
Raw material and other production materials	10.005.135,14	10.334.328,54	7.388.197,21	7.748.428,62
Commodities	5.525.886,54	7.009.686,91	4.389.956,68	5.309.727,11
Minus: Intercompany Inventories	(317.403,46)	(599.082,67)	-	-
Minus: Provision for devaluation of Inventories	(478.797,06)	(495.155,53)	(389.482,24)	(433.946,71)
Total	18.538.083,03	21.400.471,86	14.591.346,58	17.092.677,73

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

12. RECEIVABLES CLIENTS

Receivables Clients include the following :

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Clients	35.003.203,57	37.311.355,74	27.347.121,05	30.220.459,38
Minus: provision for doubtful clients	(3.392.348,11)	(1.789.368,66)	(2.815.005,81)	(1.448.225,36)
Post-dated Checks Receivables	22.150.736,00	25.525.525,60	16.004.226,46	21.513.393,03
Minus: provision for doubtful	(1.504.482,72)	(1.287.940,31)	(1.504.482,72)	(1.287.940,31)
Notes Receivables	16.088.285,40	11.917.277,87	7.962.080,77	5.447.757,67
Minus: provision for doubtful	(5.154.486,49)	(4.021.408,81)	(4.098.817,69)	(2.731.187,79)
Inter-Company Receivables	(4.759.550,93)	(3.694.844,47)	-	-
TOTAL	58.431.356,72	63.960.596,96	42.895.122,06	51.714.256,62

13. OTHER RECEIVABLES

Other Receivables are analyzed below:

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Various Debtors	2.601.875,36	262.582,12	1.993.694,29	118.056,27
Prepayments of suppliers	607.434,99	465.306,73	571.298,73	445.209,43
Accounts for management of prepayments & credits	94.621,59	51.040,02	90.020,70	22.422,86
Expenses of next years	947.207,81	342.095,97	-	63.047,64
Purchases under delivery	590.861,77	331.808,27	589.437,21	331.808,27
Short-term receivables	965.614,23	198.422,91	679.515,41	-
Other	(407.237,36)	17.505,01	-	-
Total	5.400.378,39	1.668.761,03	3.923.966,34	980.544,47

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14. INVESTMENTS

Other investments were attributed as below:

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Financial Assets in fair values through profit and losses	18.745,68	54.841,44	18.745,68	54.841,44

These investments refer to 70.776 shares of PROTON BANK, with a total acquisition cost of 614.687 euros.

15. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are mentioned below:

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Cash Balance	165.678,92	251.912,88	76.294,29	80.183,99
Bank Deposits	18.771.835,08	19.378.630,77	12.196.716,22	13.157.083,39
Total	18.937.514,00	19.630.543,65	12.273.010,51	13.237.267,38

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 and consists of 23.648.700 common registered shares with a nominal value of € 0,33 each.

Reserves were formed as below:

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Share premium	22.271.083	22.271.083	22.271.083	22.271.083
Other Reserves				
Regular Reserve	2.535.452,55	2.393.727,31	1.971.503,97	1.920.343,35
Specially taxed Reserves	11.463.858,83	11.352.747,72	11.073.858,83	10.962.747,72
Specially tax-free Reserves	-	-	-	-
Contingency Reserve	65.856,02	65.856,02	65.856,02	65.856,02
Differences from readjustment in the value of other assets	2.041.615,44	2.007.187,99	1.866.802,45	1.866.802,45
Tax-free Reserves of developmental Laws	25.500.027,48	24.288.513,02	24.230.509,65	23.040.838,24
Reserves free of income taxation	837.751,17	837.751,17	835.141,92	835.141,92
Reserves from specially taxed Revenues	68.250,20	68.250,20	68.250,20	68.250,20
Total	42.512.811,69	41.014.033,43	40.111.923,04	38.759.979,90

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 the regulations of Greek Business Legislation, at least 5% of net profits is withheld, annually, for the creation of legal reserve, which is exclusively used for equalization of possible debit balance of profit and loss account, before dividend distribution and it is only distributed at the dissolution of the Company. This withholding ceases to be compulsory, when the Legal Reserve balance reaches 1/3 of share capital.

Specially taxed Reserves

Specially taxed Reserves concern undistributed earnings of which an amount of 1.460.000 euros concerns cover of owned participation in a subsidized investment 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, an amount of 153.859 euros concerns the proportion of undistributed earnings coming from dividend's withholding taxes of the subsidiary KLEFER SA and an amount of 9.000.000 euros which is formed in the fiscal years 2007 (3.500.000 euros), 2008 (3.000.000 euros), 2009 (2.500.000 euros) concern a voluntary special Reserve for investment purposes.

Specially tax-free Reserves

Specially tax-free Reserves concern undistributed earnings of the Law 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 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 1828/89, 1892/90, 2601/98 and 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

The loan liabilities of the Group are based on pre-agreed and pre-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 immaterial. The flexible exchange rates are calculated based on Euribor plus spread.

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	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Long-term				
4 bond loans	9.200.000,00	21.100.000,00	9.200.000,00	21.100.000,00
Short-term				
Short-term bank loans	23.100.000,00	14.900.000,00	18.400.000,00	10.900.000,00
Total	32.300.000	36.000.000	27.600.000	32.000.000

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

The real interest rates are as follows:

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Long-term loans	2,36%	1,66%	2,36%	1,66%
Short-term loans	3,62%	3,45%	3,98%	3,58%

The Group maintains approved bank credit limits up to Euro 56 mln, from Euro 80,5 mln at the 31st of December, decreased due to a reduction asked by the banks. The existence of unutilized approved credit limits from banks, affects their capital adequacy ratios and in the present critical economic situation, it was deemed appropriate to reduce them since the borrowing needs of the Company will remain low throughout 2011. The reduction of the credit limits does not affect the financing needs of the Company and the Group. From the total of Euro 56 mln, Euro 21,1 mln has been used for the issue of four bond loans and, Euro 6,5 mln in the form of short term loan for the Parent Company and Euro 4,7 mln for its subsidiaries. It should be noted that the Group was recently awarded from ICAP GROUP, who ranked the Group amongst the "STRONGEST COMPANIES IN GREECE", as it was aforementioned with more details at the section with the important events of the fiscal year.

