

**Annual Report  
2001**









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## Letter to Investors

27 January 2002

Dear Shareholder,

The year which has just passed has marked for the LAMDA Development Group of companies the successful culmination of the first phase of growth, two years only since the Group was established. It has been a period full of important developments – which have shaped and determined the Group's business profile. In 2001, at a time when the stock market as a whole was still seeking to recover its balance, LAMDA Development was engaged in a range of dynamic activities, exploiting to the utmost the profit potential of its overall strategy. The Group's carefully selected investments have expanded the range of its activities into sectors such as property development, operation, investment and management, as well as the provision of property services, services for leisure craft and ships, and airport services.

We must point out that despite the adverse conditions still prevailing in international and Greek capital markets, the performance of our share price during 2001 was healthy, recording one of the greatest increases on the Athens Stock Exchange – an achievement which reflects both the progress of the company and its subsidiaries in the last year, as well as the exciting prospects for the future.

### Objectives

The LAMDA Development objectives - shaping the markets in which it is engaged, securing a leading position in the services and property sectors, and laying the foundations for continuing growth and profitability – are now beginning to be realised. Through rapid growth of the companies in the Group and through maximum exploitation of the synergies accruing from their complementary business activities, we look forward to even more dynamic growth, vindicating all those who have placed their trust in us.

### Development of Investment Plan

Looking more specifically at the property development sector, we can report very impressive progress by our subsidiary DIMIOURGIA S.A. (100%-owned by LAMDA Development):

Work is under way on the development of four office buildings at key locations in Athens, with a total surface area of 30,000 m<sup>2</sup>, while one of these, a 5,200 m<sup>2</sup> office building in the Hilton area, was sold ten months before completion, contributing € 5 million to last year's turnover. Meanwhile, also during 2001, another 3,500 m<sup>2</sup> office building was given a complete overhaul for a third party client, while DIMIOURGIA S.A. also undertook the development of a 29,000 m<sup>2</sup> complex in Kato Kifisia on behalf of LAMDA Akinita (50%-owned by LAMDA Development).

DIMIOURGIA S.A. also undertook the development (construction and operation for thirty years) of a large commercial centre of 50,000 m<sup>2</sup> on a site belonging to the Ecumenical Patriarchate of Constantinople at the eastern exit of Thessaloniki. This project is expected to be the largest contemporary commercial and leisure centre in Greece's second city, and one of the largest in the whole of south-eastern Europe.

Finally, the company is making a dynamic entrance into the tourist property market, developing a complex of seaside holiday homes at Xylokastro, Corinthia, while also operating as consultant on the restoration of the Hotel King George on Syntagma Square, currently undergoing reconstruction.

In the field of property investment the LAMDA Development subsidiary, OLYMPIA S.A., (100%-owned by LAMDA Development), and EFG Eurobank Properties S.A. (29.9% participation by LAMDA Development) have continued to make

rapid increases in rental income in their portfolios, while EFG Eurobank Properties S.A. in particular has enjoyed significant growth in the provision of property related services.

In the service sector, HEPHAESTUS S.A. (75% participation by LAMDA Development) has – following the important strengthening of its management last summer – extended its shipbuilding and ship repair activities, with a corresponding increase in its financial results.

It was unfortunate that the first year of operations of Swissport LAMDA Hellas S.A. (50% participation by LAMDA Development) coincided with the aftermath of the tragic events of 11th September, with the all-too-familiar consequences for the aviation sector. In association with the workforce and the management of LAMDA Development, the company management has taken a series of measures to tackle the situation, to secure smooth progress for the company and to ensure high-quality services for its customers. Most important, however, is that Swissport LAMDA Hellas S.A. managed to secure another operating licence, this time at Thessaloniki's Macedonia Airport, permitting the company to establish its presence as a top provider of quality services at all three of the country's major airports (Athens, Thessaloniki, Heraklion).

