MESOGEOS GROUP OF COMPANIES (S.A.) Reg. No. 45763/01/B/00/214

CONSOLIDATED BALANCE SHEET
AS AT DECEMBER 31, 2011 (JANUARY 1, 2011 - DECEMBER 31, 2011)
7th Year
(Amounts in EURO)

ASSETS

	YEAR ENDED 2011			YEAR ENDED 2010		
	Acquisition cost	Depreciation	Net Book value	Acquisition cost	Depreciation	Net Book value
B. FORMATION EXPENSES						
1. Preliminary expenses	3.498,10	3.498,10	0,00	32.931,24	21.157,99	11.773,25
4. Other formation expenses	1.008.611,20	961.572,69	47.038,51	969.555,21	758.530,77	211.024,44
	1.012.109,30	965.070,79	47.038,51	1.002.486,45	779.688,76	222.797,69
C. FIXED ASSETS						
I. Intangible Assets						
2. Concessions, patents, licences, trade marks and similar rights and assets	30.000,00	15.500,00	14.500,00	30.000,00	12.500,00	17.500,00
5. Other intangible assets	19.160,00	16.968,04	2.191,96	20.625,23	14.635,63	5.989,60
	49.160,00	32.468,04	16.691,96	50.625,23	27.135,63	23.489,60
II. Tangible Assets						
1. Land	2.426.654,83	0,00	2.426.654,83	2.426.654,83	0,00	2.426.654,83
3. Buildings and technical works	11.255.732,78	2.583.432,12	8.672.300,66	11.220.365,58	848.348,52	10.372.017,06
4. Machinery & technical installations	17.146.087,80	2.929.223,17	14.216.864,64	17.146.393,48	1.221.390,48	15.925.003,01
5. Transportation equipment	384.981,20	258.512,22	126.468,98	357.952,66	220.604,95	137.347,71
6. Furniture and fixtures	719.717,03	639.500,03	80.217,00	708.231,65	586.075,50	122.156,15
7. Payments on account and tangible assets in course of construction	104.784,84	0,00	104.784,84	94.784,84	0,00	94.784,84
Total Tangible Assets (CII)	32.037.958,48	6.410.667,54	25.627.290,95	31.954.383,04	2.876.419,45	29.077.963,60
Total Assets (CI+CII)	32.087.118,48	6.443.135,58	25.643.982,91	32.005.008,27	2.903.555,08	29.101.453,20
III. Financial Assets						
1. Participating interests in affiliated undertakings			639.237,50			638.787,50
2. Participating in other undertakings			172,00			3.072,00
7. Other long-term receivables			3.866,00			385.792,72
			643.275,50			1.027.652,22
Total Fixed Assets (CII+CIII)			26.287.258,41			30.129.105,42
D. CURRENT ASSETS						
I. Inventories						
3. Work in progress			2.177.803,32			4.036.184,68
4. Raw and auxiliary materials-consumables-spare parts and packing items			1.808,34			4.847,80
5. Payments on account			4.222,00			181.360,24
			2.183.833,66			4.222.392,72
II. Receivables						
1. Trade debtors						
Less: Provisions			13.420.173,76			14.600.754,25
3a.Cheques receivable			590.319,49			626.733,28
5. Amounts owed by affilliated undertakings			4.141.790,16			969.221,75
8. Blocked deposits			71.843,76			74.752,76
11.Sundry debtors			7.720.398,43			5.000.001,98
12.Advances to account for			317.679,35			606.629,05
			26.262.204,96			21.878.093,07
III. 3. other securities			59.999,40			0,00
IV. Cash and cash equivalents						
1. Cash on hand			18.938,83			10.772,72
3. Current and time deposits			2.163.113,69			9.981.936,75
			2.182.052,52			9.992.709,47
Total Current Assets (DI+DII+DIV)			**30.688.090,54**			**36.093.195,26**
E ASSETS SUSPENSE ACCOUNTS						
1. Deffered charges			188.350,90			21.279,67
2. Acrued Income			2.770.547,18			468.702,93
3. Other transit debit accounts			0,00			50.262,00
			2.958.898,08			540.244,60
GRAND TOTAL-ASSETS (B+C+D+E)			**59.981.285,55**			**66.985.342,97**
DEBIT MEMO. ACCOUNTS						
2. Guarantees and real securities			16.257.782,63			14.864.978,73
			16.257.782,63			**14.864.978,73**