The exposure of debt liabilities of Group to interest rate fluctuations 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 Statement of Financial Position, 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 Income Statement is as follows:

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Long-term loans	(563.777,34)	(414.555,16)	(563.777,34)	(414.555,16)
Short-term loans	(578.869,87)	(462.155,63)	(299.385,94)	(173.726,27)
	(1.142.647,21)	(876.710,79)	(863.163,28)	(588.281,43)

18. LIABILITIES FROM EMPLOYEES' TERMINATION BENEFITS

Liabilities that arise from employees' termination benefits are the following:

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	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Present value of non-financed liabilities	1.537.780,98	1.441.464,82	1.324.320,00	1.260.819,00
Non-registered actuarial losses	1.081.231,00	1.191.679,00	1.009.781,00	1.104.566,00
Liability in Statement of Financial Position	2.619.011,98	2.633.143,82	2.334.101,00	2.365.385,00
Alterations in net liability recognized in Statement of Financial Position				
Net liability in the beginning of the year	2.633.143,82	2.233.836,20	2.365.385,00	2.021.984,00
Benefits paid	(456.823,86)	(169.313,64)	(427.023,00)	(151.051,00)
Total expense recognized in Results	442.683,71	568.812,11	395.739,00	494.452,00
Exchange rate differences	8,31	(190,85)	-	-
Present value of liability in the end of the period	2.619.011,98	2.633.143,82	2.334.101,00	2.365.385,00
Cost of current employment	165.867,65	282.034,15	126.336,00	227.862,00
Interest in liability	72.128,00	100.550,00	67.211,00	92.987,00
Expenses & depreciation of actuarial loss	(58.822,94)	109.503,96	(45.724,00)	103.154,00
Loss of settlement/curtailment/cease	263.511,00	76.724,00	247.916,00	70.449,00
Total expense recognized in Results	442.683,71	568.812,11	395.739,00	494.452,00

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

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Discounting Rate	5,0%	5,3%	5,0%	5,3%
Future increases of salaries	2,5%	2,5%	2,5%	2,5%
Average future duration of working life	20,41	21,40	20,41	21,40

19. OTHER LONG-TERM LIABILITIES

Other long-term liabilities are formed as below:

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Notes payables	20.066,70	8.313,00	-	-
Subsidies for investments in Fixed Assets	2.221.517,02	806.100,18	1.230.765,33	2.595,62
Others	-	422.901,65	-	422.901,65
Total	2.241.583,72	1.237.314,83	1.230.765,33	425.497,27

20. SUPPLIERS

Dues to Suppliers are the following:

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Suppliers	11.539.868,03	9.830.228,05	6.198.697,79	4.870.292,96
Checks payables	12.546.370,33	12.371.377,40	10.794.465,42	10.507.781,14
Notes payables	96.109,21	78.356,00	-	-
Inter-Company liabilities	(4.714.792,45)	(3.694.844,47)	-	-
Total	19.467.555,12	18.585.116,98	16.993.163,21	15.378.074,10

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21. OTHER SHORT-TERM LIABILITIES

Other short-term liabilities are analyzed below:

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Various Creditors	637.759,09	853.999,21	359.838,18	644.738,85
Prepayments of customers	1.286.314,43	1.118.907,72	1.096.780,74	1.101.103,87
Dividends	26.758,24	45.459,20	26.758,24	45.459,20
Insurance Organizations	1.398.354,56	1.161.892,63	950.577,57	963.854,09
Others	509.555,25	790.388,04	-	-
Other short-term intra company liabilities	(421.123,22)	(463.956,93)	-	-
Accrued expenses	558.722,02	304.309,75	503.786,88	268.308,11
Total	3.996.340,37	3.810.999,62	2.937.741,61	3.023.464,12

22. SALES

Sales, excluding intercompany amounts, consist of the following figures:

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Finished and semi-finished products	39.838.952,33	43.718.677,28	44.362.365,20	47.402.594,96
Commodities	47.087.394,21	43.883.344,44	25.605.054,73	25.064.141,05
Raw materials	3.579.573,04	2.765.854,98	3.356.165,45	2.474.372,88
Services	681.284,13	574.697,81	525.615,45	401.887,33
Total	91.187.203,71	90.942.574,51	73.849.200,83	75.342.996,22

23. EXPENSES

The expenses that are included in the Financial Statements are as follows:

	GROUP 2010		GROUP 2011		COMPANY 2010
	Cost of Sales	Selling Expenses	Administration Expenses	Research & Development Expenses	
Employees' Benefits	12.655.626,85	8.153.679,19	2.675.414,50	915.325,65	24.400.046,19
Cost of consumption of inventories	64.037.735,36	-	-	-	64.037.735,36
Depreciation	1.205.490,08	576.893,41	246.247,68	78.091,09	2.106.722,26
Other Expenses	2.005.848,93	9.289.168,09	2.697.993,77	186.807,22	14.179.818,01
De-profitization of inventories	(17.158,51)	-	-	-	(17.158,51)
Other consolidation registrations	(19.686.145,87)	-	(92.252,40)	-	(19.778.398,27)
Total	60.201.396,84	18.019.740,69	5.527.403,55	1.180.223,96	84.928.765,04
Employees' Benefits	12.292.118,64	7.909.919,01	3.351.031,43	873.993,16	24.427.062,24
Cost of consumption of inventories	69.904.875,39	-	-	-	69.904.875,39
Depreciation	1.212.514,00	620.513,70	264.706,67	188.743,33	2.286.477,70
Other Expenses	2.056.839,81	10.046.422,58	3.457.168,57	160.209,70	15.720.640,66
De-profitization of inventories	(259.416,23)	-	-	-	(259.416,23)
Other consolidation registrations	(21.930.032,38)	-	(84.048,20)	-	(22.014.080,58)
Total	63.276.899,23	18.576.855,29	6.988.858,47	1.222.946,19	90.065.559,18
Employees' Benefits	9.826.199,77	6.939.540,20	2.024.443,72	819.291,60	19.609.475,29
Cost of consumption of inventories	40.463.913,15	-	-	-	40.463.913,15
Depreciation	767.570,88	488.554,92	209.859,12	76.929,58	1.542.914,50
Other Expenses	1.523.300,51	7.913.445,29	2.075.127,95	165.542,00	11.677.415,75
Total	52.580.984,31	15.341.540,41	4.309.430,79	1.061.763,18	73.293.718,69

