**J&P – AVAX S.A.**

**Annual Financial Report for the period**

**From January 1st, 2009 to December 31st, 2009**

**J&P – AVAX S.A.**

Company Registry # 14303/06/B/86/26

16 Amarousiou-Halandriou Street,

151 25, Marousi, Greece

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## WEBSITE WHERE THE COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS ARE AVAILABLE

We hereby certify that this annual financial report was approved by the Board of Directors of «J&P-AVAX S.A.» on 29 March 2010 and published by means of submission to the Athens Stock Exchange and the Hellenic Capital Markets Commission, as well as their upload to the corporate website (www.jp-avax.gr). It is noted that the financial statements published in the Press aim το provide their readers with a financial overview but do not fully illustrate the financial circumstances of the Company and the Group, in accordance with the International Accounting Standards. It is also noted that some items in the financial statements published in the Press have been aggregated and reclassified to facilitate their ease of use.

**STATEMENTS OF MEMBERS OF THE BOARD OF DIRECTORS**
**(in accordance with article 4, paragraph 2c of Law 3556/2007)**

In our capacity as executive members of the Board of Directors of J&P-AVAX SA (the «Company»), and according to the best of our knowledge, we,

1. Kouvaras Constantinos, Deputy President and Executive Director
2. Mitzalis Constantinos, Managing Director,
3. Demetriou George, Executive Director

declare the following:

- the financial statements for the period from 01.01.2009 to 31.12.2009, prepared under the International Financial Reporting Standards currently in effect, give a true view of the assets, liabilities, equity and financial results of the Company, as well as the businesses included in the consolidation of the Group,
- the Annual Report of the Board of Directors of the Company gives a true view of the evolution, the performance and the stance of the Company, as well as the businesses included in the consolidation of the Group, including an overview of the main risks and uncertainties they face.

Marousi, March 29, 2010

| DEPUTY PRESIDENT<br>CHAIRMAN &<br>EXECUTIVE DIRECTOR | MANAGING DIRECTOR | EXECUTIVE DIRECTOR |
|---|---|---|
| KOUVARAS<br>CONSTANTINOS<br>ID: AE 024787 | MITZALIS<br>CONSTANTINOS<br>ID: Ξ 547337 | DEMETRIOU GEORGE<br><br>DAA 336346 |

**ANNUAL REPORT OF THE BOARD OF DIRECTORS**
**FOR THE PERIOD FROM 01.01.2009 TO 31.12.2009**
**(in accordance with article 4 of Law 3556/2007, as well as articles 1 & 2 of Decision #7/448/11.10.2007 of Greece's Capital Markets Commission)**

Dear Shareholders,
J&P-AVAX S.A. (the «Company») remained on its uptrend in 2009 despite the adverse international macroeconomic environment and the deterioration of business conditions, both in Greece and in other markets which the J&P-AVAX Group is active in.

Management was focused in its strategy of creation of long-term value through concession projects and targeting activities and markets in which it has expertise. For yet another year, the Company avoided in 2009 any business moves with an uncertain outcome or of short-term nature, such as the aggressive bidding for projects with doubtful profitability and high geographic & political risk, and this was reflected on its financial results.

Efforts continued to be made to dampen the impact of the international financial crisis, with developments in international markets and in particular in Greece suggesting that the road to a strong recovery of the broader economic activity will be long.

The Group work in hand is maintained at satisfactory levels, having added several new contracts for BOT, private and public projects in Greece and international markets alike, while at the same time continuing to pursue further projects matching the Group's strategy.

Management will propose to shareholders at the Annual General Meeting to be held on 30.06.2010 the distribution of a €0.04 dividend per share for fiscal 2009.

## Group Financial Results for 2009

Consolidated turnover eased 4.6% to €945.7 million in 2009 versus €991.1 million in 2008, while pre-tax earnings increased 23.4% to €34.9 million from €28.3 million a year earlier. Several concession-based projects of J&P-AVAX and its subsidiary ATHENA SA have entered their main construction phase, though progress is made at a lower-than-projected pace. At the same time, works towards Egnatia Toll Road are nearly complete, and a large drop is registered in the Group's private projects business.

The gross profit margin on a consolidated level widened from to 5.9% in 2008 to 7.9% in 2009, mainly due to the start of new concession-based projects, energy projects and marine works in international markets, which exhibit superior returns. These effects are mirrored in profitability. Net

earnings after tax rose 9.6% to €27.1 million in 2009 relative to year-earlier €24.7 m, including a €0.6 million exceptional tax charge imposed by the government. Net profit after tax and minorities improved 28.8% to €27.1 million in 2009 from €21.0 million in 2008.
EBIT margin for the Group remained satisfactory amidst the negative business environment, growing to 6.5% in 2009 from 5.5% in 2008. Profit margins for the construction segment in 2009 were superior to those of 2008, with EBIT margin (Earnings Before Interest & Tax) reaching 5.1% in 2009 versus 2.8% a year earlier.

Net financial expenses reached €26.5 million in 2009, registering a marginal decline versus the previous year, despite the increase in borrowing relative to 2008. It should be noted that according to a sensitivity analysis of the Group's debt to likely changes in interest rates as of the end of 2009, the effect of a ±100 basis point variation in interest rates amounts to ±€3.7 million in Group profitability (see Note 26b).

Net debt at the end of 2009 amounted to €370.4 million versus €369.6 m a year earlier.

Debt remains high due to continuing investments in concession projects (around €14 million in 2009) and specialised technical equipment, primarily boosting the Group's capacity in marine works. The Group's total debt is expected to start easing from 2012 onwards as dividends will start to flow in from concession participations, most notably the Athens Ring Road.

Short-term debt for the Group at the end of 2009 amounted to €299 million, a level compatible with the volume of projects in progress and the financing of the acquisition of expensive equipment.

Following the restructuring of Group debt with the issue of a 7-year straight bond in 2007, long-term debt amounted to €210.7 million at the end of 2009 and is used to finance investments, fixed assets and participations in subsidiaries with a long-term horizon. The total value of the Group's participations amounted to €202.8 million at end-2009. The Company is currently in the process of issuing a new straight bond which will be used to re-finance the afore-mentioned 7-yr bond and finance signed as well as new concessions in the next few years.

Group shareholders' funds amounted to €274.7 million at the end of 2009 versus €255.0 million a year earlier, while short-term liabilities increased €105.7 million during 2009 with current assets also growing €45.9 million over the same period. Long-term liabilities fell €36.2 million in 2009.

Construction contracts amounted to €248.0 million at the end of 2009 registering an increase versus €230.8 million a year earlier, but had eased considerably from mid-2009 levels of €268.3 million due to billing on specific public works, both completed and in progress.

The broader economic circumstances have led to an increase in billed receivables due to postponement of payments by clients (mostly regarding public and concession projects), the relevant Balance Sheet entry amounting to €476.2 million at the end of 2009 versus €434.2 million a year earlier.
Inventories fell to €30.5 million at end-2009 from €35.6 million in the previous year, having registered a sharp decrease mainly towards the end of the 2009 as the execution of projects accelerates and consumption of raw materials is on the rise.

Other Long-Term Liabilities at consolidated level fell to €35.5 million at the end of 2009 relative to €72.6 million on 31.12.2008, mostly due to reclassification of advances from clients and other liabilities to short-term liabilities, because they are payable within a 12-month period from balance sheet date.

The Group's financial results for 2009 are broken down by business segment as follows:

| *amounts in euro* | **Construction** | **Concessions** | **Real Estate & Other Activities** | **Total** |
|---|---|---|---|---|
| Total Turnover by Division | 924,903,466 | 0 | 36,812,725 | 961,716,191 |
| Intra-Group | -14,756,317 | 0 | -1,300,813 | -16,057,130 |
| **Net Sales** | **910,147,149** | **0** | **35,511,912** | **945,659,061** |
| **Gross Profit** | **70,318,938** | **0** | **4,669,256** | **74,988,194** |
| Other Net Income (Expenses) | 852,851 | 0 | -2,570,646 | -1,717,795 |
| Administrative & Selling Expenses | -23,195,169 | -10,993,958 | -7,425,954 | -41,615,081 |
| Income from Associates | -1,176,131 | 30,988,622 | -67,880 | 29,744,611 |
| **Operating Results (EBIT)** | **46,800,489** | **19,994,664** | **-5,395,224** | **61,399,929** |
| Financial Results | | | | -26,516,042 |
| **Pre-Tax Profit** | | | | **34,883,887** |
| Tax | | | | -7,760,107 |
| **Net Profit** | | | | **27,123,780** |
| Depreciation | 23,250,377 | 384,925 | 1,094,266 | 24,729,568 |

## Important Events during 2009

*New Project Contracts*

During 2009 the Group added several new projects, the most important of which are the following:

- participation with a 48% stake in the €118 million contract for the operation and maintenance of the Athens metropolitan area's waste management plant at Psytalia Island, through subsidiary ATHENA SA
- two large roadworks worth €172.7 million and € 156.5 million in Poland
- another section of the A1 motorway in southern Poland, worth €207.2 million
- a second power plant on an EPC basis at Vasilikon, Cyprus, worth over €225 million

*Dissolution of Project Contract in Poland*

J&P-AVAX SA participated with a 48.52% stake in the joint venture which signed a contract worth a total of €142.9 million in April 2009 for the construction of a football stadium in Wroclaw in Poland. During the construction, the consortium came into disagreements with the project owner; negotiations resulted in a friendly settlement in which the two parties jointly decided to dissolve the contract, the main terms of which are as follows:

- the consortium Leader, Mostostal, agreed to pay the project owner the total of indemnities included in the contract
- J&P-AVAX SA does not carry any responsibility for the indemnities and does not participate in their payment

The dissolution of the contract resulted in an accounting loss amounting to €1.5 million for J&P-AVAX SA which has been recorded in Q4 2009 results. The friendly settlement paved the way for the immediate payment of all works delivered so far and the return of performance bonds to the consortium and J&P-AVAX SA.

*Amendment of Uses of Funds from Capital Increase*

During 2009, the investment plan financed by proceeds of the reserved rights issue completed in September 2007 was amended, following a Board of Directors proposal which received shareholder approval at the Company's Annual General Meeting held on 24.06.2009. The amendment in the initial allocation of funds was deemed necessary due to delays in the financial closure and project maturity of concession deals included in the investment plan. The re-allocation of funds was designed to give priority to concession projects closer to construction phase and finance additional concessions.

## Main Risks & Uncertainties for 2010

The deterioration of the international financial environment since 2008 has led to reservations regarding business expectations, both in Greece and abroad, while the recent fiscal crisis in Greece paints a very gloomy background for Public works and investments.

The Group must operate within a business environment which is characterised by uncertainty at various levels, and management needs to set its strategy with realism and prudence.

The most important risks and uncertainties for the Group in the coming period are the following:

- Input Prices: Several materials used by the Group are internationally-priced commodities, including cement, metal rebars and fuel, which exhibit wide price fluctuations in recent years.
    - The Group is purchasing centrally supplies for all its subsidiaries to secure economies of scale. In several cases it pre-orders large quantities of supplies to lock in their purchase price and escape future price shifts. The easing in commodity prices since mid-2008 due to the economic crisis is supporting profit margins, but there is no certainty commodity prices will remain at current levels in coming quarters.

- Financial Risk: The Group is financing its operations with working capital and requires performance bonds be issued by banking institutions to participate in public project tenders and guarantee their proper execution. Interest rates on outstanding debt depend on international financial conditions, while the cost of issuing performance bonds is also affected by prevalent liquidity conditions in the economy. The intervention of the European Central Bank has maintained liquidity in the banking system, resulting in a fall in basic lending rates, however there has been a sharp increase in the broader financial risk premium which is reflected on far wider interest rate spreads.
    - The Group maintains a positive business relationship with the Greek and international banking system, thereby securing the best possible terms. Despite receiving several offers from banks to enter contracts for derivate products, it has so far refrained from interest rate hedging. Total interest rates charged on the Group are ranging at pre-crisis levels.

- Exchange Risks: The Group executes large projects in international markets, but only a small part of those transactions are denominated in currencies other than euro.
    - In most cases of operations outside the eurozone, the group makes sure its receivables in foreign currency are matched with payables in the same currency, effectively hedging the largest part of its exchange risk. At the same time, partial hedging in currencies other than the euro is taking place.

- Liquidity Risk: Even during economic booms there are cases of clients not meeting the terms agreed upon in project contracts.
    - To protect its cash flow management from liquidity risks, the Group maintains ample credit lines and cash. At mid-2009 the Group's net debt is considerably lower than its credit limits. As regards the accounting treatment of doubtful receipts, the

Group follows a policy of provisioning for receivables from private projects which has tax ramifications. The provisions booked in the accounts are considerable adequate for receivables from the private sector, given that the risk of default in payments by the Greek State on public projects is negligible, despite continuing delays in actual payments.

Management cannot remove the afore-mentioned risks and uncertainties, but spares no effort in minimising the risk associated with business decisions. To that direction, and in addition to the measures outlined above, the Company:

- purchases additional insurance in international projects, over and above the Group's policy of extensive insurance in all projects in progress
- has strong partners in Greece and abroad to mitigate business risks and maximise expected returns
- probes new markets through small projects only, to minimise the negative impact of any miscalculation and adverse business conditions.
- does not make transactions in derivative products and other financial instruments which are not linked to its core business, nor does it attempt to speculate on the course of capital markets.

## Projections & Prospects for 2010

The international financial crisis of the last two years, coupled with Greece's dire fiscal stance in recent months, create a negative business environment and raise the uncertainty for several private and public projects, in Greece and abroad alike. Management remains optimistic for the course of the Group's business in 2010, given the competitive advantage of being positioned in several international markets and participating in the construction of various concessions in Greece.

The Group is mostly relying on the construction of concession-based projects and international markets, as the current government unfortunately does not give priority to public investments at this juncture and Greece's market for private projects is rather small –in fact, it has come to a halt nowadays.

Financial expenses for Group debt are expected to remain high in 2010 through to 2012, due to increased needs for working capital for new projects as well as for equity participations for concession projects. Debt will start to ease from 2012 onwards when cash dividends from the Group's concessions will start to flow in.

At EBIT level, construction profit margins in 2010 are expected to be squeezed as far a s private and public works are concerned, but remain at comfortable levels in works towards concessions.

### Important Transactions Between the Company and Related Parties

The most important transactions of the Company over the 01.01.2009-31.12.2009 period with related parties as per IAS 24, pertain to transactions with subsidiaries (as defined in article 42 of Law 2190/1920), as follows:

*(amounts in € '000)*

| GROUP | Income | Expenses | Receivables | Payables |
|---|---|---|---|---|
| PYRAMIS SA | 1 | 2.521 | 1 | 1.224 |
| ELIX SA | | | 39 | |
| ATTIKES DIADROMES SA | | | 79 | |
| OLYMPIA ODOS OPERATION SA | | | 179 | |
| GEFYRA OPERATION SA | 26 | | 24 | |
| AEGEAN MOTORWAY SA | 108 | | 272 | |
| GEFYRA SA | | | 146 | |
| POLISPARK SA | | | 5 | |
| CYCLADES ENERGY CENTRE | | | 4 | |
| AGIOS NIKOLAOS CAR PARK | | | 14 | |
| 5N SA | | | 4 | |
| DRAGADOS - J&P-AVAX S.A. JOINT VENTURE | | | 204 | |
| NATIONAL WHEEL-J&P-AVAX J/V – DUBAI | | | 4.044 | 1.417 |
| J&P-AVAX QATAR WLL | | | 8 | |
| J&P (O) LTD -GUERNSEY | | | | 47 |
| J&P (UK) LTD LONDON | | | | 20 |
| JOANNOU & PARASKEVAIDES ENERGY | | | 2 | |
| VAKON | | | 313 | |
| ATHENA MICHANIKI LTD | 3 | | 327 | |
| ATHENA EMIRATES LLC | | | 737 | |
| BIOENERGY SA | 34 | | 169 | |
| OLYMPIA ODOS SA | 0 | | 0 | |
| ZEA MARINA | | | 45 | |
| Management members and Board Directors | | 3.406 | 31 | 585 |
| | **171** | **5.928** | **6.646** | **3.293** |

| COMPANY | Income | Expenses | Receivables | Payables |
|---|---|---|---|---|
| ETETH SA | 2.415 | 669 | 8.212 | |
| J&P TASK (3T) SA | 36 | 3.817 | 22 | 892 |
| J&P-AVAX IKTEO SA | | | 2.277 | |
| PROET SA | 1 | 285 | | 113 |
| J&P DEVELOPMENT SA | | 44 | | 211 |
| ANEMA SA | 30 | | 18 | |
| ATHENA SA | | | | 552 |
| E-CONSTRUCTION SA | | 200 | 197 | 143 |
| ILIOFANEIA SA | | | 67 | |
| PYRAMIS SA | | 1.922 | | 1.086 |
| Faliro Marina | 52 | | 26 | |
| ELIX SA | | | 39 | |
| AGIOS NIKOLAOS CAR PARK | | | 14 | |
| ATTIKES DIADROMES SA | | | 79 | |

| | | | | |
|---|---|---|---|---|
| OLYMPIA ODOS OPERATION SA | | | 179 | |
| GEFYRA OPERATION SA | | | 16 | |
| AEGEAN MOTORWAY SA | | | 213 | |
| GEFYRA SA | | | 146 | |
| POLISPARK SA | | | 5 | |
| DRAGADOS - J&P-AVAX S.A. JOINT VENTURE | | | 204 | |
| NATIONAL WHEEL-J&P-AVAX J/V - DUBAI | | | 4.044 | 1.417 |
| J&P(O) -J&P-AVAX J/V - QATAR | | | 988 | 277 |
| J&P-AVAX QATAR WLL | | | 8 | |
| JOANNOU & PARASKEVAIDES ENERGY | | | 2 | |
| J&P-AVAX POLSKA | | 1.329 | | |
| J&P (UK) LTD LONDON | | | | 20 |
| J&P (O) LTD – Guernsey | | | | 47 |
| CONSORTIA | 1.465 | | 34.193 | 1.777 |
| Management members and Board Directors | | 1.289 | | |
| | **3.999** | **9.554** | **50.946** | **6.536** |

## Important Developments past the Balance Sheet Date (31.12.2009)

- J&P-AVAX SA announced the official commencement of the strategic co-operation with SORGENIA Spa in the Greek energy sector, through VOLTERRA SA (formerly ARGESTIS SA) which is owned 50:50 by the two partners. VOLTERRA SA will aim at developing an electricity production, particularly from renewable sources, trading and retail supply business in Greece, gradually targeting to become a core market participant by capitalizing on the know-how of the two partners in construction of power plants, production, trading and marketing of electricity. Sorgenia, controlled by CIR Group and Austria's Verbund, is the first private operator in Italy in the domestic electricity and natural gas market.
- J&P-AVAX SA signed the contract worth a total of €360 million for the start of construction, development and operation of Limassol Marina, in which J&P-AVAX SA its subsidiary ATHENA SA participate with an aggregate 31% stake, while also controlling an aggregate 55% share in the construction joint venture which is already set up.

**Detailed Report of the Board of Directors**
**in accordance with article 11a [paragraph 1] of Law 3371/2005 and article 4 [paragraph 8] of Law 3556/2007**

## Company share capital structure

The Company's share capital amounts to € 45,039,813 and is split into 77,654,850 common registered shares of a par value of € 0.58 each. The Company's shares are common registered with voting rights, listed on the Athens Stock Exchange's Large Capitalisation market in paperless format.

## Restrictions on the transfer of the Company's shares

The transfer of the Company's shares is governed by Greek Law and the Company Charter does not place any restrictions.

## Significant direct or indirect participations according to articles 9-11 of Law 3556/2007

According to the Company share register on 29.03.2010, the following shareholders control in excess of 5% of the Company share capital:

| Shareholder Name | Participation |
|---|---|
| Joannou & Paraskevaides (Investments) Ltd | 44.18% |
| Constantine Mitzalis | 13.37% |
| Constantine Kouvaras | 5.41% |

## Holders of any type of a share granting special rights of control

No shares of the Company provide special rights of control

## Restrictions on voting rights

The Company Charter does not provide for any restrictions on voting rights

## Agreements between Company shareholders

The Company is not aware of any agreements between its shareholders which might result in restrictions on the transfer of its shares or the exercise of voting rights

## Rules of appointment and replacement of Board members and amendment of Charter

The rules provided for by the Company Charter regarding the appointment and replacement of its Board members as well as the amendment of its Articles do not differ from the provisions of codified law 2190/1920 and its amendments

**Authority of the Board of Directors or specific Board members to issue new shares or purchase own shares**

According to the provisions of Article 16 of codified law 2190/1920 and its amendments, the Boards of companies listed on the Athens Stock Exchange may only be authorised to increase company capital through the issue of new shares and to acquire up to 10% of their total number of shares through the Athens Stock Exchange for a specific time period following a decision of the General Meeting of their shareholders. The Company Charter does not make any provisions for this matter that differ from pertinent legislation.

**Important agreements entered by the Company, which will come into effect, be amended or expire upon any changes in the Company's control following a public offer and the results of this agreement**

There is no such agreement outstanding

**Agreements that the Company has entered with its Board members or its personnel, providing for compensation in case of resignation or release from duties without substantiated reason or in case of termination of their term or employment due to a public offer**

There are no such agreements outstanding

On behalf of the Board of Directors

J&P-AVAX SA

**INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT'S REPORT**

**To the Shareholders of "J&P AVAX S.A."**

**Report of the Separate and Consolidated Financial Statements**

We have audited the accompanying separate and consolidated financial statements of "**J&P AVAX S.A.**" (the "Company")and the subsidiaries (the "Group") which are constituted by the separate and the consolidated statements of financial position of 31 December 2009, the separate and consolidated statements of comprehensive income, statement of changes in equity and cash flows for the year ended, and a summary of significant accountant policies and other explanatory notes.

**Management's responsibility for the Separate and Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these separate and consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), as these have been adopted by the European Union, as well as for those internal controls which Management considers necessary for the preparation of separate and consolidated financial statements free from material misstatement, whether due to fraud or error.

**Auditor's responsibility**

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

The audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate and consolidated financial statements. The procedures' selection depends on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls to design audit procedures that concern the preparation and true and fair view of the separate and consolidated financial statements of the company aiming at the design of the necessary audit procedures appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's control. The audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial status of the Company and its subsidiaries on the 31st of December 2009 and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) that have been adopted by the European Union.

**Report on other legal and regulatory requirements**

We have verified the content and the consistency of The Board of Directors' Report with the accompanying separate and consolidated financial statements according to the provisions of the articles 43a and 107 and 37 of the C.L.2190/1920.

*BDO Certified & Registered Auditors A.E.*
81 Patission Street & 8 Heyden Street Athens GR-10434
S.O.E.L. R.N. 111

Athens, 30 March 2010
The Public Certified Accountant

Venetia Triantopoulou Anastasopoulou
S.O.E.L. R.N. 12391
***BDO Certified & Registered Auditors A.E.***
81 Patission str. & 8 Heyden str. Athens Greece 104-34
S.O.E.L. R.N. 111

The Company's share capital increase, paid in cash and restricted to a specific group of legal entities and private investors, all former major shareholders and senior managers of ATHENA SA which was acquired, carried out following approval by the Extraordinary Shareholders' Meeting held on 23.08.2007 and decision # K2-15019/18.10.2007 by Greece's Development Ministry, amounted to €33.856.860. The capital increase resulted in the issue of 4,454,850 common registered shares with a par value of €0.58 each at a price of €7.60 each, which were listed on the Athens Stock Exchange on 02.11.2007. The Company's Board of Directors certified on 21.09.2007 the funds were paid in by those eligible for the capital increase.

In June 2009 a proposal by the Company's Board of Directors got shareholder approval at the 24.06.2009 Annual General Meeting for the amendment of the investment plan financed by proceeds of the capital increase due to delays in the financial closure and project maturity of concession deals included in the investment plan. Those delays are primarily linked to the slower pace of governments and banks in closing major financial deals amidst the international crisis in the last two years. The reallocation of funds was aimed at giving priority to concession projects closer to construction phase and financing additional concessions.

Following the amendment of the investment plan decided in June 2009, the funds raised through the capital increase were allocated until 31.12.2009 as follows:

**TIME SCHEDULE OF USE OF FUNDS FROM CAPITAL INCREASE**
***(FOLLOWING THE AMENDMENT OF THE ALLOCATION OF FUNDS, DECIDED IN JUNE 2009)***

| *amounts in €* | **Capital Raised** | **Funds Used** | | | | | **Total Funds Used till 31.12.2009** | **Balance of Funds for Use** |
|---|---|---|---|---|---|---|---|---|
| | | *Jul-Dec 2007* | *Jan-June 2008* | *Juy-Dec 2008* | *Jan-June 2009* | *Juy-Dec 2009* | | |
| Equity Contribution to the "Maliakos-Kleidi" concession project | 1,625,000 | 0 | 1,625,000 | 0 | 0 | 0 | ***1,625,000*** | 0 |
| Equity Contribution to the "Elefsina-Corinth-Patras-Pyrgos-Tsakona" concession project | 12,672,644 | 0 | 0 | 4,500,000 | 0 | 8.172.644 | ***12,672,644*** | 0 |
| Equity Contribution to the "Canoe-Kayak Olympic Complex" concession project | 625,000 | 625,000 | 0 | 0 | 0 | 0 | ***625,000*** | 0 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Equity Contribution to the "Queen Alia International Airport" concession project | 3,026,860 | 0 | 0 | 29,867 | 0 | 2.996.993 | ***3,026,860*** | 0 |
| Equity Contribution to the "Limasol Marina" concession project | 3,432,695 | 0 | 0 | 0 | 0 | 1.020.500 | **1,020,500** | 2,412,195 |
| Equity Contribution to new and current concession projects | 12,474,661 | 0 | 0 | 0 | 0 | 310.699 | **310,699** | 12,163,962 |
| **Total** | **33,856,860** | **625,000** | **1,625,000** | **4,529,867** | **0** | **12.500.837** | **20,130,704** | **14,576,156** |

**Notes:**

1. The Company's share capital increase was only partially completed following the participation of 17 investors out of a total of 19 eligible investors, who contributed a total amount of €33,856,860 versus the initially approved amount of €41,040,000, resulting in the issue of 4,454,850 new shares versus the initially approved issue of 5,400,000 common registered shares.

2. The share issue did not result in relevant expenses, because the funds were deposited by eligible investors in a bank account and there was no need to issue an information memorandum for the share offer and the listing of the new shares, as provided by Law 3401/2005 on "Information memorandum for the public offer of securities and listing on stock exchange", given that::
   - the offer was restricted to less than 100 non-institutional investors [article 3, paragraph 2(b), Law 3401/2005]
   - the number of shares issued accounted for less than 10% of the Company's outstanding shares, listed on the Athens Stock Exchange [article 4, paragraph 2(a), Law 3401/2005]

3. According to the Report of the Company's Board of Directors to the Shareholders issued in view of the Extraordinary Shareholders' Meeting held on 23.08.2007, the funds raised through the capital increase will be used over a two-year period, starting at the time of the capital increase (September 2007).

4. The Annual General Meeting of the Company's shareholders held on 24.06.2009 approved the Board of Directors' proposal dated 22.06.2009 for the amendment of the allocation of the funds raised in September 2007.

5. The balance of funds amounting to € 14,576,156 is temporarily used to reduce Company bank debt and related financial expenses given the prevailing high interest environment, until all financial negotiations are concluded and equity contributions towards the concession projects outlined in the table above are deemed payable.

Marousi, March 29, 2010

| DEPUTY PRESIDENT & EXECUTIVE DIRECTOR | MANAGING DIRECTOR | GROUP FINANCE & ADMINISTRATIVE MANAGER | CHIEF ACCOUNTANT |
|---|---|---|---|
| KONSTANTINOS KOUVARAS | KONSTANTINOS MITZALIS | ATHENA ELIADES | GEORGE KANTSAS |

**J&P – AVAX S.A**

**Annual Financial Report**

**According to IFRS for the financial year from**

**January 1$^{st}$ to December 31$^{st}$ 2009**

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NOTES TO THE FINANCIAL STATEMENTS

**J&P - AVAX S.A.**
**STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2009**
**(All amounts in Euros)**

| | | Group | | Company | |
|---|---|---|---|---|---|
| | | **31.12.2009** | **31.12.2008** | **31.12.2009** | **31.12.2008** |
| **ASSETS** | | | | | |
| **Non-current Assets** | | | | | |
| Property, Plant and Equipment | **10** | 194.621.273 | 189.357.566 | 90.074.680 | 93.393.119 |
| Investment Property | **11** | 21.933.717 | 23.070.419 | 1.584.412 | 1.142.850 |
| Goodwil | **12** | 45.890.712 | 45.890.712 | - | - |
| Intangible assets | **13** | 680.854 | 637.760 | 468.971 | 457.845 |
| Investments in other companies | **14** | 184.143.699 | 151.147.980 | 159.488.162 | 160.901.313 |
| Available for sale investments | **16** | 18.696.098 | 13.634.788 | 402.271.862 | 394.068.406 |
| Other non-current assets | **17** | 3.497.233 | 1.326.689 | 443.769 | 376.826 |
| Deferred tax assets | **18** | 14.781.283 | 15.922.348 | 5.979.756 | 6.073.108 |
| **Total Non-current Assets** | | **484.244.868** | **440.988.262** | **660.311.611** | **656.413.468** |
| **Current Assets** | | | | | |
| Inventories | **19** | 30.495.328 | 35.617.217 | 4.860.275 | 11.102.341 |
| Construction contracts | **20** | 247.962.154 | 230.797.229 | 130.230.557 | 146.743.800 |
| Trade and other receivables | **21** | 476.189.461 | 434.172.923 | 249.968.120 | 207.820.466 |
| Cash and cash equivalents | **22** | 139.263.213 | 147.415.399 | 71.020.041 | 68.360.437 |
| **Total Current Assets** | | **893.910.156** | **848.002.768** | **456.078.993** | **434.027.044** |
| **Total Assets** | | **1.378.155.024** | **1.288.991.030** | **1.116.390.604** | **1.090.440.512** |
| **EQUITY AND LIABLITLIES** | | | | | |
| Share capital | **31** | 45.039.813 | 45.039.813 | 45.039.813 | 45.039.813 |
| Share premium account | **31** | 146.676.671 | 146.676.671 | 146.676.671 | 146.676.671 |
| Revaluation reserves | **32** | 15.403.562 | 11.539.854 | 4.630.676 | 4.844.290 |
| Other reserves | | 23.620.332 | 22.808.476 | 19.592.071 | 19.365.141 |
| Reserves for financial instruments available for sales | **33** | 6.484.460 | 8.847.055 | 255.467.491 | 262.959.245 |
| Cash flow hedging reserve | **34** | (31.461.719) | (28.083.202) | - | - |
| Translation exchange differences | | (4.925.492) | (2.565.992) | (4.069.320) | (1.785.986) |
| Retained earnings | | 61.102.414 | 38.687.475 | 5.772.855 | 5.005.988 |
| **Equity attributable to equity holders of the parent (a)** | | **261.940.041** | **242.950.149** | **473.110.257** | **482.105.162** |
| Non-controlling interest (b) | **35** | 12.765.908 | 12.040.697 | - | - |
| **Total Equity (c=a+b)** | | **274.705.949** | **254.990.846** | **473.110.257** | **482.105.162** |
| **Non-Current Liabilities** | | | | | |
| Bank Loans | **26** | 210.697.659 | 211.544.518 | 135.525.508 | 144.025.306 |
| Deferred income | **27** | - | 53.078 | - | - |
| Deferred tax liabilities | **28** | 21.377.692 | 20.281.918 | 65.653.441 | 67.472.898 |
| Provisions for retirement benefits | **29** | 8.087.740 | 7.367.487 | 4.134.381 | 4.099.902 |
| Other long-term provisions | **30** | 35.491.271 | 72.622.992 | 30.255.512 | 57.279.354 |
| **Total Non-Current Liabilities** | | **275.654.362** | **311.869.993** | **235.568.842** | **272.877.460** |
| **Current Liabilities** | | | | | |
| Trade and other creditors | **23** | 505.867.237 | 396.619.017 | 202.471.928 | 108.884.780 |
| Income and other tax liabilities | **24** | 22.957.577 | 19.995.894 | 15.522.698 | 9.735.755 |
| Bank overdrafts and loans | **25** | 298.969.899 | 305.515.280 | 189.716.879 | 216.837.356 |
| **Total Current Liabilities** | | **827.794.713** | **722.130.191** | **407.711.505** | **335.457.890** |
| **Total Liabilities** | | **1.103.449.075** | **1.034.000.184** | **643.280.347** | **608.335.350** |
| **Total Equity and Liabilities** | | **1.378.155.024** | **1.288.991.030** | **1.116.390.604** | **1.090.440.512** |

The following notes are integral part of the Financial Statements.