### **Successful Up-listing**

In tandem with the successful progress made by its subsidiaries, LAMDA Development last June successfully completed its up-listing on the Main Market (from the Secondary Parallel Market) of

the Athens Stock Exchange. We believe that this new listing will endow the company with even greater international prestige and will pave the way for broader investment by institutional and private investors, both from Greece and abroad.

### **Operating Profits**

Despite the difficulties experienced by Swissport LAMDA Hellas S.A., the better than expected progress in the property development sector allowed the LAMDA Development Group of companies not only to triple its consolidated turnover for 2001, (the figure is expected to reach € 40 million), but also to retain profits at only slightly lower levels than the previous year's (anticipated profits € 4 million). The basic difference between these and the previous year's results is that, as expected, profits for 2001 now constitute mainly operating results of the Group's companies. Thus LAMDA Development has managed to record operating profits in just the second year of its existence, laying the foundations for further growth in the immediate future.

On behalf of the management of LAMDA Development, we should like to thank you for your confidence in the company, and for your contribution to its growth. We assure you that we shall continue to set ourselves the most ambitious goals in order to achieve an even more rapid rate of growth for the company.

We wish you and your families every happiness in the New Year, and every success in attaining your own personal goals.

Spyros Makrydakis  
*BoD Chairman*

Lambros G. Anagnostopoulos  
*Chief Executive Officer,  
member of the Board*

## Key financial figures

*Figures in thousand Euro*

	Turnover	Profit before tax	Share capital	Shareholders Equity	Total assets
DIMIOURGIA <sup>(*)</sup>	13.655	4.138	35.249	41.045	51.745
OLYMPIA	487	-302	3.601	2.371	12.687
HEPHAESTUS	12.522	249	5.253	5.376	9.471
SWISSPORT <sup>(*)</sup>	17.218	-3.455	4.029	138	7.698
EFG EUROBANK PROPERTIES <sup>(*)</sup>	9.761	2.304	14.694	37.649	93.441
OTHER COMPANIES	0	-15	11.695	12.807	14.732
LAMDA DEVELOPMENT GROUP	43.965	3.674	4.349	118.782	153.445

<sup>(\*)</sup> Consolidated figures



## Corporate governance

The basic role of the Board of Directors is to ensure the long-term prosperity of the Company – a prosperity which is achieved by:

- setting strategic management objectives to maximise yield from capital invested,
- approving the annual budget and monitoring the financial results,
- adopting internal audit systems and monitoring their implementation,
- identifying and managing business risks,
- appointing a Managing Director and evaluating his/her performance,
- selecting rules for corporate governance of the highest possible level.

The Board of LAMDA Development consists of five (5) members. Four (4) of these are non-executive members, a much larger proportion than the minimum acceptable percentage (33.3%) recommended in the guidelines for good corporate governance laid down by the Athens Stock Exchange.

There are three independent members of the Board; only the Chairman and Chief Executive Officer receive remuneration for their services.

The Board meets at regular intervals, while during the financial year 2001 there were also a number of

extra-ordinary meetings, reflecting the rapid growth of the company. The members were present at all the meetings of the Board which they were entitled to attend, the only exception being one member who was absent from 2 of the 33 meetings held.

The Board has appointed a three-member Internal Audit Committee, charged with the organisation and audit of the internal control of the company and its subsidiaries. The Internal Audit Committee comprises the following members:

1. Dimitrios Halikias, Former Governor of the Bank of Greece
2. Peter Kalantzis, Deputy Chairman of the Swiss Association of Chemical Industries
3. Anastasios Livieratos, Non-executive BoD member of LAMDA Development.

An external consultant (Deloitte & Touche) has been appointed to handle the internal auditing of the Group, ensuring full transparency and impartiality, all the more important given the wide-ranging activities and rapid growth of the Group and its subsidiaries. During the financial year 2001 all the key subsidiaries of LAMDA Development (Dimiourgia, Olympia, Hephaestus, Swissport LAMDA Hellas) were subjected to internal audit.