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COMPANY 2011

Employees' Benefits	9.345.896,76	6.573.352,60	2.589.467,63	777.805,55	19.286.522,54
Cost of consumption of inventories	43.259.016,91	-	-	-	43.259.016,91
Depreciation	756.833,66	531.584,07	229.850,62	188.018,92	1.706.287,27
Other Expenses	1.477.077,35	8.562.384,81	2.722.955,27	139.652,39	12.902.069,82
Total	54.838.824,68	15.667.321,48	5.542.273,52	1.105.476,86	77.153.896,54

24. PERSONNEL EXPENSES

Payroll Costs included in Financial Statements is analyzed below:

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Wages and salaries	18.959.813,71	18.718.100,96	14.459.703,13	14.917.677,76
Employers' contributions	4.522.240,30	5.029.536,18	4.013.682,47	4.146.984,70
Other benefits granted to employees	472.507,47	482.848,21	368.508,27	393.761,52
Compensations due to dismissal	472.500,76	169.560,84	444.628,67	151.051,31
Total payment cost	24.427.062,24	24.400.046,19	19.286.522,54	19.609.475,29
Provision for employees' termination benefits	(4.534,87)	421.978,34	(31.284,00)	343.401,00
Total Payment Expenses	24.422.527,37	24.822.024,53	19.255.238,54	19.952.876,29

25. OTHER INCOME / (EXPENSES)

Other income / (expenses) are analyzed below :

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Subsidies & Revenues from various sales	267.946,82	411.270,68	153.310,47	344.211,91
Revenues from subsequent activities	1.181.443,38	846.795,85	1.061.337,16	758.972,09
Revenues from provisions of previous years	488.948,45	7.601,42	319.102,48	-
Exchange Rate differences	2.311.235,35	1.236.427,85	-	-
Insurance compensations	11.084,40	8.452,00	-	-
Other Revenues	255.912,38	29.430,95	245.211,52	19.232,98
Revenues & Expenses of previous years	31.289,87	(18.551,73)	(1.889,67)	(17.285,88)
Total Income	4.547.860,65	2.521.427,02	1.777.071,96	1.105.131,10
Other Expenses	(38.199,35)	(118.198,74)	(48.011,00)	(44.644,84)
Exchange Rate differences	(1.729.615,64)	(1.436.050,23)	-	-
Intra-Group eliminations	(137.848,20)	(142.652,40)	-	-
Total Expenses	(1.905.663,19)	(1.696.901,37)	(48.011,00)	(44.644,84)
Total Other income	2.642.197,46	824.525,65	1.729.060,96	1.060.486,26

26. FINANCIAL INCOME / (EXPENSES) (NET)

Financial income / (expenses) were formed as below:

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Income from interests	324.631,54	435.675,33	223.924,99	252.374,92
Other financial income	8.641,35	24.401,39	-	-
Other financial expenses	(513.104,03)	(587.121,79)	(338.518,17)	(432.589,53)
Interest expenses	(1.142.647,21)	(876.710,79)	(863.163,28)	(588.281,43)
Total	(1.322.478,35)	(1.003.755,86)	(977.756,46)	(768.496,04)

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27. INCOME TAX

27.1 GREEK COMPANIES

According to the provisions of the law 3943/2011 the new tax rate is 20% for fiscal years starting from the 1st of January 2011 and thereafter. The tax for distributed amounts to 21% for 2011 and to 25% from 2012 and thereafter.

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.

The Parent Company has not been audited by tax authorities, for the fiscal years 2005 to 2010. Therefore, its tax liabilities are not finalized. Its subsidiary KLEFER S.A. has been audited by the tax authorities up to the fiscal year 2004, while for the same fiscal year it accepted a completion note based on law 3697/2008 amounting to 15.691,46 euros. For the fiscal year 2010 it accepted a completion note based on law 3763/2009 amounting to 1.538,62 euros for the fiscal years 2000-2001 and 2004-2006. At the current fiscal year it accepted a completion note of law 3888/2010, amounting to 406.103,31 for the fiscal year 2005 to 2009. Final payable amount due to lump sum deposit 373.615,04. Therefore only the fiscal year 2010 is unaudited, for which a provision for added taxes was made amounting to 95.000,00, using information from the latest completion note and aggravated the results. In addition, The subsidiary Company MODA LIFT S.A. has not been audited by tax authorities, since its establishment.

It should be noted that a tax audit of the aforementioned companies for the fiscal year of 2011 is currently underway.

27.2 FOREIGN COMPANIES

The corporate taxes at profits and the taxes at distributed of the subsidiary companies abroad are analyzed as follows:

	Corporate Tax	Tax at distributed
KLEEMANN ASANSOR S.A.	20%	15%
KLEEMANN LIFTOVI D.o.o.	10%	5%
KLEEMANN LIFT RO S.R.L.	16%	10%
HONG KONG ELEVATOR SYSTEMS	0%	0%
KLEEMANN LIFTS U.K. LTD	Scaling from 20% to 26%	0%

It must be noted, that Turkey and Romania respectively do not carry out regular audits by tax authorities, which have the right to audit the Company's books for a specified period, only where appropriate or at random. On this basis, KLEEMANN ASANSOR SA based in Turkey, has been audited for year 2005 randomly and for tax purposes without no particular violations. Regarding the Romanian company KLEEMANN LIFT RO S.R.L., as noted above there is no regular audit. Therefore, the term "unaudited by tax authorities fiscal year" does not exist. For the Serbian subsidiary KLEEMANN LIFTOVI Doo, the unaudited by tax authorities fiscal years are from 2007 to 2011 . Also, the subsidiary HONG

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KONG ELEVATOR SYSTEMS LIMITED, which was established on June 2, 2010 and the subsidiary KLEEMANN LIFTS U.K. LTD which was established in 2011 have not yet been audited.

27.3 INCOME TAX

Income tax for the period is calculated on the tax rate 20% (the same period of 2010 amounted to 24%). The income tax burdened the financial results is as follows:

	GROUP		COMPANY	
	1 January to		1 January to	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Current income Tax	1.176.842,85	1.936.967,73	171.492,58	1.079.505,05
Tax on previous years	(1.828,23)	1.538,62	-	-
Tax Provisions for unaudited years	(45.000,00)	177.500,00	-	147.500,00
Differences due to tax audit	79.750,00	-	79.750,00	-
Extraordinary contribution	406.103,31	920.998,81	-	727.866,81
Deferred Tax	(753.864,79)	(806.798,92)	(702.290,95)	(673.669,59)
Total	862.003,14	2.230.206,24	(451.048,37)	1.281.202,27

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 weighted average tax rate, on profits. Additionally, the real tax rate for the Group, is formed based on the different tax factors applied at the countries that the Group is activated.

