AKTOR SA GROUP

Annual Financial statements
under the International Financial Reporting Standards
for the financial year ended 31 December 2006

AKTOR S.A.
ANONYME TECHNICAL COMPANY
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VAT Number: 094149722 Tax Office: FAVE ATHENS
No in the Register of Societe Anonyme 8153/01AT/B/86/355/05

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AUDITOR'S REPORT

To the shareholders of AKTOR S.A.

Report on the financial statements

We have audited the accompanying financial statements of AKTOR S.A. (the 'Company'), as well as the consolidated financial statements of the Company and its subsidiaries (the 'Group') which are comprised from the corporate and consolidated balance sheet as at December 31, 2006, and the income statements, statement of changes in shareholders' equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the aforementioned corporate and consolidated financial statements present fairly, in all material aspects, the financial position of the Company and the Group as of December 31, 2006 and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Without stating reservation regarding the conclusion of the audit, we call your attention to the following facts:

a. At note 27 of the financial statements, regarding the un-audited tax financial years of the companies of the Group and to the possibility of imposing additional taxes and accessions within the period that the income-tax return related to the aforementioned fiscal years will be audited and finalized by the tax authorities, and

b. At note 12 of the financial statement, in which it is mentioned that among Group's receivables there is an amount of approximately 35.7 mil. Euros, concerning the proportion of the Group's receivables in two Joint Ventures, the collection of which is in due, as far as the contracting return for the new additional projects, is under approval of the Cardinal of the Project.

Report on Other Legal and Regulatory Requirements

The Board of Directors' Report is consistent with the aforementioned consolidated financial statements.

Athens, March 18, 2007

CERTIFIED AUDITOR ACCOUNTANT

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Balance sheet

All amounts are in thousands Euro.

Balance Sheet		CONSOLIDATED		COMPANY	
	Note	31 December 2006	31 December 2005	31 December 2006	31 December 2005
ASSETS					
Non-current assets					
Property ,plant and equipment	5	76.217	80.099	43.162	45.672
Intangible assets	6	1.378	199	72	15
Investments in subsidiaries	7	-	-	91.264	84.398
Investments in associates (consolidated using the equity method)	8	15.609	11.877	1.447	59
Investments in Joint Ventures		1.129	3.707	1.419	1.319
Financial assets available for sale	10	697	3.136	676	1.951
Deferred tax asset	17	697	348	-	-
Other non-current receivables	12	4.892	2.524	102	94
		100.619	**101.890**	**138.142**	**133.508**
Current assets					
Inventory	11	8.377	27.799	2.023	587
Trade and other receivables	12	467.075	411.702	365.381	309.185
Cash and cash equivalents		175.404	159.604	93.091	84.163
		650.856	**599.105**	**460.495**	**393.935**
Total assets		**751.475**	**700.995**	**598.637**	**527.443**
EQUITY					
Share capital	14	89.115	89.115	89.115	89.115
Premium on capital stock	14	37.955	37.955	37.955	37.955
Other reserves		90.444	87.725	86.069	84.067
Profits/(losses) carried forward		30.008	46.414	58.809	67.849
		247.522	**261.209**	**271.948**	**278.985**
Minority interest		215	279	-	-
Total equity		**247.737**	**261.488**	**271.948**	**278.985**
LIABILITIES					
Non-current liabilities					
Long-term Loans	16	781	970	9	609
Deferred tax liabilities	17	20.047	12.816	4.344	6.561
Retirment benefit obligations	19	2.897	2.060	2.657	1.762
Grants	18	447	567	-	-
Other long-term liabilities	15	1.070	2.093	551	2.093
Other long-term provisions	13	818	332	535	162
		26.060	**18.838**	**8.096**	**11.187**
Current liabilities					
Trade and other payables	15	334.755	296.053	233.627	177.231
Current income tax liabilities		843	7.936	-	1.789
Short-term Loans	16	111.428	115.906	54.673	57.477
Dividends payable		30.286	641	30.286	641
Other short-term provisions	13	366	133	8	133
		477.678	**420.669**	**318.594**	**237.271**
Total liabilities		**503.738**	**439.507**	**326.690**	**248.458**
Total equity and liabilities		**751.475**	**700.995**	**598.637**	**527.443**

The notes on pages 11 to 53 are an integral part of these consolidated financial statements.

Income Statement

All amounts are in thousands Euro.

		CONSOLIDATED		COMPANY	
	Note	**31 December 2006**	**31 December 2005**	**31 December 2006**	**31 December 2005**
Sales		**635.262**	**516.442**	**386.805**	**108.297**
Cost of Sales	22	(567.349)	(424.544)	(348.246)	(90.403)
Gross profit		**67.914**	**91.898**	**38.559**	**17.893**
Selling expenses	22	(2.217)	(2.285)	-	-
Administrative expenses	22	(27.100)	(21.761)	(21.032)	(9.104)
Other operating income/(expenses) (net)	24	(3.996)	(8.094)	(3.204)	(1.077)
Operating results		**34.601**	**59.758**	**14.322**	**7.712**
Income from dividends		50	-	50	-
Share of profit/(loss) from associates		1.764	3.153	-	-
Profit/(Loss) from Joint Ventures	8	252	1.787	18.079	7.601
Financial income (expenses) – net	20	(793)	473	(1.821)	(445)
Profits before income tax		**35.874**	**65.171**	**30.631**	**14.868**
Income tax	23	(19.417)	(26.261)	(8.116)	(4.573)
Net profit for the period		**16.456**	**38.910**	**22.514**	**10.295**
Distributed to:					
Shareholders of the parent company		16.526	39.335		
Minority interest		(70)	(425)		
		16.456	**38.910**		

The notes on pages 11 to 53 are an integral part of these consolidated financial statements.

Statement of changes in equity

All amounts are in thousands Euro.

CONSOLIDATED FIGURES

	To the shareholders of the parent company				Minority Interests	Total
	Share Capital	Other Inventories	Retained earnings	Total		
Balance at 1 January 2005	**220.646**	**85.694**	**39.334**	**345.675**	**514**	**346.189**
Currency tranlation differences	-	(62)	-	(62)	-	(62)
Profit/(loss) recognised directly in equity	-	144	1.411	1.555	667	2.222
Net profit for the period	-	-	39.335	39.335	(425)	38.910
Total recognised net profit for the period	-	82	40.746	40.828	242	41.070
Issue of Share capital/ (reduction)	(93.576)	-	(1.864)	(95.441)	-	(95.441)
Contribution of assets to the parent company	-	-	10.693	10.693	(478)	10.216
Transfer to reserves	-	1.949	(1.949)	-	-	-
Dividends distribution	-	-	(40.546)	(40.546)	-	(40.546)
	(93.576)	1.949	(33.666)	(125.294)	(478)	(125.771)
Balance at 31 December 2005	**127.070**	**87.725**	**46.414**	**261.209**	**278**	**261.488**
Balance at 1 January 2006	**127.070**	**87.725**	**46.414**	**261.209**	**278**	**261.488**
Currency tranlation differences	-	222	-	222	-	222
Effect of acquisitions and changes in participation interest in subsidiaries.	-	11	(704)	(693)	(55)	(749)
Profit/(loss) recognised directly in equity	-	(39)	-	(39)	-	(39)
Net profit for the period	-	-	16.527	16.527	(70)	16.457
Total recognised net profit for the period	-	194	15.823	16.017	(125)	15.892
Transfer to reserves	-	2.524	(2.524)	-	-	-
Minority participation to general partnership	-	-	-	-	62	62
Dividends distribution	-	-	(29.705)	(29.705)	-	(29.705)
	-	2.524	(32.229)	(29.705)	62	(29.643)
31 December 2006	**127.070**	**90.444**	**30.008**	**247.522**	**215**	**247.737**

The notes on pages 11 to 53 are an integral part of these consolidated financial statements.

COMPANY FIGURES

	To the shareholders of the parent company			
	Share Capital	**Other Inventories**	**Retained earnings**	**Total**
Balance at 1 January 2005	**5.804**	**1.637**	**319**	**7.760**
Profit/(loss) recognised directly in equity	-	80.512	61.016	141.528
Net profit for the period	-	-	10.296	10.296
Total recognised net profit for the period	-	80.512	71.312	151.824
Issue of Share capital/ (reduction)	121.266	-	(1.864)	119.401
Transfer to reserves	-	1.917	(1.917)	-
	121.266	1.917	(3.782)	119.401
Balance at 31 December 2005	**127.070**	**84.067**	**67.849**	**278.985**
Balance at 1 January 2006	**127.070**	**84.067**	**67.849**	**278.985**
Currency tranlation differences	-	193	-	193
Profit/(loss) recognised directly in equity	-	(39)	-	(39)
Net profit for the period	-	-	22.514	22.514
Total recognised net profit for the period	-	154	22.514	22.668
Transfer to reserves	-	1.848	(1.848)	-
Dividends distribution	-	-	(29.705)	(29.705)
	-	1.848	(31.554)	(29.705)
31 December 2006	**127.070**	**86.069**	**58.809**	**271.948**

The notes on pages 11 to 53 are an integral part of these consolidated financial statements.

Cash flow statement

All amounts are in thousand Euros.

		CONSOLIDATED FIGURES		COMPANY FIGURES	
	note	**31 December 2006**	**31 December 2005**	**31 December 2006**	**31 December 2005**
Cash flows from operating activities					
Cash generated from operations	26	55.002	145.961	43.025	85.232
Interest paid		(5.041)	(1.237)	(2.606)	61
Income tax paid		(22.313)	(56.726)	(12.555)	(9.609)
Net cash flows from operating activities		**27.649**	**87.998**	**27.864**	**75.683**
Cash flows from investing activities					
Purchases of property,plant and equipment	5	(14.638)	(14.131)	(9.642)	(4.001)
Purchase of intangible assets	6	(290)	(383)	(153)	(28)
Sale of property, plant and equipment (PPE)		7.998	5.995	463	346
Sale of intangible assets		73	32	4	-
Dividends received		50	-	50	-
Acquisition of Subsidiaries & increase of share capital of Subsidiaries	7	(3.880)	(5.738)	(6.867)	(1.736)
Sales of Subsidiaries		-	-	-	-
Acquisition of Associates	8	(354)	-	(150)	-
Sales of Associates	8	-	-	-	-
Acquisition of Joint Ventures	9	(1.377)	(2.187)	(101)	(45)
Sales of Joint Ventures		3.990	-	-	-
Purchase of financial assets available for sale	10	(17)	(1.731)	(2)	(1.258)
Sale of financial assets available for sale	10	371	9.087	-	15
Interest received		2.590	1.721	763	(2)
Other (please clarify)		5	-	9	-
Net cash flows from investment activities		**(5.480)**	**(7.336)**	**(15.625)**	**(6.709)**
Cash flows from financing activities					
Issue of ordinary shares		-	-	-	-
Sale/(Purchase) of treasury shares		-	-	-	-
Dividends paid		(60)	(40.496)	(60)	(33)
Loans received		62.975	88.083	52.000	12
Loans repaid		(68.068)	(38.592)	(55.000)	-
Financial Lease capital repayment		(994)	-	(342)	-
Grants received		-	183	-	-
Contribution of cash by another group company		-	-	-	13.504
Other		(341)	-	-	-
Net cash flows from financing activities		**(6.488)**	**9.178**	**(3.402)**	**13.483**
Net (decrease)/increase in cash,cash equivalents and bank overdrafts		**15.681**	**89.840**	**8.837**	**82.457**
period		159.604	116.435	84.163	1.706
Cash contributed to the parent company		-	(46.670)	-	-
Currency translation differences on cash and bank overdrafts		119	-	91	-
Cash and Cash equivalent at end of the period		**175.404**	**159.604**	**93.091**	**84.163**

The notes on pages 11 to 53 are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1 General information

The Group is active in the field of constructions. The Group is active in Greece

The Company has been organised and is established in Greece, headquartered at 18 Filellinon, 15232 Chalandri.