**J&P - AVAX S.A.**
**STATEMENT OF INCOME**
**FOR THE JANUARY 1st, 2009 TO DECEMBER 31st, 2009 PERIOD**
**(All amounts in Euros except per shares' number)**

| | | Group | | Company | |
|---|---|---|---|---|---|
| | | **1.1-31.12.2009** | **1.1-31.12.2008** | **1.1-31.12.2009** | **1.1-31.12.2008** |
| Turnover | **1** | 945.659.061 | 991.080.839 | 476.054.648 | 554.057.508 |
| Cost of sales | **2** | (870.670.867) | (932.683.271) | (451.369.409) | (517.163.745) |
| **Gross profit** | | **74.988.194** | **58.397.568** | **24.685.239** | **36.893.764** |
| Other net operating income/(expenses) | **3** | (1.717.795) | 1.604.461 | (1.591.227) | (563.426) |
| Administrative expenses | **4** | (32.331.285) | (32.723.570) | (19.140.393) | (22.220.164) |
| Selling & Marketing expenses | **5** | (9.283.796) | (8.132.150) | (7.615.641) | (6.504.123) |
| Income/(Losses) from Investments in Associates | **6** | 29.744.612 | 35.712.617 | 27.423.891 | 17.286.117 |
| **Profit before tax, financial and investment results** | | **61.399.931** | **54.858.926** | **23.761.870** | **24.892.167** |
| Net financial income / (loss) | **7** | (26.516.042) | (26.598.337) | (16.901.142) | (18.748.325) |
| **Profit before tax** | | **34.883.888** | **28.260.590** | **6.860.728** | **6.143.842** |
| Tax | **8** | (7.760.107) | (3.513.883) | (1.984.188) | 991.016 |
| **Profit after tax** | | **27.123.781** | **24.746.707** | **4.876.539** | **7.134.858** |
| **Attributable to:** | | | | | |
| Equity shareholders | | 27.100.426 | 21.046.419 | 4.876.539 | 7.134.858 |
| Non-controlling interests | | 23.355 | 3.700.288 | - | - |
| | | **27.123.781** | **24.746.707** | **4.876.539** | **7.134.858** |
| **- Basic Earnings per share (in Euros)** | | **0,3490** | **0,2710** | **0,0628** | **0,0919** |
| **Weighted average # of shares** | | **77.654.850** | **77.654.850** | **77.654.850** | **77.654.850** |
| **Proposed dividend per share (in € cents)** | | | | **0,0400** | **0,0500** |
| **Profit before tax, financial and investments results and depreciation** | | **86.129.499** | **75.786.064** | **36.204.159** | **35.843.483** |

The following notes are integral part of the Financial Statements

**J&P - AVAX S.A.**
**STATEMENT OF COMPREHENSIVE INCOME**
**FOR THE FISCAL YEAR FROM JANUARY 1st, 2009 TO 31st DECEMBER 2009**
**(All Amounts in Euros)**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | **1.1-31.12.2009** | **1.1-31.12.2008** | **1.1-31.12.2009** | **1.1-31.12.2008** |
| **Profit for the Period** | **27.123.781** | **24.746.707** | **4.876.539** | **7.134.858** |
| **Other Comprehensive Income** | | | | |
| Exchange Differences on translating foreign operations | (2.359.499) | (1.558.954) | (2.283.334) | (2.772.253) |
| Cash flow hedges | (4.504.689) | (37.444.269) | - | |
| Revalutaion reserves for other assets | 5.151.612 | 14.770.481 | (284.819) | 5.704.812 |
| Reserves for financial instruments available for sale | (2.953.244) | 1.633.415 | (9.364.693) | 25.466.108 |
| Tax for other comprehensive income | 428.918 | 5.341.764 | 1.944.143 | (6.519.425) |
| **Total other comprehensive income** | **(4.236.902)** | **(17.257.563)** | **(9.988.702)** | **21.879.242** |
| **Total comprehensive Income** | **22.886.879** | **7.489.144** | **(5.112.163)** | **29.014.100** |
| **Total comprehensive Income attributable to:** | | | | |
| Equity shareholders | **22.863.524** | **3.788.856** | **(5.112.163)** | **29.014.100** |
| Non-controlling interests | **23.355** | **3.700.288** | - | - |
| | **22.886.879** | **7.489.144** | **(5.112.163)** | **29.014.100** |

The following notes are integral part of the Financial Statements.

**J&P - AVAX S.A.**
**CASH FLOW STATEMENT AS AT DECEMBER 31, 2009**
**(All amounts in Euros)**

| | Group | | Company | |
|---|---|---|---|---|
| | **1.1-31.12.2009** | **1.1-31.12.2008** | **1.1-31.12.2009** | **1.1-31.12.2008** |
| **Operating Activities** | | | | |
| **Profit before tax** | **34.883.888** | **28.260.590** | **6.860.728** | **6.143.842** |
| **Adjustments for:** | | | | |
| Depreciation | 24.729.568 | 20.927.138 | 12.442.289 | 10.951.316 |
| (Gains) / losses on fair value of investment property | 2.667.280 | (3.433.723) | (836.325) | 370.479 |
| Provisions | 720.253 | 3.372.834 | 2.232.938 | 951.285 |
| Interest income | (2.324.395) | (2.537.544) | (1.299.738) | (827.518) |
| Interest expense | 28.840.437 | 29.135.881 | 18.200.880 | 19.575.843 |
| Investment (income) / loss | (29.744.612) | (35.712.617) | (27.423.891) | (17.286.117) |
| Exchange rate differences | (2.942.070) | (1.558.954) | (2.283.334) | (2.772.253) |
| **Change in working capital** | | | | |
| (Increase)/decrease in inventories | 5.121.888 | 10.825.095 | 6.242.066 | 6.194.323 |
| (Increase)/decrease in trade and other receivables | (65.470.491) | (195.633.830) | (1.636.075) | (78.688.734) |
| Increase/(decrease) in payables | 77.645.349 | 203.634.525 | 72.191.282 | 60.063.638 |
| Interest paid | (28.840.438) | (29.135.881) | (18.200.880) | (19.575.843) |
| Income taxes paid | (8.730.510) | (7.948.178) | (1.569.936) | (653.874) |
| **Cash Flow from Operating Activities (a)** | **36.556.147** | **20.195.335** | **64.920.003** | **(15.553.613)** |
| **Investing Activities** | | | | |
| Purchase of tangible and intangible assets | (32.892.805) | (49.722.221) | (9.445.068) | (22.341.432) |
| Proceeds from disposal of tangible and intangible assets | 5.804.384 | 4.240.248 | 112.202 | 821.392 |
| (Acquisition)/ disposal of, associates, JVs and other investments | (13.757.729) | (13.092.641) | (18.005.072) | (19.112.863) |
| Acquisition of subsidiaries | | 11.717 | - | - |
| Interest received | 2.324.395 | 2.537.544 | 1.299.737 | 827.518 |
| Dividends received | 5.259.550 | 6.467.977 | 3.451.962 | 4.530.300 |
| **Cash Flow from Investing Activities (b)** | **(33.262.205)** | **(49.557.374)** | **(22.586.239)** | **(35.275.085)** |
| **Cash Flow from Financing Activities** | | | | |
| Proceeds from loans | (7.392.240) | 121.569.554 | (35.620.274) | 110.855.050 |
| Dividends paid | (4.053.887) | (9.172.194) | (4.053.887) | (9.172.194) |
| **Cash Flow from Financing Activities (c)** | **(11.446.127)** | **112.397.360** | **(39.674.161)** | **101.682.856** |
| **Net increase / (decrease) in cash and cash equivalents (a)+(b)+(c)** | **(8.152.185)** | **83.035.320** | **2.659.604** | **50.854.158** |
| Cash and cash equivalents at the beginning of the year | 147.415.399 | 64.380.078 | 68.360.437 | 17.506.279 |
| **Cash and cash equivalents at the end of the year** | **139.263.213** | **147.415.399** | **71.020.041** | **68.360.437** |

The following notes are integral part of the Financial Statements.

**J&P - AVAX S.A.**
**ANNUAL STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY**
**FOR THE JANUARY 1st, 2009 TO DECEMBER 31st 2009 PERIOD**
**(All Amounts in Euros)**

**GROUP**

| | Share Capital | Share Premium | Revaluation Reserves | Reserves for financial instruments available for sales | Cash flow hedging reserve | Reserves | Translation exchange differences | Retained earnings | Share Capital & Reserves | Minority Interest | Total Equity |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Changes in Total Equity** | | | | | | | | | | | |
| **Balance 31.12.2007** | **45.039.813** | **146.676.671** | **453.870** | **7.540.323** | **-** | **13.614.795** | **(1.007.038)** | **35.967.565** | **248.285.998** | **9.294.552** | **257.580.549** |
| Profit for the period | | | | | | | | 21.046.419 | 21.046.419 | 3.700.288 | 24.746.707 |
| **Other comprehensive income** | - | - | 11.077.861 | 1.306.732 | (28.083.202) | - | (1.558.954) | - | (17.257.563) | - | (17.257.563) |
| **Total comprehensive income for the period** | **-** | **-** | **11.077.861** | **1.306.732** | **(28.083.202)** | **-** | **(1.558.954)** | **21.046.419** | **3.788.856** | **3.700.288** | **7.489.144** |
| Distribution | | | | | | 8.970.415 | | (8.970.415) | - | | - |
| Other movements | | | 8.123 | | | 223.265 | 0 | (37.511) | 193.877 | 0 | 193.878 |
| Dividends | | | | | | | | (9.318.582) | (9.318.582) | | (9.318.582) |
| Addition of minority intrest | - | - | - | - | - | - | - | - | - | (954.143) | (954.143) |
| **Balance 31.12.2008** | **45.039.813** | **146.676.671** | **11.539.854** | **8.847.055** | **(28.083.202)** | **22.808.476** | **(2.565.992)** | **38.687.476** | **242.950.149** | **12.040.697** | **254.990.846** |
| **Changes in Total Equity** | | | | | | | | | | | |
| **Balance 31.12.2008** | **45.039.813** | **146.676.671** | **11.539.853** | **8.847.055** | **(28.083.202)** | **22.808.476** | **(2.565.993)** | **38.687.475** | **242.950.148** | **12.040.697** | **254.990.846** |
| Net profit for the period | | | | | | | | 27.100.426 | 27.100.426 | 23.355 | 27.123.781 |
| **Other income for the period** | - | - | 3.863.709 | (2.362.595) | (3.378.517) | - | (2.359.499) | - | (4.236.902) | - | (4.236.902) |
| **Total comprehensive income for the period** | **-** | **-** | **3.863.709** | **(2.362.595)** | **(3.378.517)** | **-** | **(2.359.499)** | **27.100.426** | **22.863.524** | **23.355** | **22.886.879** |
| Distribution | - | - | - | - | - | 797.137 | - | (797.137) | 0 | - | 0 |
| Dividends | | | | | | | | (3.882.743) | (3.882.743) | | (3.882.743) |
| Other movements | | | | | | 14.719 | - | (5.608) | 9.111 | 0 | 9.111 |
| Addition of minority interest | - | - | - | - | - | - | - | - | - | 701.856 | 701.856 |
| **Balance 31.12.2009** | **45.039.813** | **146.676.671** | **15.403.563** | **6.484.460** | **(31.461.719)** | **23.620.332** | **(4.925.492)** | **61.102.414** | **261.940.041** | **12.765.908** | **274.705.949** |

**COMPANY**

| | Share Capital | Share Premium | Revaluation Reserves | Reserves for financial instruments available for sales | Cash flow hedging reserve | Reserves | Translation exchange differences | Retained earnings | Share Capital & Reserves | Minority Interest | Total Equity |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Changes in Total Equity** | | | | | | | | | | | |
| **Balance 31.12.2007** | **45.039.813** | **146.676.671** | **565.681** | **242.586.359** | **-** | **10.410.519** | **986.267** | **16.109.922** | **462.375.232** | **-** | **462.375.232** |
| Profit for the period | | | | | | | | 7.134.858 | 7.134.858 | | 7.134.858 |
| **Other comprehensive income** | - | - | 4.278.609 | 20.372.886 | - | - | (2.772.253) | - | 21.879.242 | - | 21.879.242 |
| **Total comprehensive income for the period** | **-** | **-** | **4.278.609** | **20.372.886** | **-** | **-** | **(2.772.253)** | **7.134.858** | **29.014.100** | **-** | **29.014.100** |
| Transfer of reserves | | | | | | 8.970.415 | | (8.970.415) | - | | - |
| Other movements | | | | | | (15.792) | | 50.204 | 34.412 | | 34.412 |
| Dividends | - | - | - | - | - | - | - | (9.318.582) | (9.318.582) | - | (9.318.582) |
| **Balance 31.12.2008** | **45.039.813** | **146.676.671** | **4.844.290** | **262.959.245** | **-** | **19.365.142** | **(1.785.986)** | **5.005.987** | **482.105.162** | **-** | **482.105.162** |
| **Changes in Total Equity** | | | | | | | | | | | |
| **Balance 31.12.2008** | **45.039.813** | **146.676.671** | **4.844.290** | **262.959.245** | **-** | **19.365.141** | **(1.785.986)** | **5.005.988** | **482.105.163** | **-** | **482.105.162** |
| Net profit for the period | | | | | | | | 4.876.539 | 4.876.539 | | 4.876.539 |
| **Other income for the perid** | - | - | (213.614) | (7.491.754) | - | - | (2.283.334) | | (9.988.702) | - | (9.988.702) |
| **Total comprehensive income for the period** | **-** | **-** | **(213.614)** | **(7.491.754)** | **-** | **-** | **(2.283.334)** | **4.876.539** | **(5.112.162)** | **-** | **(5.112.162)** |
| Reserves transfer | | | | | | **226.930** | | **(226.930)** | | | |
| Dividends | - | - | - | - | - | - | - | (3.882.743) | (3.882.743) | - | (3.882.743) |
| **Balance 31.12.2009** | **45.039.813** | **146.676.671** | **4.630.676** | **255.467.491** | **-** | **19.592.071** | **(4.069.320)** | **5.772.855** | **473.110.258** | **-** | **473.110.258** |

The following notes are integral part of the Financial Statements.

# Notes and accounting policies

## A. ABOUT THE COMPANY

### A.1 General Information about the Company and the Group

J&P-AVAX S.A. was listed on the Athens Stock Exchange's Main Market in 1994 (then incorporated as AVAX S.A.) and is based in Marousi, in the Attica prefecture. It boasts substantial expertise spanning the entire spectrum of construction activities (infrastructure projects, civil engineering, BOTs, precast works, real estate etc) both in Greece and abroad.

In 2002, former AVAX S.A. merged with its subsidiaries J&P (Hellas) S.A. and ETEK S.A. and was renamed into J&P-AVAX S.A, whereas another 100% subsidiary unit, namely ETETH S.A., merged with its own subsidiary AIXMI S.A. The new business entities which evolved out of these mergers made use of Law 2940/2001 on contractors' certification for public works. The Group's leading company J&P-AVAX S.A. was awarded a $7^{th}$-class public works certificate, which is the highest class available, whereas ETETH S.A. acquired a $6^{th}$-class certificate and PROET S.A. entered the new public works certification registry with a $3^{rd}$-class certificate, which was upgraded to $4^{th}$-class towards the end of 2005. In the year 2007 J&P Avax SA acquired the subsidiary Athena SA which is consolidated in the financial statements of 30/06/07 for the first time.

### A.2 Activities

Group strategy is structured around four main pillars:

- **Concessions**
  - Intense presence in concession project tenders, to maintain a substantial backlog of projects and secure long-term revenue streams
  - Strengthening the project finance business unit and expanding our network of specialized external business partners (design consultants, financial and insurance advisors, legal firms) to enhance the Group's effectiveness in bidding for concession projects and maximize the return from their operation by means of financial risk management

- **Business Activities**
  - Development along the lines of major international construction groups, diversifying revenue through expansion into related business areas, eg environmental projects, facility maintenance & management, waste management, maintenance of large infrastructure projects, and management of large facilities constructed towards the Athens 2004 Olympic Games
  - Pursuit of synergies of various business activities on Group level

- **Real Estate**
  - Selective investment in quality projects offering high aesthetics and status, focused mainly on the residential and vacation housing sectors, as well as in select commercial and real estate projects
  - Advisory services and development of new markets and products, such as retirement villages

- **Other Activities**
  - Participation in BOT infrastructure projects for the reconstruction of neighboring counties and regions (Eastern & SE Europe, Middle East, North Africa) in collaboration with J&P Overseas and other international partners with long local presence and expertise
  - Promotion of the use of precast technology

## B. FINANCIAL REPORTING STANDARDS

J&P-AVAX S.A.'s consolidated accounts for the period running from January 1st, 2009 to December 31st, 2009 are prepared in accordance with the 'historic cost' principle, inclusive of adjustments in various items on both sides of the balance sheet, as well as on the 'going-concern' principle and conform to the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the interpretations issued by IASB's International Financial Reporting Interpretation Committee (IFRIC) which have been adopted by the European Union.

IASB has issued a series of standards referred to as «IFRS Stable Platform 2005». The Group applies the IFRS Stable Platform 2005 since January 1, 2005 which includes the following standards:

| | |
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| I.A.S. 33 | Earnings per Share |
| I.A.S. 34 | Interim Financial Reporting |
| I.A.S. 36 | Impairment of Assets |
| I.A.S. 37 | Provisions, Contingent Liabilities and Contingent Assets |
| I.A.S. 38 | Intangible Assets |
| I.A.S. 39 | Financial Instruments: Recognition and Measurement |
| I.A.S. 40 | Investment Property |
| I.F.R.S. 1 | First-Time Adoption of International Financial Reporting Standards |
| I.F.R.S. 3 | Business Combinations |
| I.F.R.S. 5 | Non-Current Assets Held for Sale and Discontinued Operations |
| I.F.R.S. 7 | Financial Instruments: Disclosures |
| I.F.R.S. 8 | Operating segments |

The policies referred to hereafter are applied consistently to all time periods covered in the accounts.

Preparing Financial Statements under IFRS requires the use of estimates and opinions while applying Company accounting methods. Any important assumptions made by Company management in applying those accounting methods have been noted when deemed necessary.

## C. BASIC ACCOUNTING PRINCIPLES

The Group consistently applies the following accounting principles in preparing the attached Financial Statements:

### C.1. Business Combinations (I.F.R.S. 3)

**Investments in Subsidiaries**: All companies managed and controlled, either directly or indirectly, by another company (parent) through ownership of a majority share in the voting rights of the company in which the investment has been made. Subsidiaries are fully consolidated (full consolidation) with the purchase method starting on the date on which their control is assumed, and are excluded from consolidation as soon as their control is relinquished.

Acquisitions of subsidiaries by the Group are entered according to the purchase method. Subsidiary acquisition cost is the fair value of all assets transferred, of all shares issued and all liabilities at the acquisition date, plus any costs directly related to the transaction. The specific assets, liabilities and contingent liabilities acquired through a business combination are accounted for at their fair values irrespective of the percentage of participation. The acquisition cost in excess of the fair value of the acquired net assets is entered as goodwill. Should the total acquisition cost fall short of the fair value of the acquired net assets, the difference is directly entered in the Income Statement.

**In particular, business combinations carried out prior to the Group's transition to IFRS (January 1, 2004), Group management has opted for the exemption provided for by IFRS 1, thereby not applying the purchase method retrospectively. In other words, it chose not to apply IFRS 3 or IAS 22 on company mergers with a retrospective effect. The accounting value of goodwill on the balance sheet drawn on the transition date is calculated according to previously accepted accounting principles. According to IAS 36, on impairment of assets and in line with the policies followed by J&P-AVAX S.A.'s parent company, goodwill is charged against shareholders' funds.**

Intragroup sales, balances and un-realised profits from transactions among Group companies are omitted. Losses among Group companies (un-realised on a Group level) are also eliminated, except when the transaction provides evidence of impairment of the transferred asset. The accounting principles of subsidiaries have been amended for uniformity purposes relative to those adopted by the Group.

**Investments in Associates**: All companies which the Group may influence significantly but do not qualify for subsidiary or Joint Venture status. The Group's assumptions call for ownership between 20% and 50% of a company's voting rights to have significant influence on it. Investments in associates are initially entered in the Company's books at cost and subsequently consolidated using the equity method.

The Group's share into the profit or loss of associates following the acquisition is recognised into the Income Statement, whereas the share into changes in capital reserves following the acquisition is recognised into the reserves. Accumulated changes affect the book value of investments in associates. When the Group's participation into the financial loss of an associate is equal to or exceeds its participation in the associate, inclusive of provisions for bad debts, the Group does not recognise any further losses, except when covering liabilities or making payments on behalf of the associate, or taking other actions as part of its shareholder relationship.

Unrealised profits from transactions between the Group and its associates are omitted according to the participation of the group into those associates. Unrealised gains are omitted, unless the transactions suggest impairment of the transferred assets. Accounting principles of associates have been amended for uniformity purposes relative to those adopted by the Group.

Intragroup balances and transactions, along with Group profits arising from intragroup transactions which have yet to be concluded on a Group level, are eliminated in the consolidated Financial Statements.

**Investments in Joint Ventures**: Joint Venture types:

1) Joint Ventures with assets under joint control
2) Joint Ventures with activities under joint control

Those joint ventures do no concern the set up of a company, a partnership or other entity which is separate to the joint venture parties.
Separate accounting book-keeping and financial reporting is not required for the joint venture.
Therefore, joint ventures maintain tax records and prepare financial reports merely for fiscal purposes.

Assets, liabilities, income and expenses are recognised in the financial reports of the joint venture parties.

3) joint venture as an entity under joint control, in which a company, a partnership or another entity is set up

Joint ventures of this type keep their own accounting books, prepare financial reports and are subject to the following consolidation methods according to the degree of control and influence by the Group. More specifically:

a) participation in joint ventures with joint control
b) participation in joint ventures with significant influence
c) participation in joint ventures without significant influence (there may be scope for significant influence, but the joint venture partner chooses not to use it)

In case (a), the proportionate consolidation method is applied, ie joint ventures' balance sheets and Income Statements are consolidated either on a line-by-line basis.

In case (b), the equity method is applied, the investment being treated as an associate.

In case (c), the investment is booked at acquisition cost.

**Group Structure:** J&P-AVAX Group fully consolidates the following subsidiaries:

| Company | % of J&P-AVAX's SA participation | Fiscal Years not tax audited |
|---|---|---|
| J&P-AVAX, Athens | Parent | 2009 |
| ETETH S.A., Salonica | 100% | 2005-2009 |
| ELVIEX Ltd, Ioannina | 60% | 2007-2009 |
| PROET S.A., Athens | 100% | 2007-2009 |
| J&P Development, Athens | 100% | 2007-2009 |
| J&p TASK (3T), Athens | 100% | 2003-2009 |
| S.C."ISTRIA DEVELOPMENTS" S.R., Romania | 98% | 2005-2009 |
| CONCURRENT, Romania | 95% | 2005-2009 |
| SC BUPRA DEVELOPMENT SRL, Romania | 99,93% | 2005-2009 |
| SOPRA AD, Bulgaria | 99,9% | 2005-2009 |
| J&P-AVAX IKTEO, Athens | 70% | 2006-2009 |
| SC FAETHON DEVELOPMENTS SRL, Romania | 100% | 2006-2009 |
| ATHENA SA, Athens | 80.54% | 2008-2009 |
| ANEMA S.A., Athens | 100% | 2007-2009 |
| FERRA E.E., Athens | 100% | 2007-2009 |
| SY-PRO S.A., Larissa | 60% | 2007-2009 |
| E-CONSTRUCTION S.A., Athens | 100% | 2007-2009 |
| ILIOFANIA S.A., Athens | 100% | 2008-2009 |
| ARGESTIS S.A., Athens | 100% | 2008-2009 |
| TERRA FIRMA, Athens | 100% | 2008-2009 |
| J&P AVAX CONCESSIONS S.A. (ex. EVIA REAL ESTATE), Athens | 99.967% | 2008-2009 |
| MARINA FALIROU S.A., Athens | 58,00% | 2009 |
| J&P AVAX POLSKA, Poland | 100% | 2009 |

Furthermore, in the consolidated financial statements of J&P Avax SA the following subsidiaries of Athena SA are included using the fully consolidation method:

| Company | % of Athena's SA participation | Fiscal Years not tax audited |
|---|---|---|
| ATHENA LIBYA, Libya | 65% | 2008-2009 |

| | | |
|---|---|---|
| ATHENA CONCESSIONS S.A., Athens | 99% | 2008-2009 |
| ARCAT SA, Egaleo Attiki | 100% | 2007-2009 |
| ARCAT North Greece – V. PROIOS SA, Thessaloniki | 60% | 2007-2009 |
| ERGONET SA, Athens | 51% | 2007-2009 |
| ATHENA ROMANIA SRL, Romania | 100% | - |

The Group consolidates the following associates using the equity method:

| | |
|---|---|
| 5N S.A., Athens | 45.00% |
| Athens Car Parks S.A., Athens | 20.00% |
| Attica Diodia S.A., Athens | 30.84% |
| Attiki Odos S.A., Athens | 30.83% |
| POLISPARK S.A., Athens | 20.00% |
| 3G, Athens | 50.00% |
| STACY INVESTMENTS Sp.zo.o. Warsaw Poland | 50.00% |
| CAR PARK N.SMIRNI, Athens | 20.00% |
| LEISURE PARKS S.A.(KANOE-KAYAK), Athens | 25.00% |
| LEISURE PARKS OPERATIONS, Athens | 25.00% |
| CYCLADES ENERGY CENTER, Athens | 45.00% |
| SC ORIOL REAL ESTATES, Romania | 50.00% |
| SALONIKA PARK, Athens | 24.32% |
| OLYMPIA ODOS S.A., Athens | 21,00% |
| OLYMPIA ODOS OPERATOR S.A., Athens | 21,00% |
| AEGEAN MOTORWAY S.A., Larissa | 21,25% |
| GEFYRA OPERATION S.A., Athens | 21,5436% |
| GEFYRA S.A., Athens | 20,5289% |
| PIRAEUS ST.NICOLAS CAR PARK S.A., Athens | 15% |

Furthermore, in the consolidated financial statements of J&P Avax SA the following associates of Athena SA are included using the equity method:

| Company | % of Athena's SA participation |
|---|---|
| LEFKADAS MARINE PORT SA, Greece | 26.64% |
| VAKON SA, Greece | 25.00% |
| VIOENERGEIA S.A., Greece | 45.00% |
| ATHENA MICHANIKI OE, Greece | 50.00% |
| ATHENA EMIRATES LLC, United Arab Emirates | 49.00% |
| NEW UNDERGROUND CAR STATION OLP S.A., Greece | 30.00% |
| SC ECO S.A., Romania | 24.41% |

The following are the joint ventures in which the group participates and are consolidated proportionately:

Proportionate consolidation by 100% (complete consolidation)

| | | |
|---|---|---|
| 1. | J/V J&P - AVAX S.A. - ETETH S.A., Athens (SMAEK) | 100.00% |
| 2. | J/V J&P - AVAX S.A. – ETETH S.A., Athens (Suburban Railway) | 100.00% |
| 3. | J/V J&P - AVAX S.A. – ETETH S.A., Athens (Subcontractor Suburban Railway) | 100.00% |
| 4. | J/V J&P - AVAX S.A. – PROET S.A., Athens (Park of Lavrio) | 100.00% |

The Proportionate consolidation by 100% has the same results with the complete consolidation

Proportionate consolidation

| | | |
|---|---|---|
| 5. | J/V J&P-AVAX S.A. - "J/V IMPREGILO SpA -J&P-AVAX S.A.- EMPEDOS S.A.", Athens | 66.50% |
| 6. | J/V AKTOR S.A. - J&P - AVAX S.A. - ALTE S.A. - ATTIKAT S.A. - ETETH S.A. - PANTECHNIKI S.A. - EMPEDOS S.A., Athens | 30.84% |
| 7. | J/V J&P-AVAXS.A. - EKTER A.E - KORONIS S.A., Athens | 36.00% |
| 8. | J/V J&P-AVAX - VIOTER S.A. - TERNA S.A. , Athens | 37.50% |
| 9. | J/V AKTOR S.A. - J&P - AVAX S.A. - PANTECHNIKI S.A., Athens | 34.22% |
| 10. | J/V "J/V ΑΕΓΕΚ S.A. - AKTOR S.A. -SELI" -J&P-AVAX S.A., Athens | 20.00% |
| 11. | J/V J&P-AVAX S.A.- VIOTER S.A., Athens | 50.00% |
| 12. | J/V J&P-AVAX S.A. -VIOTER S.A.-HELIOHORA S.A., Athens | 37.50% |
| 13. | J/V PANTECHNIKI S.A. - J&P-AVAX S.A. - VIOTER S.A., Athens | 44.33% |
| 14. | J/V VINCI CONSTRUCTION Grand Projects - ATHENA S.A. - PROODEFTIKI S.A. - AKTOR S.A. - J&P-AVAX S.A. - PANTECHNIKI S.A., Athens | 11.20% |
| 15. | J/V AKTOR S.A. - J&P AVAX S.A. -PANTECHNIKI S.A., Athens | 34.22% |
| 16. | J/V J&P AVAX S.A. - INTL TAPESTRY CENTRE, Athens | 99.90% |
| 17. | J/V ETETH S.A. - J&P-AVAX S.A. - TERNA S.A. - PANTECHNIKI S.A., Athens | 47.00% |
| 18. | J/V QATAR - J&P – AVAX SA - JOINT VENTURE, Qatar | 25.00% |
| 19. | J/V ANASTILOTIKI SA – TH.KARAGIANNIS SA - GETEM SA - ETETH SA, Athens | 25.00% |
| 20. | J/V TOMES S.A. - ETETH S.A., Chania | 50.00% |
| 21. | J/V TOMES S.A. - THEMELI S.A., Chios | 50.00% |
| 22. | J/V J&P – AVAX SA - THEMELIODOMI S.A., Bulgaria | 99.90% |
| 23. | J/V EDRASIS C. PSALLIDAS S.A. - J&P. AVAX S.A., Romania | 49.00% |
| 24. | J/V J&P-AVAX S.A. – TERNA S.A. - ETETH S.A, Athens | 50.00% |
| 25. | J/V J&P - AND J&P - AVAX GERMASOGEIA, Cyprus | 75.00% |
| 26. | J/V AKTOR A.T.E - AEGEK S.A. - J&P-AVAX S.A. - SELI S.p.A, Athens | 20.00% |
| 27. | J/V J&P AVAX S.A – J&P Ltd, Cyprus | 75.00% |
| 28. | J/V "J/V AKTOR SA – DOMOTEXNIKH S.A. THEMELIODOMI S.A." – TERNA S.A – ETETH S.A., Salonica | 25.00% |
| 29. | J/V J&P AVAX S.A. – FCC CONSTRUCCION S.A, Athens | 49.99% |
| 30. | J/V ELIASA MICHAIL-GABRYIL-PROET S.A. Athens | 90.00% |
| 31. | J/V ELIASA MICHAIL-GABRYIL- SBERONIS ALEXANDROS -PROET S.A., Salonica | 90.00% |
| 32. | J/V ETETH S.A. – TOMES S.A. | 50.00% |
| 33. | J/V AKTOR ATE-J&P AVAX SA-TERNA SA-IME A' PHASE, Athens | 32.00% |
| 34. | J/V AKTOR ATE-J&P AVAX SA-TERNA SA-IME A' PHASE, Athens | 32.00% |
| 35. | J/V PROET SA – PANTEHNIKI SA – VIOTER SA, Athens | 44.33% |
| 36. | J/V ETETH SA – GANTZOULAS SA – VIOTER SA, Athens | 40.00% |
| 37. | J/V APION KLEOS (ELEFSINA-PATRA), Elefsina | 18.00% |
| 38. | J/V J&P AVAX SA – EKTER SA, Athens | 50.00% |
| 39. | J/V CONSTRUCTION MALIAKOS – KLEIDI, Larissa | 15.70% |
| 40. | J/V MAINTENANCE ATT.ODOS, Athens | 30.84% |
| 41. | J/V J&P AVAX S.A. – ROUTSIS S.A., Athens | 30.00% |

| | | |
|---|---|---|
| 42. | J/V SUBURBAN RAILWAY, SKA PIRAEUS, PHASE B', Athens | 33.33% |
| 43. | J/V 50 PROKAT 2006 B, Athens | 50.00% |
| 44. | J/V QUEEN ALIA AIRPORT, Jordan | 50.00% |
| 45. | J/V J&P AVAX -ATHENA(Limassol), Cyprus | 60.00% |
| 46. | J/V J&P – EDRACO – SINTEHNIKI (OTE BUILDINGS), Patra | 50.00% |
| 47. | J/V ERGOTEM ATEVE – KASTOR S.A. – ETETH S.A., Athens | 15.00% |

