

which was covered by the incoming Share Capital of the absorbed Societe Anonyme "YPODOMI, Anonymous technical, trade, industrial, hotel, shipping and tourist Company" amounting to 1.415.889,72 EURO and from the capitalization of 7.715,28 EURO from the Reserves Account of the Company "Share premium account". Additionally the nominal value of each share was reduced from 0,59 Euro to 0,57 Euro.

7. By decision of the extraordinary General Assembly of the shareholders held on 18.12.2002 the share Capital of the Company was increased by capitalisation of the reserve " Surplus from re-evaluating fixed assets" by 884.770,00 EURO. The capitalization was achieved through an increase of the nominal value of the share from 0,57 EURO to 0,59 EURO.

8. In the fiscal year 2002 according to the provisions in L. 2992/2002 there was a transfer of claims from Joint Ventures participations for completed projects to the asset account CI5 «Other Intangible Assets» of amount 18.111.804,13 which will be paid off in instalments of equal amount in a period of five (5) years beginning from the end of the fiscal year 2002.

9. The analysis of the net turnover of the company for each category of financial activity according to the four-digit classification of STAKOD 91 pertains to:
net turnover of the company 452.3 roadworks Euro 12.643.348,82 and 452.1 Civil Engineer Works Euro 9.332.081,87, net turnover for J/V's 452.1 Civil Engineer Works Euro 8.097.780,39, 452.3 Roadworks Euro 8.161.875,14, 452.4 Hydraulic Works Euro 134.067,80

10. The items of the accounting period ended are not comparable to the respective items in the preceding one because in the fiscal year 2002 the company "YPODOMI S.A. " was absorbed.

PROFIT AND LOSS STATEMENT				PROFIT AND LOSS APPROPRIATION ACCOUNT			
		<u>31/12/2002</u>	<u>31/12/2001</u>			<u>31/12/2002</u>	<u>31/12/2001</u>
I. OPERATING RESULTS							
Turnover							
a) of Joint Ventures	16.393.723,33		32.084.619,75				
b) of the Company	21.975.430,69		38.298.541,80				
Total	<u>38.369.154,02</u>	<u>21.975.430,69</u>	<u>70.383.161,55</u>	<u>38.298.541,80</u>			
Less: Project construction cost		<u>16.042.446,47</u>		<u>32.433.485,90</u>			
Gross operating results (profits)		<u>5.932.984,22</u>		<u>5.865.055,90</u>			
Plus:				NET BUSINESS YEAR RESULTS (PROFITS)			
Other earnings from subsequent undertakings		<u>9.208,77</u>		<u>827.222,54</u>	BEFORE TAXES	<u>2.323.980,19</u>	<u>4.408.315,74</u>
TOTAL		<u>5.942.192,99</u>		<u>6.692.278,44</u>	Less: Losses from previous business years	<u>444.459,16</u>	
					Less: Prior years' tax audit differences	<u>204.394,86</u>	<u>641.556,45</u>
					Other taxes not included in the operating cost	<u>32.666,06</u>	<u>32.502,33</u>
					NET RESULTS (PROFITS)	<u>1.642.460,11</u>	<u>3.734.256,96</u>
Less:							
1. Administrative & selling expenses		<u>1.528.461,27</u>	<u>1.380.295,18</u>		LESS		
SUB TOTAL (PROFITS)		<u>4.413.731,72</u>	<u>5.311.983,26</u>		RESULTS CARRIED FORWARD	<u>1.642.460,11</u>	<u>3.734.256,96</u>
					TOTAL		
Plus:							
1. Earnings from participations	3.016.628,69		4.510.466,47				
3. Interest receivable & similar earnings	8.432,17	<u>3.025.060,86</u>	<u>120.265,22</u>	<u>4.630.731,69</u>			
		<u>7.438.792,58</u>	<u>9.942.714,95</u>				
Less:							
1. Loss from participations	952.658,92		3.833.467,38				
3. Interest payable & similar expenses	651.293,96	<u>1.603.952,88</u>	<u>702.152,42</u>	<u>4.535.619,80</u>			
TOTAL OPERATING RESULTS (PROFITS)		<u>5.834.839,70</u>	<u>5.407.095,15</u>				
II. PLUS: EXTRAORDINARY RESULTS							
1. Extraordinary & non-operating earnings	306.610,18		90.808,84				
2. Extraordinary profits			480,86				
LESS: 1. Extraordinary & non-operating expenses			410.300,09				
2. Extraordinary loss	3.688.793,30		641.326,47				
3. Prior years' expenses	128.676,39	<u>(3.510.859,51)</u>	<u>38.442,55</u>	<u>(998.779,41)</u>			
Less:							
Total fixed assets depreciations	1.631.867,64		1.722.772,19				
Depreciations included in the operating cost	1.631.867,64		1.722.772,19	-			
		<u>2.323.980,19</u>	<u>4.408.315,74</u>				
TOTAL YEAR RESULTS (PROFITS) BEFORE TAXES		<u>2.323.980,19</u>	<u>4.408.315,74</u>				

ATHENS, 15th FEBRUARY 2003

THE VICE-CHAIRMAN OF THE BOARD OF DIRECTORS

THE CHAIRMAN OF THE BOARD OF DIRECTORS

THE FINANCIAL DIRECTOR

THE ACCOUNTANT

AUDITOR'S REPORT

To the Board of Directors of the Constructing Societe Anonyme «PROODEFTIKI S.A.»