These financial statements have been approved for issue by the Company's Board of Directors on March 27, 2007 and are under approval by the General Meeting which will take place in June 29, 2007. There are also available in the company's website: www.aktor.gr.

2 Summary of significant accounting policies

2.1 Basis of preparation

These annual financial statements have been prepared with the International Financial Reporting Standards (IFRS), including the International Accounting Standards (IAS) and IFRIC interpretations as adopted by the European Union, as well the IFRS issued by the International Accounting Standard Board (IASB).

All IFRS issued by IASB and are valid at the time of preparing these statements and adopted by the European Council through the confirmation procedure of the European Union (EU), except for IAS 39 (Financial Instruments: Recognition and Valuation). After suggestion of the Accounting Standardisation Committee, the Board adopted the Regulations 2086/2004 and 1864/2005 which require the use of IAS 39, except for specific stipulations regarding the deposits portfolio hedging, from 1 January 2005 for all listed companies.

The financial statements have been prepared under the IFRS as issued by IASB and adopted by the EU. The Group is not influenced by the stipulations regarding the deposits portfolio hedging, as presented in IAS 39.

This consolidated financial information has been prepared under the historical cost convention, except that financial assets are carried at fair value, through profit and loss or available-for-sale.

The preparation of the financial statements under IFRS requires the use of accounting estimations and assumptions of the Management upon implementation of the accounting policies adopted. The areas requiring large extent of assumptions or where assumptions and estimations have a significant effect on the financial statements are mentioned in Note 4.

2.2 New standards, interpretations and amendment of existing standards

A series of new accounting standards, modified standards and interpretations has been issued, which are mandatory for accounting periods beginning from January 1st 2007. The Group's assessment regarding the effect of the aforementioned new standards and interpretations is as follows:

Mantadory standards for the year 2006

- **IAS 19 (amendment) Employee Benefits**

This amendment provides the company with the choice of an alternative method of actuarial gains and losses recognition. It is possible to impose new recognition conditions for cases where there are multi-employer plans for which there are no sufficient information on the application of the defined benefit plans accounting. Moreover, it adds new disclosure requirements. The Group has not changed the accounting principle adopted for the recognition of actuarial gains and losses and does not participate in any multi-employer plans and therefore the only impact is on the expanded disclosures that are presented in the financial statements.

- **IAS 39 (amendment) Cash Flow Hedge Accounting for provisions of inter-company transactions**

This alteration allows the exchange difference risk, from a highly probable anticipated inter-group transaction, to be characterized as a hedging element in the consolidated financial statements under the condition that: (a) the transaction is in a monetary unit different from the one used by the company, which participates in the transaction and (b) the exchange difference risk will influence the consolidated results. This alteration is not expected to influence the financial statements of the Group under the condition that the infrastructure and the relevant transactions will remain as it is.

- **IAS 39 (amendment) Fair Value Option**

This alteration changes the definition of financial means which have been gradated to fair value through results and restricts the possibility of gradated financial means in this category. The Group believes that this amendment should not have a significant impact on the classification of financial instruments, as the Group should be able to comply with the amended criteria for the designation of financial instruments at fair value through profit and loss.

- **IAS 39 and IFRS 4 (amendment) Financial Guarantees**

This amendment requires the issued financial guarantees – except for those proven to be insurance contracts – to be recognized initially at fair value and then at the higher value between (a) the unamortized balance of the relevant remunerations received and postponed and (b) the cost required to cover the commitment at the balance sheet date. The Management has reached the conclusion that the said amendment does not apply to the Group.

- **IAS 21 (Amendment) - Investment in a foreign operation**

This amendment allows the reclassification of exchange differences on monetary items to equity irrespective of whether or not the monetary item is denominated in the functional currency of either the reporting entity or the foreign operation. This amendment is not relevant for the Group.

- ***IFRS 6 - Exploration for and evaluation of mineral resources***

This standard provides specific accounting guidance for use by companies undertaking extractive activities. This standard is not relevant for the Group.

Determination standards for the year 2006

- **IFRIC 4 Determining whether an arrangement contains a lease**

This interpretation clarifies under which conditions an arrangement contains a lease and must therefore be accounted for in terms of IAS 17 – Leases. IFRIC 4 is not applicable to the operations of the Group and has no impact on its financial statements.

- ***IFRIC 5 - Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds***

This interpretation sets out the accounting treatment where a company contributes to a fund with respect to decommissioning, restoration and environmental rehabilitation obligations that it has. This interpretation is not relevant to the operations of the Group.

- ***IFRIC 6 - Liabilities arising from participating in a specific market – waste electrical and electronic equipment***

This interpretation is not relevant to the operations of the Group.

Standards that the Group will apply after 31 December 2006

- ***IFRS 7 - Financial Instruments: Disclosures and the complementary amendment to IAS 1 - Presentation of Financial Statements: Capital Disclosures***

This standard and amendment are effective for annual periods beginning on or after 1 January 2007 and introduces new disclosures relating to financial instruments. The Group assessed the impact of IFRS 7 and concluded that the main additional disclosures will be the sensitivity analysis to market risk and capital disclosures. The Group will apply IFRS 7 and the amendment to IAS 1 from 1 January 2007.

- ***IFRS 8 - Operating Segments (not yet endorsed by the EU)***

This standard is effective for annual periods beginning on or after 1 January 2009 and supersedes IAS 14, under which segments were identified and reported based on a risk and return analysis. Under IFRS 8 segments are components of an entity regularly reviewed by the entity's chief operating decision maker and are reported in the financial statements based on this internal component classification. The Group will apply IFRS 7 and the amendment to IAS 1 from 1 January 2009.

Interpretations that the Group will apply after 1 January 2007

- ***IFRIC 7 - Applying the Restatement Approach under IAS 29***

This interpretation is effective for annual periods beginning on or after 1 March 2006 and provides guidance on how to apply requirements of IAS 29 in a reporting period in which a company identifies the existence of hyperinflation in the economy of its functional currency, when the economy was not hyperinflationary in the prior period. As none of the Group companies operate in a hyperinflationary economy this interpretation will not affect the Group's financial statements.

- ***IFRIC 8 - Scope of IFRS 2***

This interpretation is effective for annual periods beginning on or after 1 May 2006 and considers transactions involving the issuance of equity instruments – where the identifiable consideration received is less than the fair value of the equity instruments issued – to establish whether or not they fall within the scope of IFRS 2. This interpretation will not affect the Group's financial statements.

- ***IFRIC 9 - Reassessment of Embedded Derivatives***

This interpretation is effective for annual periods beginning on or after 1 June 2006 and requires an entity to assess whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative when the entity first becomes a party to the contract. This interpretation will not affect the Group's financial statements.

- ***IFRIC 10 - Interim Financial Reporting and Impairment***

This interpretation is effective for annual periods beginning on or after 1 November 2006 and prohibits the impairment losses recognised in an interim period on goodwill, investments in equity instruments and investments in financial assets carried at cost to be reversed at a subsequent balance sheet date. This interpretation is not expected to have any impact on the Group's financial statements.

- ***IFRIC 11 - IFRS 2: Group and Treasury share transactions (not yet endorsed by the EU)***

This interpretation is effective for annual periods beginning on or after 1 March 2007 and clarifies the treatment where employees of a subsidiary receive the shares of a parent. It also clarifies whether certain types of transactions are accounted for as equity-settled or cash-settled transactions. This interpretation is not expected to have any impact on the Group's financial statements.

- ***IFRIC 12 - Service Concession Arrangements (not yet endorsed by the EU)***

This interpretation is effective for annual periods beginning on or after 1 January 2008 and applies to companies that participate in service concession arrangements. The Group investigates the possible impact of this particular IFRIC on the consolidated financial statements.

2.3 Consolidation

(a) Subsidiaries

All the companies that are controlled by the parent company. The existence of potential voting rights that are exercisable at the time the financial statements are prepared, is taken into account in order to determine whether the parent exercises control over the subsidiaries. Subsidiaries are consolidated completely (full consolidation) using the purchase method from the date that control over them is acquired and cease to be consolidated from the date that control no longer exists.

The acquisition of a subsidiary by the Group is accounted for using the purchase method. The acquisition cost of a subsidiary is the fair value of the assets given as consideration, the shares issued and the liabilities undertaken on the date of the acquisition plus any costs directly associated with the transaction. The individual assets, liabilities and contingent liabilities that are acquired during a business combination are valued during the acquisition at their fair values regardless of the participation percentage. The acquisition cost over and above the fair value of the individual assets acquired is booked as goodwill. If the total cost of the acquisition is lower than the fair value of the individual assets acquired, the difference is immediately transferred to the income statement.

Inter-company transactions, balances and unrealized profits from transactions between Group companies are eliminated in consolidation. Unrealized losses are also eliminated except if the transaction provides indication of impairment of the transferred asset. The accounting principles of the subsidiaries have been amended so as to be in conformity to the ones adopted by the Group. In the parent company’s balance sheet subsidiaries are valued at cost less impairment.

In case of transactions concerning the increase of the Group’s shareholding to subsidiaries, which do not fall under IFRS 3, the Group recognizes all consequences resulting from the difference of the price paid and the carrying amount of the minorities acquired directly to equity.

(b) Associates

Associates are companies on which the Group can exercise significant influence but not “control”, which is generally the case when the Group holds a percentage between 20% and 50% of a company’s voting rights. Investments in associates are initially recognized at cost and are subsequently valued using the Equity method. The account of Investments in associates also includes the goodwill resulting from the acquisition (reduced by any impairment losses).

After the acquisition, the Group’s share in the profits or losses of associates is recognized in the income statement, while the share of changes in reserves is recognized in reserves. The cumulated changes affect the book value of the investments in associated companies. When the Group’s share in the losses of an associate is equal or larger than the carrying amount of the investment the Group does not recognize any further losses, unless it has guaranteed for liabilities or made payments on behalf of the associate or those that emerge from ownership.

Unrealized profits from transactions between the Group and its associates are eliminated according to the Group’s percentage ownership in the associates. Unrealized losses are eliminated, except if the transaction provides indications of impairment of the transferred asset. The accounting principles of the associates have been adjusted to be in conformity to the ones adopted by the Group. In the balance sheet of the parent company, associates are valued at cost less impairment.

(c) Joint Ventures

The Group's investments in joint-ventures are recorded according to proportionate consolidation (except for those which are inactive at the date of first adoption of IFRS, which are consolidated with the equity method as described above). The Group adds its share from the income, expenses, assets and liabilities and cash flows of each joint-venture with the respective figures of the Group.

The Group recognises the share in the gains or losses from sales of the Group to the joint-ventures which is attributed to the other partners of the joint-venture. The Group does not recognise its share in the gains or losses of the joint-ventures which resulted from purchases of the Group by the joint-ventures until the assets acquired are sold to a third party. Occurring losses from such a transaction is recognised directly if it shoes a reduction of the net realizable value of assets or impairment. The accounting principles of the joint-ventures have been adjusted in order to be in conformity to the ones adopted by the Group. In the balance sheet of the parent company, joint-ventures are valued at cost less impairment.