Furthermore, the following are the joint ventures in which the Athena SA participates and are consolidated proportionately:

Proportionate consolidation by 100% (complete consolidation)

| | Company | HEAD OFFICE | % of Athena's SA participation |
|---|---|---|---|
| 48. | J/V ATHENA - SNAMPROGETTI | Athens | 100.00% |
| 49. | J/V ATHENA - ARCHIMIDIS (OLP V) | Athens | 100.00% |

Proportionate consolidation

| | Company | HEAD OFFICE | % of Athena's SA participation |
|---|---|---|---|
| 50. | J/V ATHENA - KONSTADINIDIS | Athens | 50.00% |
| 51. | J/V ATHENA - FCC | Athens | 50.00% |
| 52. | J/V ATHENA - BARESEL – ATTIKAT | Athens | 34.00% |
| 53. | J/V ATHENA - LAND & MARINE | Athens | 46.88% |
| 54. | J/V ATHENA - ARCHIMIDIS (OLP III) | Athens | 95.00% |
| 55. | J/V ATHENA - GKOYNTAS/SPILIOTOPOULOS | Athens | 70.00% |
| 56. | J/V ATHENA - DOMIKI KRITIS | Athens | 50.00% |
| 57. | J/V ATHENA – ERGOASFALTIKI | Larissa | 50.00% |
| 58. | J/V ATH-THEM.-EL.TECH.-KON.-TSABRAS | Athens | 25.00% |
| 59. | J/V ATH-EL.TECH.-THEM-PASS.-PERIBALLON | Thessaloniki | 28.00% |
| 60. | J/V ATH.-THEM.-EL.TECH. - KTIPIO BITIOFOR | Athens | 33.33% |
| 61. | J/V PLATAMONA | Athens | 19.60% |
| 62. | J/V ATHENA – PROODEFTIKI (CORABIA) | Athens | 60.00% |
| 63. | J/V ATHENA-KOSTADINIDIS (FLISVOS) | Athens | 66.67% |
| 64. | J/V AKTOR - ATHENA - EBEDOS (IBC) | Athens | 26.00% |
| 65. | J/V ATHENA - EKAT ETAN AE | Athens | 55.00% |
| 66. | J/V BIOTER – ATHENA | Athens | 50.00% |
| 67. | J/V GEFIRA | Athens | 7.74% |
| 68. | J/V ATHENA - THEM. - ATTIKAT (ERMIS) | Athens | 33.33% |
| 69. | J/V THEM.-EL.TECHN.-ATHENA -PASS-GIOVANI | Athens | 26.67% |
| 70. | J/V AKTOR - THEM/DOMI - ATHENA (A403) | Athens | 33.33% |
| 71. | J/V THEM/MI-ATHENA -KOROTZIS (IKAROS) | Athens | 33.33% |
| 72. | J/V KON.-ATH.-EDRASI-DOMIKI (AG.KOSM.) | Athens | 25.00% |
| 73. | J/V ATHENA - AKTOR (MAKEDONIA) | Athens | 70.00% |

| | | | |
|---|---|---|---|
| 74. | J/V ARCHIRODON - ERGONET | Athens | 22.95% |
| 75. | J/V ERGONET - ARCHIRODON | Athens | 25.50% |
| 76. | J/V TSO-ARCHIRODON - ERGONET | Athens | 25.50% |
| 77. | J/V TOURIST PORT OF LEUKADA | Athens | 22.50% |
| 78. | J/V MHCHANIKI - ATHENA (MPC) | Athens | 50.00% |
| 79. | J/V DODONI MOCHLOS - ATHENA | Athens | 50.00% |
| 80. | J/V PAPADAKIS - ATHENA (VRILISSIA) | Athens | 50.00% |
| 81. | J/V 6th PROBLITA O.L.TH – A1 | Athens | 55.56% |
| 82. | J/V POSIDON | Athens | 16.50% |
| 83. | J/V PROODEFTIKI - ATHENA (CRAIOVA) | Athens | 35.00% |
| 84. | J/V TERNA - ATHENA (ARACH. - PERISTERI) | Athens | 37.50% |
| 85. | J/V KONS. - ATHENA - (AG. KOSMAS A') | Athens | 50.00% |
| 86. | J/V ATHENA - ROUTSIS (CAR TERMINAL) | Athens | 50.00% |
| 87. | J/V AKTOR - ATHENA - THEMEL. (KALATRAVA) | Athens | 29.00% |
| 88. | J/V ARCHIRODON - ATHENA (THISIO) | Athens | 50.00% |
| 89. | J/V AKTOR - ATHENA THEMEL. (OAKA) | Athens | 21.10% |
| 90. | J/V ATTIKAT - ATHENA (AG. KOSMAS) | Athens | 40.00% |
| 91. | J/V ERETVO - ATHENA – ROUTSIS | Athens | 25.00% |
| 92. | K/Ξ ΑΚΤΩΡ - ΑΘΗΝΑ (ΞΗΡΑΝΣΗ ΙΛΥΟΣ) | Athens | 50.00% |
| 93. | PSITALIA NAFTIKI ETERIA | Athens | 33.33% |
| 94. | J/V AKTOR - THEMELIODOMI - ATHENA (A380) | Athens | 33.33% |
| 95. | J/V AKTOR - ATHENA EBEDOS (IBC MAINTEN.) | Athens | 26.00% |
| 96. | J/V TERNA - ATHENA (IOANNINA - METSOBO) | Athens | 37.50% |
| 97. | J/V ATHENA - MECHANIKI (SKARFEIA) | Athens | 50.00% |
| 98. | J/V ATHENA-AKTOR (LASPI) | Athens | 50.00% |
| 99. | J/V ATHENA - IMEK HELLAS AE | Athens | 99.00% |
| 100. | J/V ATHENA - AKTOR (A425) | Athens | 50.00% |
| 101. | J/V MOCHLOS - ATHENA (TUNNEL S2) | Athens | 50.00% |
| 102. | J/V ATHENA - AKTOR (B΄ PHASE) | Athens | 50.00% |
| 103. | J/V AKTOR - ATHENA (A-417) | Athens | 70.00% |
| 104. | J/V AKTOR - ATHENA (BUCHAREST) | Athens | 50.00% |
| 105. | J/V CONSTRUCTION MALIAKOS - KLEIDI | Larissa | 5.00% |
| 106. | CONSTRUCTION J/V APION KLEOS | Elefsina | 5.00% |
| 107. | J/V ATHENA – AKTOR (A435) | Athens | 50.00% |
| 108. | J/V ATHENA – AKTOR (A438) | Athens | 50.00% |
| 109. | J/V ATHENA – AKTOR (A437) | Athens | 50.00% |
| 110. | J/V AKTOR – ATHENA (F8781) | Athens | 50.00% |
| 111. | J/V AKTOR – ATHENA (D8642) | Athens | 50.00% |
| 112. | J/V AKTOR – ATHENA – GOLIOPOULOS (A-440) | Athens | 48.00% |

The following Joint Ventures are not included in current period’s financial statements in comparison with those as of 31.12.2008 because the projects are now completed:

| | | | |
|---|---|---|---|
| 1. | J/V ATHENA - ARCHIRODON (ISAP) | Athens | 50.00% |
| 2. | J/V PADECHNIKI - ATHENA (KOS) | Athens | 50.00% |
| 3. | J/V ANEGERSIS OSE BUILDING THRIASIO | Athens | 13.30% |

The following Joint Ventures were consolidated in the Financial Statements of 2007 using the proportional method. These projects are now completed and those Joint Ventures are in the process of dissolution, therefore they were not included in the proportional consolidation due to minor materiality effect in the Group's Financial Statement. The financial results (profit/ loss) of those Joint Ventures in the Group's Financial Statements of 2008 were consolidated using the equity method.

J/V J&P – AVAX SA - DRAGADOS Y CONSTRUCTION, Ethiopia 50.00% J/V J&P-AVAX S.A. - ETETH S.A., Athens (Gefyra Staurou) 100.00% J/V J&P-AVAX AE - ETETH S.A., Athens (Podoniftis) 100.00% J/V J&P-AVAX S.A. - ETETH S.A., Athens (S.E.A) 100.00% J/V J&P - AVAX S.A. - ETETH S.A., Athens (Olympic Ring) 100.00% J/V J&P-AVAX S.A.-ETETH S.A. -EMPEDOS S.A. -GENER S.A., Salonica 73.50% J/V J&P - AVAX S.A. - AKTOR S.A. - VIOTER A.E - TERNA S.A., Athens 20.00% J/V ETETH S.A. - J&P-AVAX S.A. - TERNA S.A. - PANTECHNIKI S.A., Athens 47.00% J/V AKTOR S.A. - J&P-AVAX S.A., Athens 44.00% J/V PANTECHNIKI S.A. - AKTOR S.A. - J&P-AVAX S.A., Athens 33.33% J/V J&P-AVAX S.A. - KL.ROUTSIS S.A., Athens 50.00% J/V AKTOR A.T.E - J&P-AVAX S.A., Athens 50.00% J/V ΕΔΡΑΣΗ ΨΑΛΛΙΔΑΣ S.A. - J&P- AVAX S.A. - EKAT ETAN S.A. - ATOMON S.A. - HELIOHORA S.A. - ATHENA S.A., Athens 20.00% J/V AKTOR S.A. - J&P AVAX S.A., Athens 52.00% J/V J&P-AVAX S.A. - ETETH S.A. - EMPEDOS S.A., Salonica 73.86% J/V ETETH S.A.-TASKOUDIS-POLYMETRIKI Ltd, Athens 44.00% J/V ETETH S.A. - STOYANNOS - POLYMETRIKI Ltd, Athens 44.50% J/V ETETH S.A. - KL.ROUTSIS S.A., Salonica 50.00% J/V AKTOR S.A. - PANTECHNIKI S.A. - J&P - AVAX S.A., Athens 25.00% J/V ΑΚΤΩΡ S.A. - PANTECHNIKI S.A. - J&P-AVAX S.A., Athens 25.00% J/V J&P - AVAX A.E - GENERALE LOCATION, Athens 50.00% J/V J&P - AVAX A.E - GENERALE LOCATION, Athens 50.00% J/V J&P – AVAX SA - NATIONAL WHEEL J&P L.L.C., UAE 20.00% J/V J&P – AVAX SA – AKTOR SA, Athens 70.58% J/V PROET S.A. - KL.ROUTSIS S.A., PEZOGEFYRA HSAP, Athens 50.00% J/V J&P AVAX SA – AKTOR SA – IME B' PHASE (CONTRACTOR), Athens 50.00%

The following Joint Ventures for projects completed before 2003 and they are in process of dissolution, are not consolidated due to minor materiality effect in the Group Financial Statements. The financial results (profit or loss) of those Joint Ventures are recorded in the separate Financial Statements of the companies participating in those Joint Ventures.

J/V ATTIKAT A.T.E - PANTEXNIKH SA – J&P AVAX SA-EMPEDOS SA , Marousi,25%, J/V J&P AVAX SA – ATE GNONON, Marousi, 50%, J/V J&P ABAX SA – AKTOR ATE , Athens,50%, J/V J&P-ABAX SA -AKTOR SA , Marousi,50%, J/V ATTIKOY AGOGOY KAYSIMON, Xalandri,26.79%, J/V J&P ABAX SA-ATTIKAT ATE,Marousi, 90%, J/V J&P AVAX SA-GENER SA 65%, J/V AKTOR SA-J&P AVAX SA-EMPEDOS SA - ETETH SA,Athens,50%, J/V AKTOR SA-J&P/ΑΒΑΞ AE ,Athens,50%, J/V J&P ΑΒΑΞ AE -AKTOR SA ,Marousi,50%, J/V J&P AVAX SA-TERNA SA-EUKLEIDHS ATE,Marousi,35%, J/V AKTOR SA-J&P ABAX SA ,Athens,50%, J/V J&P AVAX SA-AKTOR SA-VAMED ENG.GMBH & KO KG,Athens,33.80%, J/V J&P AVAX SA-EMPEDOS SA ,Kifisia,50%, J/V ELLINIKH TEXNODOMIKH SA-TERNA SA-GNOMON ATE-J&P AVAX SA-IMEC GMBH,Athens,24%, J/V J&P AVAX SA- EDRASH PSHALLIDAS ATE, Athens,50%, J/V AEGEK-J&P AVAX SA-KL. ROUTSIS SA,Athens,40%, J/V J&P AVAX SA-TEXNODOMH AFOI TRAYLOU ABETTE-KL. ROUTSHS SA,Athens,33.33%, J/V J&P AVAX SA- TEXNODOMH AFOI TRAYLOU ABETTE-KL. ROUTSHS SA,Athens,33.33%, J/V MICHANIKI SA-J&P AVAX SA-ATHHNA AETB-MOXLOS SA ,Kalamaki,24.50%, J/V J&P AVAX SA-AKTOR SA ,Athens,48%, J/V J&P AVAX SA-ERETBO AE,Athens,80%, J/V PROODEUTIKH ATE- ATTIKAT ATE-ATEMKE ATE -J&P AVAX SA,Athens,20%, J/V J&P AVAX SA-KL. ROUTSHS SA,Athens,90%, J/V GNOMON ATE-J&P AVAX SA-J/V ATHENA ATEBE-ARXIMHDHS ATE,Kifisia, 33%, J/V J&P AVAX SA-ATHINAIKH TEXNIKH SA-TH. KARAGIANNHS SA,Athens,33.33%, J/V ABAX SA – TEXNODOMH ATE, Mosxato,50%, J/V ERGOY SKOPEYTIRIOY MARKOPOULOU, Marousi,50%, J/V SIGALAS SA-J&P AVAX SA-ALTE SA –A. XARHS & SIA EE, Psixiko, 22.22%, J/V AKTOR SA -J&P AVAX SA-ETETH SA ,Xalandri, 50%, J/V AKTOR SA-J&P AVAX SA-ETETH SA, Thessaloniki,57%, J/V AKTOR SA -J&P AVAX SA ,Athens,80%, J/V J&P AVAX SA-KL. ROUTSHS SA,Athens,66.67%, J/V AKTOR SA -J&P ABAX SA -ETETH SA,Xalandri,49%, J/V J&P AVAX SA-KL. ROUTSHS SA,Athens,66.67%, J/V J&P AVAX SA-EUKLEIDHS – DOMOS SA-PROET SA-BETANET AEBE-J/V J&P AVAX SA-EUKLEIDHS,Athens,39%, J/V J&P AVAX SA-EDRASH PSALLIDAS ATE,Athens,50%, J/V J&P AVAX SA-ETANE ATE Athens,50%, J/V AKTOR SA-J&P AVAX SA-ETETH SA,Xalandri,66.66%, J/V KL.ROUTSHS SA-J&P AVAX SA-KOURTIDHS SA,Athens,33.33%, J/V SYMPAROMARTOYNTA ERGA

METRO,Xalandri,26,7873%, J/V J&P AVAX SA-EKTER SA ,Athens,50%, J/V SIGALAS SA-J&P AVAX SA-ALTE SA,Psixiko,33.33%, J/V "J/V SIGALAS SA-GNOMON ATE-J&P AVAX SA,Psixiko,33.33%, J/V 'J/V PANTEXNIKH SA- EMPEDOS SA-EMPEDOS SA-PANTEXNIKH SA-J&P AVAX SA,Psixiko,12.50%, J/V J&P AVAX SA - OLYMPIOS ATE - K.KOUBARAS– N. GERARXAKHS –Z.MENELAOS-N.XATZHXALEPLHS,Athens,15%, J/V AKTOR SA-J&P AVAX SA-N.GERARXAKHS-K.KOUBARAS,Athens,48%, J/V AKTOR SA-J&P AVAX SA-EMPEDOS SA –EKTER SA-DIEKAT ATE-ALTE ATE-TERNA SA,Athens,20%, J/V ATTIKAT ATE-J&P AVAX SA,Amfissa,25%, J/V J&P AVAX SA-GENER SA,Athens,50%, J/V J&P AVAX SA-AKTOR SA ,Marousi,35%, J/V AKTOR SA-J&P AVAX SA,Athens,50%, J/V J&P AVAX SA-EUKLEIDHS SA,Athens,50%, J/V TERNA SA-AKTOR SA-J&P AVAX SA,Athens,1%, J/V TERNA SA-AKTOR SA-J&P AVAX SA,Athens,1%, J/V J&P ABAX SA –J/V KL. ROUTSHS SA-KLAPADAKHS-POLITHS,Athens,50%, J/V 'J/V AKTOR SA-ANASTHLOTIKH ATE-AKTOR SA-ANASTHLOTIKH ATE-LAMDA TEXNIKH SA-J&P AVAX SA-INTERTOP SA –KOURTIDHS SA,Xalandri,28.56%, J/V J&P AVAX SA-N. LIANDRAKHS, Hrakleio ,80%, J/V AKTOR SA -J &P AVAX SA ,Xalandri,40%, J/V J&P AVAX SA-BIOTER SA-IDEAL MEDICAL PRODUCTS SA, Marousi,35.17%, J/V J&P-AVAX SA -GENERALE LOCATION SA ,Marousi,50%, J/V J&P-ABAX SA-GENERALE LOCATION,Marousi,50%, J/V J&P AVAX SA –BIOTER SA,Thessaloniki,65%, J/V AKTOR SA -J&P AVAX SA ,Xalandri,50%, J/V J&P ABAX SA- ELTER SA –SARANTOPOULOS SA, P. Faliro,18%, J/V TEXNODOMH ABETE-J& P ABAX SA-EKTER SA-TELAMON SA ,Mosxato,30%, J/V J&P AVAX SA – GNOMON SA,Kifisia,50%, J/V OAKA TENNIS,Xalandri,16.67%, J/V KARAHLIAS –TRAXANAS-TSEPELH-ZAGARH-J&P AVAX SA,Amfissa,10%, J/V ETETH SA - PROET SA,Athens,100%, J/V KOSYNTHOS SA - PROET SA,Marousi,50%, J/V THEMELIODOMH SA -PROET SA,Kifisia,30%, J/V PROET SA-M.S. ELIASA –A.PORFYRIDHS-GKORYTSA,Marousi,95%, J/V PROET SA-. ELIASA –A.PORFYRIDHS -NEOKTISTA,Marousi,95%, J/V PROET SA-MPETANET ABEE,Marousi,90%, J/V PROET SA-ANAGNOSTOPOULOS BAS. Tou NIK.,Marousi,90%, J/V PROET SA-KL.ROUTSHS SA ,Marousi,90%, J/V'J/V ELIASA MIXAHL GABRIHL SBERONHS ALEXANDROS '-PROET SA,Marousi,90%, J/V " ETETH SA - EKKON AE ",Athens,50%, J/V " TEGK SA - ETETH SA ",Athens,50%, J/V " AKTOR SA - ETETH SA ",Xalandri,50%, J/V " AKTOR SA - ETETH SA – THEMELH SA - THEMELIODOMH SA " ,Xalandri,30%, J/V "AKTOR SA –PANTEXNIKH SA -ATTIKAT SA -ETETH SA",Xalandri,25%, J/V ETETH SA-PANTEXNIKH SA-THEMELIODOMH SA,Xalandri50%, J/V "ETETH SA-J&P AVAX SA,Athens, 100%, J/V METRIK SA-ETETH SA-MAGIAFAS –XATZHDAKHS- PSATHAKHS OE,Athens,40%, J/V "KL. G. ROYTSHS -ETETH SA-KL. ROUTSHS SA",Athens,10%, J/V "ODYSSEYS ATE - ETETH SA,Athens,16%, J/V "ETETH SA-GEOMETRIKH SA",Marousi, 50%, J/V ETETH SA-EYKLEIDHS – PARAKAMPSH NAYPAKTOY,Marousi,50%

## C.2a. Property, Plant & Equipment, Investment Property (I.A.S. 16)

Group management selected the **basic method of valuation of operating fixed assets** inclusive of operating property, according to IAS 16 (at acquisition cost, reduced by accumulated depreciation and accumulated impairment charges), following the initial entry of tangible fixed assets on transition date to I.A.S. (01/01/2004).

However, in 2008 the Management decided to adopt the **revaluation model** for the land and buildings category of assets

### Revaluation Model

Upon recognition as an asset, a fixed asset whose fair value may be estimated reliably may be revalued, to reflect the fair value at recognition date less any subsequent accumulated impairment of value.
The fair value of land and buildings is usually appraised by auditor-valuators. The fair value of equipment and fixtures is usually their acquisition price.
When tangible fixed assets are revalued, the entire class of similar assets should be revalued.
When the book value of a fixed asset increases as a result of revaluation, the increase is credited directly into the Equity as a Revaluation Surplus.
Increases in value due to revaluation will be recognised through the Income Statement to the extend it reverses an earlier impairment of the same asset, charged in the Income Statement.
Should the book value of an asset be reduced as a result of a revaluation, the decrease in value should be charged in the Income Statement. If a revaluation surplus for that asset exists in Equity, the decrease will be charged directly into Equity up to the value of that surplus. Revaluation surpluses in Equity are transferred to Retained Earnings as soon as the fixed assets are sold or derecognized. Tax effects on the revaluation of tangible fixed assets are recognised and disclosed according to IAS 12 Income Tax.
The initial implementation of a tangible fixed asset revaluation policy is treated as a revaluation according to IAS 16, not IAS 8.

While applying I.A.S. 36 (on Impairment of Assets), on each reference date Group management effectively estimates whether its asset base shows signs of impairment, comparing the residual value for each asset against its book value.

Subsequent expenditure on fixed assets already appearing on the Company's books are added to that asset's book value only if they increase its future economic benefits. All expenditure (maintenance, survey etc.) for assets not increasing their future economic benefits are realised as expenses in the financial period incurred.

Expenditures incurred for a major repair or survey of a fixed asset are realised as expenses in the financial period in which they are incurred, except when increasing the future economic benefits of the fixed asset, in which case they are added to the book value of the asset.

Depreciation of tangible fixed assets (excluding land which is not depreciated) is calculated on a straight-line basis according to their useful lives. The main depreciation rates are as follows:

| | |
|---|---|
| Operating Property (buildings) | 3% |
| Investment Property | 3% |
| Machinery | 5.3% - 20% |
| Vehicles | 7.5% - 20% |
| Other equipment | 15% - 20% |

Residual values and useful lives of tangible fixed assets are subject to revision on balance sheet date. When the book value of fixed tangibles exceeds their recoverable value, the difference (impairment loss) is directly charged as an expense item in the Income Statement.

When disposing of tangible fixed assets, the difference between the revenue from the sale and the book value of the assets is realised as profit or loss in the Income Statement.

Own-produced fixed tangibles constitute an addition to the acquisition cost of the assets in the form of direct cost of personnel participating in their production (including related employer's social security contributions), cost of materials and other general expenses.

## C.2b. Investment Property (IAS 40)

J&P Avax group applies IAS 40 for the property regarded as an investment, using the alternative method of valuation, which is the cost model.

Regarding **investment property**, management chose the **alternative method of valuation at acquisition cost (reduced by accumulated depreciation and accumulated impairment charges) according to IAS 16,** following the initial entry of tangible fixed assets on transition date to I.A.S. (01/01/2004).

During 2007 J&P Avax group decided to change the accounting policy, regarding the valuation of investment property, and specifically to apply the fair value model instead of the cost model.
The Management adopts the opinion that the accounting policy of the fair value model for the investment property valuation provides more credible and relevant information because it is based on up-dated values.

According to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", paragraph 52, the retrospective application of a new accounting policy requires the distinction of the information that:
a)Indicate the prevailing facts at the transaction dates.
b)Would be available when the financial statements of these previous periods were approved to be published.
For certain estimations (e.g. fair value estimation not based on an observable price or observable inputs) the distinction of the information is not possible.
When the retrospective application, or the retrospective restatement would require significant estimation, for which the separation of the information is not feasible, then the retrospective application of the new accounting policy is not feasible too.

The Management examined the prospect to recognize both cases of the change in accounting policy. They deduced that the change could not be accounted retrospectively. Therefore, the accounting policy will be applied on a future basis beginning from 2007.

**C.3. Intangible Assets (I.A.S. 38)**

These expenses should be amortised during the financial period in which they are incurred. Only expenses meeting the criteria of I.A.S. 38.18 are capitalized, such as expenses for computer software and licences. Long-term expenses not meeting the criteria of I.A.S. 38.18 are written off in applying IFRS. Intangible assets include software licences.

**C.4. Impairment of Assets (I.A.S. 36)**

**i) Goodwill**
Goodwill represents the additional price paid by the Group for the acquisition of new subsidiaries, joint ventures, and associates. It arises from the comparison of the price paid for the acquisition of a new company with the proportion of the group share to the fair value of the net assets, during the acquisition date. The arisen goodwill from the acquisition of the new subsidiaries and joint ventures is recognized to intangible assets. Every year impairment test for the goodwill is conducted, which decreases the original amount as it is recognized in the balance sheet. During the calculation of profit or loss arisen from participation disposal, the relevant (if any) goodwill is taken under consideration of the disposed company.

For an easier processing of impairment tests, goodwill is allocated to Cash Generating Units (CGU's). The CGU is the smallest identifiable unit of assets which creates independent cash flows and represents the level at which the Group collects and presents the financial data for reasons of internal information. The impairment for the goodwill, is determined from the calculation of the recoverable amount of the CGU's with which the goodwill is connected. Impairment loss which is related with goodwill cannot be reversed in future periods. The Group conducts the annual test for goodwill impairment at 31 December of each accounting period.

In case that the fair value of net assets of a company during the acquisition date is higher than the price paid for the acquisition, negative goodwill is recognized (income), which goes directly in the Income Statement.

I.A.S. 36 applies for the impairment of subsidiaries acquisition or I.A.S. 39 for participation to associates, and other participating interest companies.

**ii) Other Assets**
Assets with an infinite useful life are not depreciated and are subject to annual review for impairment, whenever events take place showing their book value is not recoverable. Assets being depreciated are subject to review of their value impairment when there are indications that their book value shall not be recovered.
Net Selling Price (NSP) is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable willing parties, less the costs of disposal. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. At each balance sheet date, management assess whether there is an indication of impairment as required by I.A.S. 36, requiring that the book value of assets does not exceed their recoverable amount. Recoverable amount is the highest between Net Selling Price and Value in Use.

This evaluation also takes into account all available information, either from internal or external sources. Impairment review is applied on all assets except for inventories, construction contracts, deferred tax receivables, financial assets falling under I.A.S. 39, investment property and non-current assets classified as being held for disposal.

Impairment losses are charged in the Income Statement.

## C.5. Inventories (I.A.S. 2)

On Balance Sheet date, inventories are valued at the lowest between cost and Net Realisable Value (NRV). NRV is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. Inventory cost does not include financial expenses.

## C.6. Financial Instruments: Recognition and Measurement (I.A.S. 39)

The standard outlines the principles for recognition and measurement of financial instruments, financial liabilities and certain contracts for purchase or sale of non financial instruments. The financial instruments of the Group are classified in the following categories according to the substance of the contract and the purpose for which they were purchased. Purchases and sales of investments are recognised on trade date, which is the date on which the Group commits itself in purchasing or selling the asset. Investments are initially recognized at fair value plus related transaction expenses, with the exception of transaction expenses for assets which are recognized at fair value and through the income statement. Investments are written off when the right to the related cash flows expires or is transferred and the Group has in substance transferred all risks and rewards relating to ownership.

**i) Financial assets/liabilities valued at fair value through the income statement**
These comprise financial assets/liabilities that satisfy any of the following conditions:

- Financial assets/liabilities held for trading purposes (including derivatives, except those designated and effective hedging instruments, those acquired or created for the purpose of sale or repurchase, and those that are part of a portfolio of designated financial instruments).
- Upon initial recognition, it is designated by the company as an instrument valued at fair value, with any changes recognised through the Income Statement.

Realised and unrealised profits or losses arising from changes in the fair value of financial assets valued at their fair value with changes in the income statement, are recognized in the income statement at the period in which they result.

**ii) Loans and receivables**
They include non-derivative financial assets with fixed or predefined payments which are not traded in active markets. This category (loans and receivables) does not include:

- receivables from advances for the purchase of goods or services,
- receivables relating to tax transactions, which have been legislatively imposed by the state,
- any receivable not covered by a contract giving the company the right to receive cash or other financial fixed assets.

Loans and receivables are initially recognised at their fair value and then measured at net book cost based upon the real interest rate method.

**iii) Investments held to maturity**
These include non derivative financial assets with fixed or defined payments and specific maturity and which the Group intends and has the ability to hold till maturity. Assets of this category are initially recognised at fair value and then measured at net book cost based upon the real interest rate method.

**iv) Financial assets available for sale**
These include non derivative financial assets either designated in this category or not included in any of the previous ones.
Financial assets available for sale are valued at fair value and the relevant profit or loss is recorded in an equity reserve until such assets are sold or characterized as impaired.
During the sale, or when they are characterized as impaired, the profit or loss is transferred to the income statement. Impairment losses that have been recorded to the income statement cannot be reversed through the income statement.