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Agreement of Real Tax Rate				
Earnings before taxes	2.402.436,84	5.798.475,41	(2.173.964,18)	2.335.194,64
Tax rate	20,00%	24,00%	20,00%	24,00%
Theoretical Tax based on tax rate in force	480.487,37	1.391.634,10	(434.792,84)	560.446,71
Impact of foreign tax Rates	111.155,18	(84.384,73)	-	-
Tax on tax permanent differences	(230.987,78)	242.378,30	(219.843,73)	231.864,57
Tax on Loss	1.958,48	170.944,04	-	-
Tax on Tax-free Revenues	(18.011,28)	(627.540,26)	33.987,34	(460.866,82)
Impact of change of future tax rate and tax readjustment of fixed assets	(7.087,00)	58.444,00	-	74.391,00
Extraordinary tax contribution on profits	(1.828,23)	920.998,81	-	727.866,81
Differences of tax audit	485.862,50	1.538,62	79.750,00	-
Provisions of unaudited fiscal years	(45.000,00)	177.500,00	-	147.500,00
Tax on properties	81.184,38	(21.306,64)	89.850,85	-
Impact of deferred tax in equity	4.269,52	-	-	-
Real tax encumbrance	862.003,14	2.230.206,24	(451.048,37)	1.281.202,27
Real tax encumbrance Rate	35,9%	38,5%	20,7%	54,9%

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27.4 CURRENT TAX LIABILITIES

Current tax liabilities are analysed as following:

	GROUP		COMPANY	
	1 January to		1 January to	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Income tax	1.158.956,63	1.908.128,46	171.492,58	1.079.505,05
Prepayment of Income tax	(1.157.294,41)	(2.100.034,11)	(171.492,58)	(1.432.721,69)
V.A.T.	298.472,89	103.536,97	-	2.860,16
Tax on personnel wages	217.190,88	183.468,82	150.773,50	122.549,43
Other taxes	128.807,72	935.023,28	133.078,56	737.347,22
Total	646.133,71	1.030.123,42	283.852,06	509.540,17

28. CASH FLOWS FROM OPERATING ACTIVITIES

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

	GROUP		COMPANY	
	From 1 January to		From 1 January to	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Profit/ (loss) of the year	2.402.436,84	5.798.475,41	(2.173.964,18)	2.335.194,64
Adjustments for:				
Depreciation	2.286.477,70	2.106.736,07	1.706.287,27	1.542.928,30
Impairment of tangible and intangible non current assets	24.410,30	-	-	-
Increase in provisions	3.507.076,98	3.830.399,06	3.104.252,69	3.560.973,81
Increase / (decrease) in the liability for employees' termination benefits	(4.534,87)	397.773,11	(31.284,00)	343.401,00
Exchange rate differences	(961.677,22)	141.166,84	-	-
Tax audit differences	(7.334,22)	-	-	-
Losses from sale of Fixed Assets	5.191,79	1.007,07	1.302,63	51,08
(Profits) / losses from sale of Participation & Securities	(36.095,76)	92.716,56	(36.095,76)	92.716,56
Interest Expenses	1.475.726,54	1.331.752,77	1.201.681,15	1.020.870,96
(Income) from Dividends	(321.485,29)	(332.009,91)	(639.447,78)	(642.369,50)
Subsidies for Fixed Assets of the period	(45.976,06)	(49.206,43)	(276,56)	(265,08)
	8.324.216,73	13.318.810,55	3.132.455,46	8.253.501,77
Changes in operating items				
(Increase) / Decrease of Inventories	2.878.973,56	(1.228.901,80)	2.545.795,62	(888.447,65)
(Increase) / Decrease of Receivables	(1.727.783,34)	(8.114.156,81)	2.707.124,54	(5.738.163,43)
Increase / (decrease) of Liabilities	599.347,60	9.273.524,64	2.958.298,59	6.987.524,63
	1.750.537,82	(69.533,97)	8.211.218,75	360.913,55
Cash flows from operating activities	10.074.754,55	13.249.276,58	11.343.674,21	8.614.415,32

29. 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.

The dividend for 2010 approved by the Annual General Meeting on June 14, 2011, amounted to Euro 0,05 per share or 1.182.435 euros, derived from the taxed profits of previous fiscal years, and of which the withheld tax is 21% (Law 3943/2011), ie the net dividend payable amounts to 0,0395 euros per

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share. For the fiscal year 2011, since the financial results of the parent Company are not profitable, no dividend will be distributed.

30. 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.

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Earnings attributed to shareholders of Parent Company	73.235,53	2.271.628,12	(1.722.915,81)	1.053.992,37
Weighted average number of shares (in thousands)	23.648.700	23.648.700	23.648.700	23.648.700
Basic Earnings per share	0,0031	0,0961	(0,0729)	0,0446

31. COMMITMENTS, CONTINGENT LIABILITIES AND RECEIVABLES

31.1 COMMITMENTS

Operating leases concern building and 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 Company that arise at 31 December 2011 are 413 thous euros while at 31 December 2010 were 409 thous euros and for the Group at 31 December 2011 are 543 thous euros while at 31 December 2010 were 490 thous euros.

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 2010, concerns guarantee of 1,7 mln euros to the subsidiary MODA LIFT S.A. and guarantee of 3,0 mln euros to the subsidiary KLEEMANN ASANSOR S.A. for loan receiving.

The granted letters of guarantee of the Group to suppliers and the Greek State as of 31 December 2011 amount to 71,2 thous euros and 368,1 thous euros respectively, whereas at 31 December 2010 the figure was 233,6 thous euros only to suppliers.

