# “TECHNICAL OLYMPIC”
# GROUP OF COMPANIES

**REGISTRY NUMBER: 6801/06/B/86/08**

**20, SOLOMOU STREET, ALIMOS**

# INTERIM FINANCIAL REPORT

**for the period from January 1st to June 30th 2010**

in Accordance with Law 3556/2007, Article 5

## CONTENTS

## I. STATEMENTS OF BoD REPRESENTATIVES
## (PURSUANT TO ARTICLE 5(2) OF L.3556/2007)

The BoDrs of the Board of Directors of **TECHNICAL OLYMPIC SA**

1. Mr. Konstantinos Stengos son of Andreas, resident of Alimos, Attica, at 20, Solomou street, BoD Chairman;
2. Mr. Georgios Stengos son of Konstantinos, resident of Alimos, Attica at 20, Solomou street, Managing Director;
3. Mr. Panagiotis Kazantzis son of Nikolaos, resident of Alimos, Attica, at 20, Solomou street, BoD member and Financial Director of the Group

In our above capacities, appointed to that end by the Board of Directors of Société Anonyme "**TECHNICAL OLYMPIC SOCIÉTÉ ANONYME"** (hereinafter the "**Company" or "TECHNICAL OLYMPIC"**), we hereby state and certify that to the best of our knowledge:

(a) The interim corporate and consolidated financial statements of TECHNICAL OLYMPIC for the 01.01.10 – 30.06.10 period, which have been prepared in accordance with the International Financial Reporting Standards, depict in a true manner the asset and liabilities accounts, the net position and results of the Group and the Company as well as of the companies included in the consolidation taken as a whole, pursuant to the provisions of paragraphs 3 and 5 of article 5 of Law 3556/2007 and the authorized decisions of the Board of Directors of the Securities Market Commission.

(b) the interim report of the Company's BoD truly presents the information required under Article 5(6) of Law 3556/2007 and the authorized decisions of the Board of Directors of the Capital Market Commission.

**Alimos, August 27th 2010**

**The certifiers**

| The President of BoD | The Managing Director | BoD member and Financial Director of the Group |
|---|---|---|
| KONSTANTINOS A. STENGOS<br>ID No. AB 342754 | GEORGIOS K. STENGOS<br>ID No. AB 342753 | PANAGIOTIS N. KAZANTZIS<br>ID No. AZ 020049 |

## II. REVIEW REPORT OF INTERIM FINANCIAL REPORTING

To the Shareholders of TECHNICAL OLYMPIC S.A.

**Preface**

We have audited the attached summary of the corporate and consolidated financial position statement of **TECHNICAL OLYMPIC SOCIÉTÉ ANONYME** (the Company) as well as of its subsidiaries, as of June 30, 2009 and the relevant company and consolidated total earnings accounts, statement of changes in equity and cash flow for the interim period which ended on that date, as well as the selected explanatory notes, which comprise the interim financial report, consisting an integral part of the interim report of article 5 of L. 3556/2009. The company's Management is responsible for the preparation and presentation of this interim financial report pursuant to the International Financial Reporting Standards, as adopted by the European Union and applied to the Interim Financial Reporting (International Accounting Standard "IAS" 34). Our responsibility is to express a conclusion on this interim financial information based on our review.

**Scope of Review**

We have performed our review in accordance with the International Auditing Standard 2410 "Interim Financial Reporting Review performed by an Independent Auditor of the Financial Unit". A review of interim financial information consists of making inquiries to persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be detected in an audit. Thus, this review does not express an audit's result.

**Conclusion**

Based on the our review, we have not been made aware of anything which could lead to the conclusion that the attached interim financial report was not prepared, in all material aspects, according to IAS 34.

**Reference to other legal and prescriptive issues**

Based on the review performed, we concluded that the content of the article 5, L. 3556/2007 interim financial report is consistent with the attached interim financial reporting.

Athens, August 30th 2010

Certified Public Accountant -Auditor

GEORGIOS DELIGIANNIS
SOEL REG. No. 15791

GrantThornton

## III. INTERIM REPORT OF THE BoD
**on the consolidated and corporate financial statements of "TECHNICAL OLYMPIC S.A."**
**for the period from January 1st till June 30th 2010**

This Interim Report of the Board of Directors (hereinafter called the **"Report"**), concerns the first half of the year 2010 (01.01.10 - 30.06.10). The Report was drafted and is harmonized with the relevant provisions of law 3556/2007 (GG 91A/30.4.2007). As well as the decisions of the Capital Market Commission No. 1/434/2007, article 3 and No. 7/448/11.10.2007, article 4.

This Report presents in brief but in a clear and substantial manner all major individual sections that are required based on the foregoing legislative framework and represents in a true manner all relevant information required under law to inform in a substantial and documented manner on the operations during the period of time at hand of TECHNICAL OLYMPIC SA (hereinafter called the "**Company**" or "**TECHNICAL OLYMPIC**"), as well as of TECHNICAL OLYMPIC Group (besides TECHNICAL OLYMPIC, the Group includes the following associated companies:

| Total consolidation method | Country | Equivalent participation % |
|---|---|---|
| TECHNICAL OLYMPIC S.A. | GREECE | PARENT |
| EUROROM CONSTRUCTII '97 SRL | ROMANIA | 48,23% |
| TECHNICAL OLYMPIC SERVICES INC. | U.S.A. | 100,00% |
| DILOS MARINAS S.A. | GREECE | 99,86% |
| DOMAINE PORTO CARRAS S.A. | GREECE | 94,91% |
| MARKO MARINAS S.A. | GREECE | 83,88% |
| MOCHLOS S.A. | GREECE | 48,23% |
| PORTO CARRAS S.A. | GREECE | 86,20% |
| PORTO CARRAS VILLAGE CLUB S.A. | GREECE | 97,53% |
| PORTO CARRAS GOLF S.A. | GREECE | 90,00% |
| PORTO CARRAS MARINA S.A. | GREECE | 90,00% |
| PORTO CARRAS MELITON BEACH S.A. | GREECE | 92,94% |
| PORTO CARRAS SITHONIA BEACH CLUB S.A. | GREECE | 56,67% |
| PORTO CARRAS DEVELOPMENT S.A. | GREECE | 30,60% |
| PORTO CARRAS HYDROPLANES S.A. | GREECE | 41,54% |
| SAMOS MARINAS S.A | GREECE | 97,18% |
| SKIATHOS MARINAS S.A. | GREECE | 99,94% |
| STROFILI TECHNICAL S.A. | GREECE | 99,00% |
| TOXOTIS S.A. | GREECE | 30,78% |
| **Net Equity Method** | **Country** | **Equivalent participation %** |
| LAMDA OLYMPIC SRL | ROMANIA | EUROROM with 50% |

This report has been prepared in accordance with the terms and conditions of article 5 of L. 3556/2007, as well as article 4 of Decision 7/448/11.10.2007 of the BoD of Capital Market Commission and accompanies the interim financial statements of this period (01/01/2010 - 30/06/2010).

Given that the Company prepares consolidated financial statements, this Report is cohesive, with main reference to the corporate and consolidated financial data of the company and its associated companies. The Report is included in whole with the Company's Financial Statements and the other requisite by law data and statements in the interim financial report regarding the first semester of 2010. The Report's sections and their content are as follows:

**SECTION A'**

**Significant Events on the A' Semester 2010**

**Events and developments**

The Group continues its construction activities through MOCHLOS S.A. and TOXOTIS S.A.

- MOCHLOS S.A., a construction company, is one of the largest construction companies in the country, as it holds the highest MEEP (Register of Contractors) license (7th grade). This allows MOCHLOS to respond to current business challenges, in Greece and globally, in a dynamic and effective manner.

The expansion of the crisis in the real estate market and the financial system, which initially broke out in the USA and then in Europe during the second half of 2008, had a direct impact on the form and structure of the global financial system, the international movement of capital but also on the recession observed in the development rates of the Euro area economies and the developing countries, which led to the aggravation of the conditions in which the companies operated.

The significant restrain of the financial growth, even to a level over 2% to the euro-zone countries, with the largest economies entering into recession, the decline of financial figures and the considerable limitation in capital movement, became more noticeable during the second half of 2008, affecting several sectors, including constructions and tourism in which the group operates.

Within 2009 but also during the a' half of 2010, the impact from this global financial crisis had major and significant negative effects over the Greek economy, which led to the deterioration of the business status.

Within this financial environment and under these circumstances, the Group tried to maintain its position with the minimum effect over its financial figures as well as the minimum of reduction either in receipts, profits or employees.

In particular:

- The Group continued its construction activities through MOCHLOS S.A., as well as its subsidiary TOXOTIS S.A. MOCHLOS S.A., a construction company, is one of the largest construction companies in the country and holds the highest MEEP (Register of Contractors) license (7th grade), while TOXOTIS S.A. holds a 4th grade MEEP license, providing the capacity to participate in smaller projects, expanding the constructional scope of MOCHLOS's Group. This allows MOCHLOS's Group to respond to current business challenges, in Greece and globally, in a dynamic and effective manner.

It should be noted that MOCHLOS's 7th grade license as well as TOXOTIS's 4th grade license were successfully re-approved during fiscal year 2009, in accordance with provisions of L. 2940/2001 and these licenses, after their re-approval, are in full effect for the next three years.

The most important, undergoing, projects in Greece during 30/6/2010 are as follows:

1. Construction of the Aigio Tunnel, at the KIATO – AIGIO section of the high speed railway line between ATHENS – PATRA, with a contract value of €39.76m.
2. Construction of the right section (wing) from the exit of tunnel Anilio until the exit of tunnel Malakassiou, with a contract value of €41.54m.
3. Earthworks and Technical Works for the line connecting the Port of N. Ikonio with the railway network, with a contract value of €35.69m.
4. Modernization and restoration of the irrigation system for the zones A' and B' of the basin of Ioannina, with a contract value of €25,38m.
5. Construction of the Thriassio Pedio (A' operational phase) (Contract Number 540), with a contract value of €61.29m.

6. Drilling and temporary support of the Makynia Tunnel, part of the new highway of Ionian Odos, with a contract value of €4,04m.
7. Construction of three tunnel entry – exit (portals) technical works, part of the new highway Korinthos – Patra, a contract value of €1.67m.
8. Earthworks at section 6+200 up to 14+500 of E65 Highway of Central Greece, with a contract value of €3.22m.
9. Drilling and temporary support of Tunnel T2, of the new highway E65 of Central Greece, with a contract value of €15.55m.
10. Earthworks and other support works of «PIREAS PLAZA PROJECT», with a contract value of €7.4m.

- At the same time, the execution of "RENOVATION OF LINES INFRASTRUCTURE AND REINFORCEMENT OF THE TUNNEL FROM OMONOIA TO MONASTIRAKI OF ISAP S.A." is continued, with a contract value of €80.24m.
- In Romania, the executed projects were completed successfully at the end of the previous fiscal year and the temporary receipt of the following executed projects was completed:

ü Improvement of the Iacobeni – Sadova Road Section from km155+000 till km183+000. With the Certificate of Temporary Receipt, dated 04/12/2009, the National Organization of Highways certified the timely receipt, in accordance with the contractual issues and the signed agreement for execution of the project and according to the Meeting of Temporary Receipt, dated 10/12/2009, the Assignee confirmed the Temporary Receipt and simultaneously allowed the disengagement of the eligible amount of the letters of credit. It is noted that the recapitulative comparative table of the project was signed in the beginning of May, by which a total additional income derived of approximately €6m.

ü Improvement of the CALAFAT - DROBETA TURM - SEVERIN Road Section from km0+000 till km45+000. With the Certificate of Temporary Receipt, dated 03/11/2009, for the foregoing project, the National Organization of Highways certified the timely receipt, in accordance with the contractual issues and the signed agreement for execution of the project

- On 13/02/2009 MOCHLOS S.A. participated under a joint venture with Spanish company DRAGADOS S.A. in the ATTIKO METRO S.A. tender for the project "Extension of Line 3 of the Athens Metro to Peiraias", with a study budget of €515m. After the completion of Phase A' of the tender, the foregoing J/V has been pre-selected for the next phase, the results of which are expected
- On 10/07/2009 MOCHLOS S.A. also participated under a joint venture with Spanish company DRAGADOS S.A. in the ATTIKO METRO S.A. tender for the project "Extension of Thessaloniki Metro to Kalamaria", with a study budget of €425m. The results of this pre-selection are expected during the forthcoming months
- On 18/2/2010 the company participated under a joint venture with ARCHIRODON GROUP N.V. (with a participation percentage of 50%) in the tender for the project «FINALIZAREA DIGULUI DE LARG IN PORTUL CONSTANTA», with a budget of approximately 120.000.000 euro.
- On 3/4/2009 the Joint Venture MOCHLOS S.A. – ST. KOUNNA Bros, in which MOCHLOS participated with a percentage of 60%, was pre-selected by the Ministry of Transportation and Projects of the Republic of Cyprus for participation to the B' phase of the project "New Parliament Building, Study – Construction and Maintenance", with a budget of €100.000.000. The realization of the B' phase of the project is pending.
- On 29/3/2010 Joint Venture MOCHLOS S.A. – ST. KOUNNA Bros, in which MOCHLOS participates with a percentage of 60%, participated in a tender for the pre-selection of project "Cultural Central of Cyprus". The tender is undergoing.

- As for Private executed projects, “Renovation of VILLAGE INN PORTO CARRAS hotel”, with a budget of €4,5m and “Renovation of the winery and other facilities of the DOMAINE PORTO CARRAS”, with a budget of €13.6m. of MOCHLOS S.A. and its subsidiary TOXOTIS S.A., are in progress.
- The unexecuted part of on going projects at the end of a’ semester of 2010 for the Group stood at €104.6m.
- In the tourism industry, the Group is active through PORTO CARRAS S.A., owner of the PORTO CARRAS GRAND RESORT in Sithonia, Halkidiki and its other subsidiaries, who operate the different activities of the resort (4 hotels, marina, golf course, casino, winery, etc.).
- On 19/2/2010 there was an armed robbery at the company’s Casino, located in the Porto Carras Resort in Chalkidiki, during which two gunmen, once they immobilized by a gun threat the security personnel of a private security company, the cashiers, etc present at that moment, withdrew from the central safe the amount of 594.140euro. The incident was reported immediately to the police by the surveillance department and investigations for the offenders are ongoing. Due to the fact that the foregoing incident is a force majeure, the Casino did not operate since that date and until 22/3/2010, in order to enable the police with its investigations on the one hand and on the other because several works were executed for the greatest safety of the area, for avoidance, of similar instances.
- The Group continues to carry out the following investments in the said resort, which have been entered under development laws 2601/1998 & 3299/2004, in order to receive a subsidy of 30 - 40%:

\- Investment plan of DOMAINE PORTO CARRAS S.A., regarding the establishment of a winery in replacement of the existing one in Porto Carras Resort. The total approved outlay for this project amounts to €13.6m., while the approved subsidy amounts to €4.38m., i.e. 39,77% of the total approved outlay.

\- Investment plan of PORTO CARRAS VILLAGE CLUB S.A., regarding the modernization and upgrade from 3 star to 5 star category, of the VILLAGE INN hotel. The total approved outlay for this project is €4.5 m. and the total approved state subsidy is €1,71m., i.e. 40% percent of the approved outlay of the project.

## I. General Shareholders Meeting of the Company

I. On April 22nd 2010, the company’s General Shareholders Meeting was held, during which, the following were decided:

- The respective decisions of the BoD for restructuring of the company and the Group were approved and in particular the decisions for commencement and implementation of merger procedures of the construction sector of subsidiary MOCHLOS S.A. by subsidiary TOXOTIS S.A., as well as the announced transformations of the PORTO CARRAS companies.
- Approval of overall BoD decisions regarding the Group’s assets valuation, as well as the other decisions.
- Approval of fees paid to the BoD members and pre-approval of €400.000 in fees to the BoD members for the fiscal year 2010.

II. On May 5th 2010, the company’s A’ Iterative General Shareholders Meeting was held (following the initial on April 22nd), during which it was decided and was assigned to the company’s BoD – pursuant to article 13(1)(b) of C.L. 2190/1920 and article 6(1) of the company’s deed of association – the power to increase the share capital, in total or partially, <u>up to the amount of the current paid share capital</u>, with issue of new shares and <u>within a period of five (5) years from the approval of this decision</u>.

**II. Special General Shareholders Meetings of the Company**

I. On June 29th 2010, the company's Special General Shareholders Meeting was held, in order to reach a decision over the increase of the shares nominal value with simultaneous decrease of their number (reverse split), by issuance of new shares in replacement of the old ones and amendment of article 5 of the Articles of Association.

Due to the lack of an increased quorum of the 2/3 of the company's share capital, a A' Iterative General Meeting was decided to be held on 12/7/2010, in accordance with the respective invitation.

II. On July 12th 2010, the Special General Shareholders Meeting of the company's was held, in order to reach a decision over the increase of the shares nominal value with simultaneous decrease of their number (reverse split), by issuance of new shares in replacement of the old ones and amendment of article 5 of the Articles of Association.

During this meeting the increase of the nominal value of each share from €1 to €5 was decided, with simultaneous issue of 33.125.000 new intangible nominal shares, which, in replacement of the 165.625.000 existing shares, will be distributed for free to the shares, with a proportion of one (1) new share to five (5) old ones.

**Decisions and Acts of the Group's subsidiaries**

**MOCHLOS S.A.**

**I. General Shareholders Meeting of the Company**

I. On May 20th 2010, the company's General Shareholders Meeting was held, during which, the following were decided:

- Ratification and approval of the respective BoD decisions for the company's and the Group's restructuring and specifically of the decisions for commencement and implementation of the merger procedures of the company's construction sector by subsidiary TOXOTIS S.A.
- Ratification of overall BoD resolutions and in particular those regarding the valuation of the Group's property and other decisions.
- Election of a new 10member BoD, in force until 26/6/2012.
- Approval of fees paid to the BoD members and pre-approval of €300.000 in fees to the BoD members for the fiscal year 2010.
- On June 1st 2010, the A' Iterative General Shareholders Meeting was held (following the initial on May 20th), during which it was decided and was assigned to the company's BoD – pursuant to article 13(1)(b) of C.L. 2190/1920 and article 6(1) of the company's deed of association – the power to increase the share capital, in total or partially, up to the amount of the current paid share capital, with issue of new shares and within a period of five (5) years from the approval of this decision

**II. Special General Shareholders Meetings of the Company**

I. On August 6th 2010, the company's Special General Shareholders Meeting was held, pursuant to a respective BoD's invitation on 14/7/2010, in order to approve: a) The Merger Agreement Plan (M.A.P.) through absorption, in accordance with the provisions of articles 68-77 of C.L. 2190/1920 and L. 2166/1993, of "STROFILI S.A." by "TOXOTIS S.A.", as well as of the construction sector towards secession of our company "MOCHLOS S.A.", b) the BoD's explanatory report, pursuant to article 69(4) of C.L. 2190/1920 and c) the quantified transaction as well as the number of shares that the shareholders of the absorbed company are entitled to, as also the company whose construction sector is separated and contributed and furthermore to provide its authorization for the signature of the merger deed and any other act or statement for this purpose, as well as the executed acts of the BoD

Due to the lack of an increased quorum of the 2/3 of the company's share capital, a A' Iterative General Meeting was decided to be held on 25/8/2010, in accordance with the respective invitation.

II. On August 25th 2010, the company's A' Iterative Special General Shareholders Meeting was held, pursuant to a respective BoD's invitation on 14/7/2010, in order to approve: a) The Merger Agreement Plan (M.A.P.) through absorption, in accordance with the provisions of articles 68-77 of C.L. 2190/1920 and L. 2166/1993, of "STROFILI S.A." by "TOXOTIS S.A.", as well as of the construction sector towards secession of our company "MOCHLOS S.A.", b) the BoD's explanatory report, pursuant to article 69(4) of C.L. 2190/1920 and c) the quantified transaction as well as the number of shares that the shareholders of the absorbed company are entitled to, as also the company whose construction sector is separated and contributed and furthermore to provide its authorization for the signature of the merger deed and any other act or statement for this purpose, as well as the executed acts of the BoD
Due to the lack of an increased quorum of the 2/3 of the company's share capital, a B' Iterative General Meeting was decided to be held on 6/9/2010, in accordance with the respective invitation.

**TOXOTIS S.A.**

**I. General Shareholders Meeting of the company**

I. On May 3rd 2010, the company's General Shareholders Meeting was held, during which the most important decisions were as follows:

- Submission and approval of the annual financial statements for the fiscal year 2009, of the respective BoD report and the audit report of the certified auditor.
- Exemption of the BoD members and the Chartered Accountant – Auditor from any liability for damages during fiscal year 2009.
- Appointment of a chartered accountant / auditor company, member of S.O.E.L., for fiscal year 2010 and determination of fee.
- Permission, according to article 23(1) of Codified Law 2190/1920, as amended by Law 3604/2007, article 32(2), to BoD members or Directors of the company, who participate in any form to the company's management, to act for their benefit or on behalf of others, accordingly to any of the goals of the company and to participate as equal partners to companies that have the same objectives
- Pre-approval of BoD members' fee for the fiscal year 2010, according to provision of article 24(2) of Codified Law 2190/1920
- Decided: a) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for building projects between the company and its subsidiaries on one hand and BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other

  b) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for purchase and sale of assets between the company and its subsidiaries on one hand and BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other

Also, the General Meeting, decided unanimously and authorizes the BoD, for any conveyance of the company's assets, as well as of its subsidiaries, to companies, whose owners or BoD members, are members of the BoD, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled by the above.

**II. Special General Shareholders Meetings of the Company**

I. On August 6th 2010, the company's General Shareholders Meeting was held, during which the following were decided:

The General Meeting with an unanimous decision of the total of the paid and present share capital, decided to **postpone** the meeting and the decision making on every topic of the daily agenda for **August 25th 2010**.

On August 20th 2010, the company's General Shareholders Meeting was held, during which the main decision was the expansion of the company's corporate purpose and the amendment of article 2 of the company's deed of association.

**PORTO CARRAS S.A.**

**I. General Shareholders Meeting of the company**

I. On May 14th 2010, the company's General Shareholders Meeting was held, during which the most important decisions were as follows:

- Submission and approval of the annual financial statements for the fiscal year 2009, of the respective BoD report and the audit report of the certified auditor.
- Exemption of the BoD members and the Chartered Accountant – Auditor from any liability for damages during fiscal year 2009.
- Appointment of a chartered accountant / auditor company, member of S.O.E.L., for fiscal year 2010 and determination of fee.
- Ratification of the overall BoD decisions and especially those regarding a) the absorption by the company of "PORTO CARRAS SITHONIA BEACH CLUB S.A.", "PORTO CARRAS MELITON BEACH S.A." and "PORTO CARRAS VILLAGE CLUB S.A." of TECHNICAL OLYMPIC Group of companies and b) the estimation of the company's assets value at the end of fiscal year 2009.
- Permission, according to article 23(1) of Codified Law 2190/1920, as amended by article 32(2) of Law 3604/2007, article 32(2), to BoD members or Directors of the company, who participate in any form to the company's management, to act for their benefit or on behalf of others, accordingly to any of the goals of the company and to participate as equal partners to companies that have the same objectives
- Permission to the BoD to decide for the sale of parts of the company's properties.
- Pre-approval of BoD members' fee for the fiscal year 2010, according to provision of article 24(2) of Codified Law 2190/1920

**II. Special General Shareholders Meetings of the Company**

On July 15th 2010, the company's Special General Meeting was held, following a respective BoD invitation on 25/6/2010, in order to approve the context of forwarding and implementing the investment program of renovation and development of the existing building and other facilities of Porto Carras Resort, as well as the construction of luxurious residences, the assignment of execution without fee and subsequently the supervision of their construction, to the President of the company's BoD Mr. Konstantinos Stengos, Civil Engineer, shareholder of our company PORTO CARRAS S.A. and owner and founder of "TECHNICAL OLYMPIC S.A.", shareholder of 81,82% of "PORTO CARRAS S.A."