The fair values of financial assets traded in an active market, are defined by the current ask prices. For non-traded instruments, fair values are defined with the use of valuation techniques such as analysis of recent transactions, comparative items that are traded and discounted cash flows. Securities not traded in an active market that have been classified in the category "financial assets available for sale", whose fair value cannot be determined with credibility, are valued at their acquisition cost. At each balance sheet date the Group assesses whether there are objective indications that lead to the conclusion that financial assets have been impaired. For company shares classified as financial assets available for sale, such an indication is a significant or extended decline in the fair value compared to the acquisition cost.

If impairment is established, the accumulated loss in equity, which is the difference between acquisition cost and fair value, is transferred to the results.

**C.7. Financial Instruments: Presentation (IAS 32)**

The principles in this Standard complement the principles for recognising and measuring financial assets and financial liabilities in IAS 39 Financial Instruments: Recognition and Measurement.

This Standard is concerned with the classification of financial instruments into financial assets, financial liabilities and equity instruments, as well as the classification of related interest, dividends, losses and gains, and the circumstances in which financial assets and financial liabilities should be offset.

A *financial instrument* is any contract that simultaneously gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A *financial asset* is any asset that is:

(a) cash

(b) an equity instrument of another entity

(c) a contractual right:

(i) to receive cash or another financial asset from another entity; or
(ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or

(d) a contract that will or may be settled in the entity's own equity instruments and is:

(i) a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
(ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

A *financial liability* is any liability that is:

(a) a contractual obligation:

(i) to deliver cash or another financial asset to another entity; or
(ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or

(b) a contract that will or may be settled in the entity's own equity instruments and is:

(i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or

(ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

An *equity instrument* is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

*Fair Value* is the amount for which an asset could be exchanged for or a liability be settled with between two parties acting on their own will and in full knowledge of market conditions, as part of a transaction carried out on a pure commercial basis.

### C.8. Financial Instruments: Disclosures (IFRS 7)

IFRS 7 refers to all risks arising from all financial instruments, except those instruments specifically excluded (e.g. interests in subsidiaries, associates and joint ventures, etc.). The objective of the disclosures is to provide an overview of the Group's use of financial instruments and its exposure to risks they create. The extent of the disclosure required depends on the extent of the Company's use of financial instruments and its exposure to risk. The Group and Company apply IFRS 7 from January 1st, 2007.

### C.9. Provisions (I.A.S. 37)

Provisions are recognized when the Group faces legal or substantiated liabilities resulting from past events, their settlement may result in an outflow of resources and the amount of the liability can be reliably estimated. Provisions are reviewed on Balance Sheet date and adjusted to reflect the present value of the expense estimated for settling the liability. Contingent liabilities are not recognized in the financial statements but nevertheless are disclosed in the accompanying notes, except when the probability of an outflow of resources is minimal. Contingent assets are not recognized in the financial statements, but are disclosed in the notes, provided an inflow of economic benefits is probable.

### C.10. Government Grants (I.A.S. 20)

The Group recognizes government grants (subsidies) only when there is reasonable assurance that:

a) the enterprise will comply with any conditions attached to the grants,
b) the grant is likely to be received.

Subsidies are entered in the company's books at their fair value and recognized on a consistent basis as revenue, in accordance with the principle of matching the receipts of subsidies with the related expenses.

Subsidies on assets are included in long-term liabilities as deferred income and recognized on a consistent basis as revenues over the expected useful life of the assets.

### C.11. The effects of changes in Foreign Exchange Rates (I.A.S. 21)

The financial statements of all Group companies are prepared using the currency of the economic area which the Group mainly operates in (operating currency). Consolidated financial reports are denominated in euros, the operating and presentation currency of the parent Company and its subsidiaries.
Transactions in foreign currency are converted in the operating currency according to the going foreign exchange rates on the date on which transactions take place.

Profit and losses from foreign exchange differences arising from settlement of transactions in foreign currency during the financial reporting period and the conversion of monetary items denominated in foreign currency according to the going exchange rates on balance sheet date are recognised in the Income Statement. Foreign exchange adjustments for non-monetary items valued at fair value are considered part of the fair value and are therefore treated as differences in fair value.

### C.12. Equity Capital (I.A.S. 33)

Expenses incurred due to the issue of new shares appear below the deduction of related income tax, reducing the net proceeds from the issue. Expenses incurred due to the issue of new shares to finance the acquisition of another company are included in the target company's total acquisition cost.

### C.13. Dividends (I.A.S. 18)

Payments of dividends to parent company shareholders are recognized as a liability in the consolidated financial statements on the date on which the General Assembly of the Shareholders grants its approval on the distribution of the dividend.

### C.14. Income Taxes & Deferred Tax (I.A.S. 12)

Income tax expenses appearing in the Income Statement include both tax for the period and deferred tax, which correspond to tax charges or tax returns arising from benefits realized within the reporting period in question but booked by the tax authorities in earlier or later reporting periods. Income tax is recognized in the Income Statement for the reporting period, except for tax relating to transactions directly charged against shareholders' funds; in that case, income tax is similarly charged directly against shareholders' funds.

Current income tax includes short-term liabilities and/or receivables from the tax authorities related to payable tax on the taxable income of the reporting period, as well as any additional income tax from earlier reporting periods.

Current tax is calculated according to the tax rates and fiscal legislation applied on each reporting period involved, based on the taxable income for the year. All changes in short-term tax items listed on either side of the balance sheet are recognized as part of the tax expense in the Income Statement.

Deferred income tax is calculated by means of the liability arising from the temporary difference between book value and the tax base of asset and liabilities. No deferred income tax is entered when arising from the initial recognition of assets or liabilities in a transaction, excluding corporate mergers, which did not affect the reported or taxable profit / loss at that time.

Deferred tax income and liabilities are valued according to the tax rates expected to apply in the reporting period in which the receipt or payment will be settled, taking into account the tax rates (and fiscal laws) introduced or in effect until the reporting date. The tax rate in effect on the day following the reporting date is used whenever the timing of reversal of temporary differences cannot be accurately determined.

Deferred tax receivables are recognized to the extent in which taxable profits will arise in the future while making use of the temporary difference which gives rise to the deferred tax receivable.

Deferred income tax is recognized for the temporary differences arising from investments in subsidiaries and affiliates, excluding those cases where de-recognition of temporary differences is controlled by the Group and temporary differences are not expected to be derecognized in the foreseeable future.

Most changes in deferred tax receivables or liabilities are recognised as tax expenses in the Income Statement. Only changes in assets or liabilities affecting temporary differences (e.g. asset revaluations) which are recognized directly against the Group's shareholders' funds do result in changes in deferred tax receivables or liabilities being charged against the relevant revaluation reserve.

### C.15. Personnel Benefits (I.A.S. 19)

Short-term benefits:
Short-term benefits to personnel (excluding termination benefits) in money and in kind are recognized as an expense when deemed payable. Portions of the benefit yet unpaid are classified as a liability, whereas if the amount already paid exceeds the benefit then the company recognizes the excess amount as an asset (prepaid expenses) only to the extent to which the prepayment will result in a reduction in future payments or to a fund return.

Retirement benefits:
Benefits at retirement from service include a defined contribution plan as well as a defined benefit plan.

Defined Contribution Plan:

According to the plan, the company's legal liability is limited to the amount agreed for contribution to the institution (social security fund) managing employer contributions and handing out benefits (pensions, medical plans etc).
The accrued cost of defined contribution plans is classified as an expense in the corresponding financial reporting period.

Defined Benefit Plan:
The Company has legal liability for personnel benefits due to lay-offs ahead of retirement date or benefits upon retirement from service, in accordance with pertinent legislation.
The Projected Unit Credit Method is used to calculate the present value of defined benefit obligations, the related current cost of services and the cost of services rendered which is the accrued services method, according to which benefits are paid at the financial periods in which the retirement benefit liability is founded. Liabilities arise while employees provide services qualifying for retirement benefits.

The Projected Unit Credit Method therefore requires that benefits are paid in both the current reporting period (to calculate the current cost of services) and in the current and past reporting periods (to calculate the present value of defined benefit obligations).
Despite the fact that remaining in service with the Company is a prerequisite for receiving benefits (ie benefits cannot be taken for granted by employees), liabilities are calculated using actuarial methods as follows:

Demographic Assumptions: Personnel Turnover (Staff Resignations / Staff Lay-offs), and

Financial Assumptions: discount rate, future salary levels (calculated using government bond yield of equal maturities) and estimated future changes in state benefits affecting payable benefits.

### C.16. Revenue Recognition (I.A.S. 18)

Revenues include the fair value of works, sales of goods and services, net of VAT, discounts and returns. IntraGroup revenues are completely eliminated. Recognition of revenues is done as follows:

Construction Contracts:
Revenues from projects towards signed contracts are entered in the reporting period in which the works were carried out, based on their stage of completion

Sale of Goods:
Sale of goods are recognized when the Group makes actual delivery of the goods to their buyers who in turn formally accept them, rendering their price secure for receipt.

Provision of services:
Revenues from provision of services are entered in the reporting period in which the services were rendered, according to the stage of completion of the services.

### C.17. Leases (I.A.S. 17)

Financial leases are all leases on fixed assets which transfer onto the Group all risks and benefits in relation to those assets' ownership, irrespective of the eventual transfer of ownership of the assets.
These leases are capitalized at the start of the lease using the lowest price between the fair value of the fixed asset and the present value of the minimum lease. All leases comprise a liability and a financial expense, securing a fixed interest rate for the balance of the financial liability. Liabilities arising from leases, net of financial expenses, are entered as liabilities in the balance sheet. The portion of financial expenses arising from financial leases is recognized in the Income Statement throughout the term of the lease. Fixed assets acquired via financial leases are depreciated over the lowest term between their useful life and their lease term.

Lease agreements in which the lessee transfers the right of usage of an asset for a fixed time period but not the risks and rewards of the asset's ownership, are classified as operating leases. Payments for operating leases (net of any discounts offered by the lessor) are recognized in the Income Statement proportionately over the term of the lease.

Fixed assets leased as lessor through operating leases are included as tangible assets in the balance sheet and depreciated over their expected useful lives using the same procedure as other fully-owned tangibles. Proceeds from leases (net of any discounts offered to the lessee) are recognized on a straight-line basis over the lease term. The Group does not lease fixed assets using the financial lease method.

**C.18. Construction Contracts (I.A.S. 11)**

Construction contracts refer to the construction of assets or a group of related assets on behalf of clients according to terms laid out in relevant contract agreements, their construction usually spanning more than one reporting period.

Expenses arising from the contract are recognized at the time they are incurred.

If the profitability of a construction contract cannot be reliably estimated, and especially when the project is at an early stage of completion, revenues are recognized to the extent that construction costs may be recovered, and construction costs must be recognized in the income statement of the reporting period in which they came about. Therefore, the level of revenues recognized from those construction contracts must be set accordingly to yield zero profitability for the project.

If the profitability of a construction contract may be reliably estimated, revenues and expenses arising from that contract are recognized during the term of the contract as revenue and expense, respectively. The Group uses the percentage of completion method to set the revenue and expense to be recognized over each reporting period. The stage of completion is calculated on the basis of the construction cost realized until reporting date in relation to the total estimated cost of each project.

If total costs from a construction contract are likely to exceed the relevant total revenues, the expected loss is recognised immediately in the income statement as an expense item.

In calculating the cost realised during a reporting period, expenses linked to future works arising from a construction contract are excluded and entered in the accounts as work-in-progress. Total realised costs and profit / loss recognised on each contract are compared to the invoiced works till the end of the reporting period.

If realised expenses, plus net realised profit and less any realised losses, exceed the invoiced works then the difference is entered as a receivable from clients (Construction Contracts). If invoiced works exceed realised expenses, plus net realised profits and less realised losses, the balance is entered as a liability to contract clients.

Contract Grouping:
The initial contract for a project, along with any additional works and extensions to the contract, are treated as a single project because new contracts for additions and extensions pertain to works on the same project and their value is related to the value of the initial contract.
A group of projects is treated as a single project if their negotiation is done jointly or the relevant contracts are linked with each other and constitute parts of a broader project with a total profit margin, or each contract is carried out simultaneously or in a certain order.

Project Revenues: Revenues from projects include the following:
- Initial contract value, plus any revisions of the initial contract, extensions and additions
- Claims
- Incentive payments, e.g. for early delivery

Claims and incentive payments are taken into account to the extent that they may be realised with a strong likelihood and be accurately defined and calculated.

Project Cost: The cost of projects includes the following:
- Costs directly related to a project
- Costs attributed to a particular project and can be allocated to the same project
- Other costs billed to a specific client, according to the terms of the contract

The second case includes all general construction expenses. Those expenses are regularly allocated using reasonable and consistent methodologies and allocation practices, across all similar expense items.

General Construction Expenses include costs such as clerical work on staff payroll, and financial expenses related to the projects.
Expenses not allocated or classified to a specific project include sale expenses, R&D expenses, general administrative expenses and depreciation of idle equipment, which are not employed in that project.

**C.19. Debt and receivables (I.A.S. 23)**

Debt and receivables include non-derivative financial assets with fixed or otherwise predefined payments, which are not traded on active markets. They exclude

a) receivables from prepayments on goods or services,
b) receivables related to legislation-induced transactions in taxes,
c) any other items not provided for by contracts offering the Company the right to receive payment of cash or other financial assets.

Debt and receivables are included in current assets, with the exception of those expiring over 12 months after reporting date which are entered as non-current assets.
On every Balance Sheet date, the Group evaluates the existence of objective indications of impairment of its financial assets.
Dent and receivables are recognized at their non-depreciated cost using the real interest rate method. Losses are directly and fully charged against the reporting period's income statement.
Each receivable item of substantial value is evaluated individually for impairment, whereas lower-valued items may be jointly evaluated. When jointly evaluated, lower-valued receivables should be grouped according to their credit risk rating (i.e. the items should be classified according to their risk profile).

Should the value impairment loss be eliminated according to some objective indications in subsequent reporting periods, it should be derecognized and immediately charged in the income statement. The value of derecognition should not result in a non-depreciated cost which is in excess of the value of the receivable at the date of derecognition, provided there was no impairment loss.

**C.20. Borrowing Cost (I.A.S. 23)**

Borrowing cost refers to interest charged on debt, as well as other expenses incurred by the company in securing that debt.

Included in borrowing costs are:
- Interest expenses on short-term and long-term bank loans, as well as overdraft interest charges
- Amortisation of par discount arising from bond loan issues
- Amortisation of additional expenses incurred in securing a loan
- Financial expenses from financial leases, as defined in I.A.S. 17
- Foreign exchange adjustments, to the extent that they constitute a financial expense

Borrowing costs that can be allocated directly in acquisition, construction or production of an asset which fulfils the requirements should be capitalized.

**C.21. Segment reporting (I.A.S. 14)**

Business segments are groups of asset items and activities producing products and services which are subject to different risks and returns of the assets and activities of other business segments. Geographic segments are the areas in which the offered products and services differ to those offered in other areas in terms of the risks and return they are subject to.

Every contract being filled by the Group is unique in terms of technical specifications, differentiating it to a small or large extent from other contracts. The projects carried out by the company mainly differ from each other in terms of the intended use by the end-client, nevertheless without differentiating themselves in terms of business risk and return. The Group provides business segment report.

**C.22. Related Party Disclosures (I.A.S. 24)**

Related party disclosures are governed by I.A.S. 24 and refer to transactions between a company reporting its financial statements and other related parties. Its application is compulsory for reporting periods starting after 1/1/2005. The main issue is the economic substance of transactions, as opposed to their legal form.

A company is considered a related party to a reporting company if:

a) It is directly or indirectly via intermediaries in control, or controlled by or under joint control of the reporting company
b) It controls an equity stake in the reporting company which grants substantial control, or joint control of the reporting company
c) It is an associate, as defined in IAS 28
d) It is a joint venture, as defined in IAS 31
e) It is a key member of the top management team (Board of Directors) of the reporting company or its parent firm
f) It is closely related family-wise to any person matching the first and fourth case noted above
g) It is a company controlled (or under joint control or under substantial influence) by a person matching the fourth and fifth case noted above
h) It is has an employee defined benefit plan in place, where those eligible for receiving the benefits are either the reporting company or the employees of the reporting company

Related party transaction is any transfer of resources, services or liabilities between related parties, irrespective of the payment of a price in return.

## D. RISK MANAGEMENT

The operation of the J&P-AVAX Group of companies and the broader business environment present a number of risks which need be dealt with by the Company's management, weighing with realism the relevant cost against the likely impact of those risks.

**D.1 Financial Risk**

The Group's operations require working capital and performance bonds by banks to guarantee our participation in tenders for projects and subsequently our performance in those projects. The interest rate levied on the Company's bank debt is largely dependent on the European Central Bank's interest rate policy, while the fees charged for issuing the performance bonds are generally considered low due to the Company's large volume of banking business, its excellent creditworthiness and intense competition within the banking sector.

The Company's Finance Department works closely with local and international financial institutions to plan our debt requirements and the volume of performance bonds needed to support projects in progress or in tender process with the lowest possible financial cost.

The Group continuously monitors its needs for derivative interest rate hedging instruments. All short-term debt is taken with variable interest rates while bond loans carry an option to convert their rate into fixed. (see note 26b)

**D.2 Foreign Exchange Risk**

The Group's international business is on an uptrend, hence it is exposed to growing currency risk. The conversion of the Cypriot Pound into euro eliminated the Group's currency risk for that cross-rate given its large work-in-hand in Cyprus.

In Europe, the Group is active in Poland where it bills and receives cash in euro (the projects being funded by the European Union) and about 60% of its expenses are charged and paid in euro. To hedge its risk in expenses denominated in PLN, the Company maintains low levels of debt in PLN as working capital, the bulk of debt being denominated in euro. In Romania the Group is active through its subsidiary ATHENA SA for construction works, and through J&P Development for real estate projects. Real estate property is valued and transactions are done using euro, hence the Group faces no currency risk. (see note 9c)

### D.3 Input Risk

Several of the raw materials used by the Group are internationally-priced commodities, such as cement, metal grids and fuel. Price volatility in those input materials is eased to some extent as a result of particularities in their supply in Greece, while the Group also purchases raw materials and other inputs centrally to take advantage of economies of scale in quoted prices by suppliers.

### D.4 Liquidity Risk

The likelihood of failure to meet its obligations against its clients presents a risk to the Group because this eventuality could challenge the Financial Division's planning for cash liquidity.

Despite the substantial diversification of projects to a large number of clients, both in Greece and abroad, the Group's revenues largely source from the Greek State, other public-sector entities and international state organizations enjoying financial backing by the European Union. In this light, the risk of failure to collect receivables on signed contracts is considered very low, despite occasional delays in collecting payments from even the most reliable clients, such as the Greek State. The Group faces increased credit risk on private projects, which are on the rise relative to the overall level of business. The Group makes a provision on contingent liabilities relating to private projects. The credit risk is monitored by a computer application which analyses the aging breakdown of the receivables. The Group also maintains high credit lines with the banking system to cope with liquidity issues which might arise.

## E. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED STANDARDS

IASB and IFRIC have published a series of new financial reporting standards and interpretations which are mandatory for financial periods beginning on or after 01.01.2007. The estimation of the Group's and the Company's management regarding the impact of those new standards and interpretations is as follows:

**IFRS 8 – Operating Segments**
(effective for financial years beginning on or after 01.01.2009)

IFRS 8 replaces IAS 14 (Segment Reporting). The information reported will be the same as that used internally by management for evaluating the performance of operating segments and allocating resources to those segments. The Group and the Company are in the process of evaluating the effect of IFRS 8 on its financial statements. The EU has not as yet endorsed IFRS 8. The adoption of IFRS 8 by the Group has not affected the identified operating activity compared to the recent annual financial statements.

**IFRS 3 - "Business Combinations" (Revised) and IAS 27, "Consolidated and Separate Financial Statements" (Amended)**
(effective for annual periods beginning on or after 1 July 2009.)

A revised version of IFRS 3 Business Combinations and an amended version of IAS 27 Consolidated and Separate Financial Statements were issued by IASB on January 10, 2008. The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition-related costs and recognising subsequent changes in fair value of contingent consideration in the profit or loss (rather than by adjusting goodwill).
The amended IAS 27 requires that a change in ownership interest of a subsidiary is accounted for as an equity transaction. Therefore such a change will have no impact on goodwill, nor will it give raise to a gain or loss. Furthermore the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The changes introduced by IFRS 3 (Revised) and IAS 27 (Amendment) must be applied prospectively and will affect future acquisitions and transactions with minority interests. The revised IFRS 3 and amendments to IAS 27 have not yet been endorsed by the EU.

**IAS 1, "Presentation of Financial Statements" (Revised)**
(effective for annual periods beginning on or after 1 January 2009.)

IAS 1 has been revised to enhance the usefulness of information presented in the financial statements. Of the main revisions are the requirement that the statement of changes in equity includes only transactions with shareholders; the introduction of a new statement of comprehensive income that combines all items of income and expense recognised in profit or loss together with "other comprehensive income"; and the requirement to present restatements of financial statements or retrospective application of a new accounting policy as at the beginning of the earliest comparative period, i.e. a third column on the balance sheet. The Group will make the necessary changes to the presentation of its financial statements in 2009. The Group made the necessary changes to the presentation of its current financial statements and elected to present the comprehensive income in a separate statement.

**Amendments to IAS 32 "Financial Instruments: Presentation" and IAS 1 "Presentation of financial statements"**
(applicable to accounting periods starting on or after 1 January 2009

The amendments for Financial Instruments pertain to entities that have issued puttable financial instruments and are applicable on annual accounting periods starting on or after 1 January 2009. The amendment to IAS 32 requires that specific puttable financial instruments, instruments or components of instruments imposing an obligation on an entity upon their liquidation, should be classified as equity, provided some conditions are met. The amendment to IAS 1 requires disclosure of information on the puttable instruments classified as equity. These amendments will not affect the income statement of the Group and the Company.

**IAS 32 - Classification on Rights Issues (Amended)**
The amendment is effective for annual periods beginning on or after 1 February 2010. This amendment relates to the rights issues offered for a fixed amount of foreign currency which were treated as derivative liabilities by the existing standard. The amendment states that if certain criteria are met, these should be classified as equity regardless of the currency in which the exercise price is denominated.

**IAS 39 - "Financial Instruments: Recognition and Measurement" and IFRS 7 - "Financial Instruments: Disclosures; Reclassification of Financial Assets"**
(effective for annual periods beginning on or after 1 July 2009)
The amended standard requires additional disclosures about fair value measurement and liquidity risk. Fair value measurements related to items recorded at fair value are to be disclosed by the source of inputs, using a three-level hierarchy, by class, for all financial instruments recognized at fair value. In addition, a reconciliation between the beginning and ending balance for level 3 fair value measurements is now required, as well as significant transfers between the levels in the fair value hierarchy. The amendments also clarify the requirements for liquidity risk disclosures with respect to derivative transactions and assets used for liquidity management.
The amendment clarifies that an entity is permitted to designate a portion of the fair value changes or cash flow variability of a financial instrument as hedged item. This also covers the designation of inflation as a hedged risk or portion in particular situations.

**IAS 23 - "Borrowing Costs" (Revised)**
(effective for annual periods beginning on or after 1 January 2009.)

The benchmark treatment in the existing standard of expensing all borrowing costs to the income statement is eliminated in the case of qualifying assets. All borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset must be capitalised. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The Group/Company has already the allowed alternative treatment of IAS 23 and allocates borrowing costs in the accounts that satisfied the prerequisites and it is not expected that this amendment will affect the financial statements.

**IFRIC 9 - Financial Instruments – Phase 1 financial assets, classification and measurement**

The new standard is effective for annual periods beginning on or after 1 January 2013. Phase 1 of this new IFRS introduces new requirements for classifying and measuring financial assets. Early adoption is permitted. This standard has not yet been endorsed by the EU.

**IFRS 2 Group Cash-settled Share-based Payment Transactions**

IFRS 2 Group Cash-settled Share-based Payment Transactions (Amended)
The amendment is effective for annual periods beginning on or after 1 January 2010.
This amendment clarifies the accounting for group cash-settled share-based payment transactions and how such transactions should be arranged in the individual financial statements of the subsidiary. This interpretation has not yet been endorsed by the EU.

**IFRIC 11 – Group and Treasury Share Transactions**
(effective for financial years beginning on or after 01.03.2007)

IFRIC 11 provides instructions about whether the allowance agreements that are dependent on the price of shares, should be recognised in the financial statements as cash payments or as payments with participation titles. This is a significant distinction as major differences arise in the accounting treatments. For example, cash payments are recognized at the fair value in each balance sheet date. On the contrary, in case of payment with participation titles the fair value is valuated at the date of the allowance and is recognized in the period where the service was rendered.

**IFRIC 12 – Service Concession Arrangements**
(effective for financial years beginning on or after 01.01.2008)

IFRIC 12 outlines the approach of entities providing public services through concession agreements to the application of existing IFRSs in accounting for the obligations and rights assumed through those concession agreements. According to IFRIC 12, those entities should not account for the infrastructure as property, plant and equipment, but should recognise a financial asset and / or an intangible asset. The Group and the Company are in the process of evaluating the effect of IFRIC 12 on its future financial statements.

**IFRIC 14 - Prepayments of a Minimum Funding Requirement**

The amendment is effective for annual periods beginning on or after 1 January 2011. The purpose of this amendment was to permit entities to recognize as an asset some voluntary prepayments for minimum funding contributions. This Earlier application is permitted and must be applied retrospectively. This amendment has not yet been endorsed by the EU.

**IFRIC 15 - "Agreements for the Construction of Real Estate"**
(effective for financial years beginning on or after 1 January 2009)

IFRIC 15 provides guidance on two issues:
- If the building construction agreements concern the scope of IAS 11 or IAS 18
- When the income from the building construction should be recognized. This IFRIC is applied during the accounting recognition of income, as well as the related expenses, in the books of the Company that has undertaken the construction agreement, whether the construction is completed directly by the Company or through subcontractors. The contracts in the scope of IFRIC 15 are the building construction agreements. Furthermore, these agreements may include the deliverance of goods or services. IFRIC 15 is applied for the Group on 2009.

**IFRIC 16 - "Hedges of a Net Investment in a foreign operation"**
(effective for financial years beginning on or after 1 October 2008)

IFRIC 16 clarifies three main issues, namely:
- A presentation currency does not create an exposure to which an entity may apply hedge accounting. Consequently, a parent entity may designate as a hedged risk only the foreign exchange differences arising from a difference between its own functional currency and that of its foreign operation.
- Hedging instrument(s) may be held by any entity or entities within the group.

- While IAS 39, 'Financial Instruments: Recognition and Measurement', must be applied to determine the amount that needs to be reclassified to profit or loss from the foreign currency translation reserve in respect of the hedging instrument, IAS 21 'The Effects of Changes in Foreign Exchange Rates' must be applied in respect of the hedged item.

**IFRIC 17 - "Distributions of Non-cash Assets to Owners"** (effective for annual periods beginning on or after 1 July, 2009.)

IFRIC 17 clarifies the following issues, namely:
- a dividend payable should be recognised when the dividend is appropriately authorised and is no longer at the discretion of the entity;
- an entity should measure the dividend payable at the fair value of the net assets to be distributed;
- an entity should recognise the difference between the dividend paid and the carrying amount of the net assets distributed in profit or loss; and
- an entity to provide additional disclosures if the net assets being held for distribution to owners meet the definition of a discontinued operation.

IFRIC 17 applies to pro rata distributions of non-cash assets except for common control transactions.

**IAS 24 - Related Party Disclosures (Revised)**

The revision is effective for annual periods beginning on or after 1 January 2011.This revision relates to the judgment which is required so as to assess whether a government and entities known to the reporting entity to be under the control of that government are considered a single customer. In assessing this, the reporting entity shall consider the extent of economic integration between those entities. Early application is permitted and adoption shall be applied retrospectively. This interpretation has not yet been endorsed by the EU.

**IFRS 1 - Additional Exemptions for First-time Adopters (Amended)**

The amendment is effective for annual periods beginning on or after 1 July 2010. This interpretation has not yet been endorsed by the EU. In April 2009 the IASB issued its second omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. The effective dates of the improvements are various and the earliest is for the financial year beginning 1 July 2009. This annual improvements project has not yet been endorsed by the EU.

**IFRIC 19 – Extinguishing financial liabilities with equity instruments**
(effective for financial years beginning on or after 01.07.2010)

IFRIC 19 outlines the accounting treatment in cases of renegotiation of the terms of a financial liability between an entity and its creditor, whereby the creditor agrees to accept the entity's shares or other equity instruments to settle the financial liability fully or partially. This IFRIC clarifies the fact that the entity's equity instruments issued to a creditor constitute part of the consideration according to IAS 39, paragraph 41, hence the financial liability is not recognised and the equity instruments are treated as the payment to extinguish the financial liability. The European Union has yet to adopt this amendment.