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

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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) and services from affiliated parties, while it offers and sells services and goods (mainly traded 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:

COMPANY	Purchases - Expenses		Sales - Revenues	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Group Companies	9.282.215,62	9.122.197,61	9.800.564,83	8.135.676,70
B.o.D Members.	370.570,00	610.570,01	9.741,19	39.214,97
Highest Officials	1.203.386,89	1.190.898,58	5.819,82	10.401,71
Affiliated Companies	856.432,00	985.928,14	1.772.302,33	2.223.273,41
Total	11.712.604,51	11.909.594,34	11.588.428,17	10.408.566,79
GROUP				
B.o.D Members.	389.950,00	610.570,01	10.850,53	39.214,97
Highest Officials	1.688.322,18	1.646.163,24	5.819,82	10.401,71
Affiliated Companies	3.686.952,94	3.182.304,79	3.094.681,05	4.813.734,21
Total	5.765.225,12	5.439.038,04	3.111.351,40	4.863.350,89
COMPANY				
			Liabilities to:	Receivables from:
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
KLEFER S.A.	923.891,89	236.164,30	-	-
KLEEMANN ASANSOR S.A.	95.772,81	92.342,81	1.642.651,11	702.026,36
KLEEMANN LIFTOVI D.o.o.	-	-	380.253,76	811.895,89
KLEEMANN LIFT RO SRL	4.460,00	10.660,00	596.849,53	749.454,50
MODA LIFT S.A.	(184,50)	5.859,08	85,76	30.156,89
HONG KONG ELEVATOR SYSTEMS	-	463.956,92	45.461,50	-
KLEEMANN LIFTS U.K. LTD	56.647,88	-	164.475,34	-
B.o.D Members	59.105,91	-	125,91	7.763,96
Highest Officials	-	-	6.608,14	3.997,86
Affiliated Companies AMETAL	-	-	-	-
YAPILIFT	163.274,51	205.551,90	-	-
GROSSI	-	-	-	-
TECHNOLAMA	-	17.640,26	0,04	-
CITY LIFT	-	-	13.841,45	13.841,45
SKY LIFT	623,61	-	1.141.174,22	1.180.620,10
TOTAL	1.303.592,11	1.032.175,27	3.991.526,76	3.499.757,01
GROUP				
B.o.D Members	74.105,91	-	1.490,40	7.763,96
Highest Officials	8.289,93	8.906,08	6.608,14	3.997,86
Affiliated Companies: AMETAL	-	-	101.857,97	90.132,18
YAPILIFT	163.274,51	205.551,90	148.659,57	100.632,85
GROSSI	-	-	-	1.031.361,49
TECHNOLAMA	592.537,45	606.802,27	200.000,37	4.053,83
CITY LIFT	-	-	13.841,45	13.841,45
SKY LIFT	623,61	-	1.161.536,52	1.193.049,75
	838.831,41	821.260,25	1.633.994,42	2.444.833,37

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

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

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6. Maria D. Karadedolgou, non executive member
7. Ziogas T. Vasilios, independent, non executive member

The term of the aforementioned members expires at 30th of June 2014

The total rewards that have been paid to executive and non executive members of the Board of Directors, during 2011 come up to 162.006 euros and 15.312 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 analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management 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, where in the current unfavourable economic reality liquidity problems are created, affecting our customers fulfilment of receivables

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.

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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 December 31st 2011 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 14).

Exposure to credit risk

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

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Financial assets at fair value through profit or loss	18.745,68	54.841,44	18.745,68	54.841,44
Receivables	58.431.356,72	63.960.596,96	42.895.122,06	51.714.256,62
Other receivables	5.400.378,39	1.668.761,03	3.923.966,34	980.544,47
Cash and cash equivalents	18.937.514,00	19.630.543,65	12.273.010,51	13.237.267,38
	82.787.994,79	85.314.743,08	59.110.844,59	65.986.909,91

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

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Domestic	38.953.128,40	48.911.787,28	33.040.573,00	44.942.756,00
European Union	5.252.115,96	3.968.968,38	4.334.956,32	3.381.305,11
Other countries	14.226.112,36	11.079.841,30	5.519.592,74	3.390.195,51
	58.431.356,72	63.960.596,96	42.895.122,06	51.714.256,62

Aging of trade receivables

The aging of trade receivables is calculated by the number of days since the invoice date at the date of the statement of Financial Position

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
0 days	59.647,88	10.847,64	-	-
1-45 days	21.695.373,13	21.232.931,19	13.581.567,74	13.623.381,39
45-90 days	11.106.185,73	15.916.479,96	8.597.864,28	12.820.964,43
91-150 days	10.495.834,20	10.949.562,93	7.813.738,39	9.371.482,30
150+ days	15.074.315,78	15.850.775,28	12.901.951,65	15.898.428,50
	58.431.356,72	63.960.597,00	42.895.122,06	51.714.256,62

The movement of the provision for doubtful debtors during the year was as follows.

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	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Balance at 1 January	7.098.717,48	3.777.394,59	5.467.353,46	2.805.071,98
Minus: Delete of receivables	(582.149,14)	(207.694,82)	(82.684,78)	(203.831,87)
Add: Provision of the period	3.534.748,98	3.529.018,01	3.033.637,54	2.866.113,35
Balance at 31 December	10.051.317,32	7.098.717,78	8.418.306,22	5.467.353,46

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.

The Group maintains approved bank credits limits up to Euro 56 mln, from Euro 80,5 mln at the 31st of December, decreased due to a reduction asked by the banks. The existence of unutilized approved credit limits from banks, affects their capital adequacy ratios and in the present critical economic situation, it was deemed appropriate to reduce them since the borrowing needs of the Company will remain low throughout 2011. The reduction of the credit limits does not affect the financing needs of the Company and the Group. From the total of Euro 56 mln, Euro 21,1 mln has been used for the issue of four bond loans and Euro 6,5 mln in the form of short term loan for the Parent Company and Euro 4,7 mln for its subsidiaries. It should be noted that the Group was recently awarded from ICAP GROUP, who ranked the Group amongst the "STRONGEST COMPANIES IN GREECE", as it was aforementioned with more details at the section with the important events of the fiscal year.