**PORTO CARRAS SITHONIA BEACH CLUB S.A.**

I. On May 3rd 2010, the company's General Shareholders Meeting was held, during which the most important decisions were as follows:

- Submission and approval of the annual financial statements for the fiscal year 2009, of the respective BoD report and the audit report of the certified auditor.
- Exemption of the BoD members and the Chartered Accountant – Auditor from any liability for damages during fiscal year 2009.
- Appointment of a chartered accountant / auditor company, member of S.O.E.L., for fiscal year 2010 and determination of fee.
- Ratification of the overall BoD decisions and especially those regarding a) the absorption by the company of "PORTO CARRAS SITHONIA BEACH CLUB S.A.", "PORTO CARRAS MELITON BEACH S.A." and "PORTO CARRAS VILLAGE CLUB S.A." of TECHNICAL OLYMPIC Group of companies and b) the estimation of the company's assets value at the end of fiscal year 2009.
- Permission, according to article 23(1) of Codified Law 2190/1920, as amended by article 32(2) of Law 3604/2007, article 32(2), to BoD members or Directors of the company, who participate in any form to the company's management, to act for their benefit or on behalf of others, accordingly to any of the goals of the company and to participate as equal partners to companies that have the same objectives.
- Permission to the BoD to decide for the sale of parts of the company's properties.
- Pre-approval of BoD members' fee for the fiscal year 2010, according to provision of article 24(2) of Codified Law 2190/1920
- Furthermore, the Chairman informed the General Meeting that on 14/9/2009 the Board of Directors approved the increase of the company's share capital for the amount of 526.500€, pursuant to the General Meeting's decision on 29/6/2005, regarding the authorization to the BoD for total or partial increase of the company's share capital up to the at the time existing (and paid) amount of 16.350.000euro, in accordance with article 13(1)(b) of C.L. 2190/1920 and the respective issued approval decision K2-9788/19-7-2005 of the Department of Société Anonyme of the General Secretariat of Commerce of the Ministry of Development. This increase was covered in part, i.e. by the amount of 130.500€ and the payment of this amount was verified by the BoD on 16/10/2009. The General Meeting unanimously decided and approved the incorporation of the foregoing increase to article 6 of the deed of association and its coding as a whole text.
- It was decided unanimously and was assigned to the company's BoD – pursuant to article 13(1)(b) of C.L. 2190/1920 and article 6(2) of the company's deed of association – the power to increase the company's share capital, up to the amount of the paid at present share capital (i.e. 32.503.500euro) and the respective authorization to the BoD will be in effect as of 19/7/2010 and for a period of five years.

**PORTO CARRAS DEVELOPMENT S.A.**

I. On May 14th 2010, the company's General Shareholders Meeting was held, during which the most important decisions were as follows:

- Submission and approval of the annual financial statements for the fiscal year 2009, of the respective BoD report and the audit report of the certified auditor.
- Exemption of the BoD members and the Chartered Accountant – Auditor from any liability for damages during fiscal year 2009.
- Appointment of a chartered accountant / auditor company, member of S.O.E.L., for fiscal year 2010 and determination of fee.
- Permission, according to article 23(1) of Codified Law 2190/1920, as amended by article 32(2) of Law 3604/2007, article 32(2), to BoD members or Directors of the company, who participate in any form to the

company's management, to act for their benefit or on behalf of others, accordingly to any of the goals of the company and to participate as equal partners to companies that have the same objectives.

- Pre-approval of BoD members' fee for the fiscal year 2010, according to provision of article 24(2) of Codified Law 2190/1920
- Decided: a) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for building projects between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

  b) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of employee agreements between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

  c) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for purchase and sale of assets between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other

Also, the General Meeting, decided unanimously and authorizes the BoD, for any conveyance of the company's assets, as well as of its subsidiaries, to companies, whose owners or BoD members, are members of the BoD, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled by the above.

**PORTO CARRAS GOLF S.A.**

I. On May 14th 2010, the company's General Shareholders Meeting was held, during which the most important decisions were as follows:

- Submission and approval of the annual financial statements for the fiscal year 2009, of the respective BoD report and the audit report of the certified auditor.
- Exemption of the BoD members and the Chartered Accountant – Auditor from any liability for damages during fiscal year 2009.
- Appointment of a chartered accountant / auditor company, member of S.O.E.L., for fiscal year 2010 and determination of fee.
- Permission, according to article 23(1) of Codified Law 2190/1920, as amended by article 32(2) of Law 3604/2007, article 32(2), to BoD members or Directors of the company, who participate in any form to the company's management, to act for their benefit or on behalf of others, accordingly to any of the goals of the company and to participate as equal partners to companies that have the same objectives.
- Pre-approval of BoD members' fee for the fiscal year 2010, according to provision of article 24(2) of Codified Law 2190/1920
- Decided: a) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for building projects between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

  b) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of employee agreements between the company and its subsidiaries on one hand and the BoD members,

individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

c) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for purchase and sale of assets between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other

Also, the General Meeting, decided unanimously and authorizes the BoD, for any conveyance of the company's assets, as well as of its subsidiaries, to companies, whose owners or BoD members, are members of the BoD, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled by the above.

**DOMAINE PORTO CARRAS S.A.**

I. On May 14th 2010, the company's General Shareholders Meeting was held, during which the most important decisions were as follows:

- Submission and approval of the annual financial statements for the fiscal year 2009, of the respective BoD report and the audit report of the certified auditor.
- Exemption of the BoD members and the Chartered Accountant – Auditor from any liability for damages during fiscal year 2009.
- Appointment of a chartered accountant / auditor company, member of S.O.E.L., for fiscal year 2010 and determination of fee.
- Permission, according to article 23(1) of Codified Law 2190/1920, as amended by article 32(2) of Law 3604/2007, article 32(2), to BoD members or Directors of the company, who participate in any form to the company's management, to act for their benefit or on behalf of others, accordingly to any of the goals of the company and to participate as equal partners to companies that have the same objectives.
- Pre-approval of BoD members' fee for the fiscal year 2010, according to provision of article 24(2) of Codified Law 2190/1920
- Decided: a) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for building projects between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

  b) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of employee agreements between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

  c) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for purchase and sale of assets between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

Also, the General Meeting, decided unanimously and authorizes the BoD, for any conveyance of the company's assets, as well as of its subsidiaries, to companies, whose owners or BoD members, are members of the BoD, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled by the above.

**PORTO CARRAS MARINA S.A.**

I. On May 14th 2010, the company's General Shareholders Meeting was held, during which the most important decisions were as follows:

- Submission and approval of the annual financial statements for the fiscal year 2009, of the respective BoD report and the audit report of the certified auditor.
- Exemption of the BoD members and the Chartered Accountant – Auditor from any liability for damages during fiscal year 2009.
- Appointment of a chartered accountant / auditor company, member of S.O.E.L., for fiscal year 2010 and determination of fee.
- Permission, according to article 23(1) of Codified Law 2190/1920, as amended by article 32(2) of Law 3604/2007, article 32(2), to BoD members or Directors of the company, who participate in any form to the company's management, to act for their benefit or on behalf of others, accordingly to any of the goals of the company and to participate as equal partners to companies that have the same objectives.
- Pre-approval of BoD members' fee for the fiscal year 2010, according to provision of article 24(2) of Codified Law 2190/1920
- Decided: a) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for building projects between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

  b) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of employee agreements between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

  c) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for purchase and sale of assets between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

Also, the General Meeting, decided unanimously and authorizes the BoD, for any conveyance of the company's assets, as well as of its subsidiaries, to companies, whose owners or BoD members, are members of the BoD, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled by the above.

**PORTO CARRAS MELITON BEACH S.A.**

I. On May 14th 2010, the company's General Shareholders Meeting was held, during which the most important decisions were as follows:

- Submission and approval of the annual financial statements for the fiscal year 2009, of the respective BoD report and the audit report of the certified auditor.
- Exemption of the BoD members and the Chartered Accountant – Auditor from any liability for damages during fiscal year 2009.
- Appointment of a chartered accountant / auditor company, member of S.O.E.L., for fiscal year 2010 and determination of fee.
- Permission, according to article 23(1) of Codified Law 2190/1920, as amended by article 32(2) of Law 3604/2007, article 32(2), to BoD members or Directors of the company, who participate in any form to the

company's management, to act for their benefit or on behalf of others, accordingly to any of the goals of the company and to participate as equal partners to companies that have the same objectives.

- Pre-approval of BoD members' fee for the fiscal year 2010, according to provision of article 24(2) of Codified Law 2190/1920.
- Decided: a) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for building projects between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

  b) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of employee agreements between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

  c) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for purchase and sale of assets between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

Also, the General Meeting, decided unanimously and authorizes the BoD, for any conveyance of the company's assets, as well as of its subsidiaries, to companies, whose owners or BoD members, are members of the BoD, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled by the above.

**PORTO CARRAS VILLA GALINI S.A.**

I. On May 14th 2010, the company's General Shareholders Meeting was held, during which the most important decisions were as follows:

- Submission and approval of the annual financial statements for the fiscal year 2009, of the respective BoD report and the audit report of the certified auditor.
- Exemption of the BoD members and the Chartered Accountant – Auditor from any liability for damages during fiscal year 2009.
- Appointment of a chartered accountant / auditor company, member of S.O.E.L., for fiscal year 2010 and determination of fee.
- Permission, according to article 23(1) of Codified Law 2190/1920, as amended by article 32(2) of Law 3604/2007, article 32(2), to BoD members or Directors of the company, who participate in any form to the company's management, to act for their benefit or on behalf of others, accordingly to any of the goals of the company and to participate as equal partners to companies that have the same objectives.
- Pre-approval of BoD members' fee for the fiscal year 2010, according to provision of article 24(2) of Codified Law 2190/1920.
- Decided: a) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for building projects between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

  b) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of employee agreements between the company and its subsidiaries on one hand and the BoD members,

individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

c) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for purchase and sale of assets between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

Also, the General Meeting, decided unanimously and authorizes the BoD, for any conveyance of the company's assets, as well as of its subsidiaries, to companies, whose owners or BoD members, are members of the BoD, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled by the above.

**PORTO CARRAS VILLAGE CLUB S.A.**

I. On May 14th 2010, the company's General Shareholders Meeting was held, during which the most important decisions were as follows:

- Submission and approval of the annual financial statements for the fiscal year 2009, of the respective BoD report and the audit report of the certified auditor.
- Exemption of the BoD members and the Chartered Accountant – Auditor from any liability for damages during fiscal year 2009.
- Appointment of a chartered accountant / auditor company, member of S.O.E.L., for fiscal year 2010 and determination of fee.
- Permission, according to article 23(1) of Codified Law 2190/1920, as amended by article 32(2) of Law 3604/2007, article 32(2), to BoD members or Directors of the company, who participate in any form to the company's management, to act for their benefit or on behalf of others, accordingly to any of the goals of the company and to participate as equal partners to companies that have the same objectives.
- Pre-approval of BoD members' fee for the fiscal year 2010, according to provision of article 24(2) of Codified Law 2190/1920.
- Decided: a) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for building projects between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

  b) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of employee agreements between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

  c) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for purchase and sale of assets between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

Also, the General Meeting, decided unanimously and authorizes the BoD, for any conveyance of the company's assets, as well as of its subsidiaries, to companies, whose owners or BoD members, are members of the BoD, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled by the above.

**PORTO CARRAS ENERGY S.A.**

I. On May 14th 2010, the company's General Shareholders Meeting was held, during which the most important decisions were as follows:

- Submission and approval of the annual financial statements for the fiscal year 2009, of the respective BoD report and the audit report of the certified auditor.
- Exemption of the BoD members and the Chartered Accountant – Auditor from any liability for damages during fiscal year 2009.
- Appointment of a chartered accountant / auditor company, member of S.O.E.L., for fiscal year 2010 and determination of fee.
- Permission, according to article 23(1) of Codified Law 2190/1920, as amended by article 32(2) of Law 3604/2007, article 32(2), to BoD members or Directors of the company, who participate in any form to the company's management, to act for their benefit or on behalf of others, accordingly to any of the goals of the company and to participate as equal partners to companies that have the same objectives.
- Pre-approval of BoD members' fee for the fiscal year 2010, according to provision of article 24(2) of Codified Law 2190/1920.
- Decided: a) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for building projects between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

  b) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of employee agreements between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

  c) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for purchase and sale of assets between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

Also, the General Meeting, decided unanimously and authorizes the BoD, for any conveyance of the company's assets, as well as of its subsidiaries, to companies, whose owners or BoD members, are members of the BoD, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled by the above.

**PORTO CARRAS HYDROPLANES S.A.**

I. On May 14th 2010, the company's General Shareholders Meeting was held, during which the most important decisions were as follows:

- Submission and approval of the annual financial statements for the fiscal year 2009, of the respective BoD report and the audit report of the certified auditor.
- Exemption of the BoD members and the Chartered Accountant – Auditor from any liability for damages during fiscal year 2009.
- Appointment of a chartered accountant / auditor company, member of S.O.E.L., for fiscal year 2010 and determination of fee.
- Permission, according to article 23(1) of Codified Law 2190/1920, as amended by article 32(2) of Law 3604/2007, article 32(2), to BoD members or Directors of the company, who participate in any form to the

company's management, to act for their benefit or on behalf of others, accordingly to any of the goals of the company and to participate as equal partners to companies that have the same objectives.

- Pre-approval of BoD members' fee for the fiscal year 2010, according to provision of article 24(2) of Codified Law 2190/1920.
- Decided: a) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for building projects between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

  b) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of employee agreements between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

  c) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for purchase and sale of assets between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

Also, the General Meeting, decided unanimously and authorizes the BoD, for any conveyance of the company's assets, as well as of its subsidiaries, to companies, whose owners or BoD members, are members of the BoD, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled by the above.

**SAMOS MARINAS S.A.**

I. On May 21st 2010, the company's General Shareholders Meeting was held, during which the most important decisions were as follows:

- Submission and approval of the annual financial statements for the fiscal year 2009, of the respective BoD report and the audit report of the certified auditor.
- Exemption of the BoD members and the Chartered Accountant – Auditor from any liability for damages during fiscal year 2009.
- Appointment of a chartered accountant / auditor company, member of S.O.E.L., for fiscal year 2010 and determination of fee.
- Permission, according to article 23(1) of Codified Law 2190/1920, as amended by article 32(2) of Law 3604/2007, article 32(2), to BoD members or Directors of the company, who participate in any form to the company's management, to act for their benefit or on behalf of others, accordingly to any of the goals of the company and to participate as equal partners to companies that have the same objectives.
- Pre-approval of BoD members' fee for the fiscal year 2010, according to provision of article 24(2) of Codified Law 2190/1920.
- Decided: a) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for building projects between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

  b) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of employee agreements between the company and its subsidiaries on one hand and the BoD members,

individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

c) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for purchase and sale of assets between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

Also, the General Meeting, decided unanimously and authorizes the BoD, for any conveyance of the company's assets, as well as of its subsidiaries, to companies, whose owners or BoD members, are members of the BoD, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled by the above.

**SKIATHOS MARINAS S.A.**

I. On May 25th 2010, the company's General Shareholders Meeting was held, during which the most important decisions were as follows:

- Submission and approval of the annual financial statements for the fiscal year 2009, of the respective BoD report and the audit report of the certified auditor.
- Exemption of the BoD members and the Chartered Accountant – Auditor from any liability for damages during fiscal year 2009.
- Appointment of a chartered accountant / auditor company, member of S.O.E.L., for fiscal year 2010 and determination of fee.
- Permission, according to article 23(1) of Codified Law 2190/1920, as amended by article 32(2) of Law 3604/2007, article 32(2), to BoD members or Directors of the company, who participate in any form to the company's management, to act for their benefit or on behalf of others, accordingly to any of the goals of the company and to participate as equal partners to companies that have the same objectives.
- Pre-approval of BoD members' fee for the fiscal year 2010, according to provision of article 24(2) of Codified Law 2190/1920.
- Decided: a) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for building projects between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

  b) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of employee agreements between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

  c) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for purchase and sale of assets between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

Also, the General Meeting, decided unanimously and authorizes the BoD, for any conveyance of the company's assets, as well as of its subsidiaries, to companies, whose owners or BoD members, are members of the BoD, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled by the above.

Furthermore, the Chairman of the Meeting informed the shareholders that the Court's of Arbitration decision regarding the termination of the concession agreement to the company of construction, management and operation of the tourist marina Skiathos of Magnissia Perfecture, has been finalized and its announcement is expected.

Given that, based on the decision, dated 28.6.2007 of the General Shareholders Meeting regarding the termination of the company and its liquidation, since the company's main scope, i.e. the construction, operation and management of the tourist marina Skiathos of the Magnissia Perfecture, is not possible to be fulfilled, the General Meeting, upon consideration re-approved the company's termination and its liquidation, after the finalization and issuance of the decision of the Court of Arbitration. As liquidators of the company were appointed Mrsss Konstantinos Rizopoulos with ID No. S 342434/2006, Panagiotis Kazantzis with ID No. AZ 020049/2007 and Konstantina Alexopoulou with ID No. AB 342434/2006.

Moreover, the General Meeting decided and authorized the BoD to take all necessary actions by law, so as after the issuance of the arbitration award, to claim all the amounts (leases, warranties, bank expenses, etc) that have been paid by the company up to date, by exercising all legal remedies.

**DILOS MARINES S.A.**

I. On May 21st 2010, the company's General Shareholders Meeting was held, during which the most important decisions were as follows:

- Submission and approval of the annual financial statements for the fiscal year 2009, of the respective BoD report and the audit report of the certified auditor.
- Exemption of the BoD members and the Chartered Accountant – Auditor from any liability for damages during fiscal year 2009.
- Appointment of a chartered accountant / auditor company, member of S.O.E.L., for fiscal year 2010 and determination of fee.
- Permission, according to article 23(1) of Codified Law 2190/1920, as amended by article 32(2) of Law 3604/2007, article 32(2), to BoD members or Directors of the company, who participate in any form to the company's management, to act for their benefit or on behalf of others, accordingly to any of the goals of the company and to participate as equal partners to companies that have the same objectives.
- Pre-approval of BoD members' fee for the fiscal year 2010, according to provision of article 24(2) of Codified Law 2190/1920.
- Decided: a) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for building projects between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

  b) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of employee agreements between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.
- c) to provide special approval, according to article 23(A)(2) of Codified Law 2190/1920, for execution of agreements for purchase and sale of assets between the company and its subsidiaries on one hand and the BoD members, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled from the above, on the other.

Also, the General Meeting, decided unanimously and authorizes the BoD, for any conveyance of the company's assets, as well as of its subsidiaries, to companies, whose owners or BoD members, are members of the BoD, individuals controlling the company, their spouses and relatives to third degree, related through blood or marriage, as well as legal entities controlled by the above.

**MARKO MARINAS S.A.**

I. On June 30th 2010, the company's General Shareholders Meeting was held, during which following a respective request of the shareholder "DILOS MARINAS S.A.", it was decided to postpone any decision making over the daily agenda by the General Shareholders Meeting, pursuant to article 39(3) of C.L. 2190/1920 and set July 30th 2010 as the continuance date of the Meeting for this matter.

II. On July 30th 2010, the company's General Shareholders Meeting was held, during which the most important decisions were as follows:

- Submission and approval of the annual financial statements for the fiscal year 2009, of the respective BoD report and the audit report of the certified auditor.
- Exemption of the BoD members and the Chartered Accountant – Auditor from any liability for damages during fiscal year 2009.
- Appointment of a chartered accountant / auditor company, member of S.O.E.L., for fiscal year 2010 and determination of fee.

## SECTION B'

### A. Financial developments and performances

The Group's progress is projected on the financial statements as of June 30th 2009, as the main financial figures have been configured as follows:

1. The consolidated turnover for the A' semester of 2010 stood at €23.66m. over €47.73m. of the respective period of 2009.
2. Respectively, the company's turnover for the A' semester of 2010 stood at €0.95m. over €0.93m. for 2009.
3. The consolidated gross results (earnings) during the A' half of 2010 amounted to €0.18m. over €3.6m. in 2009. Accordingly, the corporate gross results (earnings) for the A' semester of 2010 stood at €0.66m. over €0.60m. in 2009.
4. The consolidated operating results (before taxes, financing, investment results and total depreciation – EBITDA) for the A' half of 2010 noted damages and stood at €3m. over losses of €1.66m. in 2009. The corporate operating results (before taxes, financing, investment results and total depreciation – EBITDA) for the A' semester of 2010 noted also damages and stood at €0,14m. over profits of €0.48m. in the respective period of 2009.
5. The consolidated results before taxes for the A' half of 2010 show a loss and amounted to €3,66m. over losses of €3.41m. in 2009. Respectively, the corporate results before taxes for the A' half of 2010 were profitable and amounted to €0.91m. over €1.47m. in 2009.
6. The consolidated net results (after taxes) for the A' semester of 2010 show a loss and stood at €4.92m. over losses of €5.9m. in 2009, while respectively the corporate net results after taxes for the A' half of 2010 were profitable and amounted to €0.89m. over profits of €1.47m. in 2009.

### Value generating and performance measurement factors

The Group monitors its performance through the analysis of the main business segments. The Group evaluates the results and the performance of each segment on a monthly basis, identifying in a timely and efficient manner, deviations from its goals and taking correcting actions accordingly. The Company's performance is measured using internationally used financial performance ratios:

- **ROCE (Return on Capital Employed)**: In calculating this ratio, earnings before taxes and financial results are divided by the total capital employed and for the A' half of 2010 it stood at -1,37% on a consolidated basis and at 0,23% on a corporate basis.
- **ROE (Return on Equity):** In calculating this ratio, earnings after taxes are divided by Equity and for the A' half of 2010 stood at -1,37% on a consolidated basis and at 0,25% on a corporate basis.

## B. Main risks and uncertainties for the B' semester of 2010

The Group operates in an intense competitive environment. Its specialized know-how and its increased investments in manpower and establishment of infrastructures, aid the Group into becoming more competitive, in order to respond to the existing conditions. An important lever for further development of the Group is the expansion of its activities on the broader area of the Balkans but also in other countries within and out of the European Union, as well as the enforcement of the Group's construction dynamic with the undertaking of new projects.

### Financial risk factors

The Group is exposed to financial risks, such as changes in the exchange rate, the interest rates, credit risk, liquidity risk and fair value risk due to changes in the interest rates. The Group's general risk management plan is focused on the timely forecasting of the financial markets and aims at minimizing their possible negative effect in the financial performance of the Group's.
Risk management is performed from the central cash management service, which identifies and estimates the financial risks in cooperation with the operations facing these risks. Before proceeding to the relevant transactions, approval is obtained from officers with the right to bind the Group towards its counterparties.

### The usual risks to which the Group is exposed to are:

### Foreign Exchange Risk

Foreign exchange risk is the risk involving fluctuations in the value of financial instruments, assets, as well as receivables and liabilities, due to changes in rates of foreign exchange. The Group operates globally and therefore is exposed to foreign exchange risk mainly due to the fluctuations of the RON-Euro exchange rate, as a result of the Group's activities in the Romanian market. This risk derives mainly from future commercial transactions and liabilities in RON. The Group, for the time being, has not adopted the use of foreign exchange risk hedging tools. However, within the framework of adequately responding to the foregoing risk, is in constant contact with its financial advisors, in order to determine on an ongoing basis, the best offsetting policy in an environment, that changes constantly. Due to the fact that there aren't any loan liabilities in any other currency than Euro, but also due to the small exposure in risks from changes between RON-Euro exchange rate, the Group's management rates as low the exposure to foreign exchange risk.