2.4 Foreign currency translation

(a) Operating and presentation currency.

The measurement of the items in the financial statements of the Group's companies is based on the currency of the primary economic environment in which the Group operates (operating currency). The consolidated financial statements are reported in euros, which is the operating currency and the reporting currency of the parent Company and all its subsidiaries.

(b) Transactions and balances

Transactions in foreign currencies are converted to the operating currency using the rates in effect at the date of the transactions. Profits and losses from foreign exchange differences that result from the settlement of such transactions during the period and from the conversion of monetary items denominated in foreign currency using the rate in effect at the balance sheet date are posted to the results. Foreign exchange differences from non-monetary items that are valued at their fair value are considered as part of their fair value and are thus treated similarly to fair value differences.

(c) Group companies

The conversion of the individual financial statements of the companies included in the consolidation (none of which has a currency of a hyperinflationary economy), which have a different operating currency than the presentation currency of the Group is as follows:

i) The assets and liabilities are converted using the rates in effect at the date of the balance sheet,

ii) The income and expenses are converted using the average rates of the period (except if the average rate is not the logical approach of the accumulated impact of the rates in effect at the dates of the transactions, in which case income and expenses are converted using the rates in effect at the dates of the transactions) and

iii) Any differences arising from this process are recorded to an equity reserve and are transferred to the income statement upon sale of these companies.

Exchange differences arising from the conversion of the net investment in a foreign company, as well as of the borrowing characterised as hedging of this investment are recorded to equity. At the sale of a foreign company, accumulated exchange differences are transferred to the income statement of the period as profit or loss from the sale.

2.5 Leases

(a) Group company as lessee

The leases of assets through which the Group undertakes in effect all the risks and rewards of ownership are classified as operating leases. Operating leases expenses are recognized to the income statement proportionally during the lease period and include any restoration of the property if provided for in the leasing contract.

Leases of fixed assets with which all the risks and benefits related with ownership of an asset are transferred to the Group, regardless of whether the title of ownership of the asset is eventually transferred or not, are finance leases. These leases are capitalized at the inception of the lease at the lower of the fair value of the asset and the present value of the minimum lease payments. Each lease payment is apportioned between the reduction of the liability and the finance charge so that a fixed interest rate on the remaining financial liability is achieved. The relevant liabilities from leases, net of financial expenses, are reported as liabilities. The part of the financial expense that relates to finance leases is recognized in the income statement during the term of the lease. Fixed assets acquired through finance leases are depreciated over the shorter of their useful life and the lease term.

(b) Group company as lessor

The Group leases assets only through operating leases. Operating leases income are recognized to the income statement of the period proportionally during the period of the lease.

2.6 Tangible assets

Fixed assets are reported in the financial statements at acquisition cost and any impairment suffered by the assets. The acquisition cost includes all the directly attributable expenses for the acquisition of the assets.

Subsequent expenditure is added to the carrying value of the tangible fixed assets or is booked as a

separate fixed asset only if it is probable that future economic benefits will flow to the Group and their cost can be accurately and reliably measured. The repair and maintenance cost is booked in the results when such is realized.

Land is not depreciated. Depreciation of the other tangible assets is calculated using the straight line method over their useful life as follows:

- Buildings	40	Years
- Mechanical equipment	5 - 7	Years
- Vehicles	5 - 7	Years
- Other equipment	5 - 7	Years

The residual values and useful economic life of tangible fixed assets are subject to reassessment at each balance sheet date. When the book value of tangible fixed assets exceeds their recoverable amount, the difference (impairment) is immediately booked as an expense in the income statement. (Note 2.9).

Upon sale of the tangible fixed assets, any difference between the proceeds and the book value are booked as profit or loss to the results.

Expenditure on construction of assets is capitalised for the period required for the completion of the construction. All other expenditure are recognised to the income statement.

2.7 Intangible assets

Intangible assets mainly include software licenses valued at acquisition cost less depreciation. Depreciation are accounted for with the straight line method during the useful lives which vary from 1 to 3 years.

2.8 Exploration for and evaluation of mineral resources

The expenses for exploration for and evaluation of mineral resources are examined per area to be explored and are capitalized the cash in hand is valued in the area of exploration. If no commercial viability for exploration of mineral resources is not succeeded then the expenses are recognized to the income statement. The capitalization is made either in Tangible Assets or in Intangible Assets according to the nature of the expense.

At the stage of exploration and evaluation no depreciation is recognized. If marketable inventories are found, then the assets resulting from the exploration and evaluation are reviewed for impairment.

Intangible and tangible assets regarding exploration and evaluation of mineral resources expenses are depreciated using the unit-of-production method. The depreciation rates are determined by the amount of inventories expected to be gained by the existing facilities using the existing quarrying methods.

2.9 Impairment of assets

Assets that are depreciated are subject to an impairment review when there is evidence that their value will not be recoverable. The recoverable value is the greater between the net sales value and the value in use. For the calculation of impairment losses they are included in the minimum cash generating units. Impairment losses are recorded as expenses in the income statement when they arise.

2.10 Investments and other financial instruments

Group financial instruments have been classified to the following categories according to the reason for which each investment was made. The Group defines the classification at initial recognition and reviews the classification at each balance sheet date

(a) Financial instruments valued at fair value through the income statement

These comprise assets that are held for trading purposes. Derivatives are classified as held for trading purposes except when they are designated as hedges. Assets falling under this category are recorded in the current assets if they are held for trading purposes or are expected to be sold within 12 months from the balance sheet date.

(b) Loans and receivables

They include non-derivative financial assets with fixed or predefined payments which are not traded in active markets and there is no intention of selling them. They are included in current assets except those with a maturity date exceeding 12 months from the balance sheet date. The latter are included in the non-current assets. Loans and receivables are included in the trade and other receivables account in the balance sheet.

(c) Financial assets available for sale

These include non derivative financial assets that are either designated as such or cannot be included in any of the previous categories. They are included in the non-current assets given that the Management does not intend to liquefy them within 12 months from the balance sheet date.

Purchases and sales of investments are recognised at the date of the transaction which is the date when the Group is committed to buy or sell the asset. Investments are recognised at fair value plus expenditure directly related to the transaction, with the exception, with regard to directly related expenditure, of those assets which are valued at fair value with changes in the income statement. Investments are eliminated when the right on cash flows from the investments ends or is transferred and the Group has transferred in effect all risks and rewards implied by the ownership.

Then available for sale financial assets are valued at fair value and the relative gains or losses are recorded to an equity reserve till those assets are sold or characterised as impaired. Upon the sale or when the assets are characterised as impaired, the gains or losses are transferred to the income statement. Impairment losses recognised to the income statement are not reversed through the income statement.

The loans and receivables are recognized in amortized cost using the effective interest method.

The realized and unrealized profits or losses arising from changes in the fair value of financial assets valued at fair value through the income statement, are recognized in the profit and loss of the period they occur.

The fair values of financial assets that are traded in active markets, are defined by their prices. For non-traded assets, fair values are defined with the use of valuation techniques such as analysis of recent transactions, comparative items that are traded and discounted cash flows.

At each balance sheet date the Group assess whether there are objective indications that lead to the conclusion that financial assets have been impaired. For company shares that have been classified as financial assets available for sale, such an indication consists of a significant or extended decline in the fair value compared to the acquisition cost. If impairment is established, any accumulated loss in Equity, which is the difference between acquisition cost and fair value, is transferred to the results. Impairment losses of shares are recorded to the income statement and are not reversed through the income statement.

2.11 Inventories

Inventories are valued at the lower cost and net realisable value. The cost is calculated using the weighted average cost method. The cost of end products and semi-finished inventories includes cost of design, materials, average working cost and an analogy of the general cost of production.

Investments in properties to which a construction initiates aiming at a future sale are re-classified as inventories at book value at the balance sheet date. From now on they will be calculated at the lowest between cost and net realisable value. The cost of inventories does not include financial expenses. The net realisable value is calculated using current sales prices during the normal course of the company’s business less any relevant sales expenses.

2.12 Trade receivables

Trade receivables are recorded at book value less the provision for doubtful receivables. Provision for doubtful receivables is recognised when there is objective evidence that the Group is unable to collect all the amounts owed based on contractual terms. The amount of the provision is the difference between the book value and the present value of future cash flows. The amount of the provision is recognised as an expense in the income statement of the period.

2.13 Cash and cash equivalents

Cash and cash equivalents include cash in the bank and in hand, sight deposits, short term (up to 3 months) highly liquid and low risk investments.

2.14 Share capital

The share capital includes the common shares of the Company. Where any Group company purchases the Company's equity share capital (Treasury shares), the consideration paid is deducted from equity attributable to the Company's equity holders until the shares are cancelled, reissued or disposed of. The profit or loss from the sale of treasury stock is recognised directly to equity.

2.15 Loans

Loans are recorded initially at fair value, net of any direct expenses of the transaction. Then they are valued at unamortized cost using the real interest rate method. Any difference between the amount received (net of any relevant expenses) and the value of the payment is recognised to the income statement during the borrowing using the real interest rate method.

Loans are recorded as short term liabilities except when the Group has the right to postpone the settlement of the liability for at least 12 months from the balance sheet date.

2.16 Deferred income tax

Deferred income tax is determined according to the liability method which results from the temporary differences between the book value and the tax base of assets or liabilities. Deferred tax is not booked if it results from the initial recognition of an asset or liability in a transaction, except for a business combination, which when it occurred did not affect neither the accounting nor the tax profit or loss Deferred tax assets and liabilities are valued taking into consideration the tax rates (and tax laws) that have been put into effect or are essentially in effect up until the balance sheet date.

Deferred tax assets are recognized to the extent that there will be a future tax profit to be set against the temporary difference that creates the deferred tax asset.

Deferred income tax is recognized for the temporary differences that result from investments in subsidiaries and associates, except for the case where the reversal of the temporary differences is controlled by the Group and it is possible that the temporary differences will not be reversed in the foreseeable future.

2.17 Employee benefits

(a) Post-employment benefits

Post-employment benefits include defined contribution schemes as well as defined benefits schemes. The accrued cost of defined contribution schemes is booked as an expense in the period it refers to.

The liability that is reported in the balance sheet with respect to this scheme is the present value of the liability for the defined benefit less the fair value of the scheme's assets (if there are such) and the changes that arise from any actuarial profit or loss and the service cost. The commitment of the defined benefit is calculated annually by an independent actuary with the use of the projected unit credit method. The yield of long-term Greek Government Bonds is used as a discount rate.

The actuarial profit and losses that emerge from adjustments based on historical data and are over or under the 10% margin of the accumulated liability, are booked in the results in the expected average service time of the scheme's participants. The cost for the service time is directly recognized in the results except for the case where the scheme's changes depend on the employees' remaining service with the company. In such a case the service cost is booked in the results using the straight line method within the maturity period.

(b) Benefits for employment termination

Termination benefits are payable when employment is terminated before the normal retirement date. The Group books these benefits when it is committed, either when it terminates the employment of existing employees according to a detailed formal plan for which there is no withdrawal possibility, or when it provides such benefits as an incentive for voluntary redundancy. When such benefits are deemed payable in periods that exceed twelve months from the Balance Sheet date, then they must be discounted.