On 31.12.2011, 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. The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

GROUP	31 December 2011						
	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	21.100.000,00	22.751.077,00	249.191,00	12.398.382,00	2.117.304,00	7.536.200,00	450.000,00
Finance lease liabilities	1.704,96	1.704,96	1.704,96	-	-	-	-
Trade and other payables	19.502.829,30	19.502.829,30	19.502.829,30	-	-	-	-
Bank overdraft	11.200.000,00	11.200.000,00	11.200.000,00	-	-	-	-
Total	51.804.534,26	53.455.611,26	30.953.725,26	12.398.382,26	2.117.304,00	7.536.200,00	450.000,00

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GROUP

31 December 2010

	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	23.000.000,00	24.216.684,22	225.492,22	2.125.492,00	12.300.900,00	8.639.150,00	925.650,00
Finance lease liabilities	493.444,00	569.676,21	49.318,16	40.366,47	153.298,58	224.468,61	102.224,39
Trade and other payables	18.291.353,00	18.291.353,00	18.291.353,00	-	-	-	-
Bank overdraft	13.000.000,00	13.000.000,00	13.000.000,00	-	-	-	-
Total	54.784.797,00	56.077.713,43	31.566.163,38	2.165.858,47	12.454.198,58	8.863.618,61	1.027.874,39

COMPANY

31 December 2011

	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	21.100.000,00	22.751.077,00	249.191,00	12.398.382,00	2.117.304,00	7.536.200,00	450.000,00
Finance lease liabilities	1.704,96	1.704,96	1.704,96	-	-	-	-
Trade and other payables	16.993.163,21	16.993.163,21	16.993.163,21	-	-	-	-
Bank overdraft	6.500.000,00	6.500.000,00	6.500.000,00	-	-	-	-
Total	44.594.868,17	46.245.945,17	23.744.059,17	12.398.382,00	2.117.304,00	7.536.200,00	450.000,00

COMPANY

31 December 2010

	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	23.000.000,00	24.216.684,22	225.492,22	2.125.492,00	12.300.900,00	8.639.150,00	925.650,00
Finance lease liabilities	476.859,00	551.862,21	38.334,16	33.536,47	153.298,58	224.468,61	102.224,39
Trade and other payables	15.378.074,00	15.378.074,00	15.378.074,00	-	-	-	-
Bank overdraft	9.000.000,00	9.000.000,00	9.000.000,00	-	-	-	-
Total	47.854.933,00	49.146.620,43	24.641.900,38	2.159.028,47	12.454.198,58	8.863.618,61	1.027.874,39

The Company has started discussions with the banks regarding the evolution of its bond loans, since approximately 56% of which expires during 2012. The Management deems that there will be no problem in the financing of the Company due to the very good liquidity it maintains.

33.4 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. It also includes the price of steel which is the main raw material (commodity). Its price is affected by the supply, the demand and the level of reserves in a global perspective. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while optimizing the return. The exposure of economic results of the Group to the above risks is low.

Currency 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. Most of the exchange rate differences of the

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Group accrue from Turkey due to the strong activity of the Group and the high volatility of the exchange rate of Euro - Turkish lira.

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 following table shows the exchange rates between the euro and the currencies of countries operating subsidiaries.

Exchange rate Euro/	Country	Exchange rate 31.12.2011	Average exchange rate 2011
Serbian Dinar	Serbia	104,6409	102,1142
Turkish Lira	Turkey	2,4438	2,3244
Romanian Lei	Romania	4,3233	4,2399

All the Group's loans have been made in euros and therefore are not exposed to exchange rate risk.

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. 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.

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. Moreover, the Group has no exposure to bonds and treasury bills.

Fair values

Fair values versus carrying amounts

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

GROUP	31.12.2011		31.12.2010	
	Carrying amount	Fair value	Carrying amount	Fair value
<i>Financial assets</i>				
Receivables	58.431.356,72	58.431.356,72	63.960.596,96	63.960.596,96
Other long term receivables	10.986.966,16	10.986.966,16	10.964.606,71	10.964.606,71
Cash and cash equivalents	18.937.514,00	18.937.514,00	19.630.543,65	19.630.543,65
<i>Financial liabilities</i>				
Long term loans	9.200.000,00	9.200.000,00	21.100.000,00	21.100.000,00
Short term loans	23.100.000,00	23.100.000,00	14.900.000,00	14.900.000,00
Other long term liabilities	2.241.583,72	2.241.583,72	1.237.314,83	1.237.314,83
Suppliers and other liabilities	19.467.555,12	19.467.555,12	18.585.116,98	18.585.116,98

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COMPANY

Financial assets

Investments	7.826.826,57	7.826.826,57	4.536.320,36	4.536.320,36
Receivables	42.895.122,06	42.895.122,06	51.714.256,62	51.714.256,62
Other long term receivables	10.917.286,74	10.917.286,74	10.897.415,75	10.897.415,75
Cash and cash equivalents	12.273.010,51	12.273.010,51	13.237.267,38	13.237.267,38

Financial liabilities

Long term loans	9.200.000,00	9.200.000,00	21.100.000,00	21.100.000,00
Short term loans	18.400.000,00	18.400.000,00	10.900.000,00	10.900.000,00
Other long term liabilities	1.230.765,33	1.230.765,33	425.497,27	425.497,27
Suppliers and other liabilities	16.993.163,21	16.993.163,21	15.378.074,10	15.378.074,10

34. BORROWING COST

The Group and the Company have adopted and applied the Amendment of IAS 23 according to which, it is mandatory to capitalize the borrowing cost that concerns directly the acquisition, construction or manufacture of a fixed asset.

35. EXISTENT REAL ENCUMBRANCES

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

36. AUDITOR'S FEES

The total fees that have been charged by the officially authorized auditors are analyzed as follows:

	2011		2010	
	GROUP	COMPANY	GROUP	COMPANY
Fees for the mandatory audit of Financial Statements	99.461,88	58.000,00	99.300,00	58.000,00

37. 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 2011.

Kilkis 27th of March 2012

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

**FINANCIAL FIGURES AND INFORMATION FROM 1st JANUARY TO 31st
DECEMBER 2011**

KLEEMANN HELLAS S.A.

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

Head Offices: Industrial Area Stavrochori, Kilkis

(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 Finance, Competiveness and Shipping.

G.G.E.,S.A., Conviction Department

Company Web Site:

www.kleemann.gr

Board of Directors Composition

President: Nikolaos K. Koukountzos, **Vice-President:** Menelaos K. Koukountzos, **Managing Director & Member:** Konstantinos N. Koukountzos, **Member:** Nikolaos N. Koukountzos, **Non – executive member:** Maria D Karadedoglou, **Independent non – executive members:** Stergios N. Georgalis, Vasilios T. Ziogas

Date of approval of annual
Financial Statements

27th of March 2012

Certified Auditor Accountant:

Apostolos Th. Spoutis (AM SOEL 16921)

Certified Auditors' Company

KPMG Certified Auditors S.A.