**NOTES TO THE ACCOUNTS**

**1. Turnover**

| | Group | | Company | |
|---|---|---|---|---|
| | **1.1-31.12.2009** | **1.1-31.12.2008** | **1.1-31.12.2009** | **1.1-31.12.2008** |
| Turnover | 907.113.756 | 947.319.355 | 464.584.933 | 547.652.505 |
| Sale of products | 19.375.041 | 24.587.628 | 28.803 | 38.609 |
| Sale of services | 19.170.265 | 19.173.856 | 11.440.912 | 6.366.394 |
| | **945.659.061** | **991.080.839** | **476.054.648** | **554.057.508** |

Turnover from Joint Ventures (share of participation) according to IAS 31 (financial presentation of participations in Joint Ventures) is included in the Group's consolidated financial accounts, but not in the solo accounts of the parent entity (J&P-AVAX SA). The share of the Company in Own Projects and Joint Venture is analysed as follows.

| | Company | |
|---|---|---|
| | **1.1-31.12.2009** | **1.1-31.12.2008** |
| **Own Projects** | | |
| Invoiced Turnover | 470.554.933 | 477.995.278 |
| Construction Contracts | (5.970.000) | 69.657.227 |
| **Total Turnover from Own Projects** | **464.584.933** | **547.652.505** |
| **Joint Ventures (share of participation)** | | |
| Invoiced Turnover | 142.204.300 | 143.528.888 |
| Construction Contracts | 11.930.087 | (8.636.311) |
| **Total Turnover from Joint Ventures** | **154.134.387** | **134.892.577** |
| Total Invoiced Turnover | 612.759.233 | 621.524.166 |
| Total Construction Contracts | 5.960.087 | 61.020.916 |
| **Total Turnover (Own Projects and Joint Ventures)** | **618.719.320** | **682.545.082** |

**2. Cost of sales**

| | Group | | Company | |
|---|---|---|---|---|
| | **1.1-31.12.2009** | **1.1-31.12.2008** | **1.1-31.12.2009** | **1.1-31.12.2008** |
| Raw Materials | (306.865.651) | (330.753.181) | (171.023.635) | (184.766.840) |
| Wages and Salaries | (139.345.897) | (144.412.356) | (65.323.386) | (78.459.712) |
| Third Party Fees | (311.007.919) | (344.727.949) | (168.430.434) | (204.551.167) |
| Charges for Outside Services | (56.608.848) | (49.925.932) | (22.709.569) | (21.572.477) |
| Other Expenses | (24.706.347) | (37.962.672) | (11.824.827) | (16.240.703) |
| Interest Expenses | (9.898.353) | (6.730.695) | (1.008.237) | (2.183.431) |
| Depreciation | (22.237.852) | (18.170.487) | (11.049.321) | (9.389.415) |
| **TOTAL** | **(870.670.867)** | **(932.683.271)** | **(451.369.409)** | **(517.163.745)** |

**3.Other net operating income/(expense)**

| | Group | | Company | |
|---|---|---|---|---|
| | **1.1-31.12.2009** | **1.1-31.12.2008** | **1.1-31.12.2009** | **1.1-31.12.2008** |
| Other Income | 1.417.314 | 4.087.514 | - | 3.133.964 |
| Extraordinary Revenues and Profit | 5.408.770 | 3.074.232 | 737.519 | 1.147.350 |
| Extraordinary Expenses and Loss | (3.460.591) | (6.763.342) | (393.489) | (2.803.179) |
| Gains on fair value of investment proper | (2.667.280) | 3.433.723 | 836.325 | (370.479) |
| Provisions on contingent assets and investments | (2.013.008) | (997.666) | (2.771.582) | (771.082) |
| Distribution of Profit to Personnel/BOD | (403.000) | (1.230.000) | | (900.000) |
| **TOTAL** | **(1.717.795)** | **1.604.461** | **(1.591.227)** | **(563.426)** |

**4. Administrative expenses**

| | Group | | Company | |
|---|---|---|---|---|
| | **1.1-31.12.2009** | **1.1-31.12.2008** | **1.1-31.12.2009** | **1.1-31.12.2008** |
| Raw Materials | (74.042) | (54.554) | (72.077) | (54.457) |
| Wages and Salaries | (16.149.973) | (16.779.156) | (10.858.391) | (13.216.547) |
| Third Party Fees | (5.145.243) | (3.922.959) | (1.796.054) | (1.921.767) |
| Charges for Outside Services | (3.594.832) | (3.820.809) | (2.415.323) | (2.129.157) |
| Other Expenses | (4.348.043) | (5.314.405) | (2.580.870) | (3.227.456) |
| Interest Expenses | (649.861) | (327.325) | 87.697 | (323.930) |
| Depreciation | (2.369.291) | (2.504.362) | (1.505.375) | (1.346.852) |
| **TOTAL** | **(32.331.285)** | **(32.723.570)** | **(19.140.393)** | **(22.220.164)** |

**5. Selling & Marketing expenses**

| | Group | | Company | |
|---|---|---|---|---|
| | **1.1-31.12.2009** | **1.1-31.12.2008** | **1.1-31.12.2009** | **1.1-31.12.2008** |
| Raw Materials | (255) | (15.445) | (256) | (15.445) |
| Wages and Salaries | (2.358.060) | (3.122.344) | (1.627.216) | (2.431.073) |
| Third Party Fees | (4.442.761) | (2.489.426) | (4.059.122) | (2.193.841) |
| Charges for Outside Services | (391.151) | (283.619) | (259.802) | (221.819) |
| Other Expenses | (1.640.391) | (1.338.505) | (1.420.857) | (801.942) |
| Interest Expenses | (232.332) | (630.521) | (127.091) | (624.956) |
| Depreciation | (218.846) | (252.289) | (121.297) | (215.048) |
| **TOTAL** | **(9.283.796)** | **(8.132.150)** | **(7.615.641)** | **(6.504.123)** |

**6. Income/(Losses) from Associates/Participations**

| | Group | | Company | |
|---|---|---|---|---|
| | **1.1-31.12.2009** | **1.1-31.12.2008** | **1.1-31.12.2009** | **1.1-31.12.2008** |
| Dividends from subsidiaries/ Joint Ventures | | | 25.511.246 | 10.936.492 |
| Dividends from associates | | - | 2.420.761 | 6.616.393 |
| Dividends from other participating companies | | | 6.772 | - |
| | | 3.769.819 | | |
| Profit/(loss) from associates | 29.744.612 | 31.942.798 | (514.888) | (266.767) |
| | **29.744.612** | **35.712.617** | **27.423.891** | **17.286.117** |

**7. Net finance cost**

| | Group | | Company | |
|---|---|---|---|---|
| | **1.1-31.12.2009** | **1.1-31.12.2008** | **1.1-31.12.2009** | **1.1-31.12.2008** |
| Interest income | 2.324.395 | 2.537.544 | 1.299.738 | 827.518 |
| Interest expense | (28.840.437) | (29.135.881) | (18.200.880) | (19.575.843) |
| | **(26.516.042)** | **(26.598.337)** | **(16.901.142)** | **(18.748.325)** |

**8.Tax**

| | Group | | Company | |
|---|---|---|---|---|
| | **1.1-31.12.2009** | **1.1-31.12.2008** | **1.1-31.12.2009** | **1.1-31.12.2008** |
| Income tax | (4.338.786) | (8.559.410) | (1.398.444) | (1.292.158) |
| Social responsibility tax N.3808/2009 | (585.642) | | (307.192) | |
| Deferred Tax | (1.488.001) | 5.637.288 | (186.165) | 2.375.561 |
| Tax auditing differences | (1.347.678) | (591.761) | (92.387) | (92.387) |
| | **(7.760.107)** | **(3.513.883)** | **(1.984.188)** | **991.016** |

**9. Segment Reporting**

**(a) Primary reporting format - business segments**

The Group is active in 3 main business segments:

- Construction
- Concessions
- Other activities (Real estate development and other activities)

The figures per business segments for the year ended 31 December 2009 are as follows:

| | Construction | Concessions | Real Estate and other activities | Total |
|---|---|---|---|---|
| Total gross sales per segment | 924.903.466 | | 36.812.725 | 961.716.191 |
| Inter-segment sales | (14.756.317) | | (1.300.813) | (16.057.130) |
| **Net Sales** | **910.147.148** | **-** | **35.511.913** | **945.659.061** |
| **Operating Results** | **70.318.938** | **0** | **4.669.256** | **74.988.194** |
| Other net operating income/(expenses) | 852.851 | 0 | (2.570.646) | (1.717.795) |
| Administrative expenses / Selling & Marketing expenses | (23.195.169) | (10.993.958) | (7.425.954) | (41.615.081) |
| Income/(Losses) from Investments in Associates | (1.176.131) | 30.988.622 | (67.880) | 29.744.612 |
| **Profit from operations** | **46.800.490** | **19.994.664** | **(5.395.224)** | **61.399.931** |
| Net financial income / (loss) | | | | (26.516.042) |
| **Profit before tax** | | | | **34.883.888** |
| Tax | | | | (7.760.107) |
| **Profit after tax** | | | | **27.123.781** |
| **Depreciation** | 23.250.377 | 384.925 | 1.094.266 | 24.729.568 |

The figures per business segments for the year ended 31 December 2008 are as follows:

| | Construction | Concessions | Real Estate and other activities | Total |
|---|---|---|---|---|
| Total gross sales per segment | 956.102.982 | - | 49.534.404 | 1.005.637.386 |
| Inter-segment sales | (10.497.820) | - | (4.058.728) | (14.556.547) |
| **Net Sales** | **945.605.162** | **-** | **45.475.677** | **991.080.839** |
| **Operating Results** | **55.073.999** | **-** | **3.323.569** | **58.397.568** |
| Other net operating income/(expenses) | (4.644.038) | - | 6.248.499 | 1.604.461 |
| Administrative expenses / Selling & Marketing expenses | (24.464.602) | (11.565.544) | (5.825.574) | (40.855.720) |
| Income/(Losses) from Investments in Associates | (89.001) | 35.895.190 | (93.572) | 35.712.617 |
| **Profit from operations** | 26.876.357 | 24.329.646 | 3.652.923 | **54.858.926** |
| Net financial income / (loss) | | | | (26.598.337) |
| **Profit before tax** | | | | **28.260.590** |
| Tax | | | | (3.513.883) |
| **Profit after tax** | | | | **24.746.707** |
| **Depreciation** | 18.474.959 | 383.917 | 2.068.262 | 20.927.138 |

**(b) Secondary reporting format - Geographical segments**

The group is active in 2 main Geographical segments

- Greece
- International Markets

The figures per segment for the year ended 31 December 2009 are as follows:

| | Greece | International Markets | Total |
|---|---|---|---|
| Total gross sales per segment | 559.240.873 | 423.981.390 | 983.222.263 |
| Inter-segment sales | (37.563.202) | - | (37.563.202) |
| **Net Sales** | **521.677.671** | **423.981.390** | **945.659.061** |
| **Operating Results** | **84.277.818** | **(9.289.624)** | **74.988.194** |
| Other net operating income/(expenses) | 573.472 | (2.291.267) | (1.717.795) |
| Administrative expenses / Selling & Marketing expenses | (39.229.996) | (2.385.085) | (41.615.081) |
| Income/(Losses) from Investments in Associates | 30.774.936 | (1.030.324) | 29.744.612 |
| **Profit from operations** | **76.396.230** | **(14.996.300)** | **61.399.931** |
| Net financial income / (loss) | (18.679.228) | (7.836.814) | (26.516.042) |
| **Profit before tax** | **57.717.002** | **(22.833.114)** | **34.883.888** |
| Tax | (6.759.512) | (1.000.596) | (7.760.108) |
| **Profit after tax** | **50.957.491** | **(23.833.710)** | **27.123.781** |
| **Depreciation** | 12.127.835 | 12.601.732 | 24.729.568 |

The figures per segment for the year ended 31 December 2008 are as follows:

| | Greece | International Markets | Total |
|---|---|---|---|
| Total gross sales per segment | 592.459.839 | 413.177.547 | 1.005.637.386 |
| Inter-segment sales | (14.556.547) | - | (14.556.547) |
| **Net Sales** | **577.903.292** | **413.177.547** | **991.080.839** |
| **Operating Results** | **46.853.390** | **11.544.177** | **58.397.568** |
| Other net operating income/(expenses) | 4.885.844 | (3.281.383) | 1.604.461 |
| Administrative expenses / Selling & Marketing expenses | (38.345.084) | (2.510.636) | (40.855.720) |
| Income/(Losses) from Investments in Associates | 35.834.871 | (122.254) | 35.712.617 |
| **Profit from operations** | **49.229.022** | **5.629.904** | **54.858.926** |
| Net financial income / (loss) | (21.942.844) | (4.655.493) | (26.598.337) |
| **Profit before tax** | **27.286.178** | **974.411** | **28.260.590** |
| Tax | (5.169.507) | 1.655.624 | (3.513.883) |
| **Profit after tax** | **22.116.671** | **2.630.035** | **24.746.707** |
| **Depreciation** | 12.078.879 | 8.848.259 | 20.927.138 |

## 9c. Sensitivity Analysis - Foreign Exchange rate Risk

| | 31/12/2009 | | | | | |
|---|---|---|---|---|---|---|
| *amounts in €* | **GROUP** | | | **COMPANY** | | |
| | *PLN* | *RON* | *AED* | *PLN* | *RON* | *AED* |
| Financial assets | 28.620.305,00 | 5.484.465,31 | 53.917.732,59 | 28.620.305,00 | 5.190.479,72 | 53.917.732,59 |
| Financial liabilities | 106.734.430,00 | 8.460.620,22 | 57.128.152,28 | 106.734.430,00 | 8.448.639,62 | 57.128.152,28 |
| **Short-term exposure** | **-78.114.125,00** | **-2.976.154,91** | **-3.210.419,69** | **-78.114.125,00** | **-3.258.159,90** | **-3.210.419,69** |
| | | | | | | |
| Financial assets | 67.928,00 | 0,00 | 0,00 | 67.928,00 | 0,00 | 0,00 |
| Financial liabilities | 0,00 | 500.000,00 | 4.548.625,31 | 0,00 | 500.000,00 | 4.548.625,31 |
| **Long-term exposure** | **67.928,00** | **-500.000,00** | **-4.548.625,31** | **67.928,00** | **-500.000,00** | **-4.548.625,31** |

| | 31/12/2008 | | | | | |
|---|---|---|---|---|---|---|
| *amounts in €* | **GROUP** | | | **COMPANY** | | |
| | *PLN* | *RON* | *AED* | *PLN* | *RON* | *AED* |
| Financial assets | 39.936.213,00 | 8.929.501,66 | 62.251.585,23 | 39.936.213,00 | 8.554.091,69 | 62.251.585,23 |
| Financial liabilities | 93.542.231,00 | 8.026.403,74 | 79.781.511,37 | 93.542.231,00 | 7.951.974,65 | 79.781.511,37 |
| **Short-term exposure** | **-53.606.018,00** | **903.097,92** | **-17.529.926,14** | **-53.606.018,00** | **602.117,04** | **-17.529.926,14** |
| | | | | | | |
| Financial assets | 47.997,00 | 512.816,23 | 48.026.328,37 | 47.997,00 | 512.533,13 | 48.026.328,37 |
| Financial Liabilities | 0,00 | 725.192,43 | 9.506.894,20 | 0,00 | 725.192,43 | 9.506.894,20 |
| **Long-term exposure** | **47.997,00** | **-212.376,20** | **38.519.434,17** | **47.997,00** | **-212.659,30** | **38.519.434,17** |

The sensitivity analysis to exchange rate flactuations for the period of 2009 are:

| | **GROUP** | | **COMPANY** | |
|---|---|---|---|---|
| | *PLN* | *PLN* | *PLN* | *PLN* |
| *amounts in €* | 1,56% | -1,56% | 1,56% | -1,56% |
| Income statement | 1.217.520,67 | -1.220.642,52 | 1.217.520,67 | -1.220.642,52 |
| Shareholders equity | 1.324.210,35 | -1.327.605,76 | 1.324.210,35 | -1.327.605,76 |
| | *RON* | *RON* | *RON* | *RON* |
| *amounts in €* | 6,10% | -6,10% | 6,10% | -6,10% |
| Income statement | 215.986,20 | -244.036,36 | 215.986,20 | -244.036,36 |
| Shareholders equity | 199.779,02 | -225.724,34 | 215.986,20 | -244.036,36 |
| | *AED* | *AED* | *AED* | *AED* |
| *amounts in €* | 1,26% | -1,26% | 1,26% | -1,26% |
| Income statement | 96.645,44 | -99.114,55 | 96.645,44 | -99.114,55 |
| Shareholders equity | 96.645,44 | -99.114,55 | 96.645,44 | -99.114,55 |

The sensitivity analysis to exchange rate flactuations for the period of 2008 are:

| | **GROUP** | | **COMPANY** | |
|---|---|---|---|---|
| | *PLN* | *PLN* | *PLN* | *PLN* |
| *amounts in €* | 5,00% | -5,00% | 5,00% | -5,00% |
| Income statement | 2.677.901,05 | -2.680.043,37 | 2.677.901,05 | -2.680.043,37 |
| Shareholders equity | 2.308.840,30 | -2.310.687,37 | 2.308.840,30 | -2.310.687,37 |
| | *RON* | *RON* | *RON* | *RON* |
| *amounts in €* | 10,39% | -10,39% | 10,39% | -10,39% |
| Income statement | -36.647,26 | 45.143,01 | -36.647,26 | 45.143,01 |
| Shareholders equity | -64.995,65 | 80.063,26 | -36.647,26 | 45.143,01 |
| | *AED* | *AED* | *AED* | *AED* |
| *amounts in €* | 4,60% | -4,60% | 4,60% | -4,60% |
| Income statement | -806.888,90 | 1.137.646,73 | -806.888,90 | 1.137.646,73 |
| Shareholders equity | -806.888,90 | 1.137.646,73 | -806.888,90 | 1.137.646,73 |

**10. Property, Plant and Equipment**

**GROUP**

| **Cost** | **Land** | **Buildings** | **Machinery & Equipment** | **Vehicles** | **Furniture & Fittings** | **Assets under construction** | **Total Tangible Assets** |
|---|---|---|---|---|---|---|---|
| Balance 31.12.2008 | 29.063.214 | 51.546.053 | 124.330.550 | 60.922.699 | 9.955.142 | 3.414.344 | 279.232.001 |
| Acquisition of subsidiaries | | | | | | - | - |
| Acquisitions during the 1.1-31.12.2009 period | 18.500 | 3.250.096 | 18.331.238 | 9.215.609 | 1.038.261 | 411.300 | 32.265.004 |
| Revaluation | 4.789.703 | (992.333) | | | | - | 3.797.370 |
| Net foreign currency exchange differences | - | (13.264) | (404.719) | (218.375) | (5.340) | - | (641.698) |
| Transfer | - | | | - | | - | - |
| Disposals during the 1.1-31.12.2009 period | | 106.376 | 3.439.236 | 1.509.460 | 889.542 | 3.418.388 | 9.363.002 |
| **Balance 31.12.2009** | **33.871.417** | **53.684.176** | **138.817.833** | **68.410.473** | **10.098.521** | **407.256** | **305.289.675** |

| **Accumulated Depreciation** | | | | | | | |
|---|---|---|---|---|---|---|---|
| Balance 31.12.2008 | - | 7.673.506 | 50.863.376 | 24.440.054 | 6.897.499 | 0 | 89.874.436 |
| Acquisition of subsidiaries | - | | | | | - | - |
| Depreciation charge for the 1.1-31.12.2009 period | - | 2.000.007 | 14.595.321 | 6.530.589 | 1.287.529 | - | 24.413.446 |
| Revaluation | - | | | | | - | - |
| Net foreign currency exchange differences | - | (3.741) | (198.292) | 169.977 | (764) | - | (32.820) |
| Transfer | - | | | | | - | - |
| Disposals during the 1.1-31.12.2009period | - | 79.378 | 1.894.402 | 965.996 | 646.884 | - | 3.586.660 |
| **Balance 31.12.2009** | **-** | **9.590.395** | **63.366.003** | **30.174.624** | **7.537.380** | **0** | **110.668.402** |

| **Net Book Value** | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Balance 31.12.2009** | **33.871.417** | **44.093.781** | **75.451.830** | **38.235.849** | **2.561.141** | **407.256** | **194.621.273** |
| Balance 31.12.2008 | 29.063.214 | 43.872.546 | 73.467.174 | 36.482.645 | 3.057.643 | 3.414.344 | 189.357.566 |

**COMPANY**

| <u>**Cost**</u> | **Land** | **Buildings** | **Machinery & Equipment** | **Vehicles** | **Furniture & Fittings** | **Assets under construction** | **Total Tangible Assets** |
|---|---|---|---|---|---|---|---|
| Balance 31.12.2008 | 13.011.352 | 26.203.582 | 65.136.641 | 22.433.828 | 4.364.891 | 0 | 131.150.294 |
| Acquisitions during the 1.1-31.12.2009 period | | 420.151 | 8.007.722 | 446.637 | 333.730 | 1.750 | 9.209.990 |
| Revaluation | 109.946 | | - | - | - | - | 109.946 |
| Net foreign currency exchange differences | - | | (213.167) | (97.110) | 4.555 | - | (305.722) |
| Transfer | | | | | | | - |
| Disposals during the 1.1-31.12.2009 period | - | - | 129.104 | 13.817 | 158.654 | 1.687 | 303.262 |
| **Balance 31.12.2009** | **13.121.298** | **26.623.733** | **72.802.092** | **22.769.538** | **4.544.522** | **63** | **139.861.246** |

| <u>**Accumulated Depreciation**</u> | | | | | | | |
|---|---|---|---|---|---|---|---|
| Balance 31.12.2008 | - | 2.564.583 | 24.075.908 | 8.290.635 | 2.826.048 | - | 37.757.175 |
| Depreciation charge for the 1.1-31.12.2009 period | - | 863.936 | 7.562.444 | 3.162.270 | 640.505 | - | 12.229.156 |
| Revaluation | - | | - | | | - | - |
| Net foreign currency exchange differences | - | | (308) | (360) | 951 | - | 283 |
| Transfer | - | - | - | - | - | - | - |
| Disposals during the 1.1-31.12.2009 period | - | - | 32.916 | 13.403 | 153.729 | - | 200.048 |
| **Balance 31.12.2008** | **-** | **3.428.520** | **31.605.128** | **11.439.142** | **3.313.776** | **-** | **49.786.565** |

| <u>**Net Book Value**</u> | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Balance 31.12.2008** | **13.121.298** | **23.195.213** | **41.196.964** | **11.330.396** | **1.230.746** | **63** | **90.074.680** |
| Balance 31.12.2007 | 13.011.352 | 23.638.998 | 41.060.733 | 14.143.193 | 1.538.842 | 0 | 93.393.119 |

**10a. Fair Value for Tangible Assets IAS 16**

The Group and the Company apply the method of revaluation of tangible fixed assets since 2008.

Independent auditors-evaluators carried out an appraisal study of the Group's most important assets (land and buildings) to estimate their market values as of 31.12.2008, in accordance with IAS 16 (Tangible Assets).

Independent auditors-evaluators carried out an appraisal study of the Group's assets (land and buildings) to estimate their market values as of 31.12.2009, in accordance with IAS 16 (Tangible Assets).

Note: the increase of the PROET'S asset fair value derives from the increase of the building coefficient (from 0,2 to 0,9)

According to that appraisal, the following revaluations for Group companies were recorded:

**Revaluations of tangible fixed assets 2009**

| | Revaluation Differences | Change in the year's results | Changes in the equity of the year before deferred taxation | Deffered taxation | Changes in Equity |
|---|---|---|---|---|---|
| J&P AVAX S.A. | 109.946 | 394.764 | -284.817 | -71.204 | -213.614 |
| ETETH S.A | 79.506 | 0 | 79.506 | 19.877 | 59.630 |
| ELVIEX S.A. | 0 | 0 | 0 | 0 | 0 |
| PROET S.A. | 5.339.333 | 0 | 5.339.333 | 1.334.883 | 4.004.499 |
| OTHER | 17.596 | 0 | 17.596 | 4.399 | 13.194 |
| **TOTAL GROUP** | **5.546.381** | **394.764** | **5.151.618** | **1.287.955** | **3.863.709** |

**Revaluations of tangible fixed assets 2008**

| | |
|---|---|
| J&P AVAX S.A. | 5.293.897 |
| ETETH S.A | 2.763.779 |
| ELVIEX S.A. | 937.461 |
| PROET S.A. | 3.404.569 |
| ATHINA S.A | 966.088 |
| **TOTAL GROUP** | **13.365.794** |
| DEFERRED TAXATION | (2.287.933) |
| **CHANGE IN EQUITY** | **11.077.861** |

## 11. Investment Property

| | GROUP | | | COMPANY | | |
|---|---|---|---|---|---|---|
| | Land | Buildings | Total | Land | Buildings | Total |
| **Cost** | | | | | | |
| Balance 31.12.2008 | 22.521.747 | 548.672 | 23.070.419 | 888.399 | 254.451 | 1.142.850 |
| Acquisitions during the 1.1-31.12.2009 period | 249.545 | | 249.545 | | | - |
| Appropriations(note 11a) | (1.386.247) | | (1.386.247) | 441.561 | | 441.561 |
| Transfers | | | - | | | - |
| Translation exchange differences | | | - | | | - |
| Disposals during the 1.1-31.12.2009 period | - | - | - | - | - | - |
| | **21.385.045** | **548.672** | **21.933.717** | **1.329.960** | **254.451** | **1.584.412** |
| Acquisition of subsidiary | - | - | - | - | - | - |
| **Balance 31.12.2009** | **21.385.045** | **548.672** | **21.933.717** | **1.329.960** | **254.451** | **1.584.412** |
| **Accumulated Depreciation** | | | | | | |
| Balance 31.12.2008 | - | - | - | - | - | - |
| Depreciation charge for the 1.1-31.12.2009 period | - | - | - | | | - |
| Appropriations | | | - | | | - |
| Transfers | | | - | | | - |
| Disposals during the 1.1-31.12.2009 period | - | - | - | - | - | - |
| | **-** | **-** | **-** | **-** | **-** | **-** |
| Acquisition of subsidiary | | | - | - | - | - |
| **Balance 31.12.2009** | **0,00** | **0,00** | **0,00** | **0,00** | **0,00** | **0,00** |
| **Net Book Value** | | | | | | |
| **Balance 31.12.2009** | **21.385.045** | **548.672** | **21.933.717** | **1.329.960** | **254.451** | **1.584.412** |
| Balance 31.12.2008 | 22.521.747 | 548.672 | 23.070.419 | 888.399 | 254.451 | 1.142.850 |

**11a. Net Profit or Loss from Fair Value adjustments for investment properties**

1) With reporting date of 31/12/08, in the context of the annual regular check of fair values of investment properties, the management hired again independent Chartered Surveyors to appraise the majority of the reported real estate of the Group's companies. The new appraisals, compared to the previous, show relatively small changes of the fair values of real estate, besides the real estate of Istria. After this, the Group accounted the relevant revaluations. The fair values in 31/12/08, based on applying IAS 40, are:

2) With reporting date of 31/12/09, in the context of the annual regular check of fair values of investment properties, the management hired again independent Chartered Surveyors to appraise the majority of the reported real estate of the Group's companies. The new appraisals, compared to the previous, show relatively small changes of the fair values of real estate.
After this, the Group accounted the relevant revaluations. The fair values in 31/12/09, based on applying IAS 40, are:

| A/N | Real Estate | Revaluation based on Fair Values in 31/12/2008 (€) | Revaluation based on Fair Values in 31/12/2007 (€) | Change (€) during 1/1-31/12/08 | Period additions/ (disposals) | Recognition to Income Statement |
|---|---|---|---|---|---|---|
| 1) | Real estate property of Concurrent company (Romania) | 1.518.000 | 1.790.090 | -272.090 | 0 | -272.090 |
| 2) | Real estate property of Bupra company (Romania) | 3.030.000 | 3.020.500 | 9.500 | 0 | 9.500 |
| 3) | Real estate property of Faethon company (from the 49.557 s.m. of real estate, the 35388 s.m. were purchased during 2007) (Romania) | 1.000.000 | 1.258.628 | -258.628 | 84.622 | -343.250 |
| 4) | Real estate property of Istria company (Romania) | 7.898.601 | 3.275.198 | 4.623.403 | 228.601 | 4.394.802 |
| 5) | Real estate ETETH | 272.165 | 277.165 | -5.000 | 0 | -5.000 |
| 6) | J&P Development | 4.861.000 | 4.792.000 | 69.000 | -37.441 | 106.441 |
| 7) | J&P – AVAX SA | 1.142.850 | 1.139.850 | 3.000 | 0 | 3.000 |
| 8) | ATHENA ATE | 3.347.802 | 3.859.823 | -512.021 | -467.421 | -44.600 |
| | **Total** | **23.070.419** | **19.413.255** | **3.657.164** | **-191.638** | **3.848.802** |

| A/N | Real Estate | Revaluation based on Fair Values in 31/12/2009 (€) | Revaluation based on Fair Values in 31/12/2008 (€) | Change (€) during 1/1-31/12/09 | Period additions/ (disposals) | Recognition to Income Statement |
|---|---|---|---|---|---|---|
| 1) | Real estate property of Concurrent company (Romania) | 1.212.000 | 1.518.000 | -306.000 | 0 | -306.000 |
| 2) | Real estate property of Bupra company (Romania) | 2.480.000 | 3.030.000 | -550.000 | 0 | -550.000 |
| 3) | Real estate property of Faethon company (from the 49.557 s.m. of real estate, the 35388 s.m. were purchased during 2007) (Romania) | 557.011 | 1.000.000 | -442.989 | -14.011 | -457.000 |
| 4) | Real estate property of Istria company (Romania) | 8.185.134 | 7.898.601 | 286.533 | 0 | 286.533 |
| 5) | Real estate ETETH | 272.165 | 272.165 | 0 | 0 | 0 |
| 6) | J&P Development | 4.360.000 | 4.861.000 | -501.000 | 0 | -501.000 |
| 7) | J&P – AVAX SA | 1.584.412 | 1.142.850 | 441.562 | 0 | 441.562 |
| 8) | ATHENA ATE | 3.282.995 | 3.347.802 | -64.807 | 0 | -64.807 |
| | **Total** | **21.933.717** | **23.070.419** | **-1.136.702** | **-14.011** | **-1.150.713** |

| A/N | Real Estate | Revaluation based on Fair Values in 31/12/2009 (€) | Revaluation based on Fair Values in 31/12/2008 (€) | Change (€) during 1/1-31/12/09 | Period additions/ (disposals) | Recognition to Income Statement |
|---|---|---|---|---|---|---|
| 1) | Real estate property of Concurrent company (Romania) | 1.212.000 | 1.518.000 | -306.000 | 0 | -306.000 |
| 2) | Real estate property of Bupra company (Romania) | 2.480.000 | 3.030.000 | -550.000 | 0 | -550.000 |

| | | | | | | |
|---|---|---|---|---|---|---|
| 3) | Real estate property of Faethon company (from the 49.557 s.m. of real estate, the 35388 s.m. were purchased during 2007) (Romania) | 557.011 | 1.000.000 | -442.989 | -14.011 | -457.000 |
| 4) | Real estate property of Istria company (Romania) | 8.185.134 | 7.898.601 | 286.533 | 0 | 286.533 |
| 5) | Real estate ETETH | 272.165 | 272.165 | 0 | 0 | 0 |
| 6) | J&P Development | 4.360.000 | 4.861.000 | -501.000 | 0 | -501.000 |
| 7) | J&P – AVAX SA | 1.584.412 | 1.142.850 | 441.562 | 0 | 441.562 |
| 8) | ATHENA ATE | 3.282.995 | 3.347.802 | -64.807 | 0 | -64.807 |
| | **Total** | **21.933.717** | **23.070.419** | **-1.136.702** | **-14.011** | **-1.150.713** |

### 12. Goodwill

| **Group** (amounts in '000 €) | **Initial Goodwill** | **Goodwill Impairment** | **Total of Goodwill** |
|---|---|---|---|
| **Balance 01/01/08** | 45.738 | 0 | 45.738 |
| **Additions** | | | |
| Acquisition SY.PRO SA (Note 12b) | 153 | 0 | 153 |
| **Impairments** | **0** | **0** | **0** |
| Depreciation | 0 | 0 | 0 |
| Exchange Differences | 0 | 0 | 0 |
| **Balance 31/12/08** | **45.891** | **0** | **45.891** |
| **Additions 01/01 - 31/12/09** | **0** | **0** | **0** |
| **Impairments** | | | |
| Impairment of ANEMA SA | 0 | 0 | 0 |
| Depreciation | 0 | 0 | 0 |
| Exchange Differences | 0 | 0 | 0 |
| **Balance 31/12/09** | **45.891** | **0** | **45.891** |

Provision for goodwill impairment is included to "Other Operating Expenses Account"

Check for Goodwill Impairment

For consolidation purposes, goodwill from acquisitions has been allocated to the following cost generating units (CGU's) by geographical and business segments.

| **Goodwill balance (by geographical segment:)** | **31/12/2009** | **31/12/2008** |
|---|---|---|
| Greece | 26.915 | 27.287 |
| Other European Countries | 16.610 | 14.550 |
| Middle East | 2.366 | 4.054 |
| **Total** | **45.891** | **45.891** |
| **Goodwill balance (by business segment:)** | | |
| Concession segment | 34.017 | 20.620 |
| Construction segment | 8.760 | 21.393 |
| Real Estate & other segments | 3.114 | 3.878 |
| **Total** | **45.891** | **45.891** |

The recoverable value of a CGU is determined with the calculation of the value in use. This utilizes cash flows predictions which come from financial budgets approved by the management.

The assumptions adopted by the management for the calculation of future cash flows are reported below, for a goodwill impairment test to be carried out for the CGU's. The budgeted gross profit is calculated based on budgeted average gross profit of the work in hand. The main assumptions for the calculation of the value in use are:

| | |
|---|---|
| Discount factor: | 8.0% for the years 2010-12, 7.0% for the years 2013 and on |
| Work in hand gross contribution: | '5.0% |
| Work in hand under consideration: | 70.0% of signed contracts |

With reporting date 31/12/09, an impairment test has been conducted for the above goodwill, and no amount for impairment has been concluded. With the strengthening of the company as a specialized one at marine projects, success is anticipated in the undertaking of new marine projects which are at the preferred bidder stage.