LIABILITIES

	YEAR ENDED 2011	YEAR ENDED 2010
A. SHAREHOLDERS' EQUITY		
I. Share Capital		
1. Paid-up capital	1.855.140,00	1.855.140,00
III. Surplus from Revaluations		
2. Surplus from property revaluation	125.187,85	125.187,85
IV. Reserves		
1. Legal reserve	742.329,35	741.186,96
4. Extraordinary reserves	76.399,89	76.399,89
5. Tax-free reserves under special laws	3.712,65	3.712,65
	822.441,89	821.299,50
V. Results carried forward		
Profit carried forward	6.935.658,65	9.349.780,91
VIII. Consolidation differences	748.552,90	748.552,90
IX. Minority interests	741.979,75	751.352,91
Total Shareholders' Equity (AI+AIV+AV+AVIII+AIX)	9.731.855,23	12.154.208,27
B. PROVISIONS		
2. Other provisions	0,00	111.143,38
C. LIABILITIES		
I. Long-term debt		
1. Debenture loans	5.854.762,11	5.910.439,69
2. Bank loans	17.438.713,10	21.961.836,53
3. Other long-term liabilities	15.000,00	15.000,00
	23.308.475,21	27.887.276,22
II. Current Liabilities		
1. Suppliers	5.314.539,99	6.116.279,74
2a. Cheques payable	2.273.665,43	5.633.594,39
3. Banks	11.990.693,53	10.970.752,30
4. Advances from trade debtors	239.265,19	188.500,00
5. Taxes-duties	1.046.104,38	1.270.512,26
6. Social security	104.087,06	166.918,37
9. Payables to affiliated companies	3.794.044,88	685.631,86
11.Sundry creditors	2.007.097,81	1.669.734,58
	26.769.498,27	26.701.923,50
Total Liabilities (CI + CII)	50.077.973,48	54.589.199,72
D. ACCRUALS AND DEFERRED INCOME		
1. Deferred income	98.963,21	98.963,21
2. Accrued expenses	72.493,63	31.828,39
	171.456,84	130.791,60
GRAND TOTAL SHAREHOLDERS' EQUITY & LIABILITIES (A+B+C+D)	**59.981.285,55**	**66.985.342,97**
CREDIT MEMO. ACCOUNTS		
- Guarantees and real securities & Other assets' memo accounts	16.257.782,63	14.864.978,73

INCOME STATEMENT
For the year ended 31 December 2011 (01.01.2011-31.12.2011)

	YEAR ENDED 2011			YEAR ENDED 2010		
Net turnover (sales)		31.305.980,79			34.554.105,17	
Net turnover from consortium (sales)		8.717.866,60			11.889.717,86	
		40.023.847,39			46.443.823,03	
I. Operating Results						
Net turnover (sales)			31.305.980,79			34.554.105,17
Less: Cost of sales			25.675.347,36			26.693.663,72
Gross operating results (profit)			5.630.633,43			7.860.441,45
Plus: Other operating income			95.141,91			277.061,90
Total			5.725.775,34			8.137.503,35
LESS: 1.Administrative expenses			4.040.750,03			4.434.976,54
Sub-total (profit)			160.748,33			3.702.526,82
			1.524.276,97			
PLUS: 1. Income from participating interests		252.868,80			236.580,60	
4.Credit interest and similar income		39.266,96			23.730,81	
		292.135,76			260.311,41	
Less:						
2. Expenses and losses from shares and participating interests	293.014,02			475.144,82		
3.Debit interest and similar charges	3.090.360,15	3.383.374,17	-3.091.238,42	2.289.761,14	2.764.905,96	-2.504.594,55
Total operating results (profit)			-1.566.961,44			1.197.932,27
II. PLUS:Extraordinary results						
1. Extraordinary and non-operating income	100.345,44			329.014,04		
2. Extraordinary gain	255,13			57,59		
3. Prior years' income provisions	110.245,42	210.845,99		6.509,33	335.580,96	
Less: 1. Extraordinary and non- operating expenses	212.644,54			409.090,40		
2. Extraordinary losses	0,01			0,00		
3. prior year expences	9.295,34	221.939,89	-11.093,90	39.522,24	448.612,64	-113.031,68
			-1.578.055,34			1.084.900,59
					0,00	0,00
			-1.566.961,44			1.197.932,27
Operating and extraordinary results (profit)						
LESS: Total depreciation of fixed assets		3.735.297,66			1.265.078,93	
Less: Charged to the operating cost		3.735.297,66	0,00		1.265.078,93	0,00
NET RESULTS (PROFIT) FOR THE YEAR BEFORE TAXES			-1.578.055,34			1.084.900,59
Less: Minority interests			-8.568,99			-12.779,40
NET CONSOLIDATED RESULTS (PROFIT) FOR THE YEAR			-569.486,35			1.072.121,18

ADDITIONAL DATA & INFORMATION

Companies included in the consilidated financial statements as well as the participation percentage are:

1.	Mesogeos Technical-Commercial-Land Company SA	Parent
2.	Ithaki Technical-Commercial-Land Company SA	100%
3.	Devise Construction & Enviromental Systems Trading Company SA	50%
4.	Mesogeos Environmental Services SA	98%
5.	EEC EUROPE LTD (UK)	100%
6.	Mesogeos Water SA	65%
7.	Mesogeos Water Cyprus Ltd	65%