Type of Auditing Report:

Unqualified opinion

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

Amounts expressed in thousands Euros

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
ASSETS				
Tangible Assets for own use	36.092	36.912	28.942	29.659
Investment Property	546	346	406	274
Intangible Assets	1.315	911	975	872
Other Non -Current Assets	12.466	11.768	20.111	16.098
Inventories	18.538	21.400	14.591	17.093
Trade Receivables	58.431	63.961	42.895	51.714
Other Current Assets	24.357	21.354	16.216	14.273
TOTAL ASSETS	151.745	156.652	124.136	129.983
EQUITY AND LIABILITIES				
Share Capital	7.804	7.804	7.804	7.804
Other Equity	72.241	75.456	64.425	67.950
Equity attributable to the equity holders of the Parent (a)	80.045	83.260	72.229	75.754
Non-controlling Interest (b)	9.784	9.354	-	-
Total Equity (c) = (a) + (b)	89.829	92.614	72.229	75.754
Long-term borrowings	9.200	21.100	9.200	21.100
Provisions / Other Long – Term Liabilities	4.883	3.945	3.565	2.791
Short term liabilities	23.100	14.900	18.400	10.900
Other short - term Liabilities	24.733	24.093	20.742	19.438
Total Liabilities (d)	61.916	64.038	51.907	54.229
TOTAL EQUITY & LIABILITIES (c) + (d)	151.745	156.652	124.136	129.983

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

Amounts expressed in thousands Euros.

	GROUP Continuing operation		COMPANY Continuing operation	
	01.01- 31.12.2011	01.01- 31.12.2010	01.01- 31.12.2011	01.01- 31.12.2010
Revenues	91.187	90.943	73.849	75.343
Gross Profit	27.910	30.741	19.010	22.762
Profit before tax, financial and investing results	3.764	6.838	(1.576)	3.110
Profit (losses) before tax	2.402	5.798	(2.174)	2.335
Profit (losses) after tax (A)	1.540	3.568	(1.723)	1.054
Equity holders of the Parent Company	73	2.271	-	-
Non-controlling Interest	1.467	1.297	-	-
Other comprehensive income after tax (B)	(901)	159	-	(240)
Total comprehensive income after tax (A+B)	639	3.727	(1.723)	814
Equity holders of the Parent	(546)	2.419	-	-
Non-controlling Interest	1.185	1.308	-	-
Earnings (losses) per share after tax – Basic (in Euros)	0,0031	0,0961	(0,0729)	0,0446
Proposed dividend per share (in €)	-	-	-	0,0500
Profit before interest, tax, depreciation and amortization (EBITDA)	6.050	8.945	131	4.653

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

Amounts expressed in thousands Euros

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Equity Capital in the beginning of the period (01.01.2011 and 01.01.2010, correspondingly)	92.614	91.940	75.754	77.778
Total comprehensive income, after tax (continuing and discontinued operations)	639	3.727	(1.723)	814
Distributed dividends	(1.388)	(3.053)	(1.182)	(2.838)
Purchases / (sales) of own shares	(453)	-	-	-
Other movements	(1.583)	-	(620)	-
Equity Capital in the end of the period (31.12.2011 and 31.12.2010 correspondingly)	89.829	92.614	72.229	75.754

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

Amounts expressed in thousands Euros

	GROUP		COMPANY	
	01.01- 31.12.2011	01.01- 31.12.2010	01.01- 31.12.2011	01.01- 31.12.2010
<u>Operating Activities</u>				
Profit (loss) before Tax (continuing operations)	2.402	5.798	(2.174)	2.335
Plus / minus adjustments for:				
Depreciation	2.286	2.107	1.706	1.543
Impairment of tangible and intangible non current assets	24	-	-	-
Provisions	3.503	4.228	3.073	3.904
Exchange Rate differences	(959)	140	-	-
Results (revenues, expenses, profits and losses) from Investing Activities	(406)	(287)	(675)	(550)
Interest charged and relevant expenses	1.476	1.332	1.202	1.021
Plus / minus adjustments for alterations in working capital accounts or related with operating activities:				
Decrease / (increase) of Inventories	2.879	(1.229)	2.546	(888)
Decrease / (increase) of Receivables	(1.728)	(8.114)	2.707	(5.738)
(Decrease) / increase of Liabilities (except for bank Liabilities)	599	9.274	2.958	6.988
Minus:				
Interest payable and relevant expenses paid	(949)	(854)	(675)	(546)
Taxes paid	(2.118)	(2.096)	(1.156)	(1.308)
Total inflows / (outflows) from operating activities (a)	7.009	10.299	9.512	6.761
<u>Investing activities</u>				
Acquisition of subsidiaries, affiliated companies, joint – ventures and other investments	72	-	(3.682)	(1.130)
Purchase of tangible and intangible fixed assets	(2.056)	(3.735)	(1.224)	(2.932)
Receipts from sales of tangible and intangible fixed assets	9	1	-	-
Interests received	319	308	221	222
Dividends received	-	-	418	329
Total inflows / (outflows) from investing activities (b)	(1.656)	(3.426)	(4.267)	(3.511)
<u>Financing Activities</u>				
Receipts of share capital increase	8.993	6.135	8.900	6.000
Receipts from loans issued / undertaken	(12.693)	(4.335)	(13.300)	(1.500)
Settlement (payment) of financial leasing liabilities	(5)	-	-	-
Repayment of loans	456	326	783	-
Dividends paid	(2.797)	(3.852)	(2.592)	(3.585)
Total Inflows / (outflows) from Financing Activities (c)	(6.046)	(1.726)	(6.209)	915
Net increase in cash and cash equivalents of the period (a) + (b) + (c)	(693)	5.147	(964)	4.165
Cash and cash equivalents at the beginning of the period	19.631	14.484	13.237	9.072
Cash and cash equivalents at the end of the period	18.938	19.631	12.273	13.237