### Credit and Liquidity Risk

The Group is not exposed to credit risk, with the exemption of the constructional sector, since a significant part of this sector's income, is generated from sales to the Greek State. Therefore, the majority of these incomes are received from customers with a delay, which ranges from 1 to 4 months in Greece and from 3 to 6 months abroad. To cover these delays and secure the necessary liquidity, the Group aims to maintain sufficient banking limits to prepay accounts signed by banking institutes. Where the foregoing delays in the collection of proceeds become longer, it is possible that the Group's results shall be significantly affected.

Due to the foregoing, the Group's management evaluates exposure to credit risk as important and for that reason is constantly in touch with its financial advisors for a more adequate credit risk reduction or elimination policy to be established in an continuously changing environment.

**Fair value change risk due to changes in interest rate**

The Group's operational revenues and cash flows are affected by changes on the prices of the interest rate. The risk of changes of the interest rate derives mainly from loan obligations as well as leasing operations. The Group does not have among its assets significant bearing items and its policy is for almost all of its borrowings to consist of floating interest rate products.

It is the Group's policy to maintain its loan balances at the lowest possible levels, securing at the same time such funding lines from cooperating banks, which can uninterruptedly satisfy the Group's ongoing growth and expansion.

In any case and due to the small effect on the Group's operating income and cash flows from changes in interest rates, the Group's Management evaluates the exposure to such a risk as low.

**Corporate governance**

The Group has implemented the Principles of Corporate Governance, as these are defined by the current Greek Legislation and international practices. Corporate Governance as a set of rules, principles and control mechanisms, based on the structure and management of each company of the Group, aims at transparency towards the investment public, as well as ensuring the interests of its shareholders and of all those involved in its operations.

The Board of Directors of TECHNICAL OLYMPIC is comprised of eight (8) executive and four (4) non executive members. From the non executive members, two (2) of them are qualified, according to the provisions of L. 3016/2002 on Corporate Governance, to be called "Independent".

The evaluation and improvement of risk management and internal control systems, as well as the verification of compliance with institutionalized policies and procedures, as these are described in the Company's Internal Operation Regulations, in the applicable legislation (mainly stock exchange legislation) and the decisions of the Board of Directors, has been assigned to the Internal Audit Division, which operates as an independent organizational unit and reports directly to the Board of Directors.

**Social Reporting**

The Group's contribution on a technological, social infrastructure and socioeconomic level is significant. The Company invests in continuing training and updating of the people, that work for the company, so that they are able to respond to modern business requirements and developments, with the purpose of delivery of quality products and services, which satisfy the requirements of the market and at the same time promote values, that serve and protect the community.

**Data for the development of the company's activities during the B' Semester of 2010.**

The main uncertainties that the management has to face during the second semester of 2010 are as follows:

a. Delays in the receipts from the State (Construction works)
b. Possible increase in interest
c. Lack of tourists during the summer period

The foregoing uncertainties are expected to affect the B' semester.

## SECTION C’

### Significant transactions with associated parties

The most significant transactions between the Company and its associated parties are included in this section, as defined in International Accounting Standard 24 and are as follows:

### Group’s transactions with associated companies:

| Company | Type of affiliation | Income from the sale merchandise and service offering | Priced income from projects execution | Purchase of Goods and services | Receivables | Liabilities |
|---|---|---|---|---|---|---|
| PORTO CARRAS ENERGY S.A. | Affiliated | 618 | 0 | 0 | 186 | 0 |
| OLYMPIAKI PLOTA II S.A. | Affiliated | 618 | 0 | 0 | 32.666 | 0 |
| PORTO CARRAS VILLA GALINI S.A. | Other associated parties | 0 | 1.538.687 | 0 | 3.407.609 | 5.318 |
| JOINT VENTURES | Other associated parties | 1.517 | 0 | 23.249 | 2.791.576 | 1.282.820 |
| OTHER ASSOCIATED PARTIES | Other associated parties | 5.640 | 0 | 0 | 613.226 | 185.591 |
| FEES OF BoD MEMBERS | Other associated parties | 0 | 0 | 0 | 0 | 782.846 |
| MANAGEMENT EXECUTIVES | Other associated parties | 0 | 0 | 0 | 0 | 10.042 |
| **TOTAL** | | **8.393** | **1.538.687** | **23.249** | **6.845.263** | **2.266.617** |

## Company's transactions with associated companies:

| Company | Type of affiliation | Income from the sale merchandise and service offering | Priced income from projects execution | Purchase of Goods and services | Receivables | Liabilities |
|---|---|---|---|---|---|---|
| MOCHLOS S.A. | Subsidiary | 650.000 | 0 | 485.348 | 8.054.013 | 3.405.272 |
| TOXOTIS S.A. | Subsidiary | 645 | 0 | 0 | 1.908 | 3.717.552 |
| PORTO CARRAS MELITON BEACH S.A. | Subsidiary | 205.125 | 0 | 0 | 8.061.840 | 0 |
| PORTO CARRAS SITHONIA BEACH CLUB S.A. | Subsidiary | 360 | 0 | 0 | 357.724 | 0 |
| PORTO CARRAS VILLAGE CLUB S.A. | Subsidiary | 35.363 | 0 | 0 | 1.330.118 | 0 |
| PORTO CARRAS GOLF S.A. | Subsidiary | 64.991 | 0 | 0 | 2.501.029 | 0 |
| PORTO CARRAS MARINA S.A. | Subsidiary | 26.192 | 0 | 0 | 963.388 | 0 |
| PORTO CARRAS S.A. | Subsidiary | 1.057 | 0 | 0 | 0 | 2.323.644 |
| DOMAINE PORTO CARRAS S.A. | Subsidiary | 81.780 | 0 | 0 | 3.084.270 | 0 |
| PORTO CARRAS DEVELOPMENT S.A. | Subsidiary | 324 | 0 | 0 | 336 | 0 |
| PORTO CARRAS HYDROPLANES S.A. | Subsidiary | 0 | 0 | 0 | 0 | 0 |
| STROFILI TECHNICAL S.A. | Subsidiary | 528 | 0 | 0 | 547 | 0 |
| DILOS MARINAS S.A. | Subsidiary | 720 | 0 | 0 | 158.730 | 0 |
| SAMOS MARINAS S.A. | Subsidiary | 83.079 | 0 | 29.423 | 7.821.079 | 0 |
| SKIATHOS MARINAS S.A. | Subsidiary | 720 | 0 | 0 | 128.435 | 0 |
| MARKO MARINAS S.A. | Subsidiary | 360 | 0 | 0 | 10.325 | 0 |
| EUROROM CONSTRUCTII '97 SRL | Subsidiary | 0 | 0 | 0 | 0 | 89.162 |
| PORTO CARRAS ENERGY S.A. | Affiliated | 0 | 0 | 0 | 186 | 0 |
| OLYMPIAKI PLOTA II S.A. | Affiliated | 0 | 0 | 0 | 32.666 | 0 |
| PORTO CARRAS VILLA GALINI S.A. | Other associated parties | 180 | 0 | 0 | 0 | 0 |
| JOINT VENTURES | Other associated parties | 1.057 | 0 | 0 | 0 | 0 |
| OTHER ASSOCIATED PARTIES | Other associated parties | 320 | 0 | 0 | 21.286 | 3.895 |
| FEES OF BoD MEMBERS | Other associated parties | 1.098 | 0 | 0 | 0 | 0 |
| MANAGEMENT EXECUTIVES | Other associated parties | 0 | 0 | 0 | 0 | 146.691 |
| **TOTAL** | | **1.153.898** | **0** | **514.771** | **32.527.880** | **9.686.216** |

## SECTION D’

**Prospects for B’ Semester of 2010**

The Group’s strategy for the next period is mainly focused on:

1. Broadening the size, budget, and the remaining proportion of the projects in progress, with simultaneous pursuit of extending the construction scope with projects of assignment or through Public & Private Partnerships (PPS).
2. The Group’s expansion to new markets, through expansion of its activities to other countries abroad, beyond those in which the group is already active.
3. Reduction in management cost, with proper measurements, including corporate transformations within the Group.
4. Further development of the company’s branch in Romania.
5. Further development of the tourist activity of PORTO CARRAS Resort, through strengthening of its sales and reinforcement of the dynamic of customer arrivals throughout Europe.

**Alimos, August 27th 2010**

The President of BoD

KONSTANTINOS A. STENGOS

**REGISTRY NUMBER: 6801/06/B/86/08**

**20 SOLOMOU Str., ALIMOS**

# IV. INTERIM FINANCIAL STATEMENTS FROM JANUARY 1st TO JUNE 30th 2010, IN ACCORDANCE WITH INTERNATIONAL STANDARDS OF FINANCIAL REPORT (I.A.S. 34)

It is hereby certified that the attached Financial Statements for the period 01/01/2010 - 30/06/2010, which constitute an integral part of the interim financial report of article 5, L. 3556/2007, are the ones approved by the Board of Directors of TECHNICAL OLYMPIC SA at its meeting on August 27th 2010. This Interim Financial Report for the period 01/01/2010 - 30/06/2010 is published on the Internet at www.techol.gr, where it shall remain at the disposal of investors for at least five (5) years from the date of drafting and publication. The attention of the reader is drawn to the fact that the extracts published in the press aim at providing the public with certain elements of financial information but they do not illustrate a full view of the financial position and the results of operation of the Company and the Group, in accordance with the International Financial Reporting Standards.

# CONTENTS

## A. SUMMARY STATEMENT OF FINANCIAL POSITION

| *Amounts in € '000* | Note | THE GROUP 30/6/2010 | THE GROUP 31/12/2009 | THE COMPANY 30/6/2010 | THE COMPANY 31/12/2009 |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **Non current assets** | | | | | |
| Ownused tangible assets | | 482.497 | 488.735 | 4.835 | 4.651 |
| Intangible assets | | 14.024 | 14.073 | 6 | 30 |
| Investments in affiliated companies | | 0 | 0 | 364.834 | 367.654 |
| Investments in subsidiaries | | 294 | 298 | 2 | 2 |
| Financial assets available for sale | | 11 | 11 | 0 | 0 |
| Investments in properties | | 18.166 | 18.166 | 3.918 | 3.918 |
| Other long-term receivables | 7.1 | 349 | 358 | 27.147 | 26.667 |
| **Total** | | **515.341** | **521.641** | **400.742** | **402.922** |
| **Current assets** | | | | | |
| Inventory | 7.2 | 7.601 | 6.393 | 0 | 0 |
| Receivables from construction agreements | | 37.428 | 40.709 | 1 | 1 |
| Receivables from clients and other trading receivables | 7.3 | 22.691 | 25.623 | 4.982 | 3.502 |
| Receivables from joint ventures | | 2.064 | 2.253 | 0 | 0 |
| Other Receivables | 7.4 | 33.829 | 37.423 | 877 | 396 |
| Financial assets at fair value through results | | 24 | 24 | 0 | 0 |
| Cash and cash equivalents | 7.5 | 10.111 | 15.690 | 6.032 | 7.146 |
| **Total** | | **113.748** | **128.115** | **11.892** | **11.045** |
| **Total assets** | | **629.089** | **649.756** | **412.634** | **413.967** |
| **EQUITY AND LIABILITIES** | | | | | |
| **Equity** | | | | | |
| Share capital | | 165.625 | 165.625 | 165.625 | 165.625 |
| Share premium | | 253.784 | 253.784 | 253.784 | 253.784 |
| Reserves from property valuation at fair value | | 249.907 | 251.327 | 2.151 | 2.156 |
| Reserves from the valuation of financial assets available for sale | | 0 | 0 | 160.357 | 163.109 |
| Other reserves | | 22.925 | 22.925 | 7.877 | 7.877 |
| Retained earnings | | (332.834) | (330.180) | (236.129) | (237.027) |
| Foreign exchange differences | | (315) | (247) | 109 | 106 |
| **Equity attributable to owners of parent company** | | **359.092** | **363.234** | **353.774** | **355.630** |
| Third party rights | | 85.330 | 86.254 | 0 | 0 |
| **Total equity** | | **444.422** | **449.488** | **353.774** | **355.630** |
| **Long-term liabilities** | | | | | |
| Deferred tax liabilities | | 80.795 | 81.192 | 44.163 | 44.212 |
| Liabitities for employee retirement benefits | | 901 | 826 | 57 | 54 |
| State grants for assets | | 26.945 | 28.173 | 0 | 0 |
| Long-term loan liabilities | 7.6 | 6.943 | 7.608 | 0 | 0 |
| Other provisions | | 1.814 | 1.814 | 779 | 779 |
| Other long-term liabilities | | 3.832 | 4.501 | 89 | 94 |
| **Total** | | **121.230** | **124.114** | **45.088** | **45.139** |
| **Short-term liabilities** | | | | | |
| Suppliers and respective liabilities | 7.7 | 24.191 | 23.795 | 4.920 | 4.022 |
| Current tax liabilities | 7.8 | 156 | 301 | 0 | 0 |
| Short-term loan liabilities | 7.6 | 15.791 | 28.719 | 1.645 | 2.264 |
| Other short-term liabilities | 7.9 | 23.299 | 23.339 | 7.207 | 6.912 |
| **Total** | | **63.437** | **76.154** | **13.772** | **13.198** |
| **Total of liabilities** | | **184.667** | **200.268** | **58.860** | **58.337** |
| **Total equity and liabilities** | | **629.089** | **649.756** | **412.634** | **413.967** |

The attached notes are an integral part of these interim financial statements.

## B. SUMMARY STATEMENT OF COMPREHENSIVE INCOME

| *Amounts in € '000* | Note | THE GROUP 01/01 - 30/6/2010 | THE GROUP 01/04 - 30/6/2010 | THE GROUP 01/01 - 30/6/2009 | THE GROUP 01/04 - 30/6/2009 | THE COMPANY 01/01 - 30/6/2010 | THE COMPANY 01/04 - 30/6/2010 | THE COMPANY 01/01 - 30/6/2009 | THE COMPANY 01/04 - 30/6/2009 |
|---|---|---|---|---|---|---|---|---|---|
| Sales from construction agreements | | 16.488 | 10.511 | 35.257 | 18.775 | 0 | 0 | 0 | 0 |
| Sale of products | | 1.020 | 521 | 1.268 | 731 | 0 | 0 | 0 | 0 |
| Sale of services | | 6.148 | 5.097 | 11.202 | 7.949 | 948 | 623 | 934 | 467 |
| **Sales** | | **23.656** | **16.129** | **47.727** | **27.455** | **948** | **623** | **934** | **467** |
| Sales expenses | | (23.481) | (15.451) | (44.132) | (24.972) | (288) | (26) | (335) | (163) |
| **Gross profit / (loss)** | | **175** | **678** | **3.595** | **2.483** | **660** | **597** | **599** | **304** |
| Management expenses | | (2.900) | (2.052) | (4.809) | (2.731) | (513) | (377) | (281) | (134) |
| Disposal expenses | | (1.490) | (938) | (2.999) | (1.844) | (1) | 0 | (7) | (7) |
| Other operating expenses | **7.11** | (3.069) | (765) | (420) | (280) | (604) | (229) | (18) | 0 |
| Other operating income | **7.12** | 4.284 | 2.506 | 2.975 | 1.972 | 322 | (129) | 184 | 110 |
| **Operating results before taxes, financing and investing results** | | **(3.000)** | **(571)** | **(1.658)** | **(400)** | **(136)** | **(138)** | **477** | **273** |
| Financial expenses | | (1.192) | (466) | (2.095) | (1.043) | (45) | (40) | (164) | (70) |
| Financial income | | 269 | 32 | 159 | 77 | 729 | 261 | 949 | 598 |
| Other financial results | | (61) | (12) | (98) | (701) | 364 | 177 | 207 | (123) |
| Profits / (losses) from joint ventures | | 314 | 314 | 264 | 264 | 0 | 0 | 0 | 0 |
| Pro rata of subsidiaries companies | | 11 | (2) | 20 | (4) | 0 | 0 | 0 | 0 |
| **Profits / (losses) before taxes** | | **(3.659)** | **(705)** | **(3.408)** | **(1.807)** | **912** | **260** | **1.469** | **678** |
| Income tax | **7.13** | (1.265) | (1.042) | (2.457) | (716) | (19) | (15) | (2) | (4) |
| **Profits / (losses) after taxes** | | **(4.924)** | **(1.747)** | **(5.865)** | **(2.523)** | **893** | **245** | **1.467** | **674** |
| **Other comprehensive income / (expenses)** | | | | | | | | | |
| Foreign exchange differences from alteration of financial statements of corporate activities abroad | | (142) | (153) | (165) | 22 | 2 | 1 | (1) | (3) |
| Revaluation of financial assets available fore sale | | 0 | 0 | 0 | 0 | (2.820) | (1.554) | 2.968 | 4.030 |
| Deferred taxation of financial assets reserve available for sale | | 0 | 0 | 0 | 0 | 68 | 28 | (97) | (98) |
| **Other comprehensive income (expenses) after taxes** | | **(142)** | **(153)** | **(165)** | **22** | **(2.750)** | **(1.525)** | **2.870** | **3.929** |
| **Cumulative comprehensive results** | | **(5.066)** | **(1.900)** | **(6.030)** | **(2.501)** | **(1.857)** | **(1.280)** | **4.337** | **4.603** |

The attached notes are an integral part of these interim financial statements.

## SUMMARY STATEMENT OF COMPREHENSIVE INCOME

| *Amounts in € '000* | Note | THE GROUP 01/01 - 30/6/2010 | THE GROUP 01/04 - 30/6/2010 | THE GROUP 01/01 - 30/6/2009 | THE GROUP 01/04 - 30/6/2009 | THE COMPANY 01/01 - 30/6/2010 | THE COMPANY 01/04 - 30/6/2010 | THE COMPANY 01/01 - 30/6/2009 | THE COMPANY 01/04 - 30/6/2009 |
|---|---|---|---|---|---|---|---|---|---|
| **Profits distributed to:** | | | | | | | | | |
| Shareholders of the parent company | | (4.075) | (1.707) | (5.374) | (2.388) | 893 | 245 | 1.467 | 674 |
| Minority interest | | (849) | (40) | (491) | (135) | 0 | 0 | 0 | 0 |
| | | **(4.924)** | **(1.747)** | **(5.865)** | **(2.523)** | **893** | **245** | **1.467** | **674** |
| **Comprehensive results attributed to:** | | | | | | | | | |
| Shareholders of the parent company | | (4.142) | (1.780) | (5.454) | (2.379) | (1.857) | (1.280) | 4.337 | 4.603 |
| Minority interest | | (924) | (120) | (576) | (122) | 0 | 0 | 0 | 0 |
| | | **(5.066)** | **(1.900)** | **(6.030)** | **(2.501)** | **(1.857)** | **(1.280)** | **4.337** | **4.603** |

| *Amounts in € '000* | Note | THE GROUP 01/01 - 30/6/2010 | THE GROUP 01/04 - 30/6/2010 | THE GROUP 01/01 - 30/6/2009 | THE GROUP 01/04 - 30/6/2009 | THE COMPANY 01/01 - 30/6/2010 | THE COMPANY 01/04 - 30/6/2010 | THE COMPANY 01/01 - 30/6/2009 | THE COMPANY 01/04 - 30/6/2009 |
|---|---|---|---|---|---|---|---|---|---|
| Basic profits / (losses) per share (€ / share) | **7.14** | **(0,0246)** | **(0,0103)** | **(0,0325)** | **(0,0145)** | **0,0054** | **0,0015** | **0,0089** | **0,0041** |

## STATEMENT ANALYSIS

| *Amounts in € '000* | Note | THE GROUP 01/01 - 30/6/2010 | THE GROUP 01/04 - 30/6/2010 | THE GROUP 01/01 - 30/6/2009 | THE GROUP 01/04 - 30/6/2009 | THE COMPANY 01/01 - 30/6/2010 | THE COMPANY 01/04 - 30/6/2010 | THE COMPANY 01/01 - 30/6/2009 | THE COMPANY 01/04 - 30/6/2009 |
|---|---|---|---|---|---|---|---|---|---|
| Proftis / losses before taxes, interest and depreciation (EBITDA) | **(A)** | 3.287 | 2.343 | 5.094 | 2.790 | (70) | (103) | 565 | 313 |
| Profit / (losses) before interest, taxes (EBIT) | | (3.000) | (571) | (1.658) | (400) | (136) | (138) | 477 | 273 |
| Profits / (losses) before taxes | | (3.659) | (705) | (3.408) | (1.807) | 912 | 260 | 1.469 | 678 |
| Profits after taxes | | (4.924) | (1.747) | (5.865) | (2.523) | 893 | 245 | 1.467 | 674 |

### (A) ACCOUNT CALCULATION: PROFITS/LOSSES BEFORE FINANCING, INVESTMENT RESULTS AND TOTAL DEPRECIATION (EBITDA)

| *Amounts in € '000* | Note | THE GROUP 01/01 - 30/6/2010 | THE GROUP 01/04 - 30/6/2010 | THE GROUP 01/01 - 30/6/2009 | THE GROUP 01/04 - 30/6/2009 | THE COMPANY 01/01 - 30/6/2010 | THE COMPANY 01/04 - 30/6/2010 | THE COMPANY 01/01 - 30/6/2009 | THE COMPANY 01/04 - 30/6/2009 |
|---|---|---|---|---|---|---|---|---|---|
| Profits before taxes | | (3.659) | (705) | (3.408) | (1.807) | 912 | 260 | 1.469 | 678 |
| Plus: Financial results | | 984 | 446 | 2.034 | 1.667 | (1.048) | (398) | (992) | (405) |
| Plus: Investment results | | (325) | (312) | (284) | (260) | 0 | 0 | 0 | 0 |
| Plus: Depreciation | | 6.287 | 2.914 | 6.752 | 3.190 | 66 | 35 | 88 | 40 |
| **Profits / (losses) before taxes, interest and depreciation (EBITDA)** | | **3.287** | **2.343** | **5.094** | **2.790** | **(70)** | **(103)** | **565** | **313** |

The attached notes are an integral part of these interim financial statements.