CONSOLIDATED CASH FLOW STATEMENT
GROUP MESOGEOS SA — **THE COMPANY**

Operating Activities	**31/12/2011**	**31/12/2010**
Cash flows from operating activities		
Cash generated from operations	-1.569.486	1.072.121
Outflows to suppliers, sundry creditors and employees	**3.735.298**	1.265.079
Cashflows from operating activities	**3.091.238**	**2.504.595**
Income taxes paid	-111.143	-1.488
Net Cash Flows from Operating Activities:	**5.145.906**	**4.840.307**
Cash Flows from Investing Activities:		
Stocks	2.038.559	3.500.575
Requirements	-4.384.112	-1.556.991
Accruals assets	-2.418.653	-518.422
Change in current receivables	381.927	-237.381
Obligations (other than banks)	-727.959	851.770
Transit accounts	**40.665**	**-11.819**
Interest and related expenses paid	-3.383.374	-2.764.906
Income taxes paid	**-1.122.649**	**-1.788.811**
Net Cash Flows from Investing Activities:	**4.429.690**	**2.314.321**
Share Capital increase	0	150.000
Purchase of tangible and intangible assets	-53.793	-18.101.692
Interest, dividends and other related income received	**292.136**	**260.311**
Acquisition/sale of subsidiaries,relatives,join ventures/ other investments	**-60.449**	**99.000**
Cash Flows from Financing Activities:	177.893	17.592.380
Net proceeds from long term borrowing	**-4.578.801**	**20.468.027**
Net proceeds from sort term borrowing	1.019.941	**4.103.000**
Net Cash Flows from (used in) Financing Activities:	**3.558.860**	**24.571.027**
Net Increase/Decrease of cash and cash equivalents:	**7.810.656**	**9.292.968**
Cash and cash equivalents at beginning of year	**9.992.709**	**699.742**
Cash and cash equivalents at end of period	**2.182.053**	**9.992.710**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

GROUP MESOGEIOS S.A.	**Share Capital**	**Share Premium**	**Surplus from revaluations**	**Capital Reserves**	**Consolidation Differences**	**Retained Earnings**	**Minority Interests**	**Total Equity**
Balance on 1st January, 2011	1.855.140	125.188	0	821.300	748.553	9.349.781	751.353	12.154.208
Revaluations of Assets								0
Income Tax and tax differences						852.063		852.063
Profit for the period							804	804
Shared dividents from prior year profits								0
Other				1.142		1.562.060	8.569	1.569.486
Balance at December 31, 2011	**1.855.140**	**125.188**	**0**	**822.442**	**748.553**	**6.935.659**	**741.980**	**9.731.855**

Athens, May 31th , 2012
Chairman of the board
George I. Alegras
ID Card Nr. AB 715985

Managing Director

Vasileios A. Papazisis
ID No AB 521730

Chief Accountant Officer

John Iousis
ID No AE 532877
Licence No: 22248/A΄Class

INDEPENDENT AUDITOR'S REPORT
To the shareholders of "Mesogeos Technical Commercial Land Company SA" and its subsidiaries

Report on the Financial Statements: We have audited the accompanying financial statements of **"Mesogeos SA"** ("the Company") and the consolidated financial statements and its subsidiares (the "Group") which comprise the consolidated balance sheet as of 31 December **2011, and** the consolidated income statement, statement of changes in shareholder's equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.
Management's Responsibility for the Financial Statements: Company's management is responsible for the preparation and fair presentation of these financial statements in accordance with Accounting Standards as adopted by the Greek Law. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. This responsibility also includes selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility: Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with nternational Standards on Auditing. Those Standards require that we comply with ethical requirements, plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. Without qualifying our audit report and as a result of our audit the it came to our attention that the the Group, as in prior years, does not provide reserve for personnel retirement indemnities. Had such reserve been provided, it would have been approximately 77 thousand euro.The effect of this years Profit and Loss account is 6 thousand euro.
Opinion: In our opinion, with exception of the aforementioned matter, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company and the Group as of 31 **December 2011 and** of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union. Without qualifying further our audit report we to your attention that the parent companies**, "Ithaki SA"** and **"MESOGEOS ENVIRONMENTAL SERVICES SA" and "MESOGEOS WATER SA" and "DEVISE SA"** have not been audited by the tax authorities for the year 2010, while the mothery company "**MESOGEOS SA**" has not been audited by the tax authorities for the year 2010 resulting in a possibility of additional taxes and penalties being assessed on such examination of these financial years. At this stage, it is practically unfeasible to predict the outcome of these tax inspections and, as a consequence, no provision has been made in the financial statements in this respect.
Report on Other Legal Requirements: In our opinion the Board of Directors' Report includes the information of art. 43a, 107and 37 of C.L. 2190/20 and its content is consistent with the aforementioned financial statements.

INTERNATIONA; AUDITING S.A.
AUDITERS
81, PATISION ST & CHEYDEN, 10434 ATHENS
R.N. SOEL 111

Athens, June 6, 2012
Certified Auditor Accountant
George Anast. Mpatsoulis
R.N. SOEL. 14001