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

1. Note 3.22 of the Group Financial Statements contains the names of all subsidiary companies and their related information (locations, participation percentage and consolidation method).
2. The Annual Financial Statements December 31, 2011, have been prepared under the accounting policies followed in preparing the Annual Financial Statements for the year ended December 31, 2010.
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. On March 17, 2011 the subsidiary Company "HONG KONG ELEVATOR SYSTEMS LIMITED" acquired by the authorities of the People's Republic of China the business license to proceed with the creation of a Wholly Foreign Owned Enterprise (WFOE), with a share of 100%. b) KLEEMANN HELLAS S.A. proceeded on the 22nd of March 2011 to the founding of a subsidiary Company called "KLEEMANN LIFTS UK LTD", based in Oxford with the purpose to promote modernization solutions and further enhance the overall product range of the Parent Company. The initial share capital of the new Subsidiary amounts to € 2,23, is expected to reach € 200.000,00 and was covered 100% by KLEEMANN HELLAS S.A. c) The General Assembly of 13th June 2011 of the subsidiary MODA LIFT S.A. decided to increase the share capital by 923.000 euros, which was covered entirely by the parent capital KLEEMANN HELLAS S.A. This transaction took place during the third quarter of 2011 in cash. d) On the 27th of June 2011, KLEEMANN HELLAS S.A. acquired 40% of the subsidiary's "Kleemann Liftovi D.o.o" shares at the price of 1,090,000 euros. The aforementioned amount of shares was owned by the subsidiary "Kleemann Liftovi D.o.o" after being acquired from its partner "Grossi Engineering" on the 7th of March 2011. Therefore, the participation of the Parent Company in the Serbian subsidiary now amounts to 100%.
5. There are no encumbrances on the tangible assets of both Parent Company and subsidiaries, included in the above consolidation.
6. 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.
7. The amount of cumulative provisions which have been realized until 31.12.2011 are:
(amounts in th. euros)

	<u>Group</u>	<u>Company</u>
a) for fiscal years unaudited by tax authorities	623	528
b) for other provisions (depreciation of assets, provision for retirement benefits etc)	14.141	12.026
8. Number of personnel at the end of the reporting fiscal year: Parent Company 636 (31.12.2010: 682), Group 834 (31.12.2010: 873).
9. 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) Sales of goods and services	3.111	11.588
b) Purchases of goods and services	5.765	11.713
c) Receivables	1.634	3.992
d) Liabilities	839	1.304
e) Transactions and rewards of Highest Officials and members of the Management	2.095	1.590
f) Receivables from Highest Officials and members of the Management	8	7
g) Liabilities to Highest Officials and members of the Management	82	59
10. Profit per share, are calculated, by dividing net profit, attributable to Parent Company shareholders, with the number of outstanding shares.

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11. No shares are owned either by the statutory Parent Company or any subsidiary of the Group at 31.12.2011.

12. There are no changes concerning the consolidation method of the companies 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. On March 22, 2011 the Company established a new subsidiary Company called "KLEEMANN LIFTS U.K. LTD" that was consolidated for the first time during the financial statements of this fiscal year. It was consolidated because the Parent Company owns 100% of the subsidiary's share capital therefore, has control. Besides this case, there are no companies or/and partnerships that :

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

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

	GROUP		COMPANY	
	01.01- 31.12.11	01.01- 31.12.10	01.01- 31.12.11	01.01- 31.12.10
Exchange rate differences from the conversion of foreign subsidiaries	(901)	59	-	-
B.o.D. rewards	-	(240)	-	(240)
Government grants	-	326	-	-
Revaluation of assets	-	14	-	-
Other comprehensive income	(901)	159	-	(240)

14. Investments for the fiscal year 2011 amounted to 2.112 thous euros (and 3.737 thous euros in 2010) for the Group and 1.225 thous euros in 2011 (and 2.931 th. euros in 2010), for the Company, respectively.

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

	GROUP		COMPANY	
	01.01- 31.12.11	01.01- 31.12.10	01.01- 31.12.11	01.01- 31.12.10
Current Income Tax	1.177	1.937	171	1.080
Tax of previous fiscal year	(2)	2	-	-
Tax provisions of tax audit	(45)	177	-	147
Tax audit differences	80	-	80	-
Extraordinary contribution	406	921	-	728
Deferred Tax	(754)	(807)	(702)	(674)
Total	862	2.230	(451)	1.281

16. Any differences in the adding up of numbers is due to roundings.

Industrial Area of Stavrochori, Kilkis 27 March 2012

CHAIRMAN OF THE B.O.D.	VICE PRESIDENT OF THE B.O.D.	MANAGING DIRECTOR	GENERAL MANAGER	FINANCIAL MANAGER
NIKOLAOS K. KOUKOUNTZOS	MENELAOS K. KOUKOUNTZOS	KONSTANTINOS N. KOUKOUNTZOS	NIKOLAOS N. KOUKOUNTZOS	CHRISTOS N. PETRIDES
I.D. NUMBER: AB 454713	I.D. NUMBER: AB 454710	I.D. NUMBER: AE 171629	I.D. NUMBER: T 230395	N. OF 1ST CLASS LICENSE: 20384

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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
09/02/2011	Announcement for insider trading to L. 3556/2007 (1)
09/02/2011	Announcement for insider trading to L. 3556/2007 (2)
18/02/2011	Announcement of important changes in voting rights according to L. 3556/2007
01/03/2011	Announcement of the foundation of a new subsidiary company in Oxford, United Kingdom
29/03/2011	Announcement of publication date of the financial statements of the fiscal year 2010
30/03/2011	Press release commenting on the financial results of 2010
06/05/2011	Finalisation of the founding of a new subsidiary company in Oxford, United Kingdom
24/05/2011	Invitation to the Annual General Meeting
27/05/2011	Announcement of publication date of the financial statements of 31.03.11
30/05/2011	Press release commenting on the financial results of 31.03.11
14/06/2011	Announcement of other important events (General Assembly press release)
14/06/2011	Decisions of the annual General Meeting
17/06/2011	Announcement of change in higher executives (New Internal Controller)
24/06/2011	Announcement of other important events (Inauguration of testing tower & production in China)
27/06/2011	Announcement for the distribution of dividend
28/06/2011	Announcement of other important events (Kleemann Liftovi d.o.o.)
26/08/2011	Announcement of publication date of the financial statements of 30.06.11
30/08/2011	Press release commenting on the financial results of 30.06.11
25/11/2011	Announcement of publication date of the financial statements of 30.09.11
29/11/2011	Press release commenting on the financial results of 30.09.11
08/12/2011	Announcement for the collection of the year 2005 dividend

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.