In case of an employment termination where there is inability to asses the number of employees to use such benefits, a disclosure for a contingent liability is made but no accounting treatment is followed.

2.18 Provisions

Provisions for outstanding legal cases are recognized when the Group has present obligations (legal or constructive) as a result of past events, their settlement through an outflow of resources is probable and the exact amount of the obligation can be reliably estimated.

2.19 Grants

State grants are recognized at their fair value when it is certainly anticipated that the grant will be received and the Group shall comply with all required terms.

State grants concerning expenses are postponed, are registered in transitory balances and are recognized to the results so as to be offset with the expenses that are deemed to compensate.

State grants concerning fixed assets purchase are included in long term liabilities as differed state grants and are recognized as income in the profit and loss statement with straight line method according to the asset expected useful life.

2.20 Recognition of income

Income mainly arises from technical projects and trade of mine products.

Income and profit from construction contracts are recognised according to IAS 11 as described in note 2.21 hereinafter.

2.21 Contracts for projects under construction

Expenses regarding construction contracts are recognised when they occur.

When the result of a construction contract cannot be reliably assessed, as income from the contract are recognised only the expenses realised or expected to be collected.

When the result of a construction contract can be reliably assessed, the income and the expenses relating to the contract are recognised for the period of the contract as an income and expense respectively. The Group uses the percentage of completion method to define the appropriate amount of income and expense to be recognised for a certain period. The stage of completion is calculated based on the expenses which have been realised through the balance sheet date in relation to the total estimated expenses for each contract. When it is likely that the total cost of a contract exceeds the total income, then the expected loss is recognised directly to the income statement as an expense.

In order to determine the cost realised till the end of the period, any expenses relating to future tasks included in the contract are exempted and presented as a project under construction. The total realised cost and recognised profit/ loss for each contract is compared with progressive invoices till the end of the financial year.

Wherever the realised expenses plus the net profit (less losses) recognised exceed the progressive invoices, the occurring difference is presented as a receivable from construction contract customers in the account “Customers and other trade receivables”. When the progressive invoices exceed realised expenses plus net profit (less losses) recognised, the balance is presented as a liability towards construction contract customers in the account “Suppliers and sundry creditors”.

2.22 Dividend distribution

The distribution of dividends to the shareholders of the parent company is recognized as a liability at the date on which the distribution is approved by the General Meeting of the shareholders.

3 Business risk management

3.1 Financial risk factors

The Group is exposed to several financial risks such as market risk (volatility in foreign exchange rates, interest rates, market prices), credit risk and liquidity risk.

The risk management is monitored by the Treasury department and is determined by rules approved by the Board of Directors. The Treasury department determines and estimates the financial risks in collaboration with the services managing those risks. The Board of Directors provides directions on the general management of the risk as well as specialised directions on the management of specific risks such as the interest rate risk, the credit risk, the use of derivative and non-derivative financial instruments, as well as the investment of cash.

(a) Market risk

The Group is exposed to a risk from the general economic situation.

(b) Credit risk

The Group does not have significant accumulations of credit risk. It has developed policies in order to ensure that the leasing agreements are concluded with customers of sufficient credit rating. The Group has procedures which limit its exposure to credit risk from individual credit institutions.

(c) Liquidity risk

The liquidity risk is kept at low levels by retaining sufficient cash and immediately liquidated financial assets as well as credit lines.

(d) Cash flow risk and risk of changes in the fair values due to the change in interest rates

The interest rate risk is mainly resulting from long term loans. Group’s policy is to constantly monitor the tendencies of interest rates as well as the financing needs of the Group. Therefore, the decisions on the duration of the loans as well as the relation between the stable and floating interest rate are considered separately at each case.

3.2 Determination of fair values

The fair value of the financial instruments traded in active markets (stock markets), is determined from the published prices which are valued at the balance sheet date. For the financial assets the offer price is used and for the financial liabilities the demand price is used.

The fair value of the financial assets not traded in active markets is determined using valuation techniques and admittances based on market data at the balance sheet date.

The nominal value less provisions for doubtful receivables is estimated to approach their real value.

4 Critical accounting estimates and judgements of the management

The management's estimates and judgements are constantly reviewed and are based on historic data and expectations for future events which are deemed fair according to existing data.

4.1 Critical accounting estimates and judgme

Annual financial statements along with the accompanying notes and reports may involve certain judgments and calculations that refer to future events regarding operations, developments, and financial performance of the Group. Despite the fact that these judgements and assumptions are based on Company's and Group's Management best knowledge with respect to current situations and efforts, real results may finally defer from these calculations and the assumptions that were made during the preparation of the annual financial statements of the Company and the Group.

Judgments and acknowledgements that involve important risk to bring substantial adjustments on the fixed assets book values and liabilities are as follows:

(a) *Construction Contracts*

(i) Realization of income from construction contracts based on estimation of the completion percentage of the project.

For the estimation of the completion percentage of the construction projects under process according to which Group recognizes income from construction contracts, Management estimates the expected expenses yet to be made until the completion of the projects.

(ii) Requests for compensation for additional work made beyond the contractual agreement.

Group Management estimates the amount to be received from the Group for additional work and recognizes income under the percentage of completion as long as it thinks that this amount will be probably received.

(b) *(iii)* *Income tax*

Estimates are required in determining the provision for income taxes that the Group is subjected to. There are several transactions and calculations for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

4.2 Roundings

The numbers contained in these financial statements have been rounded to thousand euros. Possible differences that may occur are due to roundings.

5 Tangible assets

All amounts in Euro thousands.

CONSOLIDATED FIGURES

Cost	Land & buildings	Transportation equipment	Mechanical equipment	Furniture & other equipment	PPE under construction	Total
Balance as of 1 January 2005	**49.334**	**25.566**	**108.070**	**8.107**	**-**	**191.077**
Acquisition/absorption of a subsidiary	164	16	1.342	179	-	1.701
Εισφορά σε μητρική	(5.193)	-	-	-	-	(5.193)
Additions (except for leasing)	1.487	2.999	7.870	729	1.048	14.133
Disposal	(3.808)	(696)	(12.761)	(455)	-	(17.720)
Reclassifications from assets under construction	-	-	86	-	(86)	-
Balance as of 31 December 2005	**41.984**	**27.884**	**104.607**	**8.560**	**962**	**183.998**
Balance as of 1 January 2006	**41.984**	**27.884**	**104.606**	**8.560**	**962**	**183.996**
Currency translation differences	54	36	27	(3)	-	114
Acquisition/absorption of a subsidiary	17	1.201	1.424	48	176	2.865
Additions (except for leasing)	692	2.248	11.042	1.223	852	16.058
Disposal	(6.319)	(500)	(2.247)	(255)	-	(9.321)
Balance as of 31 December 2006	**36.428**	**30.869**	**114.851**	**9.574**	**1.990**	**193.712**
Accumulated depreciation						
Balance as of 1 January 2005	**(3.762)**	**(21.112)**	**(68.411)**	**(6.986)**	**-**	**(100.271)**
Acquisition/absorption of a subsidiary	(20)	(5)	(294)	(21)	-	(340)
Εισφορά σε μητρική	931	-	-	-	-	931
Depreciations of the period	(924)	(1.463)	(12.985)	(621)	-	(15.993)
Disposal	1.514	74	10.318	(132)	-	11.774
Balance as of 31 December 2005	**(2.261)**	**(22.505)**	**(71.372)**	**(7.760)**	**-**	**(103.899)**
Balance as of 1 January 2006	**(2.261)**	**(22.505)**	**(71.372)**	**(7.760)**	**-**	**(103.898)**
Currency translation differences	(9)	2	(11)	6	-	(11)
Acquisition/absorption of a subsidiary	-	(16)	(17)	(28)	-	(61)
Depreciations of the period	(801)	(1.714)	(12.189)	(914)	-	(15.617)
Disposal	2	461	1.370	260	-	2.093
Balance as of 31 December 2006	**(3.069)**	**(23.772)**	**(82.219)**	**(8.435)**	**-**	**(117.495)**
Net book value as of 31 December 2005	**39.723**	**5.379**	**33.235**	**800**	**962**	**80.099**
Net book value as of 31 December 2006	**33.359**	**7.097**	**32.632**	**1.140**	**1.990**	**76.217**

Leased mechanical equipment and transportation equipment that are included above based on leasing:

	Land & buildings	Transportation equipment	Mechanical equipment	Furniture & other equipment	PPE under construction	Total
Cost - capitalised leasing	-	2.420	2.345	-	-	4.764
Accumulated depreciation	-	(1.311)	(779)	-	-	(2.090)
Net book value	**-**	**1.109**	**1.565**	**-**		**2.675**

Leased mechanical equipment and transportation equipment that are included above based on leasing:

	Land & buildings	Transportation equipment	Mechanical equipment	Furniture & other equipment	PPE under construction	Total
Cost - capitalised leasing	-	2.420	582	-	-	3.002
Accumulated depreciation	-	(1.109)	(424)	-	-	(1.533)
Net book value	**-**	**1.311**	**158**	**-**	**-**	**1.469**

COMPANY FIGURES

All amounts in Euro thousands.

	Land & buildings	Transportation equipment	Mechanical equipment	Furniture & other equipment	PPE under construction	Total
Cost						
Balance as of 1 January 2005	**1.928**	**561**	**2.505**	**115**	**-**	**5.109**
Contribution of Group companies	12.366	24.329	85.437	5.133	296	127.561
Additions (except for leasing)	518	98	2.164	470	752	4.001
Disposal	(19)	(294)	(278)	(365)	-	(955)
Reclassifications from assets under construction	-	-	86	-	(86)	-
Balance as of 31 December 2005	**14.793**	**24.694**	**89.914**	**5.353**	**962**	**135.715**
Balance as of 1 January 2006	**14.793**	**24.694**	**89.914**	**5.353**	**962**	**135.715**
Currency translation differences	51	34	27	(3)	-	109
Additions (except for leasing)	114	1.612	7.031	503	417	9.676
Disposal	(34)	(371)	(843)	(72)	-	(1.320)
Balance as of 31 December 2006	**14.924**	**25.968**	**96.128**	**5.781**	**1.379**	**144.179**
Accumulated depreciation						
Balance as of 1 January 2005	**(502)**	**(523)**	**(2.084)**	**(98)**	**-**	**(3.207)**
Contribution of Group companies	(389)	(19.930)	(58.744)	(4.809)	-	(83.872)
Depreciations of the period	(87)	(403)	(2.952)	(146)	-	(3.588)
Disposal	-	278	266	80	-	624
Balance as of 31 December 2005	**(977)**	**(20.579)**	**(63.514)**	**(4.974)**	**-**	**(90.043)**
Balance as of 1 January 2006	**(977)**	**(20.579)**	**(63.514)**	**(4.974)**	**-**	**(90.043)**
Currency translation differences	(9)	3	(11)	1	-	(16)
Depreciations of the period	(251)	(1.256)	(9.952)	(541)	-	(12.002)
Disposal	-	347	626	70	-	1.044
Balance as of 31 December 2006	**(1.237)**	**(21.485)**	**(72.851)**	**(5.444)**	**-**	**(101.017)**
Net book value as of 31 December 2005	**13.816**	**4.115**	**26.400**	**379**	**962**	**45.672**
Net book value as of 31 December 2006	**13.687**	**4.483**	**23.277**	**337**	**1.379**	**43.162**

Leased mechanical equipment and transportation equipment that are included above based on leasing:

	Land & buildings	Transportation equipment	Mechanical equipment	Furniture & other equipment	PPE under construction	Total
Cost - capitalised leasing	-	2.420	-	-	-	2.420
Accumulated depreciation	-	(1.311)	-	-	-	(1.311)
Net book value	**-**	**1.109**	**-**	**-**	**-**	**1.109**

Leased mechanical equipment and transportation equipment that are included above based on leasing:

Cost - capitalised leasing	-	2.420	-	-	-	2.420
Accumulated depreciation	-	(1.109)	-	-	-	(1.109)
Net book value	**-**	**1.311**	**-**	**-**	**-**	**1.311**

On Group fixed assets and more specifically on the assets of the subsidiary “HELLAS GOLD S.A.” a mortgages- prenotices has been placed of a total amount of 295.5 th. for bank and loans securitization. There are no mortgages – prenotices on the assets of the Parent.