## C.1 SUMMARY CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD THAT ENDED ON 30/06/2010

| *Amounts in € '000* | Share capital | Share premium | Reserves from property valuation at fair value | Other reserves | Own shares | Retained earnings | Foreign exchange differences | Equity attributable to owners of parent company | Third party rights | Total equity |
|---|---|---|---|---|---|---|---|---|---|---|
| **Balance on 31/12/2009** | **165.625** | **253.784** | **251.327** | **22.925** | **0** | **(330.180)** | **(247)** | **363.234** | **86.254** | **449.488** |
| **Losses** | **0** | **0** | **0** | **0** | **0** | **(4.075)** | **0** | **(4.075)** | **(849)** | **(4.924)** |
| **Equity change for the period 1/1 - 30/6/2010** | | | | | | | | | | |
| Transactions with shareholders of parent company | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Foreign exchange differences | 0 | 0 | 0 | 0 | 0 | 0 | (67) | (67) | (75) | (142) |
| Depreciation of reserves from property valuation at fair value to new ordinary reserve | 0 | 0 | (1.776) | 0 | 0 | 1.776 | 0 | 0 | 0 | 0 |
| Deferred taxation due to reserves depreciation from property evaluation at fair value to new ordinary reserve | 0 | 0 | 355 | 0 | 0 | (355) | 0 | 0 | 0 | 0 |
| **Profit / (loss) recorded directly into equity** | **0** | **0** | **(1.421)** | **0** | **0** | **1.421** | **(67)** | **(67)** | **(75)** | **(142)** |
| **Total recorded profit / (loss)** | **0** | **0** | **(1.421)** | **0** | **0** | **(2.654)** | **(67)** | **(4.142)** | **(924)** | **(5.066)** |
| **Balance on 30/6/2010** | **165.625** | **253.784** | **249.907** | **22.925** | **0** | **(332.834)** | **(315)** | **359.092** | **85.330** | **444.422** |

## C.2 SUMMARY CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD THAT ENDED ON 30/06/2010

| *Amounts in € '000* | Share capital | Share premium | Reserves from property valuation at fair value | Other reserves | Own shares | Retained earnings | Foreign exchange differences | Equity attributable to owners of parent company | Third party rights | Total equity |
|---|---|---|---|---|---|---|---|---|---|---|
| **Balance on 31/12/2008** | **165.625** | **253.784** | **254.168** | **22.932** | **(117)** | **(325.896)** | **(172)** | **370.324** | **84.439** | **454.763** |
| **Losses** | **0** | **0** | **0** | **0** | **0** | **(5.374)** | **0** | **(5.374)** | **(491)** | **(5.865)** |
| **Equity change for the period 1/1 - 30/6/2009** | | | | | | | | | | |
| Transactions with shareholders of parent company | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Foreign exchange differences | 0 | 0 | 0 | 0 | 0 | 0 | (80) | (80) | (85) | (165) |
| Depreciation of reserves from property valuation at fair value to new ordinary reserve | 0 | 0 | (2.741) | 0 | 0 | 2.741 | 0 | 0 | 0 | 0 |
| Deferred taxation due to reserves depreciation from property evaluation at fair value to new ordinary reserve | 0 | 0 | 548 | 0 | 0 | (548) | 0 | 0 | 0 | 0 |
| **Profit / (loss) recorded directly into equity** | **0** | **0** | **(2.193)** | **0** | **0** | **2.193** | **(80)** | **(80)** | **(85)** | **(165)** |
| **Total recorded profit / (loss)** | **0** | **0** | **(2.193)** | **0** | **0** | **(3.181)** | **(80)** | **(5.454)** | **(576)** | **(6.030)** |
| **Balance on 30/6/2009** | **165.625** | **253.784** | **251.975** | **22.932** | **(117)** | **(329.077)** | **(252)** | **364.870** | **83.863** | **448.733** |

The attached notes are an integral part of these interim financial statements.

## C.3 SUMMARY STATEMENT OF CHANGES IN PARENT'S COMPANY EQUITY FOR THE PERIOD THAT ENDED ON 30/06/2010

| *Amounts in € '000* | Share capital | Share premium | Reserves from property valuation at fair value | Reserves from the valuation of financial assets available for sale | Other reserves | Own shares | Retained earnings | Foreign exchange differences | Total equity |
|---|---|---|---|---|---|---|---|---|---|
| **Balance on 31/12/2009** | **165.625** | **253.784** | **2.156** | **163.109** | **7.877** | **0** | **(237.027)** | **106** | **355.630** |
| **Profits / (losses)** | **0** | **0** | **0** | **0** | **0** | **0** | **893** | **0** | **893** |
| **Equity change for the period 1/1 - 30/6/2010** | | | | | | | | | |
| Transactions with shareholders of parent company | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Foreign exchange differences | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| Revaluation of financial assets available for sale | 0 | 0 | 0 | (2.820) | 0 | 0 | 0 | 0 | (2.820) |
| Deferred taxation of financial assets reserve available for sale | 0 | 0 | 0 | 68 | 0 | 0 | 0 | 0 | 68 |
| Depreciation of reserves from property valuation at fair value to new ordinary reserve | 0 | 0 | (6) | 0 | 0 | 0 | 6 | 0 | 0 |
| Deferred taxation due to reserves depreciation from property evaluation at fair value to new ordinary reserve | 0 | 0 | 1 | 0 | 0 | 0 | (1) | 0 | 0 |
| **Profit / (loss) recorded directly into equity** | **0** | **0** | **(5)** | **(2.752)** | **0** | **0** | **5** | **2** | **(2.750)** |
| **Total recorded profit / (loss)** | **0** | **0** | **(5)** | **(2.752)** | **0** | **0** | **898** | **2** | **(1.857)** |
| **Balance on 30/6/2010** | **165.625** | **253.784** | **2.151** | **160.357** | **7.877** | **0** | **(236.129)** | **109** | **353.774** |

## C.4 SUMMARY STATEMENT OF CHANGES IN PARENT'S COMPANY EQUITY FOR THE PERIOD THAT ENDED ON 30/06/2010

| *Amounts in € '000* | Share capital | Share premium | Reserves from property valuation at fair value | Reserves from the valuation of financial assets available for sale | Other reserves | Own shares | Retained earnings | Foreign exchange differences | Total equity |
|---|---|---|---|---|---|---|---|---|---|
| **Balance on 31/12/2008** | **165.625** | **253.784** | **2.166** | **165.358** | **7.877** | **(117)** | **(238.587)** | **112** | **356.217** |
| **Profits / (losses)** | **0** | **0** | **0** | **0** | **0** | **0** | **1.467** | **0** | **1.467** |
| **Equity change for the period 1/1 - 30/6/2009** | | | | | | | | | |
| Transactions with shareholders of parent company | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Foreign exchange differences | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (1) | (1) |
| Revaluation of financial assets available for sale | 0 | 0 | 0 | 2.968 | 0 | 0 | 0 | 0 | 2.968 |
| Deferred taxation of financial assets reserve available for sale | 0 | 0 | 0 | (97) | 0 | 0 | 0 | 0 | (97) |
| Depreciation of reserves from property valuation at fair value to new ordinary reserve | 0 | 0 | (6) | 0 | 0 | 0 | 6 | 0 | 0 |
| Deferred taxation due to reserves depreciation from property evaluation at fair value to new ordinary reserve | 0 | 0 | 1 | 0 | 0 | 0 | (1) | 0 | 0 |
| **Profit / (loss) recorded directly into equity** | **0** | **0** | **(5)** | **2.871** | **0** | **0** | **5** | **(1)** | **2.870** |
| **Total recorded profit / (loss)** | **0** | **0** | **(5)** | **2.871** | **0** | **0** | **1.472** | **(1)** | **4.337** |
| **Balance on 30/6/2009** | **165.625** | **253.784** | **2.161** | **168.229** | **7.877** | **(117)** | **(237.115)** | **111** | **360.555** |

The attached notes are an integral part of these interim financial statements.

## D. CASH FLOW STATEMENT (INDIRECT METHOD)

| *Amounts in € '000* | Note | THE GROUP 01/01 - 30/6/2010 | THE GROUP 01/01 - 30/6/2009 | THE COMPANY 01/01 - 30/6/2010 | THE COMPANY 01/01 - 30/6/2009 |
|---|---|---|---|---|---|
| **Cash flow from operating activities** | | | | | |
| Profits / (losses) before tax | | (3.659) | (3.408) | 912 | 1.469 |
| Adjustment in profits | (i) | 6.913 | 8.431 | (995) | (916) |
| | | **3.254** | **5.023** | **(83)** | **553** |
| **Changes in Operating Capital** | | | | | |
| (Increase) / decrease of inventories | | (1.209) | (374) | 0 | 0 |
| (increase) / decrease of trade receivables | | 32 | 849 | (1.480) | (2.851) |
| (Increase) / decrease of other receivables | | 643 | (28.284) | (481) | (907) |
| Increase / (decrease) of liabilities | | 8.223 | 27.378 | 1.257 | 10.043 |
| | | **7.689** | **(431)** | **(704)** | **6.285** |
| **Cash flow from operating activities** | | **10.943** | **4.592** | **(787)** | **6.838** |
| minus: income tax payments | | 64 | (1.406) | 0 | 0 |
| Foreign Exchange Differences | | (159) | (15) | 2 | (1) |
| **Net cash flows from operating activities** | | **10.848** | **3.171** | **(785)** | **6.837** |
| **Cash flows from investment activities** | | | | | |
| Purchase of tangible assets | | (2.856) | (2.383) | (246) | (4) |
| Purchases of intangible assets | | (20) | (29) | 0 | (1) |
| Tax return from sale of subsidiaries shares abroad | | 0 | 7.281 | 0 | 7.281 |
| Receipts from granted loans | | 0 | 0 | 0 | 2.600 |
| Sales of tangible assets | | 33 | 374 | 0 | 0 |
| Inflows from state subsidies | | 282 | 5.928 | 0 | 0 |
| **Net cash flows from investment activities** | | **(2.561)** | **11.171** | **(246)** | **9.876** |
| **Cash flows from financing activities** | | | | | |
| Loans granted | | 12.968 | 41.916 | 0 | 0 |
| Loan payment | | (25.888) | (43.012) | (590) | (217) |
| Interest received | | 270 | 159 | 249 | 136 |
| Interest paid | | (879) | (1.577) | (72) | (104) |
| Payments from leasing liabilities | | (667) | (353) | 0 | 0 |
| Dividents paid to shareholders of the parent company | | (48) | 0 | (48) | 0 |
| **Net Cash flows from financing activities** | | **(14.244)** | **(2.867)** | **(461)** | **(185)** |
| **Net increase / (decrease) in cash and cash equivalents** | | **(5.957)** | **11.475** | **(1.492)** | **16.528** |
| Cash and cash equivalents at the beginning of the period | | 15.690 | 13.011 | 7.146 | 565 |
| Foreign Exchange Differences at cash equivalents | | 378 | (109) | 378 | (109) |
| **Cash and cash equivalents at the end of the period** | | **10.111** | **24.377** | **6.032** | **16.984** |

## NOTE (I) ON CASH FLOW STATEMENT

The adjustments in profits are analyzed as follows:

| *Amounts in € '000* | THE GROUP 01/01 - 30/6/2010 | THE GROUP 01/01 - 30/6/2009 | THE COMPANY 01/01 - 30/6/2010 | THE COMPANY 01/01 - 30/6/2009 |
|---|---|---|---|---|
| **Adjustments in Profits:** | | | | |
| Depreciation of tangible assets | 7.465 | 7.747 | 62 | 76 |
| Depreciation of intangible assets | 50 | 111 | 4 | 12 |
| Provisions - impairments of unexpected events | 0 | 22 | 0 | 0 |
| (Profits) / losses from foreign exchange differences | (350) | (371) | (378) | (220) |
| (Profits) / losses from sale of tangible assets | (14) | 6 | 0 | 0 |
| Change in personnel benefits | 58 | 73 | 3 | 2 |
| Depreciations of assets subsidies | (1.228) | (1.106) | 0 | 0 |
| Interest income | (750) | (159) | (729) | (949) |
| Interest expenses | 1.682 | 2.108 | 43 | 163 |
| **Total** | **6.913** | **8.431** | **(995)** | **(916)** |

The attached notes are an integral part of these interim financial statements.

## NOTES ON ANNUAL FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION FOR THE COMPANY

TECHNICAL OLYMPIC S.A. was established in 1965 as a Private Limited Company under the name “Pelops Studies & Constructions Technical Company S.A. – K. Galanopoulos and K. Stengos” with its registered offices in Patra. In 1967, the company changed its legal form to a société anonyme under the name “PELOPS S.A.”. In 1980 changed its name to “TECHNICAL OLYMPIC S.A.”. The company’s headquarters are in the Municipality of Alimos, Attiki (20, Solomou Str., Ano Kalamaki) and is registered in the Société Anonyme Register (S.A. Reg.) with the number 6801/02/B/86/8. The duration of the company has been set to 57 years, i.e. until 22/12/2037.

The initial activities of the Company during 1965 – 1970 were the study and construction of national and local roads in Ilia and Achaia Prefecture, as well as the construction of various private construction projects in the area of Patras. Since 1971 the Company made a dynamic entry into other categories of construction works, made substantial investments in mechanical equipment and in construction of any type of works (irrigation, hydraulic, sewage, harbour facilities, road constructions, buildings, electromechanical, etc). Over the years that followed, the Company continued its development policy by proceeding to significant investments in fixed asset equipment, acquisition of shares and establishment of companied with the same or similar scope of operations in Greece and abroad.

TECHNICAL OLYMPIC S.A. participates in a series of companies, active in the construction of public and private projects, residences, in tourism and hospitality field in general (operation and management of four hotels, golf facilities, operation and management of a yacht marina, etc), in development of real estate in Greece and abroad, in BOOT projects (Built Own, Operate and Transfer), such as Samos marina. In summary, the basic information for the Company is as follows:

**Board of Directors Composition**

Konstantinos Stengos (BoD Chairman)
Zoi Stengou (A’ Executive Vice President of BoD)
Andreas Stengos (B’ Executive Vice President of BoD)
Georgios Stengos (Managing Director)
Maria Svoli (Executive member)
Athanasios Klapadakis (Executive member)
Konstantinos Lirigos (Executive member)
Panagiotis Kazantzis (Executive member)
Styliani Stengou (Non Executive member)
Marianna Stengou (Non Executive member)
Konstantinos Rizopoulos (Independent Non-Executive member)
Alexandros Papaioannou (Independent Non-Executive member)

**Collaborating Banks**

NATIONAL BANK OF GREECE
MARFIN EGNATIA BANK
ALPHA BANK
BANK OF CYPRUS
BNP PARIBAS
GENIKI BANK
EUROBANK
MILLENNIUM
ATTICA BANK
CITIBANK
EMPORIKI BANK
PIREAUS BANK

**Supervising Authority**

MINISTRY OF FINANCE
DEPARTMENT OF SOCIÉTÉ ANONYME & CREDIT INSTITUTIONS

**Tax Registration Number**

094105288

**S.A. Reg. No.**

6801/06/B/86/08

**Legal Counsels**

Stamoulis Georgios
Dryllerakis & Associates Law Firm

**Auditors**

Grant Thornton S.A.

The Group's Financial Statements as of 30/06/2010 have been prepared in accordance with the International Financial Reporting Standards, approved by the European Union and have been approved by the Company's Board of Director on August 27th 2010.

## 2. ACTIVITIES

TECHNICAL OLYMPIC has created a strong center for the management of participations in the fields of construction, land development, hotel businesses, energy and operating of tourist marinas. More specifically, the Company is active as follows:

§ In the construction sector, either directly or by participating in MOCHLOS S.A., allowing the company to have access to large technical projects, as well as to smaller ones, through the Group's company TOXOTIS S.A.

§ In the real estate construction field of the real estate investment sector, through its participation in STROFILI TECHNICAL S.A., PORTO CARRAS DEVELOPMENT S.A. in Greece, EUROROM CONSTRUCTII SRL and LAMDA OLYMPIC SRL in Romania.

§ In the tourist sector through its participation in PORTO CARRAS S.A., PORTO CARRAS SITHONIA BEACH CLUB S.A., PORTO CARRAS MELITON BEACH S.A., PORTO CARRAS VILLAGE CLUB S.A., PORTO CARRAS GOLF S.A. and PORTO CARRAS MARINA S.A.

§ Management, operation and indirectly construction of marinas through DELOS MARINAS S.A. and SAMOS MARINAS S.A.

§ In the agricultural and farming exploitation of land and in industrial production and trading of agricultural and farming products, as well as in their exportation abroad through DOMAINE PORTO CARRAS S.A.

§ TECHNICAL OLYMPIC S.A. is the Group's neuralgic knot, monitoring and coordinating all the companies, determining and overseeing the goals and the projects undertaken and securing the organizational and operational synergy of the different fields.

## 3. SUMMARY OF IMPORTANT ACCOUNTING PRINCIPLES

The basic accounting principles implemented during the preparation of these financial statements are described below. These principles have been implemented consistently in every presented period.

### 3.1. FRAMEWORK FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

The interim consolidated financial statements (hereinafter the "financial statements") cover the interim period from January 1st to June 30th 2010. They have been prepared based on the historical cost, as is amended with the readjustment of land and buildings, financial assets available for sale and financial claims and liabilities at fair values through the results, the principle of going concern and are in accordance with the International Accounting Standards and especially I.A.S. 34 "Interim Financial Report", issued by the International Accounting Standards Board as well as with their interpretation, issued by the I.F.RI.C. of I.A.S.B.

The interim financial statement include limited information in comparison to the annual financial statements. Therefore they should be read in combination with the latest issued annual financial statements as of December 31st 2009.

The preparation of the financial statements in accordance with the IFRS requires the use of valuations and judgments during the implementation of the Company's accounting policies.

The preparation of the financial statements in accordance with the International Accounting Standards requires the use of accounting estimates. It also requires the management's assumption during the implementation of the Company's accounting policies. Those cases where a higher level of assumptions and complexity is involved or cases where assumptions and estimates are important for the Consolidated Financial Statements, are described in note 4.

## 3.2. CHANGES IN ACCOUNTING PRINCIPLES

The Company has implemented all the new standards and interpretations, whose implementation became necessary for fiscal years that begun on January 1st 2010. The standards implemented by the Company and adopted since January 1st 2010, as well as the required standards since January 1st 2010, but not applicable to the Company's works are presented in paragraph 3.2.1. The standards, standard amendments and interpretations of existing standards not yet in effect or not adopted by the E.U., are presented in paragraph 3.2.2.

### 3.2.1. Changes in Accounting Principles (Amendments in issued standards in effect as of 2010)

The changes in accounting principles that have been adopted are analyzed as follows:

**§ Annual Improvements 2009**

During 2009, IASB proceeded to the issuance of annual improvements to the IFRS for 2009 – a series of adjustments to 12 Standards – part of a program for annual improvements to the Standards. The IASB's program of annual improvements aims at achieving necessary though non urgent adjustments to IFRS, which will not constitute part of a larger revision program.

The following standards, amendments and revisions are in effect as of 2010, but do not apply to the Group.

**§ Amendment of revised IFRS 3: "Business Coalition" and revised IAS 27: "Consolidated Financial Statements and accounting for investment in subsidiaries"**

The revised IFRS 3 introduces a number of changes in the accounting treatment of business coalitions, which will affect the amounted of the recognized goodwill, the reported results in the period when an acquisition occurs and future reported results. These changes include the expensing of costs related to acquisition and recognition of future changes in the fair value of a contingent consideration in the results. The amended IAS 27 requires that transactions that lead to changes in participation percentages in a subsidiary, be accounted for in equity. In addition, the amended standard modifies accounting for losses incurred by the subsidiary, as well as loss of control in the subsidiary. The modifications of the foregoing standards will be applied in the future and will affect future acquisitions and transactions with minority interests.

The revised standards are expected to influence the accounting treatment of business coalitions in future periods, while that impact will be evaluated when these coalitions are achieved.

**§ IAS 39: "Financial Instruments: Recognition and valuation" – Amendment to IAS 39 for financial instruments that meet the hedge accounting requirements**

The amendment of IAS 39 clarifies issues in hedge accounting and in particular the inflation and the one-sided risk of a hedged financial instrument.

The amendment's implementation is not expected to have a substantial impact on the Group's financial statements.

**§ Amendments to IFRS 2: "Share-based payments"**

IASB has issued an amendment to IFRS 2 regarding the forming conditions under chapter: drafting and cancellation. None of the current payment programs, based on equity instruments, are influenced by these amendments. The Management believes that the amendments of IFRS 2 shall not affect the Group's accounting principles.

## § IFRIC 15: Agreements for Property Construction

The purpose of interpretation 15 is to provide guidance for the following two issues:

- Whether an agreement for property construction is within the scope of IAS 11 or IAS 18.
- When the revenue resulting from such agreements must be recognized.

This interpretation applies to the accounting for revenue and associated expenses by entities that undertake the construction of properties directly or through subcontractors.

The agreements that fall within the scope of Interpretation 15 are the agreements of property construction. In addition to property construction, this kind of agreements may also include the delivery of other products or services.

## § IFRIC 16: Hedges of a Net Investment in a foreign operation

Investments in activities abroad may be held directly by the parent company or indirectly through a subsidiary. Interpretation 16 aims at providing guidance regarding the nature of the risks hedged, the amount of the hedged item (net investment) for which there is a hedging relationship and which balances should be reclassified from equity to the income statement as reclassification amendments, with the disposal of the foreign investment activity.

Interpretation 16 applies to an entity that hedges the foreign currency risk arising from its net investments in foreign operations and wishes to qualify for hedge accounting in accordance with IAS 39. This interpretation applies only to hedging of net investments in foreign operations and does not apply to other types of hedge accounting such as hedging of fair values or cash flows.

## § IFRIC 17: Distributions of non-cash assets to Owners

When an entity announces the distribution of dividends and has the obligation to distribute a part of its assets to its owners, it should recognize a liability for those dividends payable.

The purpose of interpretation 17 is to provide guidance on when a company should recognize dividends payable, how to calculate them and how it should record the difference between the book value of the net assets distributed and the book value of the payable dividends, when those are paid by the company.

## § IFRIC 18: Transfers of Assets from Customers

Interpretation 18 applies mainly in entities or organizations that provide services of general interest. The purpose of IFRIC 18 is to clarify the IFRS requirements regarding the agreements where an entity receives from a client part of a tangible asset (land, buildings or equipment) which the company must use in order for the customer to be part of a network or in order for the customer to acquire continuous access to the supply of products or services (i.e. supply of electricity or water).

In some cases, the company receives cash from its customers, that must be used only for the acquisition or construction of a facility, in order to connect the customer with the network or provide the customer with ongoing access to a supply of goods or services (or to provide both). Interpretation 18 defines the circumstances under which the definition of an asset is met, the recognition and measurement of its initial cost. Furthermore, it defines the method for the determination of the obligation for the provision of the said services in return for the asset, as well as the method of recognition of the revenue and the accounting for cash collections from customers.

## § Amendment to IFRS 1 "IFRS First Implementation" – Additional Exemptions for companies implementing for the first time

This amendment provides an exemption from the retroactive application of IFRS in measuring assets for petroleum, natural gas and leasing sectors. The amendment is applied for annual fiscal periods beginning on or after January 1st 2010. The amendment is not applicable in the Group's tasks.

### 3.2.2. Accounting Standards, amendments and interpretations in existing accounting standards which are not yet in effect and have not been adopted by the E.U.

Furthermore, IASB issued the following new IFRS, amendments and interpretations, none mandatory for the presented financial statements and not adopted by the E.U. by the time of issuance of these financial statements.

**§ IFRS 9: "Financial Instruments"**

IASB plans to fully replace IAS 39 "Financial Instruments, recognition and measurement" at the end of 2010, which will be implemented for annual financial periods beginning on January 1st 2013. IFRS 9 consists the first stage of the overall replacement plan of IAS 39. The basic stages are as follows:

1st stage: Recognition and measurement

2nd stage: Impairment methodology

3rd stage: Hedge accounting

Furthermore, an additional plan is being discussed on the issues regarding discontinuance of recognition.

IFRS 9 aims at reducing the complexity entailed in the accounting treatment of financial instruments, providing less categories of financial assets and a principle based on the approximation for the classification. According to the new standard, the financial entity categorizes the financial assets either under depreciated cost or at fair value, based on:

α) the company's business plan for management of the financial assets and

β) the characteristics of compatible cash flows of financial assets (if it has not chosen to define a financial asset at fair value through results).

The existence of only two categories – depreciated cost and fair value – means that only one impairment model is required in the framework of the new standard, thereby reducing complexity.

The impact from the implementation of IFRS 9 is being assessed by the company, as an impact on Equity and on the results of the business plan that the company will choose for management of its financial assets is expected.

The standard is applied for annual periods beginning on or after 01/01/2013 and has not been approved by the E.U.