### Brief resumés of the company members of the Board of Directors:

**Spyros Makrydakis**, Chairman, 61. Ph.D. in Economics. Has taught and conducted research at European and American universities (IIM Berlin, Stanford, MIT, Harvard), and is a professor/researcher at the INSEAD post-graduate school of Management in France. Has written or contributed to 20 books and has published more than 120 articles.

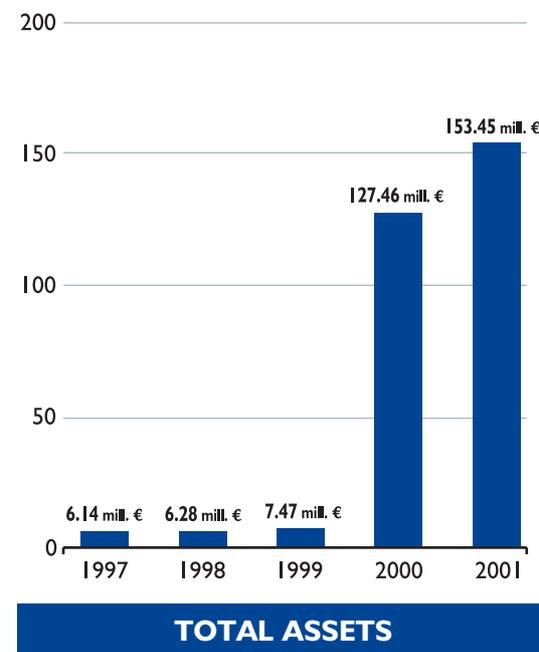
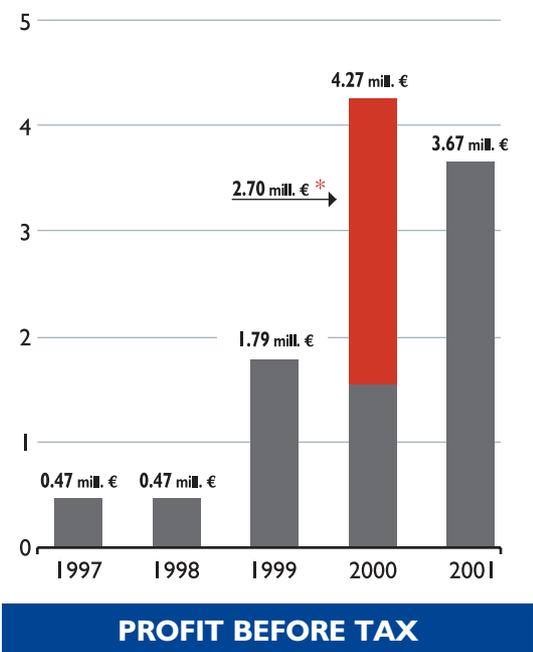
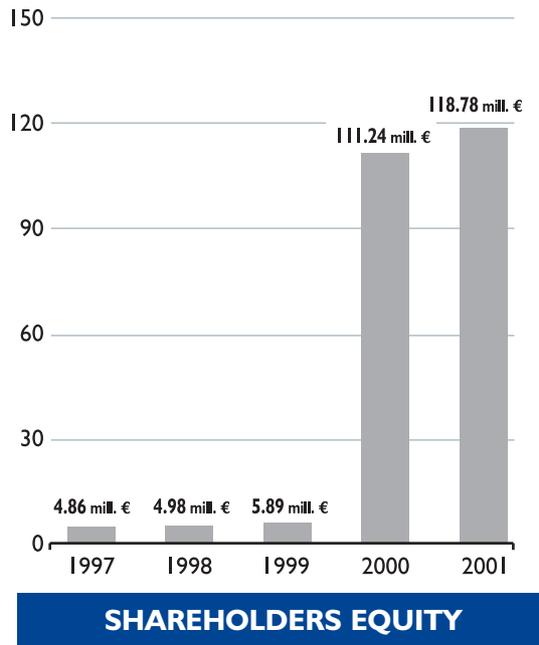
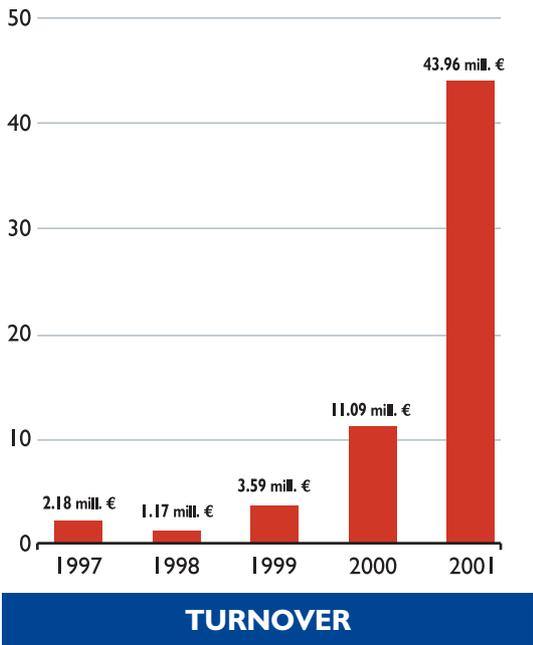
**Evangelos Chronis**, Vice Chairman, 55. Studied Shipping in London. Worked closely with Mr. Ioannis S. Latsis for twenty-five years. Chairman and BoD member of a number of the Latsis Group companies and also of certain charitable institutions.