6 Intangible assets

All amounts in Euro thousands.

CONSOLIDATED FIGURES

Cost	**Software**	**Other**	**Total**
Balance as of 1 January 2005	**2.313**	**-**	**2.313**
Additions	134	249	383
Disposal	(620)	(125)	(745)
Balance as of 31 December 2005	**1.827**	**124**	**1.951**
Balance as of 1 January 2006	**1.827**	**124**	**1.951**
Currency translation differences	-	2	2
Acquisition/absorption of a subsidiary	-	1.172	1.172
Additions	278	12	290
Disposal	(732)	(138)	(870)
Balance as of 31 December 2006	**1.373**	**1.172**	**2.545**
Accumulated depreciation			
Balance as of 1 January 2005	**(2.073)**	**-**	**(2.073)**
Depreciation for the period	(219)	(173)	(392)
Disposal	606	107	713
Balance as of 31 December 2005	**(1.686)**	**(66)**	**(1.752)**
Balance as of 1 January 2006	**(1.686)**	**(66)**	**(1.752)**
Currency translation differences	-	(1)	(1)
Depreciation for the period	(199)	(13)	(211)
Disposal	718	80	798
Balance as of 31 December 2006	**(1.167)**	**-**	**(1.167)**
Net book value as of 31 December 2005	**141**	**58**	**199**
Net book value as of 31 December 2006	**206**	**1.172**	**1.378**

COMPANY FIGURES

	Software	Other	Total
Cost			
Balance as of 1 January 2005	-	-	-
Cost	1.341	-	**1.341**
Additions	22	5	**28**
Balance as of 31 December 2005	**1.364**	**5**	**1.369**
Balance as of 1 January 2006	**1.364**	**5**	**1.369**
Additions	153	-	153
Disposal	(711)	(5)	(717)
Balance as of 31 December 2006	**806**	-	**806**
Accumulated depreciation			
Balance as of 1 January 2005	-	-	-
Contribution of Group Company	(1.339)	-	(1.339)
Depreciation for the period	(14)	-	(14)
Balance as of 31 December 2005	**(1.354)**	-	**(1.354)**
Balance as of 1 January 2006	**(1.354)**	-	**(1.354)**
Depreciation for the period	(93)	-	(93)
Disposal	713	-	713
Balance as of 31 December 2006	**(734)**	-	**(734)**
Net book value as of 31 December 2005	**10**	**5**	**15**
Net book value as of 31 December 2006	**72**	-	**72**

7 Investments in subsidiaries

The companies of the Group consolidated with the full consolidation method are the following:

	COMPANY NAME	COUNTRY	COMPANY TAX CODE	PERSENTAGE SHARE	ANAUDITED TAX YEARS
1	AKTOR A.T.E.	GREECE	094100975		2002-2006
2	AKTOR CONSTRUCTION INTERNATIONAL LTD	CYPRUS	12141480 D	100,00%	2004-2006
3	AKTOR OPERATIONS LTD	CYPRUS	121416751 I	100,00%	2004-2006
4	S.C.AKTOROM SRL	ROMANIA	-	100,00%	2004-2006
5	AL AHMADIAH AKTOR LTD	DUBAI	-	50,00%	-
6	MILLENIUM	DUBAI	565070	100,00%	-
7	DIMITRA S.A.	GREECE	999839600	50,50%	2003-2006
8	DORIKI LATOMIKA PROIONTA	GREECE	999641670	100,00%	2004-2006
9	ELLINIKA LATOMIA S.A.	GREECE	094118942	100,00%	2003-2006
10	ELLINIKA METALLIA S.A	GREECE	999932227	100,00%	2004-2006
11	ELLINIKI LIGNITES S.A.	GREECE	999641370	100,00%	2004-2006
12	KASTOR S.A	GREECE	094026549	100,00%	2003-2006
13	TOMI	GREECE	094496848	100,00%	2001-2006
14	PSITALIA NAFTIKI ETERIA	GREECE	099732250	66,67%	2005-2006
15	PLOKAT S.A.	GREECE	099490646	76,00%	2003-2006
16	AKTOR TECHNICAL CONSTRUCTION LLC	H.A.E	-	70,00%	-
17	GENERAL GULF HOLDINGS SPC	BAHRAIN	-	100,00%	-

Changes in the book value of the parent company's investments to participations that are under consolidation was:

All amounts in Euro thousands.

	COMPANY FIGURES	
	31 Dec 06	31 Dec 05
At beginning of the period	**84.398**	**-**
Contribution of Group of Company	-	80.562
Acquisitions of new subsidiaries	76	536
Share capital increase in existing subsidiaries	6.791	1.200
Transfers from/to Associates, JV, available for sale	-	2.100
At end of the period	**91.264**	**84.398**

8 Investments in Associates

The companies of the Group that are consolidated with the equity method for the period 2006 are the following:

COMPANY NAME	COUNTRY	COMPANY TAX CODE	PERSENTAGE SHARE
HELLAS GOLD SA	GREECE	999642840	35,00%
HELIDONA SA	GREECE		50,00%
ELLINIKES ANAPLASEIS SA	GREECE		40,00%
VEPE KERATEAS	GREECE		23,50%

The companies of the Group that are consolidated with the equity method for the period 2005 are the following:

COMPANY NAME	COUNTRY	COMPANY TAX CODE	PERSENTAGE SHARE
HELLAS GOLD SA	GREECE	999642840	35,00%
HELIDONA SA	GREECE		50,00%

All amounts in Euro thousands.

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31 Dec 06	31 Dec 05	31 Dec 06	31 Dec 05
At beginning of the period	**11.877**	**10.330**	**59**	**-**
Contribution to the parent	-	(1.334)	-	59
Acquisitions of new associates	234	-	30	-
Share capital increase in existing associates	120	-	120	-
(Disposal)	-	-	-	-
Share in profit / (loss) after taxes	1.764	3.153	-	-
Other equity movements (please clarify)	-	(3)	-	-
Transfer from /to Subsidiaries, JV, available for sale	1.615	(270)	1.239	-
At end of the period	**15.609**	**11.877**	**1.447**	**59**

Summary financial information for the affiliated companies for the year 2006:

COMPANY NAME	ASSETS	LIABILITIES	INCOME	PROFITS	PERSENTAGE SHARE
HELLAS GOLD SA	52.647	13.560	41.247	5.281	**35,00%**
HELIDONA SA	158	83	-	-2	**50,00%**
ELLINIKES ANAPLASEIS SA	769	-	-	-131	**40,00%**
VEPE KERATEAS	12.688	11.268	-	-132	**23,50%**
TOTAL	**66.262**	**24.911**	**41.247**	**5.016**	

Summary financial information for the affiliated companies for the year 2005:

COMPANY NAME	ASSETS	LIABILITIES	INCOME	PROFITS	PERSENTAGE SHARE
HELLAS GOLD SA	40.603	6.780	1.282	-3.384	35,00%
HELIDONA SA	160	83	-	-1	50,00%
TOTAL	40.763	6.862	1.282	-3.384	

9 Joint Ventures

The following amounts represent the company’s share of assets and liabilities in joint ventures which were consolidated with the proportional consolidation method and are included in the balance sheet:

All amounts in Euro thousands.

	31 Dec 06	31 Dec 05
ASSETS		
Non current assets	3.444	1.580
Current assets	259.506	256.065
	262.950	**257.645**
Liabilities		
Non current liabilities	11.222	5.086
Current liabilities	250.308	251.396
	261.530	**256.482**
EQUITY	**1.420**	**1.163**
Income	199.546	197.920
Expenses	-188.242	-156.080
Profit/loss(after tax)	**11.304**	**41.840**

The following table presents in detail the Joint Ventures consolidated with the Proportional Consolidation method:

A/A	JOINT VENTURE	REG. OFFICE	VAT. No	PARTICIPATION %	ANAUDITED YEARS
	AKTOR SA - HEADQUARTER				
1	J/V AKTOR SA - ALPINE MAYREDER BAU Gmb	GREECE	999710981	50,00%	2003-2006
2	J/V AKTOR SA - X.I. KALOGRITSAS SA	GREECE	999711050	49,50%	2005-2006
3	J/V AKTOR SA - X.I. KALOGRITSAS SA	GREECE	999711049	49,82%	2002-2006
4	J/V AKTOR SA-TODINI COSTRUZIONI GENERALI SPA	GREECE	999289147	45,00%	2004-2006
5	J/V AKTOR SA-IMPREGILO SPA	GREECE	999496100	60,00%	2005-2006
6	J/V TEO SA - AKTOR SA	GREECE	999709540	49,00%	2003-2006
7	J/V AKTOR SA - PANTEXNIKI SA	GREECE	999953677	75,00%	2006
8	J/V ATTIKI ODOS - CONSTRUCTION E.L.E.S.	GREECE	097787147	39,19%	2001-2006
9	J/V AKTOR SA - MICHANIKI SA - MOCHLOS SA - ALTE SA- AEGEK SA	GREECE	097971400	45,42%	2003-2006
10	J/V AKTOR SA-IMPREGILO SPA	GREECE	999953825	50,00%	2003-2006
11	J/V AKTOR SA - J & P AVAX SA - PANTEXNIKI	GREECE	999711406	50,00%	2006
12	J/V ATTIKAT SA - AKTOR SA	GREECE	999068664	30,00%	2005-2006
13	J/V AKTOR SA - TERNA SA - BIOTER SA	GREECE	099821221	33,33%	2003-2006
14	J/V SIEMENS AG - AKTOR SA - TERNA SA	GREECE	999068191	50,00%	2005-2006
15	J/V TEO SA - AKTOR SA	GREECE	999069360	49,00%	2005-2006
16	J/V AKTOR SA - J & P AVAX SA - PANTEXNIKI	GREECE	999953954	43,48%	2005-2006
17	J/V AKTOR SA - J & P AVAX SA - PANTEXNIKI	GREECE	999498455	43,48%	2004-2006
18	J/V TOMH S.A.- AKTOR S.A.	GREECE	999069415	30,00%	2005-2006
19	J/V AKTOR SA - PANTEXNIKI SA	GREECE	999067968	60,00%	2005-2006
20	J/V AKTOR SA-SIEMENS AG-VINCI CGP	GREECE	998870390	70,00%	2006
21	J/V ATHINA S.A.- AKTOR S.A.	GREECE	998956633	30,00%	2006
22	J/V AKTOR SA -J&P -SELI	GREECE	998683221	30,00%	2006
23	J/V TEPNA - MOCHLOS AKTOR	GREECE	998871373	35,00%	2006
24	J/V TOMH S.A.- AKTOR S.A.	GREECE	998683571	70,00%	2006
25	J/V J & P AVAX SA-TEPNA S.A.- AKTOR S.A.	GREECE	998683560	33,33%	2006
26	J/V AKTOR SA - ERGO SA	GREECE	998683626	50,00%	2006
27	J/V AKTOR S.A.- TEPNA S.A.- J & P AVAX SA	GREECE	998569215	33,33%	2006