**§ Amendment to IFRS 1 "IFRS First Implementation" – Limited Exemptions from Comparative Information for IFRS 7 Disclosures of companies implementing for the first time IFRS**

The amendment provides exemptions to companies implementing IFRS for the first time from providing comparative information regarding disclosures required by IFRS 7 "Financial Instruments: Disclosures". The amendment is applied for annual fiscal periods beginning on or after July 1st 2010. The amendment is not applicable for the Group.

§ **IAS 24 "Related party disclosures (revision)"**

By this amendment, the definition of related parties is clarified and an attempt is made to reduce disclosures of transactions between related-parties of the public sector. In particular, the obligation of related parties of the public sector to disclosure details of all transactions performed with the public sector and other related parties is abolished; it clarifies and simplifies the definition of "related party" and imposes the disclosure not only of the relations, transactions and other actions between related parties, but also of obligations both in individual as well as consolidated financial statements. This amendment, which has not yet been adopted by the European Union, has a mandatory application as of January 1st 2011. The implementation of the revised standard is not expected to have substantial effect on the financial statements.

§ **IFRIC 14 (Amendment) - "Deposit of minimum capital requirements"**

The amendment was made in order to revoke the limitation that entities had to recognize an asset that arose from voluntary advance payment towards a benefits program, in order to cover its minimum capital liabilities. The amendment is applied for annual periods that begin on or after July 1st 2011 and has been approved by the E.U. The interpretation is not applicable to the Group.

§ **IFRIC 19: Payment of financial liabilities through Equity**

Interpretation 19 examines the accounting dealing issue of cases in which the terms of a financial liability constitute an object of renegotiation and as a result, entities issue shares to the creditor in order to fully or partially pay the financial liability. Such transactions are sometimes referred to as an exchange of "debit-equity instruments" or of shares and their frequency is increasing during a financial crisis. The amendment is applied for annual accounting periods beginning on or after July 1st 2010 and has been approved by the E.U. The interpretation is not applicable to the Group.

§ **IAS 32 - (Amendment) "Financial Instruments: Presentation" – Classification of Rights Issues.**

The amendment revises the definition of financial liability in IAS 32 with the purpose of classifying certain stock options (referred to as "rights") as equity instruments. This amendment is mandatory for annual periods beginning on or after February 1st 2010 and will be examined whether the application of this amendment will affect the Group's consolidated financial statements. This amendment has been approved by the E.U.

§ **Annual Improvements 2010**

During 2010, IASB proceeded to the issuance of annual improvements to IFRS for 2010 – a series of adjustments to 7 Standards –part of the program for annual improvements to the Standards. The program of annual improvements of IASB aims at implementing necessary but not urgent adjustments to the IFRS, which will not be part of a larger revision program. Most of the adjustments are in effect on or after January 1st 2011, while an earlier application is allowed. The annual improvements have not been adopted by the E.U.

## 4. IMPORTANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements in accordance with International Financial Reporting Standards (IFRS) requires that the Management forms judgments, estimates and assumptions, that affect the published assets and liabilities, during the preparation date of the financial statements. The estimates and judgments are based on past experience and to other factors, including the expectations of future events, which are considered reasonable based on the given circumstances, while they are constantly reassessed based on available information.

### Judgments

During the implementation of accounting policies, the company's management applies its judgment based on its knowledge for the company as well as the market in which it operates. Potential future changes of the current conditions are taken into consideration, in order to apply the best accounting policy. The management's judgments, regarding estimation performance, as summarized in the following categories:

§ **Audit of participation impairments**

The Group performs a respective audit of participation impairment to subsidiaries / affiliated companies, wherever the relevant indications are present. In order to have an impairment audit, a determination of the value in use of the cash flows production units (which consist of each subsidiary or affiliate) is made. This determination of the value in use requires that an assessment of future cash flows of each production unit is made and that a selection of the proper discount rate is made, based on which the current value of the foregoing future cash flows will be determined.

§ **Audit of the Casino license impairment**

The company performs on an annual basis an audit for possible impairment of the value of the casino's license and in between, whenever the events or the circumstances render the impairment possible. Should there be evidence of impairment, the valuation of the license's value is required, which is estimated using the method of cash flow discount. By applying this methodology, the Company is based on a series of factors, including the actual operating results, future corporate plans, financial effects and market data.

§ **Income tax**

The Group is subject to income tax from various tax authorities. For the determination of the projections for income tax significant estimations are required. There are numerous transactions and calculations for which the exact tax determination during the normal course of the company's activities is uncertain. The Group's management recognizes liabilities for anticipated tax audit issues, based on estimation for the additional tax amount possibly owed. When the final result from the taxes of these issues, differs from the amount initially recorded in the financial statements, these differences will affect income tax and the projections on deferred taxation in the period during which these amounts have been set.

§ **Projections**

Doubtful accounts are presented with the amounts that may be recovered. Estimates of the amounts to be recovered derive following an analysis, as well as from the Group's experience regarding the possibility of doubtful accounts. As soon as a certain account is in a greater risk than the usual credit risk (e.g. low customer solvency, dispute regarding the existence or the amount of the claim, etc), then the account is analysed and is recorded as doubtful if the conditions indicate that the claim is unpayable.

§ **Contingent events**

The Group is involved in legal claims and compensations during its normal business activities. The management holds that any settlements would not influence significantly the financial position of the Group on June 30$^{th}$ 2010. Nevertheless, specification of contingent liabilities related to legal claims is a complex process, including judgments regarding possible consequences and interpretations of laws and regulations. Changes in judgments or interpretations is possible to lead to an increase or decrease of the Group's contingent liabilities in the future. January 1$^{st}$ 2004 was the Group's transition date.

§ **Income identification from construction contracts**

Handling of income and expenses of a constructional agreement, depends whether the final result from the contractual project execution may be assessed reliably (and is expected to bring profit to the contractor or the result from the execution generates loss). When the result of a contractual project may be reliably assessed, then the income and expenses of the contract are accounted for during the agreement, as income and expenses respectively. The Group uses the method of percentage completion in order to determine the suitable amount of income and expenses that will be accounted for within a specific period. The completion stage is measured based on the contractual cost realized until the date of the balance sheet in relation to the overall estimated construction cost of every project. The accumulative effects of revisions / revaluations of the total budgeted cost of the projects and of the total contractual price (accounting for additional works), are recorded in the fiscal years during which the respective revisions arise. The total budgeted cost and the total contractual price of the projects derive following assessment procedures and are revaluated and revised on every balance sheet date. Therefore, considerable estimates by the management are required, with respect to the gross result based on which each contractual agreement will be executed (estimated cost of execution).

§ **Useful life of depreciable assets**

The company's management reviews useful life of depreciable assets in every period. On June 30th 2010, the Company's management believes that useful lives represent the expected usefulness of the assets. Undepreciated balances are analyzed in notes 7.1 and 7.2. Actual results, however, may differ due to technical gradual depreciation, especially as regards IT equipment and software.

## 5. BASIC ACCOUNTING PRINCIPLES

The accounting principles used in the preparation of the financial statements for the period 01/01/2010 – 30/06/2010, have been used consistently for all fiscal years presented and analyzed below. Financial statements are presented in thousands of euros. Please note that any changes in sums is due to round numbers.

### 5.1. Reporting per sector

Business sector shall mean a group of assets and activities providing products and services, subject to various risks and performances from those of other business sectors.

Geographical field shall mean a geographical area, where products and services are provided and which is subject to different risks and performances of other areas. As the primary model for reporting per sector, the Group has chosen reporting per geographical sector.

The Group, presents as main business sectors the fields of constructions, hotel industry, Casino operation and marinas management. Geographically, the Group presents the fields of Greece, Romania, USA and Russia.

### 5.2. Consolidation – investment in affiliated companies and joint ventures

The consolidated financial statements include the financial statements of the parent company (TECHNICAL OLYMPIC S.A.) as well as of all the subsidiaries.

**Subsidiaries**: All the companies managed and controlled, directly or indirectly, by the Company, either through the majority of the Company's shares or through the latter's dependence on the know-how provided by the Group. That is, subsidiaries are the companies controlled by the parent company. TECHNICAL OLYMPIC obtains and exercises control through voting rights. Existence of any potential voting rights, that may be exercised

during the preparation of the financial statements, is taken into account in order to establish whether the parent company controls its subsidiaries. The subsidiaries are fully consolidated (total consolidation) via acquisition from the date of control and cease to be consolidated as of the date that such control does not exist.
Subsidiary acquisition by the Group is accounted for using the purchase method. The cost of a subsidiary's acquisition is the fair value of the assets provided, of the issued shares and of the liabilities undertaken during the transfer date, plus any cost directly associated with the transaction. Individual assets, liabilities and contingent liabilities undertaken during a business consociation, are accounted for during the acquisition in fair values, regardless of the participation percentage. The purchase cost, besides the fair value of the acquired assets, is recorded as goodwill. If the total cost of the purchase is smaller than the fair value of the acquired assets, the difference is recorded immediately to the results.
Cross-company transactions, balances and non-realized profits from transactions between the Group's companies are erased. Non-realized losses are also erased, unless the transaction provides indications of impairment of the transferred asset.
Accounting principles of the subsidiaries have been modified, in order to be in conformity with those implemented by the Group.
In the individual financial statements, investments in subsidiaries were evaluated as assets available for sale, based on the provisions of IAS 39 (at fair values).

**Affiliated**: The companies upon which the Group may exercise significant influence but do not fulfill the conditions to be designated either as subsidiaries or participation to a joint venture. The assumptions used by the group indicate that the percentage between 20% and 50% of voting rights of a company implies significant influence over that company. Investments in affiliated companies are initially accounted at cost and then evaluated in the consolidated financial statements using the method of net position. On each balance sheet date, the participation cost is increased with the Group's ratio in the changes of the net position of the invested company and decreased with the received dividends of the affiliated.
The Group's share in profits or losses of the affiliated companies after the acquisition is recorded to the results, while the share of changes in the reserves after the acquisition, is recorded to the reserves. The accumulated changes affect the book value of the investments in the affiliated companies. When the Group's participation to the losses of an affiliated company equals or exceeds its participation to the affiliated company, including any other insecure receivables, the Group does not recognize any further losses, unless it has covered liabilities or has made payments on behalf of the affiliated company and of those arising from its shareholder capacity.
Non realized profits from transactions between the Group and the affiliated companies are eliminated by the Group's participation percentage to the affiliated companies. Non realized losses are eliminated, unless the transaction indicates impairment of the transferred assets. The accounting principles of the affiliated companies have been modified in order to be in conformity with those implemented by the Group.
In the individual financial statements investments in affiliated companies were evaluated at fair values, in accordance with IAS 39, as financial assets available for sale. The results of the valuation are recorded the Equity account, while any negative result, i.e. impairment, is recorded in the Results Statement of the fiscal year.

**Joint Ventures**: These are contractual agreements, according to which two or more parties undertake a financial activity subject to joint control. Joint control is the contractually distributed allocation of control over a

company, that is, the possibility of running the economic and business policy of a company, in order to receive benefits from its activities.
The Group's participations to joint ventures were evaluated at acquisition cost minus any accumulated impairment losses.

### 5.3. Group structure

The Group's structure on 30/06/2010 is as follows:

| Total consolidation method | Country | Equivalent participation % |
|---|---|---|
| TECHNICAL OLYMPIC S.A. | GREECE | PARENT |
| EUROROM CONSTRUCTII '97 SRL | ROMANIA | 48,23% |
| TECHNICAL OLYMPIC SERVICES INC. | U.S.A. | 100,00% |
| DILOS MARINAS S.A. | GREECE | 99,86% |
| DOMAINE PORTO CARRAS S.A. | GREECE | 94,91% |
| MARKO MARINAS S.A. | GREECE | 83,88% |
| MOCHLOS S.A. | GREECE | 48,23% |
| PORTO CARRAS S.A. | GREECE | 86,20% |
| PORTO CARRAS VILLAGE CLUB S.A. | GREECE | 97,53% |
| PORTO CARRAS GOLF S.A. | GREECE | 90,00% |
| PORTO CARRAS MARINA S.A. | GREECE | 90,00% |
| PORTO CARRAS MELITON BEACH S.A. | GREECE | 92,94% |
| PORTO CARRAS SITHONIA BEACH CLUB S.A. | GREECE | 56,67% |
| PORTO CARRAS DEVELOPMENT S.A. | GREECE | 30,60% |
| PORTO CARRAS HYDROPLANES S.A. | GREECE | 41,54% |
| SAMOS MARINAS S.A | GREECE | 97,18% |
| SKIATHOS MARINAS S.A. | GREECE | 99,94% |
| STROFILI TECHNICAL S.A. | GREECE | 99,00% |
| TOXOTIS S.A. | GREECE | 30,78% |

| Net Equity Method | Country | Equivalent participation % |
|---|---|---|
| LAMDA OLYMPIC SRL | ROMANIA | EUROROM with 50% |

### 5.4. Conversion of foreign currency

The consolidated financial statements are presented in euro, which is the operational and presentation currency of the parent company. The features in the financial statements of the Group's companies are measured based on the currency of the economic environment in which the Group operates each of its companies (operating currency). Transactions in foreign currencies are converted into the operational currency, using the exchange rate valid on the transactions date.
Profits and losses from foreign exchange differences, arising from settlement of such transactions during the fiscal year and from conversion of monetary items in foreign currency at current exchange rates on the balance sheet date, are recorded into the results. Foreign exchange differences from non monetary items measured at their fair value, are deemed to be part of the fair value and are therefore recorded along with the differences in fair value.
Individual financial statements participating to the consolidation and which are initially presented in different currency than the one of the Group, have been converted to Euro. The assets and liabilities have been translated into Euro at the closing exchange rate on the balance sheet rate. The income and expenses have been converted to the Group's presentation currency at the average exchange rates for each referred period.

Any differences arising from this procedure have been credited to the reserve, in net position, for conversion of subsidiaries balance sheet to foreign currency.

### 5.5. Tangible assets

Land and buildings are shown in the financial statements in readjusted values, as those were defined by a respective valuation by an independent assessor in fair values during the assessment date, minus the accumulative depreciations and any impairment losses.

Readjustments are frequently made, in order to ensure that the book value of the asset is not substantially different from the value that would be determined using fair value on the balance sheet date.

Mechanical equipment and other tangible assets are presented at acquisition cost minus the accumulative depreciations and any impairment losses. The cost of acquisition includes all directly attributable expenses for the asset acquisition. Subsequent expenses are recorded as an increase in the book value of the tangible assets or as separate asset only to the degree that these expenses increase future anticipated financial benefits from the use of the asset and their cost may be reliably measured. Repair and maintenance cost is recorded in the operating results of the respective fiscal years.

Depreciation of other tangible assets (except for lands that cannot be depreciated) is calculated based on the steady depreciation method during their useful life, as follows:

| | |
|---|---|
| Buildings | from 12 to 50 years |
| Mechanical equipment | from 5 to 15 years |
| Air transportation | from 18 to 20 years |
| Vehicles | from 7 to 9 years |
| Other equipment | From 4 to 7 years |

The book value of properties, facilities and equipment is tested for impairment when there are indications, i.e. events or changes in circumstances indicating that the book value may not be recoverable. If there is such an indication and the book value exceeds the anticipated recoverable amount, the assets or cash flow generating units are impaired to the recoverable amount. The recoverable value of properties, facilities and equipment is the greater between the their net sale price and value in use. To calculate value in use, the anticipated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects the current market assessments of money value over time and associated risks to the asset.

For assets that do not generate cash flows from continuing use that are largely independent from those of other assets, the recoverable amount is defined for the cash generating unit, to which the asset belongs.

The residual values and useful lives of tangible assets are subject to revaluation on the balance sheet date. When the book value of tangible assets exceeds their recoverable value, the difference (impairment) is recorded initially as a reduction in the fair value reserve (if such exists for the specific asset), which is shown in the equity capital accounts. Each impairment, apart from the reserve formed for the specific asset, is immediately recorded as an expense in the statement of operating results.

During the sale of tangible assets, the differences between the proceeds and their book value is recorded as profits or losses on the results.

Self-produced tangible assets constitute an addition to the acquisition cost of tangible assets at a value that includes the direct cost of employee payment, participating to the construction (respective employer fees), cost of materials used and other general costs.

## 5.6. Investments in properties

Investments in properties are made in order to receive rent, for capital appreciation or both. Investments in properties are investments involving all those properties (including land, buildings or building parts or both) possessed by the Group, either to receive rent or to increase their value (capital appreciation) or both.

The Group examines all the expenses for an investment in properties at the time of their incurrence, in accordance with all recording criteria. These expenses include expenses initially for the property acquisition and subsequent expenses for adding or replacing part of that property. According to the recording criteria, the Group does not include repair expenses on the book value of a property investment, which are expenses recorded directly in the Statement of Operating Results.

Investments in properties are recorded initially at their acquisition cost, increased by all those expenses relating to the transaction of their acquisition (e.g. notary's deeds, real estate agent's fees, transfer taxes). The cost on a property for investment is equal with the cash price. In case that the payment for the acquisition of an investment property is delayed beyond the usual credit limits, then the difference between the total payments and the cash equivalent amount will be recorded and shown in the statement of operating results as interest (expenses) during the time of credit.

The Group has chosen to assess investments in properties based on the fair value. According to this policy, the fair value of a property investment is the price at which the property may be exchanged between informed and willing parties in a normal trading transaction. Fair value exempts an estimated price inflated or deflated due to special terms or circumstances, such as unusual financing, sale and leaseback agreements, special earnings or assignments granted by anyone associated with the sale. Every gain (or loss) arising from a change in the fair value of the investment, constitutes a result and is recorded in the results of the year, during which it arises.

The best evidence of fair value is given by current prices in an active market for similar property, in the same location and condition.

## 5.7. Intangible assets

Intangible assets acquired by a company are recorded at their acquisition cost. Intangible assets generated internally, except for development expenses, are not capitalized and the respective expenses are included in the results of the year in which they arise. Intangible assets include a casino license as well as software licenses.

**CASINO License**: The duration of the license is unlimited, since it cannot be taken away for the company without prior status change by passage of a draft bill. Therefore depreciations are not taken into account, but the license is reviewed on an annual basis to check for potential loss of value. The accounting value on the Balance Sheet date was €13.958thousands.

**Software**: Software licenses are recorded in intangible assets and are assessed at acquisition cost minus the accumulated depreciations. Depreciations are calculated using the method of steady depreciation over the useful life of such assets, which ranges from 3 to 5 years. Software depreciations are included in the items "Cost of Goods Sold" and "Administration Costs" in the results statement.

Depreciations of intangible assets are included in the "Cost of Goods Sold" and "Administration Costs" in the results statement.

## 5.8. Impairment of assets value

Assets with an indefinite useful life are not impaired and are subject to impairment control at least once a year and when certain events indicate that the book value may not be recoverable.

Depreciated assets are subject to value impairment control at least once a year when there are indications that their accounting value will not be recovered. An assessment on whether such indications exists, is examined on every balance sheet date.

The recoverable value is the largest amount between the net sale price and the value in use.

Net sale price is the amount from the sale of an asset during a reciprocal transaction between informed and willing parties, after deducting all additional direct costs for the sale of the asset, whereas value in use is the current value of estimated future cash flows expected to accrue to the company from the use of an asset and from its sale at the end of its estimated useful life.

When the accounting value of an assets exceeds its recovered value, the respective impairment loss is recorded in the results statement.

### 5.9. Financial instruments

Financial instrument is every agreement that creates a financial asset in a company and a financial liability or an equity holding in another company.

Financial assets and liabilities of the balance sheet include cash-in-hand, receivables, participations and long-term and short-term obligations. The company is not using any derivative financial products neither for risk compensation or commercial purposes. The accounting principles of recognition and evaluation of these assets are referred to the respective accounting principles presented in this note. The financial products are presented as receivables, liabilities or net position based on the essence and context of the respective agreements from which they derive. Interests, profits and losses arising from financial products, designated as receivables or liabilities, are accounted for as expenses or profits respectively. The distribution of dividends to shareholders is recorded directly to the net position. Financial products are offset, according to law, when the Company has the legal right and is willing to offset the net basis (between them) or recover the asset and offset the liability at the same time.

#### 5.9.1. Categories of financial instruments

The Group's financial instruments are classified under the following categories, based on the essence of the agreement and the purpose for which they have been acquired.

##### 5.9.1.1. Financial features evaluated at their fair value through the results statement of the fiscal year

These are financial assets, that meet any of the following conditions:

§ Financial assets held for commercial purposes

§ During the initial recording it is defined by the Group as an asset evaluated at fair value, as it fulfils the criteria of IAS 39, with the accounting of the changes in the Results Statements of the Fiscal Year.

The Company is not using any derivative financial products either for risk hedging or for any profiting reasons.

##### 5.9.1.2. Loans and receivables

These include non-derivative financial assets with fixed or defined payments, which are not traded in active markets. This category (Loans and receivables) does not include:

§ Receivables from deposits for the purchase of products or services,

§ Receivables regarding tax transactions, which have been imposed legally by the state,

§ Anything not covered by a contract, in order to grant the company the right to receive cash or other financial assets.

The Loans and receivables are included in the floating assets, except for those with maturity more than 12 months from the balance sheet date. The lattes are included in the non-floating assets.
Loans are recorded in depreciated cost, based on the method of actual interest rate.

#### 5.9.1.3. Investments held to their maturity

Includes non-derivative assets with fixed or defined payments and specific maturity, which the Group has the intention and ability to hold until they are due. Investments held to maturity are evaluated at depreciated cost, based on the method of actual interest rate. The Groups does not hold any investments of this kind.

#### 5.9.1.4. Financial assets available for sale

Includes non-derivative financial assets which are defined in this category or cannot be included in any of the foregoing.
Financial assets of this category are evaluated at their fair value and the respective profits or losses are recorded in equity reserve until these assets are sold or defined as impaired.
During the sale or when defined as impaired, the profits or losses are transferred to the results. Impairment losses that have been recorded to the results shall not be reversed through the latter.

#### 5.9.1.5. Initial accounting and later evaluation of financial means

The purchase and sale of investments is recorded during the transaction date, that is also the date that the Group undertakes to buy or sell the asset. Initially the investments are recorded at their fair value along with the expenses directly ascribed to the transaction, with the exception of as for expenses directly ascribed to the transaction, the assets evaluated at their fair value with changes in the results. Investments are erased when the right to cash flows from investments expires or when it is conveyed and the Group has conveyed all the risks and rewards that the ownership entails.
Loans and receivables are recorded in the depreciated cost, based on the method of actual interest rate.
Realized and non realized profits or losses, arising from the changes of the financial assets fair value evaluated at their fair value with changes in the results, are recorded in the results for the period that they arise.

Fair values of the trading financial assets in active markets are specified by the current demand prices. For the non trading assets, the fair values are specified using measurement techniques such as analysis of recent transactions, comparable trading assets and prepayment of cash flows. The non trading equity instruments in an active market that have been classified in the Available for sale Assets category and whose fair value cannot be reliably defined, are evaluated at their acquisition cost.
On every balance sheet date, the Group examines if there are objective evidence that lead to the conclusion that the financial assets have been impaired. For company shares that have been classified as financial assets available for sale, such an evidence is the significant or extended decrease of the fair value as compared to the acquisition cost. If an impairment is established, accumulated loss in equity, being the difference between the acquisition cost and fair value, is transferred to the results.

### 5.10. Inventories

On the balance sheet date, inventory is evaluated at the lowest value between the cost and the net liquidating value. The acquisition cost is defined by FIFO method. Net liquidating position is the estimated sale price during the usual business activities minus any respective sale expenses.
The inventory includes products, which were acquired for future sale.