**12a. Acquitition of ATHENA S.A**

On 12/06/2007 the Group proceeded in a strategic acquisition of the construction Group of ATHENA SA, with original acquisition of 50,6% of its total stock and voting rights. J&P-AVAX SA launched on 21/06/2007 a Mandatory Public Tender pursuant to Law 3461/2006. According to the Public Tender, J&P-AVAX SA commits to purchasing all shares of ATHENA SA which were not under its control. On 31/12/2009 J&P AVAX S.A. owns the 80,54% of the shares.

With reporting date of 30/06/2008, final fair values were calculated using the finalization right of the above figures within the 12month period, based on the relevant reporting stantards, a period ended in 30/06/2008.

The Fair Value Assessment process of the Identifiable Assets, Liabilities and Contingent Liabilities of the Acquired Group resulted in adjustments in the temporary values, given that the fair values had not been assessed on Acqusition Date. Therefore, the Goodwill book entry is also adjusted retrospectively since Acquisition Date by an equal amount to the adjustment to the Fair Value of the Identifiable Assets, Liabilities and Contingent Liabilities, as follows:

**Share Aquitition of ATHENA S.A. and Goodwill Assesment**

| Acquitition Date | Percentage of Acquisition in the period (%) | Acquisition of Shares in the period - cash | Acquisition Expenses in the period | Cost of Acquisition in the period | Proportion of Net Fair value acquired | Percentage of Deferred Tax Asset | Goodwill for the period |
|---|---|---|---|---|---|---|---|
| 12/6/2007 | 50,60% | 41.609.379 | 273.841 | 41.883.220 | 14.658.330 | 1.202.174 | 26.366.170 |
| 30/6/2007 | 11,05% | 9.082.307 | 33.318 | 9.115.624 | 2.763.363 | 718.354 | 5.708.911 |
| 30/9/2007 | 14,42% | 11.751.870 | 55.131 | 11.807.002 | 3.506.469 | 937.435 | 7.468.310 |
| 31/12/2007 | 4,47% | 3.647.908 | 43.208 | 3.691.115 | 1.010.446 | 245.524 | 2.469.640 |
| **Total** | **80,54%** | **66.091.464** | **405.497** | **66.496.961** | **21.938.608** | **3.103.488** | **42.013.031** |

**12b. Valuation of the acquired Group of ATHENA SA in fair values during the 1st and 2nd consolidation with J&P-AVAX SA Group (after the control acquisition)**

| **Assets** | **Consolidated ATHENA SA 30/06/2007** | **Adjustment to Fair Values** | **Fair Value of Consolidated Accounts of ATHENA SA 30/06/20007** |
|---|---|---|---|
| Fixed Assets | 41.455.699 | 672.503 | 42.128.202 |
| Participations in associates | 4.733.090 | (2.649.589) | 2.083.501 |
| Financial assets available for sale | 26.549.001 | 0 | 26.549.001 |
| Investment property | 3.859.823 | 0 | 3.859.823 |
| Other long-term receivables | 679.781 | 0 | 679.781 |
| Inventories | 9.642.612 | 0 | 9.642.612 |
| Trade accounts receivables (Domestic-Internat.) | 138.802.674 | (60.148.619) | 78.654.054 |
| Deferred tax asset | 0 | 0 | 0 |
| Cash and cash equivalents | 7.660.119 | 0 | 7.660.119 |
| Long-term debt | (22.228.633) | 0 | (22.228.633) |
| Deferred tax liabilities | (8.137.538) | 0 | (8.137.538) |
| Other long-term liabilities | (2.032.190) | (516.759) | (2.548.948) |
| **Total Assets and Long-term Liabilities (A)** | **200.984.438** | **(62.642.464)** | **138.341.974** |
| Suppliers and other payables | (51.484.996) | (2.527.205) | (54.012.201) |
| Short-term Debt | (28.572.284) | (1.965.950) | (30.538.234) |
| Other short-term liabilities | (29.595.843) | (2.037.576) | (31.633.419) |
| **Total Short-term liabilities (B)** | **(109.653.123)** | **(6.530.731)** | **(116.183.854)** |
| | - | - | - |
| **(A)+ (B)** | **91.331.314** | **(69.173.195)** | **22.158.119** |
| **Deferred tax asset** | **-** | **8.671.869** | **8.671.869** |
| **Net Fair Value** | **91.331.314** | **(60.501.326)** | **30.829.988** |
| | | | **38,35%** |
| **Minority interest right from ATHENA SA acquitition over the fair value** | | | **11.823.301** |

**12c. Acquisition of Group Anema SA**

On October the 18th, 2007 the Group completed the acquisition of non-listed company Anema SA which owns 98% of FERA EE, and also acquired the remaining 2% shareholding in FERA EE. FERA EE owns property (land and building) on Amarousiou-Halandriou Street, to be used as operational asset for the Group housing its new activities, including energy-related and environmental projects, which have received a boost following the acquisition of ATHENA SA.

With reporting date 30/09/2008, final fair values have been calculated using the finalization right for the above figures within the 12month period based on relevant standards, period which ended at 30/09/2008.

The percentage of acquisition at financial accounts date for the Group (30/09/2008), the acquisition expense, the fair value of acquired assets and liabilities, as well as the resulting goodwill from the acquisition of ANEMA SA, are as follows:

| Company | Acquisition Date | Percentage of Acquisition in the period (%) | Acquisition of Shares in the period - cash | Acquisition Expenses in the period | Cost of Acquisition in the period | Acquired Fair Value of ANEMA SA | Deferred Tax Liability | Goodwill for the period |
|---|---|---|---|---|---|---|---|---|
| Group ANEMA SA | 18/10/2007 | 100% | 10.588.089,54 | 782.477,41 | 11.370.566,95 | 10.591.639,78 | 2.252.173,15 | 3.031.100,33 |
| FERA SA | 18/10/2007 | 2% * | 216.083,46 | 15.968,93 | 232.052,39 | 216.155,91 | 45.962,72 | 61.859,19 |
| **TOTAL** | | | **10.804.173,00** | **798.446,34** | **11.602.619,34** | **10.807.795,69** | **2.298.135,87** | **3.092.959,52** |

* The Group's 2% equity stake in FERA EE is J&P-AVAX SA's direct participation

**Valuation of acquired Group ANEMA SA at Fair Values, for Consolidation in Group J&P-AVAX**

| **Assets** | **Consolidated ANEMA SA 18/10/2007** | **Adjustments to Fair Values** | **Fair Value of Acquisition, Consolidated 18/10/2007** |
|---|---|---|---|
| Fixed assets | 2.790.298 | 9.459.702 | 12.250.000 |
| Clients & other receivables | 132.621 | - | 132.621 |
| Cash & cash equivalent | 1.590.500 | - | 1.590.500 |
| Long-term loans | (2.738.324) | - | (2.738.324) |
| **Total Assets and Long-term Liabilities (A)** | **1.775.095** | **9.459.702** | **11.234.798** |
| Short-term liabilities | (159.843) | (267.159) | (427.002) |
| **Total short-term liabilities (B)** | **(159.843)** | **(267.159)** | **(427.002)** |
| | - | - | - |
| **(A)+ (B)** | **1.615.252** | **9.192.543** | **10.807.796** |
| **Deferred Tax Liability** | **-** | **(2.298.136)** | **(2.298.136)** |
| **Net Fair Value** | **1.615.252** | **6.894.408** | **8.509.660** |

**12d. Acquisition of SY-PRO S.A.**

On June 3rd, 2008 Group has completed the acquisition process of an additional 10% of SY-PRO S.A.(company which is not listed in Athens Stock Exchange Market) and therefore Group has increased its participation to 55,135%. SY-PRO is aiming to industrial production and trading of different types of rail sleepers and concrete. Group is exercising the right provided by IFRS 3 to finalise Fair Value Assessment and calculate goodwill within a 12-month period after the acquisition date. The total consideration of 10% was agreed at € 400.000.

Group subsidiaries ATHENA S.A. and PROET S.A. possess 25% each one of SY-PRO S.A. since its establishment. Therefore Goodwill is estimated only on the acquisition of the additional 10%.

The percentage of acquisition at financial statements date for the Group (30/6/2008), the cost of acquisition, the fair value of acquired assets and liabilities, as well as the resulting goodwill from the acquisition of SY-PRO S.A., are as follows:

| Company | Acquisition Date | Percentage of Acquisition in the period (%) | Acquisition of Shares in the period - cash | Acquisition Expenses in the period | Cost of Acquisition in the period | Proportion of Net Fair value acquired ΣΥ.ΠΡΟ. | Deferred Tax Asset | Goodwill for the period |
|---|---|---|---|---|---|---|---|---|
| SYPRO S.A. | 3/6/2008 | 10% | 400.000 | 0 | 400.000 | 245.736 | 1.713 | 152.551 |

On June 30th 2009, according to the right of finalization of fair values within 12 months (revised IFRS 3), there has been a final fair values calculation which is as follows:

**Valuation of SYPRO S.A. in Fair Values during consolidation with J&P AVAX SA Group**

| | SYPRO S.A. 30/06/2008 | Adjustment to Fair Values | Revised Fair Value of Acquisition in Consolidated Accounts 30/06/2008 | Fair Value of Acquisition in Consolidated Accounts 30/06/2009 |
|---|---|---|---|---|
| Fixed Assets | 151.288 | | 151.288 | 121.691 |
| Inventories | 2.102.550 | | 2.102.550 | 1.248.931 |
| Trade accounts receivables (Domestic-Internat.) | 2.632.145 | (35.169) | 2.596.976 | 1.549.859 |
| Cash and cash equivalents | 411.717 | | 411.717 | 1.790.977 |
| Long-term debt | - | (33.353) | (33.353) | (33.353) |
| **Total Assets and Long-term Liabilities (A)** | **5.297.700** | **(68.522)** | **5.229.178** | **4.678.106** |
| Short-term Debt | (2.771.817) | - | (2.771.817) | (918.857) |
| **Total Short-term liabilities (B)** | **(2.771.817)** | **-** | **(2.771.817)** | **(918.857)** |
| **(A)+ (B)** | **2.525.883** | **(68.522)** | **2.457.361** | **3.759.250** |
| **Deferred tax asset** | **-** | **17.131** | **17.131** | **17.131** |
| **Net Fair Value** | **2.525.883** | **(51.391)** | **2.474.492** | **3.776.381** |

**13. Intangible Assets**

**GROUP**

| **Cost** | Software |
|---|---|
| Balance 31.12.2008 | 2.138.316 |
| Acquisition of Subsidiary | |
| Acquisitions during the 1.1-31.12.2009 period | 378.256 |
| Net foreign currency exchange differences | 17.390 |
| Disposals during the 1.1-31.12.2009 period | 58.351 |
| **Balance 31.12.2009** | **2.475.611** |
| **Accumulated Depreciation** | |
| Balance 31.12.2008 | 1.500.556 |
| Acquisition of Subsidiary | |
| Amortisation charge for the 1.1-31.12 2009 period | 316.122 |
| Net foreign currency exchange differences | 8.388 |
| Disposals during the 1.1-31.12.2009 period | 30.309 |
| **Balance 31.12.2009** | **1.794.757** |
| **Net Book Value** | |
| **Balance 31.12.2009** | **680.854** |
| Balance 31.12.2008 | 637.760 |

**COMPANY**

| **Cost** | Software |
|---|---|
| Balance 31.12.2008 | 1.725.265 |
| Acquisitions during the 1.1-31.12.2009 period | 235.080 |
| Net foreign currency exchange differences | (1.830) |
| Disposals during the 1.1-31.12.2009 period | 17.428 |
| **Balance 31.12.2009** | **1.941.088** |
| **Accumulated Depreciation** | |
| Balance 31.12.2008 | 1.267.420 |
| Amortisation charge for the 1.1-31.12 2009 period | 213.134 |
| Net foreign currency exchange differences | 5 |
| Disposals during the 1.1-31.12.2009 period | 8.442 |
| **Balance 31.12.2009** | **1.472.117** |
| **Net Book Value** | |
| **Balance 31.12.2009** | **468.971** |
| Balance 31.12.2008 | 457.845 |

**14. Investments in Subsidiaries/Associates and other companies**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | **31.12.2009** | **31.12.2008** | **31.12.2009** | **31.12.2008** |
| Investments in subsidiaries | - | - | 158.821.811 | 158.711.776 |
| Investments in associates | 183.459.897 | 150.384.048 | - | - |
| Other participating companies | 683.802 | 763.932 | 666.351 | 2.189.538 |
| | **184.143.699** | **151.147.980** | **159.488.162** | **160.901.313** |

**Investments in Associates**

| | GROUP | |
|---|---|---|
| | **31.12.2009** | **31.12.2008** |
| Cost of investments in Associates | 150.384.048 | 135.026.311 |
| Share of Post - Acquisition Profit, net of Dividend received | 26.872.722 | 31.942.798 |
| Tranfer to subsidiary | - | (1.207.481) |
| Acquisitions of subsidiary | (4.176.085) | - |
| Cash flow hedging reserve | (3.378.517) | (28.083.202) |
| Additions / Decrease | 13.757.729 | 12.705.622 |
| **Balance** | **183.459.897** | **150.384.048** |

In the following table, a brief Financial Information is indicated for the total of the associate companies

| **Subsidiary** | **ASSETS** | **LIABILITIES** | **Turnover** | **Profit/(Loss) after tax** |
|---|---|---|---|---|
| 1. 5N S.A | 1.534 | 277 | 1.125 | 87 |
| 2. ATHENS CAR PARKS S.A | 29.068 | 22.542 | 4.450 | 537 |
| 3. ATTICA DIODIA S.A | 16.382 | 795 | - | 12.557 |
| 4. ATTIKES DIADROMES S.A | 27.718 | 8.383 | 62.247 | 13.720 |
| 5. POLISPARK S.A | 906 | 347 | 2.268 | 4 |
| 6. 3G S.A | 328 | 248 | 346 | 151 |
| 7. ATTIKI ODOS S.A. | 1.206.206 | 804.281 | 248.552 | 59.950 |
| 8. CYCLADES ENERGY CENTER | 154 | 4 | - | - |
| 9. SC ORIOL REAL ESTATES | 1.651 | 1.860 | - | (70) |
| 10. SALONICA PARK | 6.441 | 4.505 | 420 | (436) |
| 11. CAR PARKS N.SMYRNI | 12.938 | 1.425 | 232 | (176) |
| 12.FUN PARK AND SPORTS S.A. ELLINIKO | 60 | 1 | - | - |
| 13. FUN PARK S.A.(KANOE-KAYAK) | 16.579 | 11.418 | - | - |
| 14.MARINE LEFKADAS S.A. | 12.693 | 5.867 | 2.367 | (202) |
| 15.VAKON A.K.T.KT. & T.E. | 5.331 | 650 | - | (5) |
| 16. VIOENERGIA SA EXPLOITATION OF ENERGY RESOURCES | 2.204 | 1.099 | 328 | (1) |
| 17.ATHENA - MECHANIKI | 82 | 467 | - | (24) |
| 18.ATHENA EMIRATES LLC | 4.681 | 4.635 | 4.039 | 1 |
| 19. CAR PARKS AG. NIKOLAOY PEIREUS S.A. | 7.415 | 5.653 | 1.209 | (4) |
| 20. OLYMPIA ODOS S.A. | 508.461 | 564.612 | 221.896 | 4.641 |
| 21. OLYMPIA ODOS OPERATION S.A. | 9.115 | 5.693 | 18.945 | 2.393 |
| 22. AIGEAN MOTORWAY S.A. | 522.183 | 528.570 | 334.724 | 25.133 |
| 23. GEFYRA S.A | 758.351 | 361.918 | 51.388 | 12.639 |
| 24. GEFYRA OPERATION S.A. | 5.604 | 1.732 | 5.398 | 1.014 |
| **TOTAL** | **3.156.086** | **2.336.981** | **959.932** | **131.910** |

### 15. Joint Ventures

The following amounts represent the Company's share in assets and liabilities in Joint Ventures which were consolidated by the method of proportionate consolidation and they are included in the balance sheet:

| | 31.12.2009 | 31.12.2008 |
|---|---|---|
| **Assets** | | |
| Non-current assets | 5.902.565 | 9.881.554 |
| Current assets | 370.619.852 | 307.946.390 |
| | **376.522.416** | **317.827.944** |
| **Liabilities** | | |
| Long-term liabilities | 4.644.154 | 5.069.362 |
| Short-term liabilities | 348.939.598 | 299.594.279 |
| | **353.583.752** | **304.663.641** |
| **Net Worth** | **22.938.664** | **13.164.303** |
| Turnover | 242.010.827 | 195.973.266 |
| Cost of sales | (212.295.407) | (209.488.719) |
| **Profit/ (loss) after tax** | **29.715.421** | **(13.515.454)** |

### 16. Available for sale Investments

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2009 | 31.12.2008 | 31.12.2009 | 31.12.2008 |
| Investments in J&P - AVAX S.A | 15.764.287 | 12.297.888 | 402.271.862 | 394.068.406 |
| Investments in ATHENA S.A | 2.931.811 | 1.336.900 | - | - |
| | **18.696.098** | **13.634.788** | **402.271.862** | **394.068.406** |

### 16a. Available-for Sale Financial Assets

J&P AVAX participates to various concession companies, which accounts them depending on the intentions or the potentiality of the Group and each company of the Group seperately in relation to: a) the holding of the investment as it participates to the business plans of the Group (sales, synergies, profitability), and hence its treatement as long-term investment, b) the incorporation of the investment to the Group's investment portfolio as part of its strategic planning. These investments are treated as available-for-sale financial assets. This recognition is conducted at the initial recognition date of the investment, and each subsequent balance sheet date.

The management of the Group, with reporting date of 31/12/08, after it took into consideration the Group's strategy, the international Economic Environment, the market risks, the interests rate changes, the financing terms and cost of capital changes, and mainly the substantial increase of the Group's capital needs based on its investment program, participations in which are reported below, are reclassified as available-for-sale and therefore will be measured (at financial statements of company level) at fair value according to IAS 39. The difference between cost and fair value will be recognized directly to Equity, through the statement of changes in equity, except from impairment loss and exchange profit/loss (through P&L), until the financial asset is written off, and then the cumulative profit/loss which has been recognized to Equity will be transfered to P&L.
The dividends of the available-for-sale participating interests are recognized to P&L when the claim of the Group to receive payment is assured.

When a reduction of the fair value of an available-for-sale financial asset has been recognized directly to Equity and there is material proof that the financial asset has been impaired, the cumulative loss recognized directly to Equity will be removed from Equity and it will be transfered to P&L even though the financial asset has not been written-off. These impairment losses recognized to P&L and regard available-for-sale participating interests, will not be reversed through P&L.

At the consolidated level of the financial statements, the participations with relation of subsidiary or participating interest are accounted based on IAS 27 (full method consolidation) and IAS 28 (equity method) correspondingly, whereas the participations in other particiting interests (<20%) are accounted based on IAS 39.

The available-for-sale financial assets regard the following investments:

| **1. Company** | **Participation in Investments (%)** | **Available-for-Sale Financial Assets (%)** |
|---|---|---|
| ELIX | | 20,33% |
| Rio - Antirrio (Gefyra SA) | | 12,14% |
| Athens Ring Road | | 21,00% |
| Athinaikoi Stathmoi | | 20,00% |
| Attica Diodia | | 21,01% |
| Polis Park | | 20,00% |
| Salonika Park | | 12,16% |
| OLP Park Station SA | | 15,00% |
| Rio - Antirrio (Gefyra Leitourgia SA) | | 12,75% |
| Entertainment & sports parks SA | | 25,00% |
| Smyrni Park | | 20,00% |
| Patra - Corinth (Apion Kleos Parahorisi) | | 18,00% |
| Patra - Corinth (Apion Kleos Leitourgia) | | 18,00% |
| Maliakos - Kleidi (Aegean Motorway) | | 16,25% |
| Athens Metropolitan | | 11,67% |
| Queen Alia Airport | | 9,50% |
| Metropolitan Centre of Peiraeus SA | | 19,50% |
| Marina Limassol | | 13,00% |
| Metropolitan Athens Park | | 20,00% |
| Hellenic Park Leitourgia Company | | 25,00% |
| Greco International Real Etsate | | 50,00% |

| **2. Group** | **Participation in Investments (%)** | **Available-for-Sale Financial Assets (%)** |
|---|---|---|
| Salonika Park | 24,32% | |
| ELIX | 31,33% | |
| Marina Limassol | 31,00% | |
| Attica Diodia | 30,84% | |
| Athens Ring Road | 30,83% | |
| Marina Lefkada | 26,64% | |
| Rio - Antirrio (Gefyra Leitourgia SA) | 21,55% | |
| Maliakos - Kleidi (Aegean Motorway) | 21,25% | |
| Patra - Corinth (Apion Kleos Parahorisi) | 21,00% | |
| Patra - Corinth (Apion Kleos Leitourgia) | 21,00% | |
| Rio - Antirrio (Gefyra SA) | 20,53% | |
| Athinaikoi Stathmoi | 20,00% | |
| Smyrni Park | 20,00% | |
| Entertainment & sports parks SA | 25,00% | |
| Polis Park | 20,00% | |
| OLP Park Station SA | 45,00% | |
| Hellenic Park Leitourgia Company | 25,00% | |
| Greco International Real Estate | | 50,00% |
| Queen Alia Airport | | 9,50% |
| Marina Zea | | 6,26% |
| International Commercial Black Sea | | 0,76% |
| Metropolitan Centre of Peiraeus SA | | 19,50% |
| Athens Metropolitan | | 11,67% |
| Metropolitan Athens Park | | 20,00% |

**16b. Change of Accounting Policy for the reclassification of investments (except subsidiaries) as available-for-sale financial assets measured at fair values**

Based on IAS 39, recognition, classification, and measurement of financial instruments is applied retrospectively from the acquisition date, not from the implementation date of the standard.

According to IAS 8, «Accounting Policies, Changes in Accounting Estimates, and Errors», paragraph 52, retrospectively applying a new Accounting Policy requires distinguishing information that:

a) provide evidence of circumstances that existed on the date(s) as at which the transaction occurred, and

b) would have been available when the financial statements for that prior period were authorized for issue.

For some types of estimates (e.g. for an estimate of Fair Value not based on an observable price or observable inputs), it is impractical to distinguish these types of information.

When the retrospective implementation or the retrospective restatement would require making a significant estimate for which it is impossible to distinguish these two types of information, it is impractical to apply the New Accounting Policy retrospectively.

Following this, the Management considered how to account for each of the two aspects of the accounting change. After taking into consideration the reports of the Independent Real Estate Chartered Surveyors, **it determined that it was not practical to account for the change retrospectively**.

**Conclusively, the Management decided that it will apply this policy from the start of 2008, reforming the opening account balances of 2008 and consequently reforming the ending account balances of the comparative year of 2007, and consequently the adaptation of the new policy has no effect in previous years.**

The effect on the **current year** is: **a) to increase the current amount of "Available-for-sale financial assets"**, at **the start of the year** at Group level by €9,765,072 (at company level by €303,232,948) and during 2008 at Group level by €1,662,120 (at company level by €25,466,109), **b) to increase the opening "Deferred tax liability"** by €1,953,104 (at company level by €60,646,590) and during 2008 at Group level by €332,424 (at company level by €5,093,221), **c) to increase "Revaluation reserve to fair values"** by €7,540,323 (at company level by €242,586,359), and during 2008 at Group level by €1,306,732 (at company level by €20,372,887), and **d) to increase the opening balance of minority interest by €271,735 and during 2008 by €22,964.**

The effects of accounts of the Balance Sheet Statement and the Statement of Changes in Equity, are analyzed below on Tables 1, 2, 3, and 4.

**Table 1: Accounts of Balance Sheet Statement of J&P AVAX**

| **Group** | **30/09/08 (restatement)** | **30/09/08** | **30/06/08 (restatement)** | **30/06/08** | **31/03/08 (restatement)** | **31/03/08** | **31/12/07 (restatement)** | **30/12/07** |
|---|---|---|---|---|---|---|---|---|
| Participating Interest | 165.642.461 | 167.850.057 | 151.558.508 | 153.736.236 | 145.368.290 | 147.546.018 | **136.715.876** | **137.678.204** |
| Available-for-Sale Financial Assets | 13.487.282 | 0 | 11.942.801 | 0 | 11.942.801 | 0 | **10.727.401** | **0** |
| Total Assets | 1.309.063.315 | 1.297.783.629 | 1.131.877.737 | 1.122.112.665 | 1.065.038.983 | 1.055.273.911 | **963.803.905** | **954.038.833** |
| Deferred Tax Liability | 21.302.230 | 19.046.293 | 21.767.847 | 19.814.833 | 18.648.443 | 16.695.429 | **21.432.989** | **19.479.975** |
| Total Liabilities | 1.042.032.974 | 1.039.777.037 | 870.212.295 | 868.259.281 | 799.596.990 | 797.643.976 | **706.223.356** | **704.270.342** |
| Revaluation Reserve to Fair Values | 7.540.323 | 0 | 7.540.323 | 0 | 7.540.323 | 0 | **7.540.323** | **0** |
| Minority Interest | 9.411.838 | 9.140.103 | 8.713.204 | 8.441.469 | 10.184.057 | 9.912.322 | **9.294.552** | **9.022.817** |
| Share Capital & Reserve | 265.818.650 | 258.006.592 | 261.665.442 | 253.853.384 | 265.441.992 | 257.629.934 | **257.580.549** | **249.768.491** |

| **Company** | **30/09/08 (restatement)** | **30/09/08** | **30/06/08 (restatement)** | **30/06/08** | **31/03/08 (restatement)** | **31/03/08** | **31/12/07 (restatement)** | **30/12/07** |
|---|---|---|---|---|---|---|---|---|
| Participating Interest | 159.923.819 | 225.246.549 | 157.115.930 | 215.328.884 | 152.554.981 | 209.748.156 | **153.132.156** | **207.157.801** |
| Available-for-Sale Financial Assets | 381.442.938 | 0 | 366.520.939 | 0 | 362.708.107 | 0 | **357.258.593** | **0** |
| Total Assets | 1.076.682.457 | 760.562.249 | 984.333.090 | 676.025.105 | 943.124.123 | 637.609.190 | **895.491.237** | **592.258.289** |
| Deferred Tax Liability | 65.046.836 | 1.822.794 | 63.889.738 | 2.228.141 | 62.581.967 | 1.478.980 | **62.970.165** | **2.323.575** |
| Total Liabilities | 610.018.214 | 546.794.172 | 518.991.609 | 457.330.012 | 477.222.856 | 416.119.869 | **433.116.006** | **372.469.416** |
| Revaluation Reserve to Fair Values | 252.896.166 | 0 | 246.646.388 | 0 | 244.411.946 | 0 | **242.586.359** | **0** |
| Share Capital & Reserve | 466.664.243 | 213.768.077 | 465.341.481 | 218.695.093 | 465.901.267 | 221.489.321 | **462.375.232** | **219.788.873** |

**16b. Change of Accounting Policy for the reclassification of investments (except subsidiaries) as available-for-sale financial assets measured at fair values (cont.)**

**Table 2: Analysis of the Account "Available-for-Sale Financial Assets"**

According to IFRS 7 the following financial instruments are recognized as Available-for-Sale Financial Assets, and measured to Fair Value (level 3).

| | Group | | | Company | | |
|---|---|---|---|---|---|---|
| (amounts in €) | 31/12/09 | 31/12/08 | 31/12/07 | 31/12/09 | 31/12/08 | 31/12/07 |
| **Opening period balance 01/01/09** | 13.634.788 | 10.727.401 | - | 394.068.406 | 357.258.593 | - |
| **Additions** | | | | | | |
| 1. Reclassifications (and measurement at fair values) | 850.000 | - | 10.727.401 | 865.000 | - | 357.258.593 |
| 2. Participations/increase of investments | 7.104.697 | 2.907.387 | - | 16.703.148 | 36.809.814 | - |
| 3. Adjustments to fair values | 307.577 | - | - | 8.262.059 | - | - |
| **Reductions** | | | | | | |
| 1. Sales/write-offs | - | - | - | - | - | - |
| 2. Adjustment to fair values (impairments through equity) | (3.200.964) | - | - | (17.626.751) | - | - |
| 3. Impairments (through P&L) | - | - | - | - | - | - |
| 4. Other changes | - | - | - | - | - | - |
| **Ending period balance 31/12/09** | **18.696.098** | **13.634.788** | **10.727.401** | **402.271.862** | **394.068.406** | **357.258.593** |

**Table 3a: Differences between fair values and cost 31/12/09**

| (amounts in €) | Cost | Fair Value | Revaluation Surplus Credited to Fair Values Revaluation Reserve | Revaluation Surplus Credited to Minority Interest | Deferred Tax Liability |
|---|---|---|---|---|---|
| **Group** | | | | | |
| Participations <20% | 10.162.294 | 18.696.098 | 8.533.804 | 342.583 | 1.706.761 |
| **Ending period balance** | **10.162.294** | **18.696.098** | **8.533.804** | **342.583** | **1.706.761** |
| **Company** | | | | | |
| Participations <20% | 37.446.378 | 151.819.595 | 114.373.217 | | 22.874.643 |
| Participations from 20% to 50% | 45.491.120 | 250.452.268 | 204.961.148 | | 40.992.230 |
| Participations >50% | - | - | - | | - |
| **Total** | **82.937.498** | **402.271.862** | **319.334.364** | | **63.866.873** |

**Table 3b: Differences between fair values and cost 31/12/08**

| (amounts in €) | Cost | Fair Value | Revaluation Surplus Credited to Fair Values Revaluation Reserve | Revaluation Surplus Credited to Minority Interest | Deferred Tax Liability |
|---|---|---|---|---|---|
| **Group** | | | | | |
| Participations <20% | 2.207.596 | 13.634.788 | 11.427.192 | 294.699 | 2.285.438 |
| **Ending period balance** | **2.207.596** | **13.634.788** | **11.427.192** | **294.699** | **2.285.438** |
| **Company** | | | | | |
| Participations <20% | 20.490.730 | 145.448.041 | 124.957.311 | | 24.991.462 |
| Participations from 20% to 50% | 44.848.620 | 248.590.365 | 203.741.745 | | 40.748.349 |
| Participations >50% | - | - | - | | - |
| **Total** | **65.339.350** | **394.038.406** | **328.699.056** | | **65.739.811** |

**Table 3c: Differences between fair values and cost 31/12/07**

| (amounts in €) | Cost | Fair Value | Revaluation Surplus Credited to Fair Values Revaluation Reserve | Revaluation Surplus Credited to Minority Interest | Deferred Tax Liability |
|---|---|---|---|---|---|
| **Group** | | | | | |
| Participations <20% | 962.328 | 10.727.401 | 9.765.072 | 271.735 | 1.953.014 |
| **Ending period balance** | **962.328** | **10.727.401** | **9.765.072** | **271.735** | **1.953.014** |
| **Company** | | | | | |
| Participations <20% | 10.200.193 | 122.270.246 | 112.070.054 | | 22.414.011 |
| Participations from 20% to 50% | 43.825.452 | 234.988.348 | 191.162.896 | | 38.232.579 |
| Participations >50% | - | - | - | | - |
| **Total** | **54.025.645** | **357.258.593** | **303.232.948** | | **60.646.590** |

The valuation of the companies has been conducted by J&P AVAX, based on financial models, approved by the concession companies and the financing banks. The cost of capital discount factor used is 8% for the years 2010-12, and 7% for the years 2013 and on.