	AKTOR SA - CENTRAL BRANCH A '				
1	J/V GEFIRA RIO-ANTIRRIO	GREECE	097654812	15,48%	2005-2006
2	J/V THEMELIODOMI -AKTOR SA- ATHINA SA & TE-SAPASSAVANT GMBH-GIOVANNI SRL	GREECE	097684750	53,33%	2005-2006
3	J/V EKTER SA - AKTOR SA	GREECE	097848970	50,00%	2003-2006
4	J/V AKTOR SA-THEMELIODOMI &AKTOR SA - VIOTER	GREECE	099338964	81,70%	2001-2006
5	J/V A380	GREECE	099078770	25,00%	2005-2006
6	J/V AKTOR - AEGEK - EKTER - TERNA	GREECE	099340148	52,00%	2006
7	J/V AKTOR SA- TOMI SA	GREECE	099840677	50,00%	2002-2006
8	J/V AKTOR S.A. - EBEDOS SA.	GREECE	099840721	66,67%	2002-2006
9	J/V AKTOR SA - ATHINA SA -EBEDOS SA	GREECE	099841545	74,00%	2005-2006
10	J/V TERNA -AKTOR-J&P-AVAX	GREECE	999721196	54,00%	2002-2006
11	J/V TERNA -AKTOR-J&P-AVAX	GREECE	999721203	66,00%	2002-2006
12	J/V AKTOR SA - THEMELIODOMI SA - ATHINA	GREECE	999658732	33,33%	2003-2006
13	J/V AKTOR SA - THEMELIODOMI SA - ATHINA	GREECE	999659102	66,67%	2003-2006
14	J/V TONIDI CON.GEN.SPA-AKOR SA	GREECE	999722642	40,00%	2003-2006
15	J/V AKTOR SA - J&P - AVAX SA	GREECE	999722979	50,00%	2003-2006
16	J/V AKTOR-TOMI-ALTE-EBEDOS	GREECE	999723638	27,33%	2004-2006
17	J/V AEGEK - BIOTER SA - AKTOR SA - EKTER	GREECE	099987915	40,00%	2002-2006
18	J/V AKTOR SA -SOCIETE FRANCAISE D EQUIPEMENT HOSPITALIER SA	GREECE	999723940	65,00%	2004-2006
19	J/V AKTOR SA -ATHINA SA	GREECE	999370030	71,00%	2006
20	J/V AKTOR SA - ALTE SA	GREECE	999370146	50,00%	2004-2006
21	J/V AKTOR SA - ATHINA SA -EBEDOS SA	GREECE	999370318	49,00%	2004-2006
22	J/V AKTOR SA - ATHINA SA- THEMELIODOM	GREECE	999370607	63,68%	2004-2006
23	J/V TOMI - AKTOR SA	GREECE	999371014	15,00%	2004-2006
24	JV AKTOR S.A. -DOMOTECHNIKI S.A. - THEMELIODOMI S.A. - TERNA S.A.- ETETH S.A.	GREECE	988975611	25,00%	2006
25	J/V ATHINA S.A.- AKTOR S.A.	GREECE	998818132	50,00%	2006
26	J/V AKTOR SA -PANTECHNIKI SA	GREECE	998881317	70,00%	2006
27	J/V AKTOR SA - ATHINA SA	GREECE	998818330	50,00%	2006

In consolidated Balance Sheet, in the Investments in Joint Ventures balance, it is included the cost of participation in other, no important Joint Ventures, that for 2006 amounts to euro 1.129 th. and for 2005 amounts to euro 3.707 th. Group's participation in the results of the said joint ventures is presented in the Profit & Loss Statement, in Profit/(Loss) from Joint Ventures account that amounted to euro 252 th. in 2006 and to euro 1.787 th. in 2005.

10 Financial assets available for sale

All amounts in Euro thousands.

	CONSOLIDATED FIGURES			COMPANY FIGURES	
	31 Dec 06	31 Dec 05		31 Dec 06	31 Dec 05
At beginning of the period	**3.135**	**40.367**		**1.951**	**2.100**
Contribution to the parent/ from the Group Company		(31.068)		-	633
Additions	17	1.731		2	1.258
(Disposal)	(371)	(8.013)		-	(15)
(Impairment)	(293)	-		-	-
Transfer from/to Subsidiaries, Associates, JV	(1.753)	43		(1.239)	(2.100)
Adjustment to fair value: incease/(decrease)	(39)	75		(39)	75
At end of the period	**697**	**3.135**		**676**	**1.951**
Non current assets	697	3.135		676	1.951
Current assets	-	-		-	-
	697	**3.135**		**676**	**1.951**

11 Inventories

All amounts in Euro thousands.

	GROUP		COMPANY	
	31/12/2006	**31/12/2005**	**31/12/2006**	**31/12/2005**
Raw Material	1.529	441	243	587
Final Products	3.135	3.198	-	-
Semifinal Products	-	1.337	-	-
Production in process	889	22.822	822	-
Deposit for inventories sale	2.777	-	913	-
Other	47	-	46	-
Total	**8.377**	**27.798**	**2.023**	**587**

12 Receivables

There is no credit risk concentration in relation to trade receivables since the Group has a large client base from several business segments.

All amounts in Euro thousands.

	GROUP		COMPANY	
	31/12/2006	**31/12/2005**	**31/12/2006**	**31/12/2005**
Clients	170.975	196.645	91.061	107.809
Clients - Affilieted parties	7.069	21.022	12.528	3.727
Less: Impairement provisions	(7.423)	(2.649)	(7.159)	(2.385)
Clients net receivables	**170.622**	**215.018**	**96.430**	**109.150**
Deposits	1.541	5.424	116	1.395
Receivables from construction contacts	156.047	107.916	76.832	56.784
Deposit income tax	5.103	3.020	4.726	-
Loan to affiliated parties	-	3.416	-	-
Deposits for opperating leasing	31	-	31	-
Other receivables	133.510	67.795	174.574	63.846
Other receivables -Affilieted parties	5.113	11.637	12.773	78.103
Total	**471.967**	**414.226**	**365.482**	**309.279**
Non-Current Asset	4.892	2.524	102	94
Current Asset	467.075	411.702	365.381	309.185
	471.967	**414.226**	**365.482**	**309.279**

Among Group's receivables there is an amount of about euro 35.7 mil., which refers to the Group's participation in two Joint Ventures in which AKTOR S.A. participates, whose collection has been delayed as the fees form the additional new works is pending th approval of the head of the cntruction project. The group's management expects the whole matter to be resolved on a mutual basis, hence without any losses for the Group, and this is why there are no provisions accounted for against these receivables.

13 Provisions

All amounts in Euro thousands.

	GROUP		COMPANY	
	31/12/2006	**31/12/2005**	**31/12/2006**	**31/12/2005**
	Other provisions	**Other provisions**	**Other provisions**	**Other provisions**
In the beginning of the period	466	357	295	
Additional provisions	972	373	488	295
provisions not materialized acctually reversed	(138)		(125)	
Exchange differences	31		32	
Current Fiscal years used provisions	(147)	(265)	(147)	
At the end of the period	1.184	466	543	295
Analisis of total provisions				
Long-term	818	332	535	162
Short-term	366	133	8	133
Total	1.184	465	543	295

14 Share capital

All amounts in Euro thousands.

	Number of shares	Common Shares	Share premium	Total
1 January 2005	1.934.765	5.804	-	5.804
Issue of new shares / (decrease)	27.770.350	83.311	37.955	121.266
31 December 2005	**29.705.115**	**89.115**	**37.955**	**127.070**
1 January 2006	29.705.115	89.115	37.955	127.070
31 December 2006	**29.705.115**	**89.115**	**37.955**	**127.070**

The nominal value of the share is 3 euro**.**

15 Trade and other payables

The Company's liabilities from its commercial activity are free of interest rates.

All amounts in Euro thousands.

	CONSOLIDATED		COMPANY	
	31- Dec -06	31- Dec -05	31- Dec -06	31- Dec -05
Suppliers	91,939	123,281	47,365	67,364
Suppliers – Affiliated parties	18,387	5,770	22,000	154
Accrued interest	800	-	800	-
Accrued expenses	10,050	4,922	4,521	370
Insurance organizations and other taxes/ duties	26,671	37,414	17,489	22,898
Amount due to suppliers for contract work	30,487	41,511	19,986	19,465
Other liabilities	157,490	85,248	122,017	69,072
Total	**335,825**	**298,146**	**234,178**	**179,323**
Long term	1,070	2,093	551	2,093
Short term	334,755	296,053	233,627	177,231
Total	**335,825**	**298,146**	**234,178**	**179,323**

Group's other payables for the year ended 31 December 2006 include amount of € 70.8 million regarding clients advanced payments. The respective amount for the company is € 40.0 million. Additionally, Group's other payables include amount of € 780 th. regarding payables to related parties and the respective parent company's payables include amount of euro 1 th. regarding payables to related parties.

16 Borrowings

All amounts in Euro thousands.

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31 Dec 06	31 Dec 05	31 Dec 06	31 Dec 05
Long-term borrowings				
Finance leases	781	629	9	609
Other	-	341	-	-
Total long-term borrowings	**781**	**970**	**9**	**609**
Short-term borrowings				
Bank overdrafts	7.319	2.218	-	-
Bank borrowings	102.870	113.243	54.000	57.096
Finance leases	1.239	445	673	381
Total short-term borrowings	**111.428**	**115.906**	**54.673**	**57.477**
Total borrowings	**112.209**	**116.876**	**54.682**	**58.086**

Real borrowing rates for the Group are between: aprrox. 4.85% for bank loans and aprrox. 5.2% for leasing.

The financial leasing liabilities included in the above tables are broken down as follows:

CONSOLIDATED FIGURES

	31/12/2006	31/12/2005
Financial Leasing liabilities - minimum leasing		
Untill 1 year	1.341	502
From 1 to 5 years	825	655
More of 5 years	-	-
Total	**2.166**	**1.157**
Less: Future financial leasing charges	(146)	(84)
Current value of financial leasing liabilities	**2.020**	**1.073**

The current value of financial leasing liabilities are broken down as follows:

AMOUNTS IN €	**31/12/2006**	**31/12/2005**
Untill 1 year	1.239	400
From 1 to 5 years	781	673
Total	**2.020**	**1.073**

The report on Interest changes and the renegotiation dates are as follows:

31 December 2006	
Total loans untill 6 months	104.960
Total loans untill 12 months	7.250
Total loans	**112.209**

COMPANY FIGURES

Financial Leasing liabilities - minimum leasing	**31/12/2006**	**31/12/2005**
Untill 1 year	713	424
From 1 to 5 years	9	636
More of 5 years	-	-
Total	**722**	**1.060**
Less: Future financial leasing charges	(40)	(70)
Current value of financial leasing liabilities	**682**	**990**

The current value of financial leasing liabilities are broken down as follows:

	31 -Dec-2006	**31 -Dec-2005**
Untill 1 year	673	381
From 1 to 5 years	9	609
Σύνολο	**682**	**990**

The report on Interest changes and the renegotiation dates are as follows:

31 December 2006	
Total loans untill 6 months	54.682
Total loans untill 12 months	-
Total loans	**54.682**

The bank loans book value is close to the fair value.