The inventory's cost includes all expenses for the purchase of inventories. If the inventory is disposed by the Group in a different form or is used for the production of other products, then it is added in the purchase cost and conversion cost, along with the other expenses, in order for the inventory to take its final form and become ready for sale. Inventory sale is defined by FIFO method and does not include financial expenses.

### 5.11. Trade receivables

The receivables from customers are initially recorded at their fair value and then evaluated at depreciated cost, using the method of effective rate minus every projection for possible reduction of their value. Every relevant impairment loss, when there is objective evidence that the Group is in no position to collect all the due amounts based on the contractual terms, is recorded in the results of the fiscal year, that it arises.

### 5.12. Cash and cash equivalents

Cash and cash equivalents include cash in the bank and in the cashier's office, as well as short-term investments of high liquidity such as REPOS and bank deposits.

### 5.13. Share capital

Direct expenses for the issue of shares, appear after the subtraction of the respective income tax, in reduction of the issue product. Expenses related to share issuance for the acquisition of companies are included in the acquisition cost of the company acquired.

During the acquisition of own shares, the price paid, including all relevant expenses, is depicted minus equity (reserve above par).

### 5.14. Income and Deferred Tax

The charge of the fiscal year with income taxes consists of the current taxes and deferred taxes, that is the taxes or tax relieves related with the economic benefits arising during the period but which have already been accounted for or will be accounted for by the tax authorities in different periods. Income tax is recorded in the account of the results of the fiscal year, apart from the tax regarding transactions recorded directly into equity, in which case it is recorded, accordingly, directly to equity.

The current income taxes include short term liabilities or claims to the fiscal authorities, that are related to the taxes payable on the taxable income of the fiscal year and any additional income taxes involving previous fiscal years.

Current taxes are calculated in accordance with tax rates and tax legislation implemented during operating periods that they concern, based on the taxable profit for the year. All of the changes in short-term tax assets or liabilities are accounted for as part of the tax expenses in the results statement for the fiscal year.

Deferred income tax is defined using the method of obligation in all the provisional differences during the Balance Sheet date, between the tax base and the book value of the assets and liabilities. Deferred income tax shall not be calculated if it results from the initial recognition of assets and liabilities in a transaction, apart from business coalition, which when the transaction took place did not affect the accounting or taxable profit or loss.

Deferred tax claims and liabilities are evaluated based on the tax scales expected to be implemented during the period that the claim or liability will be settled, taking into account the tax scales (and tax laws) that are in effect or are essentially in effect until the Balance Sheet date.

Deferred tax claims are accounted for to the extend that there will be future taxable profit for the use of the provisional difference generated by the deferred tax claim.

Deferred income tax is accounted for in provisional differences arising from investments in subsidiaries or affiliated companies, with the exemption where the Group controls reversal of the provisional differences and is likely that the provisional differences will not be reversed in the foreseeable future.

Changes in deferred tax claims or liabilities are accounted for as income tax element in the results statement of the fiscal year, apart from those arising from certain changes in assets or liabilities, which are recorded directly into the Group's Equity, such as revaluation of the property's value and as a result the respective change in deferred tax claims or liabilities be debited / credited against the respective account of net position.

### 5.15. Provisions for personnel compensation due to retirement

**Short-term benefits**

Short term benefits to employees (apart from the benefits of labor relationship termination) in cash and materials are recorded as an expense when they become payable. Any outstanding amount is recorded as a liability, while in case that the amount already paid exceeds the amount of the benefits, the company records the excess amount as its asset (prepaid expense) only to the extent that the prepayment will lead to the reduction of future payments or to a return.

**Retirement benefits**

Benefits following the employment termination include pensions and other contributions (superannuation) that the company provides following employment expiration, in exchange for the services of the employees. Therefore they only include specific contribution programs. The accrued cost of defined contribution programs is recorded as an expense during the relevant period

**Specific contribution plans**

The Company's personnel is mainly covered by the main State Social Security Organization of the private sector (IKA), which grants pensions and healthcare benefits. Every employee is required to contribute part of his/hers monthly salary to this fund, while part of the overall contribution is covered by the Company. During retirement, the pension fund is responsible for payment of pensions to the employees. Consequently, the Company is not legally or presumptively obliged to pay future benefits, based on this program.

In accordance with the specific contribution plan, the company's obligation (legal or presumed) is limited to the amount it has agreed to contribute to the organization (e.g. fund) managing the contributions and granting the benefits. Therefore the amount of benefits that the employee will receive is determined by the amount that the company will pay (or/and the employee) and by the disbursed investments of these contributions.

The payable contribution by the company to a specific contribution plan, is recorded for as a liability, following the subtraction of the contribution paid and as a respective expense.

**Specific Benefits Plans**

The liability that is recorded in the balance sheet for the specific benefits plan represents the liability's current value for the specific benefit, according to Law 2112/20 and the changes arising from any proportional profit or loss and the cost of previous service. The present value of the defined benefit obligation is determined by an independent proportional using the Projected Unit Credit Method. To disburse them, the interest rate of long-term Greek Government bonds is used.

The proportional profits and losses are elements of the liability of the company's benefit, as well as of the expenses, which will be recorded in the results. Those arising from the adjustments, based on historical data and exceeding 10% of the accumulated liability, are recorded in the results within the expected average time of employment of those participating in the plan. The cost of previous service is recorded immediately in the results with the exception of the case when the plan changes depend on the remaining time of the employees service. In this case, the cost of past service is recorded in the results using the fixed method in the maturity period.

### 5.16. Subsidies

The Group records the state subsidies, which overall satisfy the following criteria:

§ There is a presumed certainty that the company has complied or will comply with the terms of the subsidy and

§ It is likely that the amount of the subsidy will be collected.

Subsidies are recorded at fair value and accounted in a systematic way in income, based on the principle of correlation of the subsidies with the respective costs that they also subsidise.

Subsidies involving assets are included in the long-term liabilities as income of the future fiscal years.

### 5.17. Provisions

Provisions are recorded when the Group has current legal or presumed liabilities as a result of past events and their settlement is likely through resources outflow and the estimation of the exact amount of the liability may be affected in a reliable way. The provisions are reviewed on the drafting date of each balance sheet and adjusted in order to reflect the current value of the expenditure expected to be needed for the settlement of the liability.

Contingent liabilities are not recorded in the financial statements but are disclosed, unless the possibility of resources outflow, incorporating financial benefits, is minimum.

Contingent receivables are not recorded in the financial statements but are disclosed when there is a possibility for financial benefit inflow.

### 5.18. Loans

Loans are recorded initially at their fair value reduced by any direct costs for the execution of the transaction. They are later evaluated at the un-depreciated cost using the actual interest rate method. Borrowing cost is recorded in the results of the fiscal year in which it is realized.

### 5.19. Provisions and Contingent Liabilities and Receivables

Provisions are recorded when the Group has current legal or presumed liabilities as a result of past events and their settlement is likely through the outflow of resources and the estimation of the exact amount of the liability may be effected in a reliable way. The provisions are reviewed on the drafting date of each balance sheet and adjusted in order to reflect the current value of the expenditure expected to be needed for the settlement of the liability.

Contingent liabilities are not recorded in the financial statements but are disclosed, unless the possibility of resources outflow, incorporating financial benefits, is minimum.

Contingent receivables are not recorded in the financial statements but are disclosed when there is a possibility for financial benefit inflow.

### 5.20. Revenue recognition

Income is recorded to the extent that it is likely that the economic benefits will inflow in the Group and the respective amounts can be reliably measured. Income include the fair value of executed projects, sale of goods and provision of services, free from Value Added Tax, discounts and returns. Cross-company income within the Group is entirely deleted.

Revenue is recognized as follows:

**Property sales and home construction**

Income is recorded when the legal title is conveyed to the buyer and the following conditions apply:

- The sale has been completed,
- A significant part of the client receivable has been collected,
- The income has become payable and
- The payment of the balance due by the client is deemed certain.

**Supply of Financial Services**

Income from the supply of financial services is recorded when the mortgaged loans and the rights from various finance programs are sold to third parties.

**Project Constructional Contracts**

Income from the execution of constructional contracts is accounted for in the period during which the project is constructed, based on the method of the project's percentage completion (as described in detail in note 5.23).

**Hotel revenues**

Income from the stay at the hotel is recorded when the service has been provided (for each day of stay separately).

**Casino income**

Games are conducted in accordance with the Regulation of Administrative Control and Supervision of Casino Operations. The control and supervision are exercised by the Casino Department of the Tourism General Secretariat of the Ministry of Development, on site, daily and throughout the duration of Casino operation, through its employees unit authorized for the control.

The management of the whole games is performed using software programs approved by the Casino Supervision and Operations Committee.

The casino is required on a daily basis to proceed with the accounting opening of all of its gaming tables and is entitled, depending on the number of clients, to operate the entirety or part of these tables.

Following the closing of the table, a cash counting is performed and recorded in the printed form of the closing result, which includes the initial advance payment, the closing of the chips table, the balance of chips remaining on the table, additional advance payment, supplement made and hereupon the banknotes, separately per value and the daily result is calculated and recorded in the books.

**Mooring of vessels**

Income from marina services is recorded during the mooring of boats, based on their actual stay. The entry and exit of boats is recorded and invoiced for the period of stay in accordance with set prices, arising from executed contracts as well as from the price list for services.

**Services rendered**

Income from services rendered are calculated for the period when the services are provided, based on the completion stage of the provided service in relation to the total of the services rendered.

**Sale of Goods**

Income is recorded when essential risks and benefits arising from the ownership of goods, have been conveyed to the buyer.

### Dividends
Dividends, shall be accounted for as income, when the collection right is established.

### Interest income
Income from interest is recorded based on time ratio and by applying the actual interest rate method.
When a receivable is impaired, the accounting value is reduced to its recoverable amount, which is the current value of future cash flows prepayed at the original actual interest rate. Thereafter, interests are calculated using the same rate on the impaired value (new accounting value).

### 5.21. Borrowing cost
Borrowing cost is recorded as an expense in the realization period, in accordance with the Benchmarking method of IAS 23 "Borrowing Cost".

### 5.22. Leases
#### Group Company as Lessee
Financial leasing is the leasing of fixed assets according to which, all risks and benefits related to the ownership of an asset, are transferred to the Group, regardless of the ultimate transfer or not of that asset. Such leasing is capitalized upon the beginning of the lease at its lower value between the fair value of the fixed asset or the current value of the minimum number of rents. Each lease is allocated between the liability and the financial expenses to attain a fixed interest rate in the remaining financial liability. The respective liabilities from leases, net of financial expenses, are recorded into liabilities. The part of a financial expense regarding financial leases is recognized in the results during the term of the lease.
The depreciated value of the fixed assets acquired by leasing is distributed on a systematic and even basis during the years that these fixed assets are expected to be used, pursuant to the fixed depreciation method, which is applied for the own fixed assets as well. When there is certainty that the Group will acquire the ownership of these assets during the termination of the lease, as the expected period of use is considered the useful life of these assets, while in the opposite case these assets are depreciated at the shortest period between the fixed assets useful life and the duration of their lease.
Leasing agreements where the lessor transfers the right of an asset use for an agreed period, without however transferring the risks and rewards of ownership of the fixed asset, are classified as operating leasing. Payments made for operating leasing (not including any motives offered by the lessor) are accounted in the results of the fiscal year at equal amounts during the leasing.

#### Group Company as the Lessor
When fixed assets are rented by leasing, the current value of the rents is recorded as receivable. The difference between the gross amount of the receivable and the current value of the receivable is recorded as deferred financial income. The lease income is recorded in the results during the time of leasing, using the method of net investment, which represents a fixed periodical return.
Fixed assets leased by operating leasing are included in the tangible assets of the balance sheet. They are impaired during their expected useful life on a basis consistent with similar owned tangible assets. The income from the rent (not including any motives offered to the lessees) is recorded by applying the fixed method during the time of the lease.

## 5.23. Constructional contracts

Constructional contracts involve the construction of assets or group of associated assets especially for customers, in accordance with the terms in the respective contracts and the performance of which usually lasts for a longer period than one fiscal year. Expenses regarding each contract are accounted for when realized.

Income is recorded as follows:

a) In case that the result of a constructional contract of a project cannot be evaluated in a reliable way and mainly in the case where the project is at an early stage:

- § The income is recorded only to the extent that the undertaken contractual cost is likely to be recovered and
- § The contractual cost is recorded in the results of the fiscal year in which it was undertaken

Therefore, for these contracts such an income is recorded so that the profit from the specific project will be naught.

b) When the result of a contractual project may be assessed reliably, then the contract's income and expenses are recorded during the term of the contract as income and expense, respectively.

The Group uses the percentage completion method in order to determine the suitable amount of income and expense that will be accounted for within a specific period.

The completion stage is measured based on the contractual cost incurred until the date of the balance sheet in relation to the overall estimated construction cost of each project. The foregoing percentage is applied over the overall (revised) contract price, in order to determine the accumulated expenses of the project based on which the invoiced expenses will be readjusted.

When it is likely that the total contract cost will exceed the total income, then the anticipated loss is recorded directly into the results as expense.

For the estimation of the cost incurred up to the end of the fiscal year, any expenses related with future works regarding the contract are excluded and appear as a project in progress. The total of the cost realized and of the profit / loss recorded for each contract is compared to with the progressive invoicing until the end of the fiscal year.

Where the realized expenses plus net profits (minus losses) that have been recorded, exceed the progressive invoicing, the difference appears as receivable from customers of project contracts in the fund "Receivables from constructional contracts". When the progressive invoicing exceeds the expenses realized plus net profits (minus losses) that have been recorded, the balance appears as a liability to clients of project contracts in the fund "Liabilities from constructional contracts".

## 5.24. Biological assets

The Group, according to IAS 41, records a biological asset, when and only when:

- § It controls the biological asset due to a certain past event.
- § Is possible that future benefits that relate to the asset will flow into the Group.
- § The fair value of the asset may be evaluated reliably.

Biological assets are evaluated at the time of their initial recording in the financial statements and on the date of each subsequent Balance Sheet, at their fair value reduced by the estimated expenses until their sale (commission to brokers and sellers, contributions to statutory agents and commodity exchanges, transfer taxes and customs).

In case that the value of a biological asset cannot be evaluated reliably (e.g. in cases where at the time of the initial accounting of the asset there are no values available in the market and the Group cannot be based on alternative estimations because they appear to be unreliable), this asset is evaluated at its cost minus any accrued depreciation and any accrued loss from impairment to its value.

It is noted that, the estimated expenses up to the sale, do not include the transportation expenses and other respective costs, the payment of which is required, in order for the biological assets to reach a market. The evaluation of biological assets at their fair value, is intended to depict as reliably as possible, the change that came about on the biological assets as a consequence of their transformation.

The agricultural product, following a crop of the biological assets, is valuated at its fair value at the time of harvest minus the estimated, until the sale, expenses and this value is the inventory cost of the agricultural product.

The Group did not proceed to valuation of its biological assets, which are mainly vineyards, as it estimates that this value would not have significant effect on its financial statements.

### 5.25. Dividend distribution

The distribution of dividends to shareholders of the parent company is recorded as a liability in the consolidated financial statements on the date that the distribution is approved by the General Shareholders meeting.

## 6. INFORMATION PER SECTOR

### 6.1. Primary reporting sector – Business sectors

The Group has as primary reporting sector the business field and as secondary the geographical. The Group distinguishes five business sectors (constructional, hotels, casino, marina managing and sale of alcohol products) as its operating sectors. The foregoing operational sectors are those used by the company's management for internal purposes and the strategic decisions of the managements are made based on the readjusted operational results of each sector, which are used for efficiency measurement. Less important sectors, for which the required quantitative limits for disclosure are not met, in the following table are included in "other" category. The results per sector for the period from 01/01 – 30/06/2010 and 01/01 – 30/06/2009, are analyzed as follows:

| *Amounts in € '000* | THE GROUP | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Sector results on 30/6/2010** | **CONSTRUCTION SECTOR** | **HOTELS** | **CASINO OPERATION** | **MARINA MANAGEMENT** | **SALE OF ALCOHOL & OTHER PRODUCTS** | **HOME BUILDING / REAL ESTATE** | **OTHER** | **TOTAL** |
| **Sales** | | | | | | | | |
| Sales to external clients | 16.488 | 3.418 | 2.000 | 625 | 1.020 | 0 | 105 | 23.656 |
| Sales to other sectors | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Net sales per sector** | **16.488** | **3.418** | **2.000** | **625** | **1.020** | **0** | **105** | **23.656** |
| **Profits** | | | | | | | | |
| Materials / Reserves Cost | (3.941) | (809) | (85) | (8) | (529) | 0 | (23) | (5.395) |
| Benefits to employees | (3.243) | (2.347) | (1.355) | (466) | (335) | 0 | (343) | (8.089) |
| Fees and expenses of third parties | (1.321) | (423) | (192) | (83) | (79) | (1) | (214) | (2.313) |
| Third party benefits | (173) | (97) | (123) | (25) | (17) | 0 | (413) | (848) |
| Rents from operating leasing | (80) | 2 | 5 | (108) | 34 | 0 | (25) | (172) |
| Insurance expenses | (50) | (65) | (19) | (15) | (11) | 0 | (22) | (182) |
| Repair and maintenance expenses | (64) | (78) | (45) | (21) | (31) | 0 | (74) | (313) |
| Taxes and fees | (311) | (44) | (113) | (11) | (15) | (1) | (26) | (521) |
| Promotion costs | (14) | (273) | (553) | 9 | (50) | 0 | (10) | (891) |
| Depreciations of tangible and intangible assets | (1.967) | (3.572) | (236) | (487) | (242) | 0 | (533) | (7.037) |
| Impairment of non financial assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Own-production | 2.291 | 296 | 124 | 0 | 35 | 0 | 0 | 2.746 |
| Other operating profits / (losses) | (5.087) | 697 | 474 | 227 | (39) | (1) | 88 | (3.641) |
| **Operating result per sector** | **2.528** | **(3.296)** | **(117)** | **(363)** | **(259)** | **(3)** | **(1.490)** | **(3.000)** |

The allocation of consolidated assets per business sector is as follows:

| *Amounts in € '000* | THE GROUP | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Assets per sector on 30/6/2010** | **CONSTRUCTION SECTOR** | **HOTELS** | **CASINO OPERATION** | **MARINA MANAGEMENT** | **SALE OF ALCOHOL & OTHER PRODUCTS** | **HOME BUILDING / REAL ESTATE** | **OTHER** | **TOTAL** |
| Assets per sector | 124.390 | 29.822 | 8.268 | 9.453 | 13.278 | 9 | 443.575 | 628.795 |
| Investments in affiliated companies | 291 | 0 | 0 | 0 | 0 | 0 | 3 | 294 |
| **Total of assets per sector** | **124.681** | **29.822** | **8.268** | **9.453** | **13.278** | **9** | **443.578** | **629.089** |

### 6.2. Secondary reporting sector – Geographical sectors

The analysis of the Group's results per geographical sector is as follows:

| *Amounts in € '000* | THE GROUP - 30/6/2010 | |
|---|---|---|
| | SALES | NON CURRENT ASSETS |
| GREECE | 18.999 | 514.451 |
| ROMANIA | 4.657 | 887 |
| U.S.A | 0 | 0 |
| RUSSIA | 0 | 3 |
| **TOTAL** | **23.656** | **515.341** |

## 7. EXPLANATORY NOTES ON THE ANNUAL FINANCIAL STATEMENTS

### 7.1. Other long-term receivables

The analysis of other long-term receivables of the Group's and the Company's is as follows:

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| *Amounts in € '000* | 30/6/2010 | 31/12/2009 | 30/6/2010 | 31/12/2009 |
| Quarantees offered | 349 | 358 | 0 | 0 |
| Loans in Group's companies | 0 | 0 | 22.602 | 22.532 |
| Loans valuations | 0 | 0 | (2.318) | (2.729) |
| Long-term receivables | 0 | 0 | 6.863 | 6.864 |
| **Total** | **349** | **358** | **27.147** | **26.667** |

These are receivables, which will be collected after the end of the next fiscal year. Company's long-term receivables from subsidiary companies were agreed to be collected after 30/06/2011, in order to increase their liquidation. Receivables from loans to the Group's companies concern loans granted to associated parties. During the initial recording, these assets were evaluated at fair value using a market rate for relevant loans, while all the subsequent changes, based on the actual interest rate method, are recorded as financial income in the Results Statement of the Fiscal Year.

### 7.2. Inventory

The analysis of the Group's and the Company's inventory is as follows:

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| *Amounts in € '000* | 30/6/2010 | 31/12/2009 | 30/6/2010 | 31/12/2009 |
| Merchandises | 245 | 240 | 0 | 0 |
| Completed & Semi-finished products, by-products & residues | 4.430 | 3.917 | 0 | 0 |
| Raw and secondary materials, consumables, spare parts & packaging materials | 2.926 | 2.236 | 0 | 0 |
| **Total liquidating value** | **7.601** | **6.393** | **0** | **0** |
| Minus: depreciation projection | 0 | 0 | 0 | 0 |
| **Total net liquidating value** | **7.601** | **6.393** | **0** | **0** |

### 7.3. Receivables from clients and other trading receivables

The analysis of receivables from customers and other trading receivables for the Group and the Company is as follows:

| Amounts in € '000 | THE GROUP 30/6/2010 | THE GROUP 31/12/2009 | THE COMPANY 30/6/2010 | THE COMPANY 31/12/2009 |
|---|---|---|---|---|
| Receivables from clients | 16.358 | 17.434 | 249 | 240 |
| Receivables from Romanian clients | 6.227 | 7.839 | 0 | 0 |
| Receivable notes | 193 | 120 | 0 | 0 |
| Receivable cheques (post-dated) | 790 | 1.275 | 356 | 356 |
| Receivables from associated companies | 0 | 0 | 4.567 | 3.096 |
| Receivables from the Greek State | 341 | 173 | 0 | 0 |
| **Total of receivables** | **23.909** | **26.841** | **5.172** | **3.692** |
| Minus: Depreciation projection | (1.218) | (1.218) | (190) | (190) |
| **Total of net receivables** | **22.691** | **25.623** | **4.982** | **3.502** |

The change in the receivables from clients is mainly due to the collection of a significant part of the receivables from the Romanian State of subsidiary MOCHLOS.

## 7.4. Other receivables

The other receivables of the Group's and the Company's are analyzed as follows:

| Amounts in € '000 | THE GROUP 30/6/2010 | THE GROUP 31/12/2009 | THE COMPANY 30/6/2010 | THE COMPANY 31/12/2009 |
|---|---|---|---|---|
| Other deposits | 2.871 | 2.602 | 15 | 0 |
| Prepaid expenses | 316 | 267 | 314 | 17 |
| Various debtors | 2.681 | 4.561 | 447 | 1.974 |
| Receivables from rulings against the Greek State | 29.455 | 31.542 | 9.629 | 9.630 |
| Personnel Advance Payments | 29 | 36 | 0 | 0 |
| Withheld customer bonds | 840 | 662 | 0 | 0 |
| Receivables from Greek State | 2.755 | 4.413 | 105 | 360 |
| Receivables from VAT | 2.129 | 2.904 | 1 | 0 |
| Receivables from investment programs | 5.437 | 5.721 | 0 | 0 |
| **Total of other receivables** | **46.513** | **52.708** | **10.511** | **11.981** |
| Minus: Impairment projection | (12.684) | (15.285) | (9.634) | (11.585) |
| **Total Net Other Receivables** | **33.829** | **37.423** | **877** | **396** |

The change in the receivables from rulings against the Greek State is mainly due to the issuance of final decisions from the courts granting the subsidiaries claims against the Greek State.

Furthermore, the change in the receivables from the Greek State, is due to their collection or offset with the current liabilities of the company's and the Group's.