**16b. Change of Accounting Policy for the reclassification of investments (except subsidiaries) as available-for-sale financial assets measured at fair values (cont.)**

**Table 4: Consolidated Statement of Changes in Equity**

| Group | Share Capital | Share Premium Account | Revaluation Reserve of other Assets | Statutory and other Reserves | Translation Exchange Differences | Retained Earnings | Revaluation Reserve for Available-for-Sale Financial Assets | Share Capital and Reserve | Minority Interest | Total Equity |
|---|---|---|---|---|---|---|---|---|---|---|
| Balance of 31.12.2007 as previously reported | 45.039.813 | 146.676.671 | 453.870 | 13.614.795 | (1.007.038) | 35.967.565 | - | 240.745.675 | 9.022.817 | 249.768.491 |
| **Other comprehensive income for the year** | | | | | | | | | | |
| Change of accounting policy for the reclassification of investments as available-for-sale measured at fair values (Table 2). | - | - | - | - | - | - | 7.540.323 | 7.540.323 | 271.735 | 7.812.058 |
| **Balance of 31.12.2007 as it has been restated** | **45.039.813** | **146.676.671** | **453.870** | **13.614.795** | **(1.007.038)** | **35.967.565** | **7.540.323** | **248.285.999** | **9.294.552** | **257.580.549** |
| Balance of 31.3.2008 as previously reported | 45.039.813 | 146.676.671 | 453.870 | 13.614.795 | (931.916) | 42.864.380 | | 247.717.613 | 9.912.322 | 257.629.935 |
| **Other comprehensive income for the period** | | | | | | | | | | |
| Change of accounting policy for the reclassification of investments as available-for-sale measured at fair values (Table 2). | - | - | - | - | - | - | 7.540.323 | 7.540.323 | 271.735 | 7.812.058 |
| **Balance of 31.3.2008 as it has been restated** | **45.039.813** | **146.676.671** | **453.870** | **13.614.795** | **(931.916)** | **42.864.380** | **7.540.323** | **255.257.938** | **10.184.057** | **265.441.993** |
| Balance of 30.6.2008 as previously reported | 45.039.813 | 146.676.671 | 453.870 | 15.271.319 | (2.550.846) | 40.521.089 | - | 245.411.916 | 8.441.469 | 253.853.385 |
| **Other comprehensive income for the period** | | | | | | | | | | |
| Change of accounting policy for the reclassification of investments as available-for-sale measured at fair values (Table 2). | - | - | - | - | - | - | 7.540.323 | 7.540.323 | 271.735 | 7.812.058 |
| **Balance of 30.6.2008 as it has been restated** | **45.039.813** | **146.676.671** | **453.870** | **15.271.319** | **(2.550.846)** | **40.521.089** | **7.540.323** | **252.952.239** | **8.713.204** | **261.665.443** |
| Balance of 30.9.2008 as previously reported | 45.039.813 | 146.676.671 | 453.870 | 15.116.332 | (805.576) | 42.385.381 | - | 248.866.491 | 9.140.103 | 258.006.593 |
| **Other comprehensive income for the period** | | | | | | | | | | |
| Change of accounting policy for the reclassification of investments as available-for-sale measured at fair values (Table 2). | - | - | - | - | - | - | 7.540.323 | 7.540.323 | 271.735 | 7.812.058 |
| **Balance of 30.9.2008 as it has been restated** | **45.039.813** | **146.676.671** | **453.870** | **15.116.332** | **(805.576)** | **42.385.381** | **7.540.323** | **256.406.814** | **9.411.838** | **265.818.649** |

| Company | Share Capital | Share Premium Account | Revaluation Reserve of other Assets | Statutory and other Reserves | Translation Exchange Differences | Retained Earnings | Revaluation Reserve for Available-for-Sale Financial Assets | Share Capital and Reserve | Minority Interest | Total Equity |
|---|---|---|---|---|---|---|---|---|---|---|
| Balance of 31.12.2007 as previously reported | 45.039.813 | 146.676.671 | 565.681 | 10.410.519 | 986.267 | 16.109.922 | - | 219.788.873 | - | 219.788.873 |
| **Other comprehensive income for the year** | | | | | | | | | | |
| Change of accounting policy for the reclassification of investments as available-for-sale measured at fair values (Table 2). | - | - | - | - | - | - | 242.586.359 | 242.586.359 | - | 242.586.359 |
| **Balance of 31.12.2007 as it has been restated** | **45.039.813** | **146.676.671** | **565.681** | **10.410.519** | **986.267** | **16.109.922** | **242.586.359** | **462.375.232** | **-** | **462.375.232** |
| Balance of 31.3.2008 as previously reported | 45.039.813 | 146.676.671 | 565.681 | 10.410.519 | 670.184 | 18.126.452 | - | 221.489.320 | | 221.489.320 |
| **Other comprehensive income for the period** | | | | | | | | | | |
| Change of accounting policy for the reclassification of investments as available-for-sale measured at fair values (Table 2). | - | - | - | - | - | - | 244.411.946 | 244.411.946 | - | 244.411.946 |
| **Balance of 31.3.2008 as it has been restated** | **45.039.813** | **146.676.671** | **565.681** | **10.410.519** | **670.184** | **18.126.452** | **244.411.946** | **465.901.266** | **-** | **465.901.266** |
| Balance of 30.6.2008 as previously reported | 45.039.813 | 146.676.671 | 565.681 | 12.067.044 | (985.511) | 15.331.395 | - | 218.695.093 | - | 218.695.093 |
| **Other comprehensive income for the period** | | | | | | | | | | |
| Change of accounting policy for the reclassification of investments as available-for-sale measured at fair values (Table 2). | - | - | - | - | - | - | 246.646.388 | 246.646.388 | - | 246.646.388 |
| **Balance of 30.6.2008 as it has been restated** | **45.039.813** | **146.676.671** | **565.681** | **12.067.044** | **(985.511)** | **15.331.395** | **246.646.388** | **465.341.481** | **-** | **465.341.481** |
| Balance of 30.9.2008 as previously reported | 45.039.813 | 146.676.671 | 565.681 | 12.051.253 | (395.141) | 9.829.801 | - | 213.768.078 | - | 213.768.078 |
| **Other comprehensive income for the period** | | | | | | | | | | |
| Change of accounting policy for the reclassification of investments as available-for-sale measured at fair values (Table 2). | - | - | - | - | - | - | 252.896.166 | 252.896.166 | - | 252.896.166 |
| **Balance of 30.9.2008 as it has been restated** | **45.039.813** | **146.676.671** | **565.681** | **12.051.253** | **(395.141)** | **9.829.801** | **252.896.166** | **466.664.244** | **-** | **466.664.244** |

### 16c. Net Investment in Concession Companies subscribed in the form of Last Priority Financial Assets (Subordinated Debt)

The group participates in some Concession Companies, in two ways: i) participation in the form of Share Capital, and ii) participation in the form of Financial Assets of Last Priority (Subordinated Debt), which are issued by the Concession Companies.

For the date of 31/12/2009, the FA's LP are classified and accounted for according to IAS 39, as Available-for-Sale Financial Assets (Net investment to Concession Companies). The FA's LP along with the participation in the Share Capital of the Concession Company, are measured to Fair Value (method of Present Value). The difference between the cost and fair value is recognized directly to Other Comprehensive Income (namely, to Equity).

The main characteristics of the above Last Priority FA's are the following:
a) The participation in the form of FA's LP is issued contractually with specific and fixed analogy to the Share Capital (pro rata),
b) The subscription of FA's LP is maintained steadily throughout the lifetime of the concession proportionally to the participation in the Share Capital,
c) The transfer of the FA's LP contractually is carrying out along with the corresponding transfer of an equal percentage of Share Capital,
d) The FA's LP do not contractually have a fixed terminated date, and the Group cannot demand for their future repayment,
e) The FA's are of Last Priority; they have last priority against all other claims of the Assets of the Concession Company in case of liquidation (subordinated debt - last in line). They are treated as equity equivalent to the Share Capital, bearing the same risk,
f) The capital structure of the Concession Companies Equity, contractually does not distinguish the subscription in the form of Share Capital with the subscription in the form of the FA's LP (equity equivalent).

The following table provides analytically the financial data of the Concessions Companies, whereas the Company participates both to Share Capital and to Last Priorities FA's.

| (amounts in euros) | Participation Type | Cost 31/12/2009 | Fair Value 31/12/2009 | Revaluation Surplus Credited to Fair Values Revaluation Reserve |
|---|---|---|---|---|
| **Group** | | | | |
| **1) Olympia Odos** | Share Capital | 5.400.000 | 5.400.000 | - |
| (Participation > 20%) | FA's | 9.257.950 | 9.257.950 | - |
| **Total** | | **14.657.950** | **14.657.950** | **-** |
| **2) Airport Queen Alia** | Share Capital | 301.642 | 13.786.267 | 13.484.625 |
| (Participation < 20%) | FA's | 6.616.798 | (534.579) | (7.151.377) |
| **Total** | | **6.918.440** | **13.251.688** | **6.333.248** |
| **Total of Participations** | Share Capital | 5.701.642 | 19.186.267 | 13.484.625 |
| | FA's | 15.874.748 | 8.723.371 | (7.151.377) |
| **Ending period balance** | | **21.576.390** | **27.909.638** | **6.333.248** |
| **Company** | | | | |
| **1) Olympia Odos** | Share Capital | 5.400.000 | 26.702.936 | 21.302.936 |
| (Participation > 20%) | FA's | 9.257.950 | 10.806.787 | 1.548.837 |
| **Total** | | **14.657.950** | **37.509.723** | **22.851.773** |
| **2) Airport Queen Alia** | Share Capital | 301.642 | 13.786.267 | 13.484.625 |
| (Participation < 20%) | FA's | 6.616.798 | (534.579) | (7.151.377) |
| **Total** | | **6.918.440** | **13.251.688** | **6.333.248** |
| **Total of Participations** | Share Capital | 5.701.642 | 40.489.203 | 34.787.561 |
| | FA's | 15.874.748 | 10.272.207 | (5.602.541) |
| **Ending period balance** | | **21.576.390** | **50.761.410** | **29.185.020** |

**17. Other non-current assets**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | **31.12.2009** | **31.12.2008** | **31.12.2009** | **31.12.2008** |
| Other non-current assets | **3.497.233** | **1.326.689** | **443.769** | **376.826** |

**18. Deferred tax assets**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | **31.12.2009** | **31.12.2008** | **31.12.2009** | **31.12.2008** |
| Deferred tax assets | 14.781.283 | 15.922.348 | 5.979.756 | 6.073.108 |
| | **14.781.283** | **15.922.348** | **5.979.756** | **6.073.108** |

**Analysis of Deferred tax assets**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | **31.12.2009** | **31.12.2008** | **31.12.2009** | **31.12.2008** |
| Derecognition of start-up and other long-term expenses | 46.077 | 95.220 | 46.077 | 95.220 |
| Adjustment to Fair Value due to Acquisition of Subsidiary | 7.663.640 | 7.663.640 | - | - |
| Derecognition of receivables and investments in participations | 2.544.476 | 2.561.608 | 1.992.270 | 1.992.270 |
| Provision for employee termination compensation | 1.021.488 | 2.517.192 | 909.563 | 1.024.974 |
| Taxable Losses not used | 2.840.203 | 2.840.203 | 2.840.203 | 2.840.203 |
| Adjustment to Fair Value due to revaluation of fixed assets | 665.399 | 244.485 | 191.643 | 120.439 |
| | **14.781.283** | **15.922.348** | **5.979.756** | **6.073.108** |

**Changes in "Deferred Income Tax Assets" account**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | **31.12.2009** | **31.12.2008** | **31.12.2009** | **31.12.2008** |
| **Balance 1.1** | 15.922.348 | 11.804.099 | 6.073.108 | 5.504.150 |
| **Adjustment, in accordance with IAS** | | | | |
| Direct credit (debit) in Reserves | 68.454 | 18.996 | 71.204 | - |
| Credit (debit) in Income Statement | | | - | - |
| Plus: Deductible temporary adjustments | 305.893 | 406.534 | (49.144) | 309.116 |
| Less: Decrease in Income Tax Rate | | (378.210) | | (240.158) |
| Less: Taxable temporary differences | (115.412) | - | (115.412) | - |
| Adjustment to Fair Value due to Acquisition of Subsidiary | | 2.170.930 | - | - |
| Taxable Losses not used | (1.400.000) | 1.900.000 | - | 500.000 |
| **Balance 31.12.2009** | **14.781.283** | **15.922.348** | **5.979.756** | **6.073.108** |

### 19. Inventories

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2009 | 31.12.2008 | 31.12.2009 | 31.12.2008 |
| Finished & semi-finished goods | 7.958.158 | 2.188.525 | - | - |
| Merchandise | 2.334.143 | 2.551.418 | - | - |
| Work in progress | 4.898.847 | 12.203.836 | - | - |
| Raw materials | 15.304.180 | 18.673.437 | 4.860.275 | 11.102.341 |
| | **30.495.328** | **35.617.217** | **4.860.275** | **11.102.341** |

**Work in Progress**

| | GROUP | GROUP |
|---|---|---|
| | 31.12.2009 | 31.12.2008 |
| Buildings for disposal after construction | 2.424.315 | 9.483.528 |
| Expenses incurred concerning future works (work in progress) | 2.474.532 | 2.720.308 |
| | **4.898.847** | **12.203.836** |

## 20. Construction contracts

| | GROUP 31.12.2009 | GROUP 31.12.2008 | COMPANY 31.12.2009 | COMPANY 31.12.2008 |
|---|---|---|---|---|
| Receivable from Construction contracts | 247.962.154 | 230.797.229 | 130.230.557 | 146.743.800 |
| Payables to Construction contracts | 9.534.037 | | | |
| Net receivables from Construction contracts | 238.428.117 | | | |
| Accumulated expenses | 5.110.724.930 | 4.272.193.582 | 2.067.131.990 | 1.617.498.233 |
| plus: Recognised profit (cumulatively) | 645.343.178 | 576.760.770 | 237.617.162 | 189.093.162 |
| less: Recognised loss (cumulatively) | 67.313.186 | 67.313.186 | 58.529.705 | 19.030.705 |
| less: Invoices up to 31/12 | 5.450.326.805 | 4.550.843.937 | 2.115.988.890 | 1.640.816.890 |
| | **238.428.117** | **230.797.229** | **130.230.557** | **146.743.800** |
| **Turnover** | | | | |
| Contracts expenses recognized in the repording period | 838.531.348 | 918.942.731 | 449.633.967 | 522.588.000 |
| plus: Recognized profit for the reporting period | 68.582.408 | 28.376.624 | 14.950.966 | 25.064.505 |
| **Revenues from Construction contracts recognized during the reporting period** | **907.113.756** | **947.319.355** | **464.584.933** | **547.652.505** |
| **Total advances received** | 155.619.881 | 142.087.768 | 63.685.584 | 51.070.192 |

Revenues and expenses relating to each construction contract are recognised in the income statement, depending on the percentage of completion on reporting date. Expenses which have incurred but the relative construction work has not yet been invoiced to clients are recognised in the income statement, along with the proportional profit or loss provided for in the contract. According to GR GAAP, these expenses were recognised as work in progress, and their relative profit or loss was instead recognised in the reporting period in which the works were invoiced rather than carried out. Moreover, for any project with an estimated loss, that loss is recognised immediatelly in the income statement.

The Group uses the **Percentage of Completion Method**, whereby the percentage of completion is calculated using the following ratio: Realised Cost / Total Estimated Contract Cost

The Group uses an integrated Management Information System which produces the following information to draw consistent and reliable estimates of the percentage of completion of contracts:

1) Total Revised Contract Revenue

2) Contract Cost to complete the contract

According to the Budgetary Control System applied by the Group, revisions and re-evaluations are carried out on a semi-annual basis.

**21. Clients and other receivables**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2009 | 31.12.2008 | 31.12.2009 | 31.12.2008 |
| Clients | 294.685.614 | 263.619.666 | 118.777.463 | 114.358.458 |
| Receivables from subsidiaries | - | (0) | 72.402.200 | 31.309.147 |
| Receivables from associates | 27.857.422 | 23.485.438 | 12.152.811 | 17.584.308 |
| Receivables from participating interests | - | 3.995.674 | - | 3.995.674 |
| Other receivables | 153.646.425 | 143.072.145 | 46.635.646 | 40.572.880 |
| | **476.189.461** | **434.172.923** | **249.968.120** | **207.820.466** |

**21a. Time Breakdown of Receivables**

The breakdown of receivables across time, as at 31/12/2009, is as follows:

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| (amounts in €) | 31.12.2009 | 31.12.2008 | 31.12.2009 | 31.12.2008 |
| Not in arrears and not impaired | 193.530.697 | 201.245.811 | 79.954.911 | 82.927.757 |
| In arrears but not impaired | | | | |
| 0-3 months | 18.210.705 | 13.091.242 | 4.638.407 | 5.790.596 |
| >3 months | 87.883.520 | 52.758.679 | 35.521.160 | 26.304.186 |
| | **299.624.922** | **267.095.731** | **120.114.478** | **115.022.539** |
| Less allowance for doubtful debts : | (4.939.308) | (3.476.065) | (1.337.015) | (664.081) |
| | **294.685.614** | **263.619.666** | **118.777.463** | **114.358.458** |

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2009 | 31.12.2008 | 31.12.2009 | 31.12.2008 |
| Balance 31.12.2008 | 3.476.065 | 3.314.161 | 664.081 | - |
| Provisions for the year | 1.217.700 | 890.665 | 672.934 | 664.081 |
| Amounts written off | 245.543 | (728.761) | - | - |
| Acquisition of subsidiary | | - | - | - |
| | **4.939.308** | **3.476.065** | **1.337.015** | **664.081** |

**21b. Analysis of other receivables**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2009 | 31.12.2008 | 31.12.2009 | 31.12.2008 |
| Other Debtors | 94.024.457 | 77.035.836 | 30.482.186 | 27.384.335 |
| Advances and credit accounts | 34.977.568 | 47.129.036 | 3.490.898 | 2.212.952 |
| Prepaid expenses | 24.644.400 | 18.907.274 | 12.662.562 | 10.975.593 |
| | **153.646.425** | **143.072.145** | **46.635.646** | **40.572.880** |

An amount of € 6.800.000 included in the accrued income, concerns the operating lease of Marina Falirou. Through its 58% percent subsidiary Faliro Marina SA, the Group has leased Marina Faliron in southern Athens, which comprises on-shore and off-shore areas, including property, plant, buildings infrastructure and various equipment.

The total of minimum annual lease payments breaks down as follows:

| | 31/12/2009 |
|---|---|
| Up to one year (<1 year) | 2.530.000 |
| Between one and five years (1-5 years) | 10.120.000 |
| Greater than five years (>5 years) | 75.900.000 |
| | 88.550.000 |

The annual lease is made up of two parts: i) a fixed amount of 7,000,000€ amortised over the term of the lease, and ii) the annual payable lease amounting to 2,330,000€ which is adjusted annually according to the Consumer Price Index of the previous year plus 1%. The lease may be re-adjusted if the lessee achieves superior return on the leased asset.The table above depicts the cost of the operating lease at nominal value, not taking into account the annual adjustment.

The term of the lease was set at 35 years, starting on the date of the inception (1/1/2009).The lease does not offer transfer of ownership of Faliro Marina, nor does it grant the lessee the right to acquire the leased asset for a token amount at its expiration. The lease does not include any term for its renewal upon expiration for an amount at a discount to market levels. All this suggests it is not a financial lease, rather it is an operating lease as per IAS 17. It is exactly for that reason that the Group did not appraise the fair value of the land and fixtures of Faliro Marina.

The lease prohibits the lessee from sub-leasing Faliro Marina as a whole, but does grant the right to exploit it commercially, primarily through sub-leasing of some of its facilities, such as commercial stores and docking areas.

The cost of the operating lease recorded in the Group's financial year ended 31/12/2009 amounted to 2.530.000 €. Out of this lease, the amount of 2.330.000 € pertains to the annual lease and the amount of 200.000 € to the amortisation of the one-off payment.

The account «Various Debtors» of ATHENA SA includes the following:

a) The amount of €16,470 thousand pertains to a claim against the shareholders of TECHNIKI ENOSI SA, which was absorbed by ATHENA SA at an earlier time, and was ordered by decision #21/2005 of the Court of Arbitration on 10.06.2005. Following the issue of that decision, the shareholders of TECHNIKI ENOSI SA appealed to the Athens Court of Appeal against decision #21/2005 on grounds of non-existence, and the appeal was presented to court on 19.01.2006. The Athens Court of Appeal issued decision #2471/2006 which dismissed the appeal submitted by the shareholders of TECHNIKI ENOSI SA and ratified decision #21/2005 of the Court of Arbitration. A new appeal was placed and presented as case #31 on 15.10.2007 to Section A1 of the Supreme Court, where the proposal presented by the judges pointed to dismissing the appeal. A 2nd degree Court of Athens also dismissed with its decision #985/2007 a separate appeal submitted on 15.02.2006 by the shareholders of TECHNIKI ENOSI SA against decision #21/2005 of the Court of Arbitration.

The shareholders of TECHNIKI ENOSI SA filed yet another appeal at the Supreme Court, asking the elimination of that decision, but was dismissed by decision #1334/2008 of the Supreme Court. A third appeal was filed against the arbitration decision. To secure its claim, the Company foreclosed every asset of the shareholders who guaranteed their balance sheet of TECHNIKI ENOSI SA at the time of its absorption by ATHENA SA, up to a value of €21,900 thousand.

The Company is in the process of execution of its claim against all property items of the shareholders of TECHNIKI ENOSI SA.

b) The amount of €4,376 thousand pertains to a claim against the shareholders of METTEM SA, which was absorbed by ATHENA SA at an earlier time, as part of their liabilities as guarantors. To secure those claims, a first-degree Court of Athens ruled with decision #7945/10.10.2003 the foreclosure of all mobile assets and property to a maximum value of €8,000 thousand. On 27.02.2008, a suit for financial compensation was debated to a different Court of Athens against those shareholders and the decision was fully in favour of ATHENA SA. The shareholders of METTEM S.A submitted an appeal against that decision, to be presented to court on 14.05.2009 and followed by the issue of a decision which we feel will favour the Company.

In the event of a positive outcome of this litigation case for the Company, management intends to proceed immediately with the impounding of all assets (valuables, property, securities, or in custody of third parties) of the shareholders, whether they have been foreclosed or not. The Company estimates the value of the approved claims may be fully recovered.

### 22. Cash and cash equivalent

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | **31.12.2009** | **31.12.2008** | **31.12.2009** | **31.12.2008** |
| Cash in hand | 765.976 | 6.493.112 | 49.326 | 5.027.587 |
| Cash at bank | 138.497.238 | 140.922.287 | 70.970.715 | 63.332.850 |
| | **139.263.213** | **147.415.399** | **71.020.041** | **68.360.437** |

### 23. Trade and other payables

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | **31.12.2009** | **31.12.2008** | **31.12.2009** | **31.12.2008** |
| Trade payables | 221.662.772 | 198.331.100 | 101.036.434 | 76.821.827 |
| Advances from clients | 127.108.180 | 101.143.593 | 35.173.883 | 10.126.017 |
| Other current payables | 157.096.285 | 97.144.325 | 66.261.611 | 21.936.935 |
| | **505.867.237** | **396.619.017** | **202.471.928** | **108.884.780** |

### Other current payables

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | **31.12.2009** | **31.12.2008** | **31.12.2009** | **31.12.2008** |
| Social security funds | 6.127.006 | 6.607.565 | 3.523.438 | 3.826.716 |
| Dividend payable | 51.536 | 222.681 | 51.536 | 222.681 |
| Payables to construction contracts | 9.534.037 | - | - | - |
| Payables to subsidiaries | | (0) | 3.521.076 | - |
| Payables to Associates | 17.260.197 | 1.815.051 | 9.020.439 | (0) |
| Payables to other participating companies | 2.271.975 | 41.200 | - | - |
| Other payables | 93.351.534 | 80.847.846 | 21.645.122 | 13.887.539 |
| Non current liabilities payable in next period | 28.500.000 | 7.609.984 | 28.500.000 | 4.000.000 |
| | **157.096.285** | **97.144.325** | **66.261.611** | **21.936.935** |

### 24. Income tax and other tax liabilities

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2009 | 31.12.2008 | 31.12.2009 | 31.12.2008 |
| Income tax payable | 2.658.412 | 3.628.815 | 714.251 | 300.150 |
| Other taxes payable | 20.299.165 | 16.367.078 | 14.808.447 | 9.435.605 |
| | **22.957.577** | **19.995.894** | **15.522.698** | **9.735.755** |

### 25. Bank overdrafts and loans

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2009 | 31.12.2008 | 31.12.2009 | 31.12.2008 |
| Loans | 298.969.899 | 305.515.280 | 189.716.879 | 216.837.356 |
| | **298.969.899** | **305.515.280** | **189.716.879** | **216.837.356** |

### 26. Debenture Long - term Payables

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2009 | 31.12.2008 | 31.12.2009 | 31.12.2008 |
| Debenture Long-term Payables | 199.025.508 | 206.497.000 | 135.525.508 | 144.000.000 |
| Long - Term Loans | 11.672.151 | 5.047.518 | - | 25.306 |
| | **210.697.659** | **211.544.518** | **135.525.508** | **144.025.306** |

A sensitivity analysis of the loans of the Group to exchange rate fluctuations, shows that if loan interest rates change by ±100 basis points, the borrowing cost which affect the P&L, will change by ±3.7 mil. € for the year of 2009 ( ±3.7mil. € for 2008)

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31/12/2009 | 31/12/2008 | 31/12/2009 | 31/12/2008 |
| Short-term Loans | 289.663.743 | 305.515.280 | 189.716.879 | 216.837.356 |
| Debenture Long-term Payables | 0 | 206.497.000 | 135.525.508 | 144.000.000 |
| Long-term Loans | 220.003.815 | 5.047.518 | 0 | 25.306 |
| Cash and cash equivalents | 139.263.214 | 147.415.399 | 71.020.041 | 68.360.437 |
| **Net loans** | **370.404.344** | **369.644.399** | **254.222.346** | **292.502.224** |
| **Change effect by ±1% in EURIBOR** | **1%** | **-1%** | **1%** | **-1%** |
| Income Statement | **3.704.043** | **-3.696.444** | **2.542.223** | **-2.925.022** |
| Shareholders Equity | **3.704.043** | **-3.696.444** | **2.542.223** | **-2.925.022** |

### 27. Deferred income

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2009 | 31.12.2008 | 31.12.2009 | 31.12.2008 |
| Fixed Asset(Subsidies) | 53.078 | 133.316 | - | - |
| Income for the period | (53.078) | (80.238) | - | - |
| | **-** | **53.078** | **-** | **-** |

**28. Deferred tax liabilities**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2009 | 31.12.2008 | 31.12.2009 | 31.12.2008 |
| Deferred tax liabilities | 21.377.692 | 20.281.918 | 65.653.441 | 67.472.898 |
| | **21.377.692** | **20.281.918** | **65.653.441** | **67.472.898** |

**Analysis of Deferred income tax liabilities**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2009 | 31.12.2008 | 31.12.2009 | 31.12.2008 |
| Tax exempt Reserves | 2.013.793 | 2.013.793 | - | - |
| Operating fixed assets (Machinery and Vehicles) | 2.804.288 | 2.932.448 | 154.948 | 310.549 |
| Fair value adjustment due to acquisition of subsidiary | 7.649.349 | 7.762.778 | | |
| Deffered Tax Liabilities | 2.061.655 | 990.961 | 70.482 | 70.482 |
| Fair Value adjustment to Invetstments in other companies | 2.360.190 | 1.906.842 | 65.739.811 | 65.739.811 |
| Fair Value adjustment due to revaluation of fixed assets | 4.488.417 | 4.675.097 | (311.800) | 1.352.057 |
| | **21.377.692** | **20.281.918** | **65.653.441** | **67.472.898** |

**Change in "Deferred Tax Liabilities" account**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2009 | 31.12.2008 | 31.12.2009 | 31.12.2008 |
| Balance 31.12.2008 | 20.281.918 | 21.432.989 | 67.472.898 | 62.970.165 |
| **Adjustments, according to I.A.S.** | | | | |
| Direct debit (credit) in Shareholder Funds | (239.959) | 2.191.244 | (2.028.538) | 6.445.278 |
| Debit (credit) in Income Statement | | - | | (2.018.652) |
| Decrease in Income Tax Rate | | - | | |
| Fair value adjustment due to acquisition of subsidiary | 366.650 | 366.650 | | |
| Acquisition of subsidiary | | - | | |
| Taxable temporary differences | 969.083 | (3.708.964) | 209.081 | 76.108 |
| **Balance 31.12.2009** | **21.377.692** | **20.281.918** | **65.653.441** | **67.472.898** |

**29. Provisions for retirement benefits**

Liabilities from retirement benefits for the Group and the Company are as follows:

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2009 | 31.12.2008 | 31.12.2009 | 31.12.2008 |
| Provision at beginning of period | 7.367.487 | 5.945.920 | 4.099.902 | 3.148.616 |
| Acquisition of subsidiary | | 150.000 | | - |
| Expense recognised in the reporting period | 720.253 | 1.271.567 | 34.479 | 951.285 |
| **Provision at end of period** | **8.087.740** | **7.367.487** | **4.134.381** | **4.099.902** |

For employee benefit liability purposes, the Group and the Company recognise the present value of legally-induced obligations for termination or retirement of personnel from service. The liability is calculated with the use of an actuarial study.

The main actuarial assumptions made are the following:

| | |
|---|---|
| Discount rate | ranging from 6,23% to 6,54%, which are the yield to maturity for Greek government bonds with maturities matching the relevant retirement years |
| Salary growth rate | 3,00% |
| Probability of voluntary termination | 0% to 20%, depending on retirement year |
| Probability of termination | 0% to 20%, depending on retirement year |
| Probability of retirement at age of 65 | 60% to 100%, depending on retirement year |
| Retirement Year | Wage Earners 65, Daily paid 62, Workers 60 |

The number of employees at the end of the reporting period at Group level is 3.227 persons (instead of 3.309 on 31/12/2008) and at Company's level is 2.473 (instead of 2.368 on 31/12/08)

### 30. Other provisions and non-current liabilities

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2009 | 31.12.2008 | 31.12.2009 | 31.12.2008 |
| Other provisions | 4.437.706 | 3.219.429 | 1.743.811 | 830.106 |
| Non-current liabilities | 31.053.565 | 69.403.563 | 28.511.701 | 56.449.248 |
| | **35.491.271** | **72.622.992** | **30.255.512** | **57.279.354** |

| | | | | |
|---|---|---|---|---|
| **Other non-current Liabilities** | | | | |
| Advances to clients | 28.511.701 | 51.080.167 | 28.511.701 | 40.944.175 |
| Other Non-current liabilities | 2.541.864 | 18.323.396 | - | 15.505.073 |
| | **31.053.565** | **69.403.563** | **28.511.701** | **56.449.248** |

Advances ftom clients mostly relate to Concession Projects (Malliakos Kleidi, Korinthos Patras). Advances were received during 2008. The amount to be amortized based on budgeted works from 2010 onwards have been reclassified as long term liabilities.

A number of litigation claims against the Group are pending and their final outcome cannot be foreseen at this point. Therefore no provision was made for the Group. It is our view that any claims collected following a Court Order will not change appreciably the Groups Equity.