17 Deferred taxes

Deferred tax Assets and liabilities are netted off when there is an applical legal right to net off the current tax Assets against the current tax liabilities and when the deferred income taxes regard the same tax authority. The amounts are the following:

All amounts in Euro thousands.

	31/12/2006	31/12/2005
Deffered Tax Liabilities		
Recoverable after 12 months	20.047	12.816
Recoverable in 12 months	-	-
	20.047	12.816
Deffered Tax Receivables		
Recoverable after 12 months	697	348
Recoverable in 12 months	-	-
	697	328
	19.350	**12.468**

Changes in deferred tax receivables and liabilities during the financial year without taking into account the netting off of the balances within the same tax authority are the following:

amounts in euro	**39.082**	**38.717**
Balance at the begining of the period	12.468	11.067
Debit / (credit) Income Statement (Note 33)	6.257	984
Debit / (credit) of own equity	(1)	436
Aquisition / Absorbtion of subsidiaries	627	-
Exchange Differences	-	-
Balance at the end of the period	**19.350**	**12.487**

Defered Taxation accounted for in the Income Statement also includes the effect from the rate reduction (based on which deferred taxation is calculatd) from 32% in 2004 to 29% in 2005 and 25% in 2006. This effect amounts € 1,719 thou. for the fiscal year 2006 and € 1,375 thou. for 2005

The changes in deferred taxes on assets and liabilities during the year, excluding the netting off with in balances the same tax authority are as follows:

CONSOLIDATED FIGURES

Deferred tax Liabilities

All amounts in Euro thousands.

	Different tax depreciation	Construction contracts	Fixed asset with leasing	Other	Total
1 January 2005	161	22.019		842	23.022
Debit / (credit) Income Statement	(160)	(1.385)		650	(895)
Debit / (credit) of own equity		**(4.530)**	-	-	(4.530)
31 December 2005	**1**	**16.104**	**-**	**1.492**	**17.597**
1 January 2006	**1**	**16.104**	**-**	**1.492**	**17.596**
Debit / (credit) Income Statement	**618**	**15.971**	**877**	(1.492)	15.975
Aquisition / Absorbtion of subsidiaries	627	41		-	667
31 December 2006	**1.246**	**32.116**	**877**	**(0)**	**34.239**

Deferred tax Receivables

	Provisions Receivables	Different tax depreciation	Tax Losses	Construction contracts	Liabilities from leasing	Other	Total
1 January 2005	**313**	**128**	**466**	-	-	**7.450**	**8.357**
(Debit) / credit Income Statement	**(313)**	408	(466)	-	-	(2.422)	(2.793)
(debit) / credit of own equity	-		-	-	-	**(436)**	(436)
31 December 2005	**-**	**536**	**-**	**-**	**-**	**4.592**	**5.128**
1 January 2006	**-**	**536**	**-**	**-**	**-**	4.592	**5.128**
(Debit) / credit Income Statement	1.194	(444)	711	11.575	427	(3.744)	9.718
(debit) / credit of own equity	-	1	-	-	-	-	1
Aquisition / Absorbtion of subsidiaries	-	16	-	25	-	-	41
31 December 2006	**1.194**	**109**	**711**	**11.600**	**427**	**848**	**14.888**

Total tax losses from subsidiaries and joint ventures as at Decmeber 31st , 2006 are as follows:

COMPANY FIGURES

	31/12/06	**31/12/05**
Deffered tax Liabilities		
Recoverable after 12 months	4.344	6.561
Recoverable in 12 months	-	-
	4.344	6.561

Total change of deferred income tax is as follows:

	COMPANY	
	31-Dec-05	**31-Dec-05**
Balance at the beginning of the year	**6.561**	**(145)**
Income statement Debit/ (credit)	(2.217)	(2.181)
Contribution from company of the Group	-	8.887
Balance at the end of the year	**4.344**	**6.561**

Deferred tax Liabilities

All amounts in Euro thousands.

	Different tax depreciation	Construction contructs	Fixed asset with leasing	Total
1 January 2005				-
Debit / (credit) Income Statement		(3.222)		**(3.222)**
Constibution from group company	-	**11.394**	-	**11.394**
31 December 2005	**-**	**8.172**	**-**	**8.172**
	-	-	-	
1 January 2006	**-**	**8.172**	**-**	**8.172**
Debit / (credit) Income Statement	48	4.678	277	**5.003**
31 December 2006	**48**	**12.850**	**277**	**13.175**

Deferred tax Assets

	Provisions Receivables	Different tax depreciation	Construction contructs	Liabilities from leasing	other	Total
1 January 2005		-			**145**	**145**
(Debit) / credit Income Statement		523			(1.564)	(1.041)
Constibution from group company	-	4	-	-	2.503	2.507
31 December 2005	-	**527**	-	-	**1.084**	**1.611**
	-	-	-	-	-	-
1 January 2006	-	**527**	-	-	**1.084**	**1.611**
(Debit) / credit Income Statement	1.193	(522)	6.712	162	(325)	7.220
31 December 2006	**1.193**	**5**	**6.712**	**162**	**759**	**8.831**

18 Grants

All amounts in Euro thousands.

	CONSOLIDATED FIGURES	
	31 Dec 06	**31 Dec 05**
Balance at the beginning of the fiscal year	**566**	**502**
Additions	-	183
Transfer of grants to results	(119)	(119)
Balance at year end	**447**	**566**

The parent company has no grant balances.

19 Retirement benefit obligations

The amounts recognized in the Balance sheet are the following:

All amounts in Euro thousands.

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31 Dec 06	**31 Dec 05**	**31 Dec 06**	**31 Dec 05**
Balance sheet liabilities for :				
Retirement benefits	2.897	2.060	2.657	1.762
Total	**2.897**	**2.060**	**2.657**	**1.762**
	31 Dec 06	**31 Dec 05**	**31 Dec 06**	**31 Dec 05**
Income statement charge for :				
Retirement benefits	2.065	996	2.073	274
Total	**2.065**	**996**	**2.073**	**274**

Retirement benefits

The changes in liabilities that have been recorded in the balance sheet are:

	31 Dec 06	**31 Dec 05**	**31 Dec 06**	**31 Dec 05**
Present value of funded obligations	4.941	4.468	4.575	4.079
Unrecognised actuarial (profits)/losses	(2.044)	(2.409)	(1.918)	(2.317)
Liability in the Balance Sheet	**2.897**	**2.060**	**2.657**	**1.762**

The changes in liabilities that have been recorded in the income statement are:

	31 Dec 06	31 Dec 05	31 Dec 06	31 Dec 05
Current service cost	541	493	462	114
Interest cost	160	124	145	29
Amortisation of actuarial gains and losses	232	-	225	-
Net actuarial profits/(losses) recognised during the year	-	167	-	45
Past service cost	1.113	-	1.241	-
Losses on the curtailment	19	212	-	87
Total ,included in staff costs	**2.065**	**996**	**2.073**	**274**

The changes in liabilities that have been recorded in the balance sheet are:

	31 Dec 06	31 Dec 05	31 Dec 06	31 Dec 05
Beginning of the year	2.060	2.305	1.762	13
Contributions from group company	-	-	-	2.435
Indemnities paid	(1.227)	(1.016)	(1.178)	(960)
Contributions paid	-	(225)	-	-
Total expense charged in the income statement	2.065	996	2.073	274
End of year balance	**2.897**	**2.060**	**2.657**	**1.762**

The main actuarial admittances used for accounting purposes are the following:

Discount interest rate:	
- On 31/12/2005	3.59 %
- On 31/12/2006	4.2 %
Future increase in salaries	4.00%

20 Finance income (expenses) - net

All amounts in Euro thousands.

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31-DEC-06	31-DEC-05	31-DEC-06	31-DEC-05
-Bank borrowings	3.410	1.413	2.762	509
- Finance lease	160	(175)	44	(66)
	3.570	1.238	2.806	443
Interest income	2.590	1.721	763	(2)
Net interest income / (expenses)	**980**	**(483)**	**2.042**	**445**
Net foreign exchange differences gain/(losses) from borrowings	188	(10)	222	-
Total	**793**	**(473)**	**1.821**	**445**

21 Employee benefits

All amounts in Euro thousands.

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31-DEC-06	31-DEC-05	31-DEC-06	31-DEC-05
Wages and salaries	86.636	65.128	63.365	16.257
Social security expenses	25.457	18.711	18.744	3.994
Pension costs - defined benefit plans	2.065	996	2.073	274
Other employee benefits	4.318	1.964	1.015	605
Total	**118.476**	**86.799**	**85.197**	**21.130**

22 Expenses per category

All amounts in Euro thousands.

CONSOLIDATE FIGURES

CONSOLIDATED FIGURES		31-DEC-06				31-DEC-05			
	Notes	Cost of Sales	Selling expenses	Administrative expenses	Total	Cost of Sales	Selling expenses	Administrative expenses	Total
Employee benefits	21	100.130	585	17.761	118.476	71.911	497	14.390	86.798
Inventories used		183.214	-	-	183.214	114.517	-	156	114.673
Depreciation of PPE	5	14.116	18	1.484	15.618	15.059	21	914	15.994
Depreciation of intangible assets	6	92	-	47	138	22	-	272	294
Repair and maintenance expenses of PPE		13.787	79	505	14.371	8.022	17	398	8.437
Operating lease rental		8.851	35	872	9.758	6.930	21	1.115	8.066
Third parties fees for technical projects		205.600	456	1.762	207.818	183.040	385	1.797	185.222
Provision for bad debts		-	-	-	-	45	-	-	45
Other		41.559	1.044	4.669	47.273	24.998	1.344	2.719	29.061
Total		**567.349**	**2.217**	**27.100**	**596.666**	**424.544**	**2.285**	**21.761**	**448.590**

Depreciation of intangible assets (for the company as well as the group figures) also include the amount of € 72 thou. Which is in the other income/expense (note 24.)

COMPANY FIGURES

COMPANY FIGURES

	Notes	31-DEC-06 Cost of Sales	31-DEC-06 Administrative expenses	31-DEC-06 Total	31-DEC-05 Cost of Sales	31-DEC-05 Administrative expenses	31-DEC-05 Total
Employee benefits	21	70.752	14.445	85.197	13.825	7.305	21.130
Inventories used		109.945	-	109.945	29.810	20	29.830
Depreciation of PPE	5	11.071	931	12.002	3.303	285	3.588
Depreciation of intangible assets	6	7	14	21	10	3	13
Repair and maintenance expenses of PPE		11.248	368	11.616	2.015	169	2.184
Operating lease rental		4.654	822	5.476	1.309	243	1.552
Third parties fees for technical projects		121.929	1.554	123.483	32.673	620	33.293
Other		18.640	2.898	21.539	7.460	458	7.918
Total		**348.246**	**21.032**	**369.279**	**90.403**	**9.104**	**99.507**

23 Income tax

All amounts in Euro thousands.