## 7.5. Cash and cash equivalents

Cash in hand represent cash in the Company's cashier and bank accounts available upon demand. The cash in hand and cash equivalents of the Company and the Group are as follows:

| Amounts in € '000 | THE GROUP 30/6/2010 | THE GROUP 31/12/2009 | THE COMPANY 30/6/2010 | THE COMPANY 31/12/2009 |
|---|---|---|---|---|
| Cash in hand | 751 | 728 | 1 | 1 |
| Cash in banks | 9.126 | 14.523 | 6.031 | 7.145 |
| Accounts of blocked deposits | 234 | 439 | 0 | 0 |
| **Total** | **10.111** | **15.690** | **6.032** | **7.146** |

## 7.6. Loan liabilities

The Group's and the Company's loan liabilities (long-term and short-term) are analyzed as follows:

**Long-term loan liabilities**

| Amounts in € '000 | THE GROUP 30/6/2010 | THE GROUP 31/12/2009 | THE COMPANY 30/6/2010 | THE COMPANY 31/12/2009 |
|---|---|---|---|---|
| Bank loan | 2.243 | 2.654 | 0 | 0 |
| Liabilities of financing leasing | 4.700 | 4.954 | 0 | 0 |
| **Total** | **6.943** | **7.608** | **0** | **0** |

| **Short-term loan liabilities** | **THE GROUP** | | **THE COMPANY** | |
|---|---|---|---|---|
| ***Amounts in € '000*** | **30/6/2010** | **31/12/2009** | **30/6/2010** | **31/12/2009** |
| Bank loan | 15.183 | 27.932 | 1.645 | 2.264 |
| Liabilities of financing leasing | 608 | 787 | 0 | 0 |
| **Total** | **15.791** | **28.719** | **1.645** | **2.264** |

The decrease of the Group's loan liabilities is mainly due to the Management's effort to decrease the dependence from external sources of funding.

## 7.7. Suppliers and other liabilities

The balance from suppliers and other relevant liabilities of the Group and the Company are analyzed as follows:

| | **THE GROUP** | | **THE COMPANY** | |
|---|---|---|---|---|
| ***Amounts in € '000*** | **30/6/2010** | **31/12/2009** | **30/6/2010** | **31/12/2009** |
| Suppliers | 20.360 | 19.161 | 665 | 459 |
| Romanian suppliers | 2.059 | 3.272 | 12 | 8 |
| Intercompany payable accounts | 0 | 0 | 4.243 | 3.555 |
| Payable cheques (post-dated) | 1.772 | 1.362 | 0 | 0 |
| **Total** | **24.191** | **23.795** | **4.920** | **4.022** |

## 7.8. Current tax liabilities

The Group's and the Company's current tax liabilities concern income tax liabilities.

| | **THE GROUP** | | **THE COMPANY** | |
|---|---|---|---|---|
| ***Amounts in € '000*** | **30/6/2010** | **31/12/2009** | **30/6/2010** | **31/12/2009** |
| Income tax on taxable profits | 75 | 0 | 0 | 0 |
| Previous fiscal years income tax | 74 | 152 | 0 | 0 |
| Tax audit differences | 7 | 149 | 0 | 0 |
| **Total** | **156** | **301** | **0** | **0** |

## 7.9. Other short-term liabilities

The Group's and the company's other short-term liabilities are as follows:

| | **THE GROUP** | | **THE COMPANY** | |
|---|---|---|---|---|
| ***Amounts in € '000*** | **30/6/2010** | **31/12/2009** | **30/6/2010** | **31/12/2009** |
| Customer advance payments | 2.775 | 538 | 0 | 0 |
| Payable salaries and daily wages | 2.038 | 1.465 | 14 | 6 |
| Insurance funds | 824 | 1.337 | 1 | 3 |
| Payable dividends | 351 | 399 | 351 | 399 |
| Provisions for constructional contracts (IAS11) | 10 | 228 | 1.068 | 1.068 |
| Other taxes (except for income tax) | 7.949 | 10.171 | 29 | 12 |
| Payable fees for BoD members | 946 | 974 | 166 | 211 |
| Payable expenses | 2.617 | 1.970 | 325 | 0 |
| Liabilities to affiliated companies | 0 | 0 | 5.204 | 5.205 |
| Future period income | 13 | 0 | 0 | 0 |
| Other short-term liabilities | 5.776 | 6.257 | 49 | 8 |
| **Total of liabilities** | **23.299** | **23.339** | **7.207** | **6.912** |

## 7.10. Employee benefits

The employee benefits to the Group and the company are analyzed as follows:

| | **THE GROUP** | | **THE COMPANY** | |
|---|---|---|---|---|
| ***Amounts in € '000*** | **01/01 - 30/6/2010** | **01/01 - 30/6/2009** | **01/01 - 30/6/2010** | **01/01 - 30/6/2009** |
| Salaries, daily wages & benefits | 6.111 | 8.344 | 73 | 79 |
| Social insurance expenses | 1.677 | 2.379 | 8 | 11 |
| Pension benefits (provisions) | 58 | 95 | 3 | 2 |
| Termination compensation | 153 | 223 | 0 | 0 |
| Other Personnel Benefits | 90 | 146 | 0 | 0 |
| **Total** | **8.089** | **11.187** | **84** | **92** |

### 7.11. Other operating expenses

Other operating expenses are as follows:

| *Amounts in € '000* | THE GROUP 01/01 - 30/6/2010 | THE GROUP 01/01 - 30/6/2009 | THE COMPANY 01/01 - 30/6/2010 | THE COMPANY 01/01 - 30/6/2009 |
|---|---|---|---|---|
| Other Taxes, fines and surcharges | 491 | 44 | 0 | 15 |
| Other fines and surcharges | 38 | 0 | 0 | 0 |
| Losses from sale & write-off of tangible assets | 0 | 26 | 0 | 0 |
| Other operating expenses | 1.309 | 169 | 485 | 0 |
| Previous fiscal years expenses | 1.231 | 181 | 119 | 3 |
| **Total** | **3.069** | **420** | **604** | **18** |

The amounts of other operating expenses and the expenses of previous years involve other non recurrent budgets, regarding the theft at Casino PORTO CARRAS and write offs of other joint venture receivables of subsidiary MOCHLOS S.A.

### 7.12. Other operating income

Other operating income is as follows:

| *Amounts in € '000* | THE GROUP 01/01 - 30/6/2010 | THE GROUP 01/01 - 30/6/2009 | THE COMPANY 01/01 - 30/6/2010 | THE COMPANY 01/01 - 30/6/2009 |
|---|---|---|---|---|
| Operational leasing rents | 551 | 518 | 38 | 45 |
| Income from grants | 1.165 | 1.120 | 0 | 0 |
| Profits from sale / revaluation of tangible assets | 14 | 20 | 0 | 0 |
| Previous fiscal years income | 1.668 | 924 | 0 | 0 |
| Income from services to third parties | 55 | 111 | 1 | 0 |
| Other operating income | 831 | 282 | 283 | 139 |
| **Total** | **4.284** | **2.975** | **322** | **184** |

The budget of previous fiscal years income regards the turnaround of projection for tax payment.

### 7.13. Income tax

The Group is subject to different income tax scales depending on the country of operations and therefore a certain judgment is required for determining a tax estimate. There are several transactions and calculations for which the final tax estimate is uncertain. Expenses for income tax for the fiscal years that ended on 30/06/2010 and 2009 are analyzed as follows:

| *Amounts in € '000* | THE GROUP 01/01 - 30/6/2010 | THE GROUP 01/01 - 30/6/2009 | THE COMPANY 01/01 - 30/6/2010 | THE COMPANY 01/01 - 30/6/2009 |
|---|---|---|---|---|
| Tax for fiscal year | 0 | (592) | 0 | 0 |
| Previous fiscal years tax audit differences | 0 | (18) | 0 | 0 |
| Deferred tax | (1.265) | (1.847) | (19) | (2) |
| **Total** | **(1.265)** | **(2.457)** | **(19)** | **(2)** |

### 7.14. Profits per share

Profits per share were calculated based on the average weighted number of outstanding shares on the total of the Company's shares and are as follows:

| *Amounts in € '000* | THE GROUP 01/01 - 30/6/2010 | THE GROUP 01/01 - 30/6/2009 | THE COMPANY 01/01 - 30/6/2010 | THE COMPANY 01/01 - 30/6/2009 |
|---|---|---|---|---|
| Results after taxes | (4.075) | (5.374) | 893 | 1.467 |
| Weighted number of shares | 165.625 | 165.123 | 165.625 | 165.123 |
| **Basic profits per share (€/share)** | **(0,0246)** | **(0,0325)** | **0,0054** | **0,0089** |

## 8. ADDITIONAL INFORMATION AND EXPLANATIONS

### 8.1. Existing liens

There are no liens except for the transfer of all of the subsidiary's SAMOS MARINES S.A. shares, owned by subsidiary DILOS MARINES S.A. as a guarantee, based on the long-term loan agreement of SAMOS MARINES S.A. with Emporiki Bank. Furthermore, there are no mortgages or pledges or any other encumbrances on the fixed assets to secure borrowing.

### 8.2. Commitments from construction contracts

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| ***Amounts in € '000*** | **30/6/2010** | **31/12/2009** | **30/6/2010** | **31/12/2009** |
| Backlog of projects | 109.793 | 87.279 | 5.131 | 5.131 |
| Performance guarantee | 57.855 | 70.598 | 863 | 872 |

### 8.3. Tax un-audited financial years

TECHNICAL OLYMPIC S.A. has been audited for fiscal years until 2008. In 2009 begun and is on going the tactical tax audit of TOXOTIS S.A. subsidiary for fiscal years 2007 - 2008. Besides that, it is estimated that the result of the future tax audit for unaudited years shall not produce other significant charges to the Group and the Company. In summary, the un-audited fiscal years of the Group's companies are set in the following table:

| **Company** | **Tax unaudited fiscal years** |
|---|---|
| TECHNICAL OLYMPIC S.A. | 2009-2010 |
| MOCHLOS S.A. | 2009-2010 |
| TOXOTIS S.A. | 2007-2010 |
| DILOS MARINAS S.A. | 2007-2010 |
| DOMAINE PORTO CARRAS S.A. | 2007-2010 |
| MARKO MARINAS S.A. | 2007-2010 |
| PORTO CARRAS S.A. | 2007-2010 |
| PORTO CARRAS VILLAGE CLUB S.A. | 2007-2010 |
| PORTO CARRAS GOLF S.A. | 2007-2010 |
| PORTO CARRAS MARINA S.A. | 2007-2010 |
| PORTO CARRAS MELITON BEACH S.A. | 2005-2010 |
| PORTO CARRAS SITHONIA BEACH CLUB S.A. | 2005-2010 |
| PORTO CARRAS DEVELOPMENT S.A. | 2007-2010 |
| PORTO CARRAS HYDROPLANES S.A. | 2007-2010 |
| SAMOS MARINAS S.A. | 2007-2010 |
| SKIATHOS MARINAS S.A. | 2007-2010 |
| STROFILI TECHNICAL S.A. | 2007-2010 |
| EUROROM CONSTRUCTII '97 SRL | From its foundation |

### 8.4. Contingent liabilities

Information about litigations against the Company and the Group:

- **Against parent company TECHNICAL OLYMPIC S.A.**

A lawsuit has been filed against the Company for about €1,557,600.00 by DEKATHLON, regarding studies for the 2003 European Union Summit held in PORTO CARRAS. The company's management estimates that the result of this litigation shall not have a significant effect on the Financial Statements. The hearing was set for 08/12/2009. The decision issuance is expected from the Courts of Appeal.

- **Against MOCHLOS S.A.**

- PIRIDIS IOANNIDIS GENERAL INC.: It regards €45,087.10 which have not been paid regarding works at the Porto Carras Marina. Initially it was admitted for the sum of about €10,000. An appeal has been filed by the company and will be discussed on 20/10/2010 at the Chalkidiki Court of First Instance; it is believed that the lawsuit will be rejected.

- DIEDROS: It regards €256,475.43, in respect of fees for the elaboration of studies. It is estimated that the lawsuit will be rejected.
- TRIGONO SA: It regards €147,453.73 in respect of expense claims from participation in a joint venture. At first instance the company has been found innocent. The discussion has been set at the Court of First Instance for the 10/05/2011.
- DIMOTSALI: It regards €72,214.28 in respect of compensation for material damage. The lawsuit was rejected at first instance but the plaintiff filed an appeal and was discussed on 02/12/2009. The decision is pending.
- ASPIS PRONIA: It regards the MOCHLOS - ATTIKAT - VIOTER JV and the amount of €220,792 in respect of the insurance premium. The Appeal adjudicated the amount of €147,000 and the company is reviewing filing a motion to dismiss. This amount has not been discussed yet.
- DAFNI: It regards the amount of €416,129. These are claims from a former partner, the president of ALPHA TECHNIKI, and the amount of €13,000 has been tried at the court of appeal against the company.
- PROMETHEUS SA: This concerns the AEGEK – MOCHLOS – EUR. TECHNIKI – EKTER JV and amounts to €459,484.09. This is compensation for a disaster that hit the KOULOURA-KLIDI project. The claim was rejected at first instance and an appeal has not been filed yet.
- GALAXIAS SA: Against MOCHLOS-ATHENS J/V; the amount is €162,130 and concerns a debt from subcontracted work. It will be tried on October 2010. The quality of the works was poor and they were not accepted by Egnatia Odos. The loss suffered for the joint venture for restitution of poor workmanship was much larger. A cross bill will be filed by the joint venture for a much larger amount.
- KLOUKINA: This lawsuit is against the Refinery JV and regards €799,707 in respect of default salaries. Rejected at first instance and an appeal has not been filed yet.
- KAFOUROU: Claims from the company approximately €165.000 for damages caused to his house due to explosives in the Ikonio project. It will be discussed on March 2011 at the Court of First Instance. It is estimated that the claim will be rejected as there were vibration meters, within the permissible limits and there is also an inspector's analysis stating that the explosives did not harm the house, etc.

Furthermore, lawsuits have been filed against the Company for accidents at work for a total amount of €4.582.887,85. With respect to these cases the company is not expected to be charged with more than €270.000,00. Lawsuits are pending in view of claiming overtime amounting to €115.100,00 and subcontracting €3.275.154,00, which are all expected to be rejected.

Finally lawsuits claiming a total of €271,430.04 have been filed against the company, relating to court cases in Patras.

- **MOCHLOS branch in Romania**

Against the MOCHLOS's branch in Romania, a court decision was issued on 07/10/2009, granting by majority, with a non enforceable decision at first instance, the claim of MOCHLOS supplier for commencement of bankruptcy procedures of the branch in Romania (announcement by the Bucharest Court of Appeal on 07/10/2009). The foregoing decision is completely unprecedented, as it involves a branch that cannot bankrupt but also essentially unfair and unjust as:

- This supplier, had already been paid and had filed in the respective file, a formal notary document, by which he stated his payment and resigned from the total of his rights.

- In a file of over 500 pages that the company's branch had filed, it appeared that several payments and receipts were made in the beginning of 2009 until today, of several million euros, part of which involved payments to the Romanian State (Taxes, insurance fees, etc).
- From the financial data of the company's branch, incorporated in current Financial Statements of MOCHLOS, arises that the company's Net Position and Results are positive and profitable.
- The company, until these requested by law actions are final for the reversal of the foregoing totally unfair and unlawful decision, has completely complied with the provisions of the respective legislation, filing the total of the requested data and information for the exodus from this situation.

- **Against TOXOTIS S.A.**

- A lawsuit filed by subcontractor FANTA REAL SA against TOXOTIS SA - -ALGOMA SA JV for about €1,700,00 as it considers that it has been illegally excluded from the project. The lawsuit has been set for October 2011. It is estimated that the claim will be rejected, as the company has reneged legally, due to the subcontractor's delinquency and for this nothing is owned to him.

- 2 lawsuits filed by ALGOMA SA for approximately €700.000, as it considers that it has suffered non-pecuniary damages as a result of the use of power of attorney documents regarding the TOXOTIS SA-ALGOMA SA JV, the existence of which it claims to have been unaware of; as a result, it never collected the profit from the project pro rata its participation, approximately 10%. It is estimated that the lawsuit shall be rejected, as the power of attorney documents of which it was aware, had nothing to do with the joint venture's financial transactions and because approximately €500.000, involve projects that the JV did not undertake, since the respective tenders were either cancelled, did not bring the JV as the lowest bidder and therefore was not possible to expect some kind of profit from them.

- **Against PORTO CARRAS SITHONIA BEACH CLUB S.A.**

There are claims against the company from lawsuits for €2.280 thousand as a result of entrance prohibition to the casino to persons who have made such claims. The Management estimates that such claims are excessive and ungrounded and it considers that they will be rejected. By the date of approval of the financial statements, rulings granting €1.550th. from €2.280 were issued, obliging the company to pay €44th. The company has proceed to the payment of €16th. and at the same time filed a petition to cassate judgement for these payments. As regards such cases, the Company has made a provision of €60 thousand.

Moreover, on March 20th 2009, an application for conciliation submitted by the Company to the Director of the FAE Piraeus Tax Authority was rejected; the Company had applied for administrative settlement of the difference with respect to the imposition of tax amounting to €216,120, for having received, according to the Tax Authority, virtual tax data. The company filed an appeal against the above decision, given that it argues that these transactions were real and that the above fine was imposed unjustifiably. Moreover, it is estimated that there will be effects on its financial statements as the Management of the company considers that no fine will finally be imposed and, therefore, there is no reason to form a provision that would burden the closing financial year.

- **Against PORTO CARRAS S.A.**

- Lawsuits of timesharers against the Company. The Company has been found innocent at the Supreme Court and it is hence certain that all pending lawsuits shall be rejected.

- There is a lawsuit by M. Vrahopoulos Ltd against the company for approximately €220.000 and was discussed at the Court of First Instance on 02/02/2010. It is estimated that is will be rejected, as the plaintiff did not have an agreement with the company for the subject referred in the claim, but was an associate of the counterparty of the company.

- **Against SKIATHOS MARINAS S.A.**

The State is threatening to demand the forfeiture of the guarantee letters of the project for the construction of the Skiathos Marina. The company has applied for the settlement of the dispute by the administrative court for the guarantee letters to be returned and for a sum over €400 thousand to be paid, which represents its expenses for the project that have not been paid by the State.
The Company estimates that justice shall be served as regards this dispute, at least regarding the return of the letters of guarantee.

- **Against PORTO CARRAS MELITON BEACH S.A.**

- Disputes are pending against the Company before the country's competent courts in respect of employment claims and claims for the payment of intellectual rights of actors and singers for a total of €207,613.08. The Company's legal advisors estimate that the above lawsuits shall be found inadmissible by the respective courts.
- The issuance of a ruling by the Court of First Instance is expected over a lawsuit of the hotel's customers (M. Galanakis – M. Palaiologou) for allegedly poor living conditions, that had an effect on their health. They claim an amount of €50.000 as compensation. We consider that the plaintiffs claims are totally unfounded. Hellenic Organization for Tourism proceeded to an inspection after the allegedly event and discovered nothing of this kind.

### 8.5. Contingent claims

- **Claims of TECHNICAL OLYMPIC Group against the Greek State**

The Company is plaintiff in litigations regarding its construction activities and the Greek State is the Defendant. The litigations involve execution of public works that the construction company had undertaken in previous years after its participation to each bidding process. Most of the disputes pertain amendments or extensions of the initial agreements and for the majority thereof the Administrative Courts of Appeal has ruled in favor of the company and the rulings have not been executed due to petitions to cassate the judgment filed by the Greek State. For these cases is expected the assessment of interest and the issue of the final decisions. The total amount of these claims amounts to €26m., i.e. the initial amount of the claim plus the respective interest. The amount recorded in the Financial Statements of the company and the group's in previous years amounts to approximately €22,3m.
- There are seventy (70) motions to cassation pending before the Council of the State from Group companies or joint ventures in which they participate against decisions of the Administrative Courts of Appeal of Athens, Thessalonica, Ioannina and Patras, which have rejected in whole or in part the Group's companies claims pertaining to the performance of public works or provision of services. With these motions it is requested to cassate the decisions in order to the adjudicate to the companies different amounts in each case. The overall amount of the companies claims is estimated to be approximately around twelve million euro. The outcome of these trials is not certain, due to the nature and variety of the issues under litigation; at any rate, it should be pointed out that until now the companies have been successful in Council of the State proceedings, in cases exceeding 50% of the total pending cases.
- There are five (5) motions for cassation pending before the Council of the State by the Greek State against decisions of the Administrative Courts of Appeal which have ruled in favour of TECHNICAL OLYMPIC S.A. and MOCHLOS S.A. with regard to claims against the State for about €8.5 million from the performance of public works. Given that: a) Normally, the motion for cassation on the part of the State has suspended until now, the

payment of the amounts that had been adjudicated to the companies, and b) Most of the motions for cassation by the State are not accepted apart from a few exceptions, it is estimated that the outcome of those specific cases will not only incur economic charges for the companies, but on the contrary they shall collect the biggest part if not all of the claims.

- **Claims of MOCHLOS S.A.**

- Company claims against third parties amount to a total of €136,825.00, where €88,656.00 concern irrevocable court decisions. Collection of such claims is considered doubtful due to the fact that the defendants do not have sufficient assets.

- Moreover, lawsuits from debtors for a debt of €4,500 are pending before the Patras Magistrate's court, while 70 appeals are pending for discussion and decision before the Patras Court of Appeal, the Patras Administrative Court of Appeal and the Council of State filed by MOCHLOS S.A. against ERGOSE S.A., DEYAP Patras and the Greek State, by which the company requests to disbursed with amounts ranging from €2,550 to €1,200,000.

- Finally, the company has claims against the Greek State of a total amount of €26m., regarding petitions that the company has filed and which the Administrative Courts of Appeal have granted but have not been executed by the Greek State.

- **Claims of TOXOTIS S.A.**

- FANTA REAL S.A. (two lawsuits), whereby the company requests a total of €547,000 because the former failed to return the advance payment it had received in respect of execution of the project. The lawsuits were rejected by the Court of First Instance for formality reasons and the proceeding will be continued within 2010, after the revocation of the typical impediment.

- AGOLMA S.A. With its lawsuit the company claims approximately €2.500.000 for its defamation due to spread of untrue events regarding the use of proxies, described above.

- Prefecture of Magnissia, for the project of Zagora diversion (by-pass), a total of €1.513.413,29. The lawsuits regard compensation due to disaster, delay in account payment, fees for case studies and return of guarantee letters. Currently for the company the amount of approximately €600.000 has been adjudicated for the payment of the 11th account and its collection is expected.

## 8.6. Commitments from investment programs

- **PORTO CARRAS SITHONIA BEACH CLUB S.A.**

The Ministry of Economy and Finance approved with its 47334/ΥΠΕ/4/00435/Ε/Ν.3299/2004/31.12.2006 decision, the submitted on June 2006, investment plan of PORTO CARRAS SITHONIA BEACH CLUB S.A. for the renovation of SITHONIA hotel from 4* to 5*. The total approved outlay of the project amounts to €23,81m. and the total approved state subsidy amounts at €9,52m., i.e. 40% of the approved outlay for the project. For this project by the end of 2009, the completion and commencement of the productive operation of the investment was certified by the Central Audit Body (C.A.B.) of the Ministry of Economy and Finance. The total final outlay of the project, approved by the competent C.A.B. amounted to €18,64m. and the total approved state subsidy to €7,46m., i.e. 40% of the approved outlay for the project, which was collected. The company has filed a petition for remedy to the competent Minister regarding the final outlay of the investment, which, while it amounted to €25,93m., was reduced unjustifiably by the department per €7,29m., i.e. equal to a reduction of the eligible subsidy per €2,92m.