### 31. Share capital

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2009 | 31.12.2008 | 31.12.2009 | 31.12.2008 |
| Paid up share capital (77.654.850 Shares of € 0.58) | 45.039.813 | 45.039.813 | 45.039.813 | 45.039.813 |
| Share premium account | 146.676.671 | 146.676.671 | 146.676.671 | 146.676.671 |
| | **191.716.484** | **191.716.484** | **191.716.484** | **191.716.484** |

The share capital increase approved at the Extraordinary Shareholders' Meeting held on 23.08.2007 was concluded on 12.09.2007, the issue being reserved for and partly covered by a total of 17 investors, comprising the former major shareholders and senior managers of recently acquired ATHENA SA. The Company raised €33,856,860 in cash through the issue of 4,454,850 new common registered shares with a par value of €0.58 apiece at an issue price of €7.60.

### 32. Revaluation reserves

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2009 | 31.12.2008 | 31.12.2009 | 31.12.2008 |
| Revaluation of participations and securities & of other assets | 15.403.562 | 11.539.854 | 4.630.676 | 4.844.290 |
| | **15.403.562** | **11.539.854** | **4.630.676** | **4.844.290** |

### 33. Reserves

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2009 | 31.12.2008 | 31.12.2009 | 31.12.2008 |
| Statutory reserve | 7.831.277 | 7.649.890 | 7.876.820 | 7.649.890 |
| Special reserves | 5.019.148 | 5.019.148 | 5.018.342 | 5.018.342 |
| Extraordinary reserves | 2.892.655 | 2.357.655 | 1.601.055 | 1.601.055 |
| Tax-exempt reserves | 7.877.252 | 7.781.783 | 5.095.855 | 5.095.855 |
| | **23.620.332** | **22.808.476** | **19.592.072** | **19.365.141** |

**34. Reserves for financial instruments available for sales**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2009 | 31.12.2008 | 31.12.2009 | 31.12.2008 |
| Reserves for financial instruments available for sales | 6.484.460 | 8.847.055 | 255.467.491 | 262.959.245 |
| | **6.484.460** | **8.847.055** | **255.467.491** | **262.959.245** |

## 35. Cash flow hedging reserve

| | GROUP | |
|---|---|---|
| | 31.12.2009 | 31.12.2008 |
| Cash flow hedging reserve | (31.461.719) | (28.083.202) |
| | **(31.461.719)** | **(28.083.202)** |

The Cashflow hedging reserves are about the following:

| | Cashflow hedging reserve (100%) | Participation of the Group | Proportion of the group |
|---|---|---|---|
| Olympia Odos S.A. | (92.265.895) | 21% | (19.375.838) |
| Aegean Motorway S.A. | (56.655.911) | 21,25% | (12.039.381) |
| Other | (310.000) | | (46.500) |
| | | | **(31.461.719)** |

The companies have entered interest rate swap deals. The effective portion of the cash flow hedging process was recorded directly into their Equity through their Table of Changes in Equity (as per IAS). The ineffecteive portion of the profit/loss was recorded in their income statement. Therefore, the Group consolidates its proportion directly into its Equity, in accordance with IAS 28.

**36. Minority interest**

| | GROUP | GROUP |
|---|---|---|
| | 31.12.2009 | 31.12.2008 |
| Beginning balance 1/1 | 12.040.697 | 9.294.552 |
| Additions / Decrease | 23.355 | (954.143) |
| Period movement | 701.856 | 3.700.288 |
| | **12.765.908** | **12.040.697** |

**37. Memorandum accounts - Contingent liabilities**

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 31.12.2009 | 31.12.2008 | 31.12.2008 | 31.12.2008 |
| Letters of Guarantee | 875.305.127 | 953.635.715 | 428.485.255 | 519.223.585 |
| Other memorandum accounts | 35.437.250 | 13.615.913 | 33.155.554 | 12.343.700 |
| | **910.742.377** | **967.251.628** | **461.640.809** | **531.567.285** |

**38. Encumbrances - Concessions of Receivables**

Encumbrances valued at €1,321 on the property of a subsidiary were outstanding as of 31.12.2008 and 31.12.2009 to secure bank loans

### 39. Transactions with related parties

The Group is controlled by J&P-AVAX (the "Company") which owns 100% of the Group. Members of the Board of Directors and related legal entities collectively own 69.46% of the Company's common shares (2008: 68.65%), while the balance of 30.54% (2008: 31,15%) is controlled by the broad investment public. Transactions with related parties are booked by the Company and its subsidiaries throughout the year. Sales to and purchases from related parties are carried out at going market prices.

Year-end account balances are not covered with guarantees and their settlement is done on cash terms. The Group did not book any provisions for doubtful receivables from related parties during 2008 and 2009, because payments on those transactions have proceeded smoothly so far. Intra-Group transactions are netted off at consolidation of their financial accounts.

The following table provides a brief overview of transactions with related parties during the year:

***Year ended 31 December 2009***
*(all amounts in € thousands)*

**Group**

| | Income | Expenses | Receivables | Payables |
|---|---|---|---|---|
| PYRAMIS | 1 | 2.521 | 1 | 1.224 |
| ELIX | | | 39 | - |
| ATTIKES DIADROMES SA | | | 79 | - |
| OLYMPIA ODOS OPERATIONS SA | | | 179 | - |
| OLYMPIA ODOS SA | | | - | - |
| GEFYRA OPERATIONS SA | 26 | | 24 | - |
| GEFYRA SA | | | 146 | |
| AEGEAN MOTORWAY SA | 108 | | 272 | - |
| AG.NIKOLAOS CAR PARK | | | 14 | |
| 5N | | | 4 | |
| POLISPARK | | | 5 | - |
| CYCLADES ENERGY CENTER SA | | | 4 | |
| DRAGADOS - J&P-AVAX S.A. JOINT VENTURE | | | 204 | - |
| J&P (O) LTD-GUERNSEY | | | | 47 |
| J&P (UK) LTD LONDON | | | | 20 |
| NATIONAL WHEEL-J&P-AVAX J/V - DUBAI | | | 4.044 | 1.417 |
| J&P-AVAX QATAR WLL | | | 8 | - |
| ATHENA EMIRATES LLC | | | 737 | |
| J&P ENERGY | | | 2 | - |
| VAKON SA | | | 313 | |
| MARINA ZEAS | | | 45 | |
| ATHENA MICHANIKI OE | 3 | | 327 | |
| VIOENERGEIA SA | 34 | | 169 | |
| Executives and members of the Board | | 3.406 | 31 | 585 |
| | **171** | **5.927** | **6.646** | **3.293** |

| Company | Income | Expenses | Receivables | Payables |
|---|---|---|---|---|
| ETETH SA | 2.415 | 669 | 8.212 | |
| J&P TASK (3T) A.E. | 36 | 3.817 | 22 | 892 |
| J&P-AVAX IKTEO | | | 2.277 | - |
| PROET | 1 | 285 | - | 113 |
| J&P DEVELOPMENT | | 44 | - | 211 |
| ANEMA | 30 | | 18 | - |
| ATHENA | | | | 552 |
| E-CONSTRUCTION | | 200 | 197 | 143 |
| ILIOPHANIA | | | 67 | - |
| PYRAMIS | | 1.922 | | 1.086 |
| MARINA FALIROY | 52 | | 26 | |
| ELIX | | | 39 | - |
| ATTIKES DIADROMES SA | | | 79 | - |
| AG.NIKOLAOS CAR PARK | | | 14 | |
| OLYMPIA ODOS OPERATIONS SA | | | 179 | - |
| GEFYRA SA | | | 146 | |
| GEFYRA OPERATIONS SA | | | 16 | - |
| AEGEAN MOTORWAY SA | | | 213 | - |
| POLISPARK | | | 5 | - |
| DRAGADOS - J&P-AVAX S.A. JOINT VENTURE | | | 204 | - |
| NATIONAL WHEEL-J&P-AVAX J/V - DUBAI | | | 4.044 | 1.417 |
| J&P(O) -J&P-AVAX J/V - QATAR | | | 988 | 277 |
| J&P-AVAX QATAR WLL | | | 8 | - |
| J&P ENERGY | | | 2 | - |
| J&P (UK) LTD LONDON | | | - | 20 |
| J&P (O) LTD - GUERNSEY | | | - | 47 |
| J&P-AVAX POLSKA | | 1.329 | | |
| JOINT VENTURES | 1.465 | | 34.193 | 1.777 |
| Executives and members of the Board | | 1.289 | | |
| | **3.999** | **9.554** | **50.948** | **6.536** |

**Transactions with related parties**

***Year ended 31 December 2008***
*(all amounts in € thousands)*

| **Group** | **Income** | **Expenses** | **Receivables** | **Payables** |
|---|---|---|---|---|
| PYRAMIS | | 5.796 | 50 | 631 |
| ATTIKES DIADROMES SA | | | 79 | |
| GEFYRA OPERATIONS SA | | | 125 | |
| ELIX | | | 59 | |
| OLYMPIA ODOS SA | | | 4.298 | |
| OLYMPIA ODOS OPERATIONS SA | | | 64 | |
| POLISPARK | | | 5 | |
| AEGEAN MOTORWAYS S.A. | | | 12 | |
| NATIONAL WHEEL-J&P-AVAX J/V-DUBAI | | | 4.044 | |
| CYCLADES ENERGY CENTER | | | 2 | |
| DRAGADOS - J&P-AVAX S.A. JOINT VENTURE | | | 204 | |
| J&P-AVAX QATAR WLL | | | 9 | |
| J&P ENERGY | | | 2 | |
| ATHENA MIHANIKI | | | 324 | |
| VIOENERGEIA SA | | | 173 | |
| VAKON SA | | | 278 | |
| Other related parties | | | 794 | 420 |
| Executives and members of the Board | | | 61 | 446 |
| | **-** | **5.796** | **10.583** | **1.497** |

| **Company** | **Income** | **Expenses** | **Receivables** | **Payables** |
|---|---|---|---|---|
| ETETH SA | | 150 | 6.118 | 1.492 |
| J&P TASK (3T) S.A. | | 1.944 | 11 | 4 |
| J&P-AVAX IKTEO | 443 | | 1.347 | |
| PROET | 6.989 | 197 | | 185 |
| J&P DEVELOPMENT | | 55 | | 158 |
| ANEMA | | | 11 | |
| ATHINA | 100 | | | |
| E-CONSTRUCTION | | | 36 | 71 |
| ILIOPHANIA | | | 67 | |
| PYRAMIS | | 5.796 | 50 | 454 |
| ELIX | | | 59 | |
| ATTIKES DIADROMES SA | | | 79 | |
| OLYMPIA ODOS OPERATIONS SA | | | 64 | |
| OLYMPIA ODOS SA | | | 3.294 | |
| GEFYRA OPERATIONS SA | | | 125 | |
| AEGEAN MOTORWAY SA | | | 12 | |
| POLISPARK | | | 5 | |
| DRAGADOS - J&P-AVAX S.A. JOINT VENTURE | | | 204 | |
| NATIONAL WHEEL-J&P-AVAX J/V - DUBAI | | | 4.044 | |
| J&P(O) -J&P-AVAX J/V - QATAR | | | 917 | 277 |
| J&P-AVAX QATAR WLL | | | 9 | |
| J&P ENERGY | | | 2 | |
| J&P (UK) LTD LONDON | | | | 19 |
| J&P (O) LTD - GUERNSEY | | | | 47 |
| J&P LTD - CYPRUS | | | | 76 |
| JOINT VENTURES | 1.529 | | 17.439 | 1.704 |
| | **9.061** | **8.142** | **33.893** | **4.487** |

Marousi, 29 March 2010

| DEPUTY PRESIDENT & EXECUTIVE DIRECTOR | MANAGING DIRECTOR | GROUP FINANCE & ADMINISTRATIVE MANAGER | CHIEF ACCOUNTANT |
|---|---|---|---|
| KONSTANTINOS KOUVARAS | KONSTANTINOS MITZALIS | ATHENA ELIADES | GEORGE KANTSAS |
| I.D. No. AE 024787 | I.D. No. Ξ 547337 | I.D. No. 241252 | I.D. No. N 279385 |

The above financial statements that are consisted of 86 pages, are these which our audit report dated 27.03.2009 refers to.

Athens, March 30, 2010
The Certified Public Accountant

**BDO Certified & Registered Auditors A.E.**
Certified Public Accountants
Patission 81 & Heyden, Athens 10434

Venetia Triantopoulou-Anastasopoulou
S.O.E.L. R.N. 12391

# Information disclosed under Article 10 of Law 3401/2005, in accordance with decisions # 7/372/15.2.2006 and # 7/448/11.10.2007 of the Board of Directors of Greece's Capital Market Commission

During 2009, the Company published and made available to the investment public using the official means of broadcasting the following information, which were posted on the Athens Stock Exchange's website www.ase.gr and the corporate website www.jp-avax.gr in the respective sections:

### *Press Releases*

| | |
|---|---|
| **31/03/2009** | Financial Results and Proposed Dividend for 2008 |
| **03/04/2009** | Subsidiary ATHENA SA signs deal on Athens' waste management facility |
| **15/04/2009** | Award of contract for new football stadium in Poland |
| **08/07/2009** | Award of new power plant project at Vasilikos, Cyprus |
| **12/08/2009** | Award of roadwork budgeted at €172.7 m in Poland |
| **05/11/2009** | Award of €156.5 m roadwork project in Poland |

Press Releases may be accessed at the corporate website www.jp-avax.gr in the "News & Publications" > "Press Releases" section

### *Stock Exchange Announcements*

| | |
|---|---|
| **22/01/2009** | Important Trade Announcement (Law 3556/2007) |
| **23/01/2009** | Important Trade Announcement (Law 3556/2007) |
| **26/01/2009** | Important Trade Announcement (Law 3556/2007) |
| **13/02/2009** | Important Trade Announcement (Law 3556/2007) |
| **16/02/2009** | Important Trade Announcement (Law 3556/2007) |
| **17/02/2009** | Important Trade Announcement (Law 3556/2007) |
| **18/02/2009** | Important Trade Announcement (Law 3556/2007) |
| **19/02/2009** | Important Trade Announcement (Law 3556/2007) |
| **20/02/2009** | Important Trade Announcement (Law 3556/2007) |
| **23/02/2009** | Important Trade Announcement (Law 3556/2007) |
| **24/02/2009** | Important Trade Announcement (Law 3556/2007) |
| **24/03/2009** | 2009 Corporate Calendar |
| **06/04/2009** | Important Trade Announcement (Law 3556/2007) |
| **07/04/2009** | Important Trade Announcement (Law 3556/2007) |
| **22/06/2009** | Board decision on amendment of Use of Funds from Capital Increase |
| **24/06/2009** | Ex-dividend date and distribution of 2008 dividend |
| **25/06/2009** | Decisions of AGM held on 24.06.2009 |
| **26/06/2009** | Appointment of new Board of Directors |
| **10/12/2009** | Important Trade Announcement (Law 3556/2007) |
| **11/12/2009** | Important Trade Announcement (Law 3556/2007) |
| **15/12/2009** | Important Trade Announcement (Law 3556/2007) |
| **16/12/2009** | Important Trade Announcement (Law 3556/2007) |
| **17/12/2009** | Important Trade Announcement (Law 3556/2007) |
| **18/12/2009** | Important Trade Announcement (Law 3556/2007) |
| **21/12/2009** | Important Trade Announcement (Law 3556/2007) |
| **24/12/2009** | Important Trade Announcement (Law 3556/2007) |

Stock Exchange Announcements may be accessed at the corporate website www.jp-avax.gr in the "News & Publications" > "Stock Exchange Announcements" section

The following information was also added to the corporate website during 2009:

## *Presentations*

**31/03/2009** Presentation on Group Results 12M & Q4 2008
**03/04/2009** Presentation on Analysts' Briefing on 2008 Annual Accounts
**29/05/2009** Presentation on Group Results Q1 2009
**31/08/2009** Presentation on Group Results H1 & Q2 2009
**30/11/2009** Presentation on Group Results 9M & Q3 2009
Presentations may be accessed at the corporate website www.jp-avax.gr in the "News & Publications" > "Presentations" section

## *Financial Statements*

**31/03/2009** Annual Accounts 2008, Notes to the Accounts, Auditor's Review Report
**29/05/2009** Interim Accounts Q1 2009
**31/08/2009** Interim Accounts 6M & Q2 2009, Notes to the Accounts, Auditor's Review Report
**30/11/2009** Interim Accounts 9M & Q3 2009
Financial Statements may be accessed at the corporate website www.jp-avax.gr in the "Financials" section

## *Other Information*

- Annual Financial Report 2008
  *[available at the corporate website www.jp-avax.gr in the "News & Publications" > "Annual Reports" section]*

- Table of Insider Trades, as per Law 3340/2005
  *[available at the corporate website www.jp-avax.gr in the "News & Publications" > "Insider Trades - Law 3340" section]*

- Table of Important Trades, as per Law 3556/2007
  *[available at the corporate website www.jp-avax.gr in the "News & Publications" > "Important Trade Information - Law 3556" section]*

- Broker Research for the Company
  *[available at the corporate website www.jp-avax.gr in the "Investor Relations" > "Broker Reports" section]*

# J&P - AVAX S.A.

**Number 14303/06/B/86/26 in the register of Societes Anonymes**

**16 Amarousiou-Halandriou Street, Marousi 151 25, Greece**

**Annual Financial Statements for the fiscal year ended December 31st, 2009**

**(published in accordance with Law 2190/20, article 135 on companies preparing annual financial accounts, both consolidated and non-consolidated, under IAS & IFRS )**

The figures and information illustrated below aim to provide a summary view of the financial position and results of J&P-AVAX S.A. and its subsidiaries. Before making any investment decision or any other transaction concerning the company, we advise the reader to visit the company's web site (www.jp-avax.gr) which presents the detailed financial statements according to International Financial Reporting Standards, along with the auditor's report.

| | |
|---|---|
| *Supervising Authority:* | *Ministry of Development - General Secretariate of Societes Anonymes & Trust* |
| *Web Site:* | www.jp-avax.gr |
| *Board of Directors:* | *President: Leonidas (Dakis) Joannou* |
| | *Deputy President & Executive Director: Konstantinos Kouvaras* |
| | *Vice President & Executive Director: Nicholaos Gerarhakis* |
| | *Managing Director: Konstantinos Mitzalis* |
| | *Executive Directors: George Demetriou, Konstantinos Lysaridis, Christos Joannou, Pistiolis Ioannis* |
| | *Non-Executive Members: Efthivoulos Paraskevaides, Constantinos Shiacolas* |
| | *Independent & Non-Executive Members: John Hastas, David Watson* |
| *Board of Directors approval date:* | 29 March 2010 |
| *Public Certified Accountant:* | *Venetia Triantopoulou-Anastasopoulou* |
| *Auditing Firm:* | *BDO Certified & Registered Auditors A.E.* |
| *Type of Auditor's Review Report:* | *Unqualified Opinion* |

## CONDENSED STATEMENT OF FINANCIAL POSITION

***Amounts in € thousand***

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | **31/12/2009** | **31/12/2008** | **31/12/2009** | **31/12/2008** |
| **ASSETS** | | | | |
| Tangible assets | 194.621 | 189.358 | 90.075 | 93.393 |
| Investment properties | 21.934 | 23.070 | 1.584 | 1.143 |
| Intangible assets | 46.572 | 46.528 | 469 | 458 |
| Available for sale investments | 18.696 | 13.635 | 402.272 | 394.068 |
| Other non current assets | 202.422 | 168.397 | 165.912 | 167.351 |
| Inventories | 30.495 | 35.617 | 4.860 | 11.102 |
| Trade receivables | 542.648 | 494.417 | 249.008 | 261.102 |
| Other current assets | 181.504 | 170.552 | 131.191 | 93.462 |
| Cash and cash equivalents | 139.263 | 147.415 | 71.020 | 68.360 |
| **TOTAL ASSETS** | **1.378.155** | **1.288.991** | **1.116.391** | **1.090.441** |
| **SHAREHOLDERS EQUITY AND LIABILITIES** | | | | |
| Share Capital | 191.716 | 191.716 | 191.716 | 191.716 |
| Other equity items | 70.224 | 51.234 | 281.394 | 290.389 |
| ***Share capital and reserves (a)*** | 261.940 | 242.950 | 473.110 | 482.105 |
| Non-controlling interests (b) | 12.766 | 12.041 | - | - |
| **Total Equity (c)=(a)+(b)** | 274.706 | 254.991 | 473.110 | 482.105 |
| Long-term loans | 210.698 | 211.545 | 135.526 | 144.025 |
| Provisions and other long-term liabilities | 64.957 | 100.325 | 100.043 | 128.852 |
| Short-term borrowings | 298.970 | 305.515 | 189.717 | 216.837 |
| Other short-term liabilities | 528.825 | 416.615 | 217.995 | 118.621 |
| **Total liabilities (d)** | **1.103.449** | **1.034.000** | **643.280** | **608.335** |
| **TOTAL SHAREHOLDERS EQUITY AND LIABILITIES (c)+(d)** | **1.378.155** | **1.288.991** | **1.116.391** | **1.090.441** |

## CONDENSED STATEMENT OF CHANGES IN EQUITY

***Amounts in € thousand***

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | **31/12/2009** | **31/12/2008** | **31/12/2009** | **31/12/2008** |
| Equity balance at the beginning of fiscal year (1/1/09 and 1/1/08 respectively) | 254.991 | 257.581 | 482.105 | 462.375 |
| Total comprehensive income after tax | 22.887 | 7.489 | (5.112) | 29.014 |
| Other appropriations | 9 | 194 | - | 34 |
| Dividends paid | (3.883) | (9.319) | (3.883) | (9.319) |
| Addition/(deduction) of minority interests | 702 | (954) | - | - |
| Equity balance at the end of fiscal year (31/12/09 and 31/12/08 respectively) | **274.706** | **254.991** | **473.110** | **482.105** |

**TRANSACTIONS WITH RELATED PARTIES (amounts in € thousand)**

| | GROUP | COMPANY |
|---|---|---|
| | 1.1-31.12.2009 | 1.1-31.12.2009 |
| a) Income | 171 | 3.999 |
| b) Expenses | 2.521 | 8.265 |
| c) Receivables | 6.615 | 50.946 |
| d) Payables | 2.708 | 6.536 |
| e) Key management compensations | 3.406 | 1.289 |
| f) Receivables from key management | 31 | - |
| g) Payables to key management | 585 | - |

## NOTES TO THE ACCOUNTS

1.The accounting policies applied in preparing these Financial Statements are consistent with those applied for the Financial Statements at 31.12.2008.

2. Not tax audited fiscal years for the Company and the companies of the Group are analysed in note C1 of the Annual Financial Report. The tax audition has been completed. The tax liability is € 107 thousand. This amount has been covered by the provisions made by the company in the 2008 financial statement. This tax liability has burdened the 2008 results.

3. There are no important provisions for litigation or under arbitration claims. The estimated amount for the fiscal years not audited as of 31.12.2009 is € 1.050 thousand for the Group and € 350 thousand for the Company. Other provisions that are made as of 31.12.2009 amount to€ 4.437 thousand for the Group and € 1.744 thousand for the Company.

4. The companies of the Group with its relevant addresses, the percentages that the Group participates in their share capital, as well as the consolidation method used in the financial statements of the fiscal period of 2009, are mentioned analytically in note C1 of the Annual Financial Report.

5.The number of employees at the end of the reporting period at Group level is 3.227 persons (instead of 3.309 on 31/12/2008) and at Company's level is 2.473 (instead of 2.368 on 31/12/08) .

6. Joint Ventures for projects completed and in process of dissolution are not consolidated due to minor materiality effect in the Group Financial Statements. The financial results of these Joi Ventures are recorded in the Group financial statements through Equity consolidation method.

7. Earnings per share are calculated using the weighted average number of shares for the period.

8. The proportional consolidation of Joint Ventures by 100% is effectively the same as full consolidation.

9. The Board of Directors approved the above financial statements on March 29, 2010.

10. Minor differences in sums are due to rounding.

11. Due to completion of the projects and minor materiality, the Joint Ventures refered to in note C1 of the Financial statements of 2009 are consolidated in the Group financial statements with the Equity method, having been previously consolidated proportionately.

12. Capital expenditure exluding acquisitions for the fiscal year of 1/1-31/12/2009 amounted to : Group€ 32.9 m and Company € 9.4 m.

13. There are no pledges on the Company's assets, but there are Pledges on the subsidiary company ATHENA SA.

14. In the consolidated financial statements of 31.12.2009, the company Marina Falirou SA, and J&P Avax Polska have been additionally included with the full consolidation method. Furthermore with the proportional consolidation method by 15% the Joint Venture 'ERGOTEM ATEBE-KASTOR AE-ETETH AE' has been also included in the same statement.

15. The after tax other comprehensive income for the Group and the Company are as follows:

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | 1.1-31.12.2009 | 1.1-31.12.2008 | 1.1-31.12.2009 | 1.1-31.12.2008 |
| Cash flow hedging | (4.505) | (37.444) | - | - |
| Translation differences of subsidiaries abroad | (2.359) | (1.559) | (2.283) | (2.772) |
| Reserves for available for sale investments | (2.953) | 1.633 | (9.365) | 25.466 |
| Revaluation reserves of other assets | 5152 | 14.770 | (285) | 5705 |
| Tax on other comprehensive income | 429 | 5.342 | 1.944 | (6.519) |
| Total other comprehensive income net of tax | **(4.237)** | **(17.258)** | **(9.989)** | **21.879** |

16.According to draft legislation released on 3.12.2009 for public debate by Greece's Finance Ministry, a "social responsibility tax" will be imposed on Greek companies with fiscal 2008 profits in excess of€5.0 million. The Company's tax liability for the Group is €586 thousand and for the Company €307thousand.

17. The Board of Directors will propose to the Annual General Meeting of Sharegolders, the distribution of divident of€ 0.04 per share for 2009 (2008:€0,05)

## CONDENSED STATEMENT OF TOTAL COMPREHENSIVE INCOME

***Amounts in € thousand***

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | **1/1-31/12/2009** | **1/1-31/12/2008** | **1/1-31/12/2009** | **1/1-31/12/2008** |
| Turnover | 945.659 | 991.081 | 476.055 | 554.058 |
| Cost of sales | (870.671) | (932.683) | (451.369) | (517.164) |
| **Gross profit** | **74.988** | **58.398** | **24.685** | **36.894** |
| Other net operating income/(expense) | (1.718) | 1.604 | (1.591) | (563) |
| Administrative expenses | (32.331) | (32.724) | (19.140) | (22.220) |
| Selling & Marketing expenses | (9.284) | (8.132) | (7.616) | (6.504) |
| Income/(Losses) from Associates/Participations | 29.745 | 35.713 | 27.424 | 17.286 |
| **Profit before tax, financial & investment results** | **61.400** | **54.859** | **23.762** | **24.892** |
| Net finance costs | (26.516) | (26.598) | (16.901) | (18.748) |
| **Profit before tax** | **34.884** | **28.261** | **6.861** | **6.144** |
| Tax | (7.760) | (3.514) | (1.984) | 991 |
| **Profit after tax (a)** | **27.124** | **24.747** | **4.877** | **7.135** |
| Attributable to: | | | | |
| Equity holders of the parent | 27.100 | 21.046 | 4.877 | 7.135 |
| Non-controlling interests | 23 | 3.700 | - | - |
| | **27.124** | **24.747** | **4.877** | **7.135** |
| Other comprehensive income net of tax (b) | (4.237) | (17.258) | (9.989) | 21.879 |
| Total comprehensive income net of tax (a)+(b) | **22.887** | **7.489** | **(5.112)** | **29.014** |
| Attributable to: | | | | |
| Equity owners of the parent | 22.864 | 3.789 | (5.112) | 29.014 |
| Non-controlling interests | 23 | 3.700 | - | - |
| *Proposed dividend per share (in €)* | - | - | 0,04 | 0,05 |
| Net profit per share - basic (in€) | 0,3490 | 0,2710 | 0,0628 | 0,0919 |
| Profit before tax, financial and investment results and depreciation | 86.129 | 75.786 | 36.204 | 35.843 |

## CASH FLOW STATEMENT

***Amounts in € thousand***

| | GROUP | | COMPANY | |
|---|---|---|---|---|
| | **1/1-31/12/2009** | **1/1-31/12/2008** | **1/1-31/12/2009** | **1/1-31/12/2008** |
| **Operating Activities** | | | | |
| **Profit before tax** | 34.884 | 28.261 | 6.861 | 6.144 |
| Adjustments for: | | | | |
| Depreciation | 24.730 | 20.927 | 12.442 | 10.951 |
| Loss/ (Profit) from fair value adjustments in investment properties/ Tangible assets | 2.667 | (3.434) | (836) | 370 |
| Exchnage differences | (2.942) | (1.559) | (2.283) | (2.772) |
| Provisions | 720 | 3.373 | 2.233 | 951 |
| Interest income | (2.324) | (2.538) | (1.300) | (828) |
| Interest expense | 28.840 | 29.136 | 18.201 | 19.576 |
| Investment results | (29.745) | (35.713) | (27.424) | (17.286) |
| **Change in working capital** | | | | |
| (Increase)/decrease in inventories | 5.122 | 10.825 | 6.242 | 6.194 |
| (Increase)/decrease in trade and other receivables | (65.470) | (195.634) | (1.636) | (78.689) |
| Increase/(decrease) in payables | 77.645 | 203.635 | 72.191 | 60.064 |
| Interest paid | (28.840) | (29.136) | (18.201) | (19.576) |
| Income taxes paid | (8.731) | (7.948) | (1.570) | (654) |
| **Cash Flow from Operating Activities (a)** | **36.556** | **20.195** | **64.920** | **(15.554)** |
| **Investing Activities:** | | | | |
| Purchase of tangible and intangible assets | (32.893) | (49.722) | (9.445) | (22.341) |
| Proceeds from disposal of tangible and intangible assets | 5.804 | 4.240 | 112 | 821 |
| (Acquisition)/ Sale of associates, JVs and other investments | (13.758) | (13.093) | (18.005) | (19.113) |
| Acquisition/ (Sale) of subsidiaries | - | 12 | - | - |
| Interest received | 2.324 | 2.538 | 1.300 | 828 |
| Dividends received | 5.260 | 6.468 | 3.452 | 4.530 |
| **Cash Flow from Investing Activities (b)** | **(33.262)** | **(49.557)** | **(22.586)** | **(35.275)** |
| **Financing Activities** | | | | |
| Proceeds from loans | (7.392) | 121.570 | (35.620) | 110.855 |
| Dividends paid | (4.054) | (9.172) | (4.054) | (9.172) |
| **Cash Flow from Financing Activities (c )** | **(11.446)** | **112.397** | **(39.674)** | **101.683** |
| **Net increase in cash and cash equivalents (a)+(b)+(c)** | **(8.152)** | **83.035** | **2.660** | **50.854** |
| **Cash and cash equivalents at the beginning of fiscal year** | **147.415** | **64.380** | **68.360** | **17.506** |
| **Cash and cash equivalents at the end of fiscal year** | **139.263** | **147.415** | **71.020** | **68.360** |

MAROUSI, MARCH 29 2010

| DEPUTY PRESIDENT & EXECUTIVE DIRECTOR | MANAGING DIRECTOR | GROUP FINANCE & ADMINISTRATIVE | CHIEF ACCOUNTANT |
|---|---|---|---|
| KONSTANTINOS KOUVARAS | KONSTANTINOS MITZALIS | ATHENA ELIADES | GEORGE KANTSAS |
| **I.D. No AE 024787** | I.D. No. Ξ547337 | **I.D. No. 241252** | **I.D. No. N 279385** |