	GROUP		COMPANY	
	31/12/2006	**31/12/2005**	**31/12/2006**	**31/12/2005**
Current	13.160	24.355	10.334	6.753
Deferred Taxes	6.257	1.906	(2.217)	(2.181)
Total	**19.417**	**26.261**	**8.116**	**4.573**

The parent Company has been tax audited by the tax authorities through FY 2001 and therefore its financial obligations for the rest of the years (2002-2005) cannot be considered as final. The detailed table on the unaudited years of all the companies consolidated is presented in Note 7.

The tax on company profits differs from the theoretical amount that would prevale had we used the weighted average tax rate for the country as follows:

	GROUP	COMPANY
	31/12/06	**31/12/06**
Earnings before tax	**49.556**	**30.631**
Tax Rate		**29%**
Tax calculated according to current local tax rates for the earnings in the respective countries	14.811	8.883
Tax for:		
Income that is not taxable	(8.371)	(10.872)
Additional taxable income	3.455	973
Expenses non deductable for tax purposes	5.310	8.240
Additional tax deductabe expenses for tax purposes (ei. Depreciation of intangible assets that are written off under IFRS)	3	-
Use of prior year tax losses	(93)	-
Tax Expense that is not accounted for income tax from assets	4.303	892
Taxes	**19.417**	**8.116**

24 Other income/ expenses

All amounts in Euro thousands.

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31 Dec 06	31 Dec 05	31 Dec 06	31 Dec 05
Income/(expenses) from participations and securities (apart from dividends)	122	190	122	29
Profit/(losses) from the sale of Financial assets categorized as available for sale.		1.074		-
Profit /(losses) from PPE sales	769	49	186	15
Profit /(losses) from intangible assets sales	1	-	-	-
Amortization Grants received	119	119	-	-
Impairment available for sales	(293)	-	-	-
Rents	1.271	677	1.270	-
Other profits/(losses)	(5.985)	(10.203)	(4.782)	(1.121)
Total	**(3.996)**	**(8.094)**	**(3.204)**	**(1.077)**

25 Dividends per share

The Board of Directors proposed the distribution of a total dividend amount for the year 2006 of € 20,793,580.50 (2005: € 29,705,115.00) i.e. € 0.70 (2005: € 1.00) per share, which is expected to be confirmed at the annual Ordinary Shareholders Meeting which will be held in June 29, 2007. The present financial statements do not reflect the proposed dividend 2006.

26 Operating cash flows

All amounts in Euro thousands.

		CONSOLIDATED FIGURES		COMPANY FIGURES	
	note	31 December 2006	31 December 2005	31 December 2006	31 December 2005
Profits of the period		16.456	38.910	22.514	10.296
Adjustments for:					
Income Tax		19.417	26.261	8.116	4.573
Depreciation of PPE	5	15.617	15.993	12.002	3.588
Depreciation of intangible assets	6	211	392	93	14
Depreciation of investments in property		-	-	-	-
Impairments		293	-	-	-
(Profits)/losses from the sale of PPE		(769)	(49)	(186)	(15)
(Profits)/losses from the sale of intangible assets		(1)	-	-	-
(Profits)/losses from the sale of investments in property		-	-	-	-
(Profits)/losses from the sale of subsidiaries		-	-	-	-
(Profits)/losses from the sale of Associates		-	-	-	-
(Profits)/losses from the sale of JV		-	-	-	-
(Profits)/losses from the sale of available for sale		-	(1.074)	-	-
(Profits)/losses from the sale of financial assets at fair value through P&L		-	-	-	-
Fair value (profits)/losses from financial assets at fair value through P&L		-	-	-	-
Amortisation of grants	18	(119)	(119)	-	-
Interest income	20	(2.590)	(1.721)	(763)	2
Interest expense	20	5.241	1.237	2.806	443
Income from dividends		(50)	-	(50)	-
(Profits)/losses from Associates companies		(1.764)	(3.153)	-	-
Currency translation profits/(losses)		(3)	-	-	-
Goodwill		-	3.496	-	-
Other (please clarify)		2	-	-	-
		51.942	**80.173**	**44.531**	**18.900**
Changes in working capital					
(Increase)/decrease in inventory		19.422	9.833	(1.436)	(312)
(Increase)/decrease in receivables (not current & current)		(55.596)	22.381	(55.748)	32.330
Increase/(decrease) in payables (not current & current)		37.679	33.965	54.536	34.810
Increase/(decrease) in provisions(not current & current)		717	(146)	248	190
Increase/(decrease) in personnel compensation due to retirement		838	(245)	895	(686)
Other (please clarify)			-	-	-
		3.060	**65.788**	**(1.506)**	**66.331**
		55.002	**145.961**	**43.025**	**85.232**

27 Contingent Liabilities

- The unaudited tax years for the companies of the Group that are under consolidation are disclosed in Note 7. Currently a tax audit for the years 2003-2006 is being carried out for the parent company. Group tax liabilities for these years have not been yet finalized and therefore additional charges may arise when the audits from the appropriate authorities will be made.
- Legal cases against the Group exist for industrial accidents happened during the work of construction projects from companies or joint ventures that the Group participates. Because of the fact that the Group is fully insured against industrial accidents, it is anticipated that no substantial burden will occur from a negative court decision.
- Group has contingent liabilities in relation to banks, other guarantees, and other matters that lie within Group common operations and from which no substantial burden will arise.

28 Related Parties Transactions

All amounts in Euro thousands.

Transactions with related parties (according to IAS 24) are as follows:

	1 Jan. – 31 Dec. 2006	1 Jan. – 31 Dec. 2006
	Group	Company
Sales of Goods and Services	15,158	22,304
Purchase of Goods and Services	2,215	4,575
Remuneration for management and members of the Board	2,806	2,806
	31 Dec. 2006	31 Dec. 2006
Receivables:	12,182	25,306
Liabilities:	19,167	23,270

29 Other notes

(a) On 31.12.2006 the company personnel amounts to 1,804 people and the group personnel 2,038 (except joint ventures) and on 31.12.2005 the relevant number amounted to 2,003 and 2,623 (except joint ventures) respectively.

(b) The companies included for the first time this year in the consolidated financial statements and were not included in the consolidated financial statements as of 31.12.2005 are the following:

i) With the full consolidation method:

- AKTOR TECHNICAL CONSTRUCTION LLC

- GENERAL GULF HOLDINGS SPC

- In 29.12.2006 it was approved by the Athens Prefecture the merger between (a) TOMI, (b) BISTONIS S.A. and (c) TECHNOLIMENIKI and more specifically the absorption of the second and the third from the first, in accordance with the 31.03.2006 Transformation Balance Sheets of the absorbed companies along with their respective valuation reports made by the certified accountant for the estimation of the book value of their assets, according to the 06.12.2006 decisions of the General Meetings of TOMI and BISTONIS S.A along with the 06.12.2006 decision of the General Meeting of TECHNOLIMENIKI.

BISTONIS S.A was already part of the Group while the company TECHNOLIMENIKI acquired and subsequently absorbed. In the following table the financial data of TECHNOLIMENIKI are presented both in fair values and book values as well as the resulting Surplus Value due to the acquisition.

All amounts in Euro thousands.

	Fair Value
Tangible assets	2,539
Short-term Liabilities	(3)
Deferred Taxes	(627)
Equity	**1,909**
Acquisition cost	3,081
Goodwill (note 6)	1,172

The Goodwill concerns know how that the company possess.

ii) With the equity method:

- ELLINIKES ANAPLASIS S.A.
- VEPE KERATEAS

(c) Potential Group Liabilities are as follows:

- Guarrantees against creditor liabilities (€ 529)
- Guarrantees against contract bet practices (€ 62,397)

(d) Group other liabilities which refer to operating leases are as follows:

- Up to one year (€ 622)
- Up to five years (€ 1.082)

30 Facts after the Balance Sheet date

1. On the 31.1.2007 it was signed between the Greek Government, the Societe Anonyme named ‘MOREAS S.A.’, contractor of the following project, as well as its shareholders’, i.e. ‘ELLINIKI TECHNODOMIKI TEB S.A.’ (73.34%), ‘PANTECHNIKI S.A. (13.33%) AND ‘INTRACOM

HOLDINGS' (13.33%), the concession contracting of the project 'STUDY-CONSTRUCTION-FUNDING-OPERATION-CONSERVATION AND EXPLOITATION OF THE PROJECT MOTORWAY CORINTH-TRIPOLIS-KALAMATA AND KLADOS LEUKTRO SPARTA'. This contracting is due to ratification within 4 months from the Parliament and the projects will begin subsequently.

The construction period is expected to last for 54 months and the project's total cost amounts to 1,044mil. Euros. The length of the Motorway is approximately 205 kilometers

In the constructive joint venture of the aforementioned project the companies 'AKTOR S.A.', 'PANTECHNIKI S.A.' and 'INTRAKAT' participate.

2. The Board of Directors of ELLINIKI TECHNODOMIKI TEB S.A., during its Meeting on 12.02.2007, decided, jointly and simultaneously, on the initiation of the transformation procedures, due to company's PANTECHNIKI S.A. dissolvent:

   a) absorption of a portion's of the constrution activities, including participations and related to them assets, from ELLINIKI TECHNODOMIKI TEB S.A. Other activities and the related assets of PANTECHNIKI will be absorbed from a non-listed company of the same interest of the latter company's main shareholders.

   b) Secession from ELLINIKI TECHNODOMIKI TEB S.A of the (under configuration) services sector of the absorbed constructive activities including other assets of PANTECHNIKI and contribution of it to the entirely subsidiary of the non-listed company AKTOR S.A.

   c) Secession from ELLINIKI TECHNODOMIKI TEB S.A of the concession's technical project sector and contribution of it to the entirely subsidiary of the non-listed company ASTIKES ANAPTIXEIS S.A.

   The aforementioned procedure is under approval of the competent authorities (see. The as of 12.02.2007 related announcements in the companies' website ELLINIKI TECHNODOMIKI TEB and PANTECHNIKI).

3. On 11.02.2007 the company AKTOR S.A., in a joint venture with its subsidiary in Dubai, AL AHMADIAH - AKTOR SA. bided in an international contest after a pre-selection of the project: 'CONSTRUCTION AND OPERATION OF A BIOLOGICAL WASTE TREATMENT PLANT IN JEBEL ALI'. The offer of the Joint Venture amounts to 422,000,000 $ (~324.5 mil. €).

   The particular plant is the biggest in the United Arab Emirates, with a capacity of waste treatment of 300,000 m^3 per day and is predicted to be completed in 36 months for the initiation of its construction.

4. The Boards of Directors of AKTOR SA and ELLINIKA METALLIA SA (100% AKTOR SA subsididary), decided to proceed with the merger via acquisition of the latter by the former, under articles 68 par.2 and 78 of law 2190/20, in conjunction with articles 1-12 of law 1297/72, as they are vlaid today, and based on the Finanacial Staelments of the ELLINIKA METTALIA SA assets as at December 31, 2006.

Athens, March 27, 2007

PRESIDENT OF THE BOARD OF DIRECTORS & GENERAL MANAGER	MANAGING DIRECTOR	FINANCIAL MANAGER	ACCOUNTING MANAGER	HEAD OF ACCOUNTING DEBT.
DIMITRIOS A. KOUTRAS	DIMITRIOS P. KALLITSANTSIS	MARIA PAVLOPOULOU-KARATZA	CHRISTOS I. GAGATSIOS	OLGA S. SOFIANOU
ID card No AE 023455	ID card No. Ξ 393014	LICENSE No.: A' Class 0025248	LICENSE No.: A' Class 0009672	LICENSE No.: A' Class 0015446