Moreover with 28620/ΥΠΕ/4/1056/Ε/Ν.3299/2004/30.06.2007 decision of the Ministry of Economy and Finance the submitted on October 2006 investment plan of the company for the establishment of a Thalassotherapy Spa Center and for new usage of the common areas of SITHONIA hotel was approved. The total approved outlay for the project amounts to €5,70m. and the total approved state subsidy to €1,71m., i.e. 30% of the approved outlay for the project. For this project by the end of 2009, the completion and commencement of the productive operation of the investment was certified by the Central Audit Body (C.A.B.) of the Ministry of Economy and Finance and is expected the collection of the proportional part of the eligible subsidy. The total final outlay of the project, approved by the competent C.A.B. amounted to €6,40m. and the total approved state subsidy to €1,92m., i.e. 30% of the approved outlay for the project.

- **PORTO CARRAS MELITON BEACH S.A.**

With decision 43594/ΥΠΕ/4/00091/Ν.3299/2004/30.12.2006 of the Private Investments Department of the Ministry of Economy and Finance the submitted from August 2005 investment plan of PORTO CARRAS MELITON BEACH S.A., for the modernization of MELITON BEACH hotel, located in PORTO CARRAS resort in Sithonia was approved. The total approved outlay for the project amounts to €18,22m. while the eligible subsidy amounts to €6,38m., i.e. 35% of the total approved outlay. This project was completed within 2008, while on January 2009 was audited by the C.A.B. of the Ministry of Economy and Finance, the completion of the project was certified and within March 2009, 50% of the eligible state subsidy was paid. By the end of 2009 the completion of the foregoing project was certified by the C.A.B. of the Ministry of Economy and Finance and the approved outlay of the investment amounted to €21,03m. and the subsidy to €6,53m., which was collected.

- **PORTO CARRAS VILLAGE CLUB S.A.**

The Ministry of Economy and Finance approved with its 51324/ΥΠΕ/4/00476/Ε/Ν.3299/2004/13.12.2006 decision the submitted from July 2006 investment plan of PORTO CARRAS VILLAGE CLUB S.A., for the modernization and upgrading of VILLAGE CLUB hotel from 3* to 5*. The total approved outlay for the project amounts to €4,29m. and the total approved state subsidy amounts to €1,71m., i.e. 40% of the approved outlay for the project. By the end of 2009, 50% of the foregoing projected renovation and upgrading works was completed and is expected the audit and certification of these works by the competent C.A.B. of the Ministry.

Furthermore, on 08/01/2008 a new investment plan for the B' phase of the VILLAGE INN hotel modernization and upgrading was submitted to the Ministry of Economy and Finance. The budget for this investment plan amounts to €6,24m. and the eligible subsidy amounts to €1,84m. i.e. 29,46% of the budget. For this investment plan, its review is expected by the competent authorities of the Ministry of Economy and Finance.

- **DOMAINE PORTO CARRAS S.A.**

The Planning and Agricultural Structuring Department of the Ministry of Rural Development approved with its 98205/05Γ 1725/675/09.02.2007 decision the submitted investment plan of DOMAINE PORTO CARRAS S.A. for the establishment of a Winery in replacement of the existing one in the Porto Carras resort. The total approved outlay for the project amounts to €11,00m. while the eligible state subsidy amounts to €4,38m., i.e. 39,77% of the total approved outlay. By the end of 2009, the completion of the project was certified by the competent authorities of the Ministry of Rural Development and Food and the approved outlay amounted to €9,96m. and the subsidy to €4,01m, which was collected.

The company on 17/11/2009 with protocol No.686 submitted to the Hellenic Centre for Investments an investment plan for the construction of a Congressional Center within its facilities in Porto Carras Chalkidiki, in order to fall under the provisions of the Development Law 3299/2004. The project's budget amounts to €16.151.069 and the requested subsidy amounts approximately to €4.845.320, i.e. 30% of the foregoing budget.

## 8.7. Transactions with associated parties

The cross-company sales / purchases for the period 1/1-30/06/2010 and the respective comparative from 1/1-30/06/2009 are analyzed as follows:

| *Amounts in € '000* | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| **Income from sale of products & services** | 01/01 - 30/6/2010 | 01/01 - 30/6/2009 | 01/01 - 30/6/2010 | 01/01 - 30/6/2009 |
| Subsidiaries | 0 | 0 | 1.151 | 1.755 |
| Affiliated | 1 | 1 | 1 | 1 |
| Joint ventures | 2 | 129 | 0 | 0 |
| Other associated parties | 6 | 31 | 1 | 2 |
| **Total** | **9** | **161** | **1.153** | **1.758** |

| *Amounts in € '000* | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| **Priced income from executed projects** | 01/01 - 30/6/2010 | 01/01 - 30/6/2009 | 01/01 - 30/6/2010 | 01/01 - 30/6/2009 |
| Subsidiaries | 0 | 0 | 0 | 0 |
| Affiliated | 0 | 0 | 0 | 0 |
| Joint ventures | 0 | 0 | 0 | 0 |
| Other associated parties | 1.539 | 2.741 | 0 | 0 |
| **Total** | **1.539** | **2.741** | **0** | **0** |

| *Amounts in € '000* | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| **Purchases and fees from services** | 01/01 - 30/6/2010 | 01/01 - 30/6/2009 | 01/01 - 30/6/2010 | 01/01 - 30/6/2009 |
| Subsidiaries | 0 | 0 | 515 | 0 |
| Affiliated | 0 | 0 | 0 | 0 |
| Joint ventures | 23 | 14 | 0 | 0 |
| Other associated parties | 0 | 0 | 0 | 0 |
| **Total** | **23** | **14** | **515** | **0** |

## 8.8. Receivables / liabilities with associated parties

The analysis of cross-company receivables / liabilities on 30/06/10, as well as on 30/06/09 is as follows:

| *Amounts in€ '000* | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| **Receivables** | 30/6/2010 | 31/12/2009 | 30/6/2010 | 31/12/2009 |
| Subsidiaries | 0 | 0 | 32.474 | 30.120 |
| Affiliated | 33 | 28 | 33 | 28 |
| Joint ventures | 2.792 | 3.036 | 0 | 0 |
| BoD members | 0 | 0 | 0 | 0 |
| Executives | 0 | 0 | 0 | 0 |
| Other associated parties | 4.021 | 4.231 | 21 | 16 |
| **Total** | **6.846** | **7.295** | **32.528** | **30.165** |

| *Amounts in€ '000* | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| **Payable** | 30/6/2010 | 31/12/2009 | 30/6/2010 | 31/12/2009 |
| Subsidiaries | 0 | 0 | 9.536 | 8.856 |
| Affiliated | 0 | 0 | 0 | 0 |
| Joint ventures | 1.283 | 1.082 | 0 | 0 |
| BoD members | 783 | 916 | 147 | 224 |
| Executives | 10 | 17 | 0 | 0 |
| Other associated parties | 191 | 233 | 4 | 4 |
| **Total** | **2.267** | **2.249** | **9.687** | **9.084** |

| *Amounts in € '000* | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| **Receivables from execution of projects** | 30/6/2010 | 31/12/2009 | 30/6/2010 | 31/12/2009 |
| Subsidiaries | 0 | 0 | 1 | 1 |
| Other associated parties | 4.437 | 4.479 | 0 | 0 |
| **Total** | **4.437** | **4.479** | **1** | **1** |

| *Amounts in € '000* | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| **Liabilities from execution of projects** | **30/6/2010** | **31/12/2009** | **30/6/2010** | **31/12/2009** |
| Subsidiaries | 0 | 0 | 1.068 | 1.068 |
| Other associated parties | 0 | 0 | 0 | 0 |
| **Total** | **0** | **0** | **1.068** | **1.068** |

### 8.9. Management benefits

Management benefits on a Group and Company level are analyzed as follows:

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| *Amounts in € '000* | **01/01 - 30/6/2010** | **01/01 - 30/6/2009** | **01/01 - 30/6/2010** | **01/01 - 30/6/2009** |
| Management salaries | 783 | 762 | 78 | 84 |
| **Total** | **783** | **762** | **78** | **84** |

### 8.10. Provisions

Beyond the provisions already mentioned and analyzed in the foregoing paragraphs (par. 7.13, 7.28 and 9.3), the Company does not consider that until 31/12/10 it must form additional provisions for any Balance Sheet account.

### 8.11. Number of employed personnel

The average number of personnel employed in the Group and the Company for both periods is as follows:

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | **30/6/2010** | **31/12/2009** | **30/6/2010** | **31/12/2009** |
| **Number of employees** | **485** | **1.568** | **2** | **4** |

## 9. EVENTS FOLLOWING THE BALANCE SHEET DATE

Beyond the foregoing, there are no events subsequent to the financial statements' date regarding either the Group or the company that are required to be reported pursuant to the International Financial Reporting Standards.

**ALIMOS, AUGUST 27th 2010**

THE PRESIDENT OF BoD

KONSTANTINOS A. STENGOS
ID No. AB 342754

THE MANAGING DIRECTOR

GEORGIOS K. STENGOS
ID No. AZ 592390

THE FINANCIAL DIRECTOR

PANAGIOTIS N. KAZANTZIS
ID No. AZ 020049

THE HEAD OF ACCOUNTING DEPARTMENT

STYLIANI CH. PAPADOPOULOU
ID Card No. S 576787
License No. A' Class 29518

# V. DATA AND INFORMATION ON 01/01/2010 - 30/06/2010

**TECHNICAL OLYMPIC S.A.**

**S.A. Registration Number: 6801/06/B/86/8**

**20 SOLOMOU Str., 174 56, ALIMOS**

**DATA AND INFORMATION FOR THE PERIOD FROM January 1st 2010 till June 30th 2010**

**ACCORDING TO THE DECISION 4/507/28.4.2009 OF THE CAPITAL MARKET COMMISSION BOARD OF DIRECTORS**

The following data and information aim at a general briefing on the financial position and results of "TECHNICAL OLYMPIC S.A.". We suggest, therefore to the reader, before advancing any investing decision or other transaction with the company, to visit th accountant's review report (where necessary) are presented.

**GENERAL INFORMATION FOR THE COMPANY**

| | |
|---|---|
| Company's website: | www.techol.gr |
| Date of approval of semi annual Financial Statements: | August 27th 2010 |
| Certified Auditor: | DELIGIANNIS GEORGIOS (SOEL REG. No. 15791) |
| Auditing Company: | GRANT THORNTON (SOEL REG. No. 127) |
| Auditors certificate: | Unqualified opinion |

**1.1. STATEMENT OF FINANCIAL POSITION**

*(Amounts in thousand €)*

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 30/6/2010 | 31/12/2009 | 30/6/2010 | 31/12/2009 |
| **ASSETS** | | | | |
| Ownused tangible assets | 482.497 | 488.735 | 4.835 | 4.651 |
| Intangible assets | 14.024 | 14.073 | 6 | 30 |
| Investments in properties | 18.166 | 18.166 | 3.918 | 3.918 |
| Other non current assets | 654 | 667 | 391.983 | 394.323 |
| **Total of non current assets** | **515.341** | **521.641** | **400.742** | **402.922** |
| Inventories | 7.601 | 6.393 | 0 | 0 |
| Receivables from clients | 22.691 | 25.623 | 4.982 | 3.502 |
| Other current assets | 73.345 | 80.409 | 878 | 397 |
| Cash and cash equivalents | 10.111 | 15.690 | 6.032 | 7.146 |
| **Total of current assets** | **113.748** | **128.115** | **11.892** | **11.045** |
| **TOTAL ASSETS** | **629.089** | **649.756** | **412.634** | **413.967** |
| **EQUITY & LIABILITES** | | | | |
| Share capital | 165.625 | 165.625 | 165.625 | 165.625 |
| Other Shareholders equity | 193.467 | 197.609 | 188.149 | 190.005 |
| **Total of Shareholders Equity (a)** | **359.092** | **363.234** | **353.774** | **355.630** |
| Minority Rights (b) | 85.330 | 86.254 | - | - |
| **Total Equity (c)=(a) + (b)** | **444.422** | **449.488** | **353.774** | **355.630** |
| Long-term loan liabilities | 6.943 | 7.608 | 0 | 0 |
| Projections & Other long-term liabilities | 114.287 | 116.506 | 45.088 | 45.139 |
| **Total of long-term liabilities** | **121.230** | **124.114** | **45.088** | **45.139** |
| Short-term loan liabilities | 15.791 | 28.719 | 1.645 | 2.264 |
| Liabities towards suppliers | 24.191 | 23.795 | 4.920 | 4.022 |
| Current Tax Liabilities | 156 | 301 | 0 | 0 |
| Other short-term liabilities | 23.299 | 23.339 | 7.207 | 6.912 |
| **Total of current liabilities** | **63.437** | **76.154** | **13.772** | **13.198** |
| **Total of liabilities (d)** | **184.667** | **200.268** | **58.860** | **58.337** |
| **TOTAL OF EQUITY AND LIABILITIES (c) + (d)** | **629.089** | **649.756** | **412.634** | **413.967** |

**1.3 STATEMENT OF CHANGES IN EQUITY (Consolidated & Non Consolidated)**

*(Amounts in thousand €)*

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 30/6/2010 | 30/6/2009 | 30/6/2010 | 30/6/2009 |
| **Total of Equity at the beginning of the period ((01/01/2010 and 01/01/2009)** | 449.488 | 454.763 | 355.630 | 356.217 |
| Profits / (losses) after taxes | (4.924) | (5.865) | 893 | 1.467 |
| Revaluation of financial assets available for sale | 0 | 0 | (2.820) | 2.968 |
| Deferred taxation of financial assets reserve available for sale | 0 | 0 | 68 | (97) |
| Foreign Exchange differences | (142) | (165) | 2 | (1) |
| **Total of Equity at the end of the period (30/06/2010 and 30/06/2009)** | **444.422** | **448.733** | **353.774** | **360.555** |

**ADDITIONAL DATA & INFORMATION**

1. The Group's companies with their respective business addresses, the Group's participation percentage to their Share Capital, as well as the consolidation method in the Consolidated Financial Statements for the period 1/1-30/06/2010 are analyzed in note 5.3 of the Semi-Annual Financial Statement.
2. The unaudited fiscal years of the Group's companies are referred to in note 8.3 of the Semi-Annual Financial Statement.
3. The basic accounting principles applied herein are in accordance with the International Financial Reporting Standards (I.F.R.S.), as applied during 2009, adjusted with the revisions required by the I.F.R.S. There are no changes in the accounting methods and valuations compared with the previous fiscal year. No mistake has been corrected or budgets been redistributed.
4. There are no liens or any other commitments on the fixed assets of the company and the group's companies, except for the transfer of the subsidiary's SAMOS MARINES S.A. shares, owned by subsidiary DILOS MARINES S.A.
5. The Group's contingent liabilities and receivables from judicial claims are described in details in note 8.4 and 8.5 of the Semi Annual Financial Statement.
6. The transactions within the period 1/1/-30/06/2010 and the balances on 30/06/2010, as defined under IAS 24, are analyzed in the following table and in details in notes 8.7 & 8.8 of the Semi - Annual Financial Statement.

| Amounts in thousand euros | The Group | The Company |
|---|---|---|
| - Income | 1.548 | 1.153 |
| - Expenses | 23 | 515 |
| - Receivables | 6.846 | 32.528 |
| - Liabilities | 1.474 | 9.540 |
| - Transactions of directors and BoD members | 0 | 0 |
| - Receivables from directors and BoD members | 0 | 0 |
| - Liabilities towards directors and BoD members | 793 | 147 |

The number of employees at the end of the current period for the Group was 485, while for the respective period of 2009 was 1.568. The number of employees at the end of the current period for the Company was 2, while for the respective period of 2009 was 4.
At the end of the current period, there are no shares of the parent company owned by the latter or by subsidiaries or affiliated companies.
There are no litigious or under arbitration differences of judicial or arbitrary bodies that might have a significant effect on the financial position or operation of the Group. The Group has projected for contingent liabilities the amount of €838thousands, out of which the amount of €778thousand refers to the company.
10. No event has occurred that might consist a termination of a sector's operation or a company's termination, according to IFRS.

**1.2. INCOME STATEMENTS (Consolidated & Non Consolidated)**

*(Amounts in thousand €)*

| THE GROUP | 1/1-30/06/2010 | 1/4-30/6/2010 | 1/1-30/06/2009 | 1/4-30/6/2009 |
|---|---|---|---|---|
| Sales from construction contracts | 16.488 | 10.511 | 35.257 | 18.775 |
| Sales of products | 1.020 | 521 | 1.268 | 731 |
| Sales of services | 6.148 | 5.097 | 11.202 | 7.949 |
| **Gross profits / (losses)** | 175 | 678 | 3.595 | 2.483 |
| **Profits / (losses) before taxes, financing, investing results (EBIT)** | (3.000) | (571) | (1.658) | (400) |
| **Profits / (losses) before taxes** | (3.659) | (705) | (3.408) | (1.807) |
| Minus Taxes | (1.265) | (1.042) | (2.457) | (716) |
| **Net consolidated results before taxes (A)** | **(4.924)** | **(1.747)** | **(5.865)** | **(2.523)** |
| Distributed to : | | | | |
| Holdings' shareholders | (4.075) | (1.707) | (5.374) | (2.388) |
| Minority interest | (849) | (40) | (491) | (135) |
| **Other Comprehensive Income / (Expenses) after taxes** | | | | |
| Foreign exchange differences from the transformation of the financial statements of corporate activities abroad | (142) | (153) | (165) | 22 |
| **Other Total Income after taxes (B)** | **(142)** | **(153)** | **(165)** | **22** |
| **Cumulative comprehensive income after taxes (A)+(B)** | **(5.066)** | **(1.900)** | **(6.030)** | **(2.501)** |
| Holdings' shareholders | (4.142) | (1.780) | (5.454) | (2.379) |
| Minority interest | (924) | (120) | (576) | (122) |
| Basic profits / (losses) after taxes per issued share (in € / share) | (0,0246) | (0,0103) | (0,0325) | (0,0145) |
| **Earnings / (losses) before interest, taxes and depreciation (EBITDA)** | **3.287** | **2.343** | **5.094** | **2.790** |

| THE COMPANY | 1/1-30/06/2010 | 1/4-30/6/2010 | 1/1-30/06/2009 | 1/4-30/6/2009 |
|---|---|---|---|---|
| Sales from construction contracts | 0 | 0 | 0 | 0 |
| Services | 948 | 623 | 934 | 467 |
| **Gross profits / (losses)** | 660 | 597 | 599 | 304 |
| **Profits / (losses) before taxes, financing, investing results (EBIT)** | (136) | (138) | 477 | 273 |
| **Profits / (losses) before taxes** | 912 | 260 | 1.469 | 678 |
| Minus Taxes | (19) | (15) | (2) | (4) |
| **Net profits / (losses) after taxes (A)** | **893** | **245** | **1.467** | **674** |
| **Other comprehensive income after taxes** | | | | |
| Foreign exchange differences from the transformation of the financial statements of corporate activities abroad | 2 | 1 | (1) | (3) |
| Revaluation of financial assets available for sale | (2.820) | (1.554) | 2.968 | 4.030 |
| Deferred taxation of financial assets reserve available for sale | 68 | 28 | (97) | (98) |
| **Other comprehensive income after taxes (B)** | **(2.750)** | **(1.525)** | **2.870** | **3.929** |
| **Cumulative comprehensive results after taxes (A + B)** | **(1.857)** | **(1.280)** | **4.337** | **4.603** |
| Basic profits / (losses) after taxes per issued share (in € / share) | 0,0054 | 0,0015 | 0,0089 | 0,0041 |
| **Earnings / (losses) before interest, taxes and depreciation (EBITDA)** | **(70)** | **(103)** | **565** | **313** |

**1.4. CASH FLOW STATEMENT (Consolidated & Non Consolidated) - Indirect Method**

*(Amounts in thousand €)*

| | THE GROUP | | THE COMPANY | |
|---|---|---|---|---|
| | 1/1-30/06/2010 | 1/1-30/06/2009 | 1/1-30/06/2010 | 1/1-30/06/2009 |
| **Operating activities** | | | | |
| Earnings / (losses) before taxes | (3.659) | (3.408) | 912 | 1.469 |
| ***Plus / minus adjustments for:*** | | | | |
| Depreciations | 7.515 | 7.858 | 66 | 88 |
| Projections - Impairments | 0 | 22 | 0 | 0 |
| (Earnings) / losses from foreign exchange differences | (350) | (371) | (378) | (220) |
| (Earnings) / losses from sale of tangible assets | (14) | 6 | 0 | 0 |
| Projection for personnel compensation | 58 | 73 | 3 | 2 |
| Results (income, expenses, earnings and losses) from investment activity | (1.228) | (1.106) | 0 | 0 |
| Interest expenses and related expenses | 1.682 | 2.108 | 43 | 163 |
| Dividents | (750) | (159) | (729) | (949) |
| Decrease / (increase) of inventory | (1.209) | (374) | 0 | 0 |
| Decrease / (increase) of receivables | 675 | (27.435) | (1.961) | (3.758) |
| (Decrease) / increase of liabilities (except banks) | 8.223 | 27.378 | 1.257 | 10.043 |
| Taxes paid | 64 | (1.406) | 0 | 0 |
| Foreign exchange differences | (159) | (15) | 2 | (1) |
| **Total of inflows / outflows from operating activities (a)** | **10.848** | **3.171** | **(785)** | **6.837** |
| **Investment activities** | | | | |
| Purchase of tangible and intangible assets | (2.876) | (2.412) | (246) | (5) |
| Proceeds from sales of tangible and intangible assets | 33 | 374 | 0 | 0 |
| Proceeds from loans granted | 0 | 0 | 0 | 2.600 |
| Inflows from government funds | 282 | 5.928 | 0 | 0 |
| Tax return from Sale of subsidiaries shares abroad | 0 | 7.281 | 0 | 7.281 |
| **Total of inflows / outflows from investment activities (b)** | **(2.561)** | **11.171** | **(246)** | **9.876** |
| **Financing activities** | | | | |
| Proceeds from issued / granted loans | 12.968 | 41.916 | 0 | 0 |
| Loan repayment | (25.888) | (43.012) | (590) | (217) |
| Capital payments of financial leasing | (667) | (353) | 0 | 0 |
| Net interest payments / proceeds | (609) | (1.418) | 177 | 32 |
| Dividents paid to shareholders of the parent company | (48) | 0 | (48) | 0 |
| **Total of inflows / (outflows) from financing activities (c)** | **(14.244)** | **(2.867)** | **(461)** | **(185)** |
| Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c) | (5.957) | 11.475 | (1.492) | 16.528 |
| **Cash and cash equivalents at the beginning of the period** | 15.690 | 13.011 | 7.146 | 565 |
| Foreign exchange differences in cash at the end of the period | 378 | (109) | 378 | (109) |
| **Cash and cash equivalents at the end of the period** | **10.111** | **24.377** | **6.032** | **16.984** |

**ALIMOS, AUGUST 27th 2010**

| THE PRESIDENT OF BoD | THE MANAGING DIRECTOR |
|---|---|
| KONSTANTINOS A. STENGOS | GEORGIOS K. STENGOS |
| ID No. AB 342754 | ID No. AZ 592390 |
| THE FINANCIAL DIRECTOR | THE CHIEF ACCOUNTANT |
| | STYLIANI CH. PAPADOPOULOU |
| PANAGIOTIS N. KAZANTZIS | LICENSE A' No. 29518 |
| ID No. AZ 020049 | ID No. S 576787 |