We have conducted the audit according to the provisions of article 6 of P.D. 360/1985, as amended by the article 90 of Law 2533/1997, applying the auditing procedures that we decided appropriate on the basis of auditing principles and regulations followed by the Greek Institute of Chartered Accountants to certify that the above financial statements and the results that refer to them for the Constructing Societe Anonyme «PROODEFTIKI S.A.» for the accounting period from 01.01.02 up to 31.12.02 include no inaccuracies or omissions that materially influence the property articulation and financial state of the company. In the framework of this audit we have also received information on the accounting books of the branches of the company. Any account books and records kept by the company were at our disposal and when we asked we were given the necessary information and explanations for the audit. The company has applied the Greek Chart of Accounts correctly. The company's inventory method, as compared to the preceding fiscal year, was not altered and the production cost has been set according to the generally accepted principles for accounting cost. Our audit ascertained the following: 1. In the fiscal year 2002 according to the provisions in L. 2992/2002 there was a transfer of claims from Joint Ventures participations to the asset account CI5 «Other Intangible Assets» of amount 18.111.804,13. The company has burdened the operating results and in particular the item «extraordinary losses» by a fifth (1/5) from the above stated claims. 2. The account «Participating interest in other undertakings» includes the amount of Euro 1.379.310,34 which pertains to the company's participation in the founding share capital of «KAZINO ATHINON A.Ε.Τ.Ε.». Moreover the account of assets «Other Claims» includes the amount of Euro 332.448,65, which refers to claims from the same company. With regard to those claims there is a pending lawsuit against the Greek State before the Administrative Court of Appeal in Athens. 3. The account of Assets CIII.2 «Participations in other companies» pertains to the following: a) Euro 7.145.332,95 which is the cost value of shares of Societes Anonymes, which are not listed in the Athens Stock Exchange but are audited by Chartered Accountants. Their current value is higher than their cost value. b) Euro 2.271,46 which is the cost value of shares of a Societe Anonyme not listed on the ASE, which is not audited by a Chartered Accountant. Their current value is higher than their cost value. c) the amount of Euro 81.777,17 pertaining to the cost value of the company's shares in Joint Ventures which are not audited by Chartered Accountants. 4. In the results of the controlled operating result and in the preceding operating results (Net turnover of the company) the amounts of 18.164.297,53 Euro and 7.026.941,28 Euro are included respectively which pertain to expected income not yet confirmed and invoiced up to 31.12.2002. The total amount of 25.191.238,81 Euro is included in the account of Assets of the Balance Sheet «Other Claims». 5. The accounts of the asset DI.3 «Projects in progress» amounting to Euro 3.539.846,38 and DI.4 «Raw and auxiliary material – consumables – spare parts» amounting to Euro 2.532.880,03 pertain to the cost of material and fees for several technical works carried out until 31.12.2002. 6. Income before taxes and losses from participating interests amounting to Euro 3.016.628,69 and Euro 952.658,92 respectively which are included in the Profit and Loss Account 01.01.-31.12.2002, pertain to profit before taxes and losses from participating interests in Joint Ventures which are not audited from Chartered Accountants and have been listed in the accounting books according to temporary certificates of the above Joint Ventures. The company's debts and liabilities as at 31.12.2002 with respect to its transactions with those Joint Ventures have been counterbalanced in the account of Assets «Other Claims». The amounts counterbalanced are debit balances amounting to euro 37.322.132,75 and credit balances amounting to euro 616.640,51. 7. The company, relying on the expert opinion no 205/1988 of the Plenary Session of the Administration Legal Counselors and the article 10L.2065/1992 has not made any provisions, as in the previous accounting periods, in respect of compensation to personnel due for retirement. Should the company have made provisions to cover all the personnel, irrelevantly to whether they have established time-wise the right to retirement or not, the accumulated level of provisions would reach Euro 332.594 approximately of which the amount of Euro 67.800 burdens the operating results of the accounting year ended. 8. For the fiscal years 2001 and 2002 the tax obligations of the company have not been determined as definite. However it is noted that the absorbed company «YPODOMI S.A.» has been audited up to the date of Balance Transformation 30.04.2002. According to the audit that we conducted we have determined that the above financial statements arise from the account books and records of the company and bearing in mind our notes above as well as the notes given by the company they include no inaccuracies or omissions which materially influence the property articulation and financial state of the company on 31.12.2002 as well as the Profit and Loss Account of the accounting period that ended on this date based on the relevant Law provisions that apply and the accounting principles and methods applied by the company which have been generally accepted and are no different from the ones applied for the preceding account period. It is noted that the present certificate is issued for the purposes of article 90 of L.2533/1997 and does not substitute the certificate of regular audit, which is required by article 37 of the Codified Law 2190/1920. For this reason it is likely that certain items of the above financial statements may produce differences from the items of the annual financial statements, which will be published with the certificate of regular audit previously mentioned.

Athens 26 February 2003
The Chartered Accountant

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