**Lambros G. Anagnostopoulos**, Chief Executive Officer, 39. Naval architecture and Mechanical Motors engineering graduate of National Technical University of Athens, degrees in Shipping at MIT and Management at the MIT Sloan School of Management. Worked as Management Consultant in the US and Britain (1988-'92). Since 1992 he has been an executive of the Latsis Group, based in Geneva, where, among others, he ran the Group's project planning and development department.

**Anastasios Livieratos**, Member, 58. Majored in Economics at the School of Economic and Commercial Studies (ASOEE). Deputy Chairman and Deputy CEO of ERMIS S.A. – OIKODOMIKAI EPICHEIRISEIS (1974-'82) and Deputy Chairman and CEO of the same company (1982-'99). Also CEO of KEKROPS S.A. (1995-99).

**Dimitris Papalexopoulos**, Member, 40. Graduate in Electrical Engineering, Federal Polytechnic of Zurich and MBA, Harvard, USA. Worked as business consultant with McKinsey & Company Inc. (1987-'89) in US and Germany. Has worked at TITAN Cement S.A. since 1991 and been CEO of that company since 1996.

It should be noted that the figures for the financial years 1997-1999 reflect company performance before it shed its construction arm and was converted into a holding company. These figures are of purely historical interest and do not represent the current profile of the company.



\* Extraordinary gains € 2.70 million from sale of the construction business.

## SUMMARY FINANCIAL REVIEW

<b>FINANCIAL RESULTS</b>	2001	2000
	Th. Euro	Th. Euro
Turnover	43.965	11.090
Gross Profits	5.429	1.494
Other operating income	1.288	1.385
Operating Results	1.731	4.748
Income from Participations & Sale of Securities	564	3.099
Earnings before Depreciation and Tax	3.155	5.805
Earnings before Tax	1.896	4.270
Group Earnings before Tax	3.674	4.566
Net Earnings after Tax, BoD Fees, Tax Audit Levies & Minority Rights	1.740	2.779

<b>BALANCE SHEET</b>	2001	2000
	Th. Euro	Th. Euro
Undepreciated Preoperating Expenses	2.489	2.392
Undepreciated Intangible Assets	2.489	2.392
Tangible Assets	52.833	52.963
Less: Accumulated Depreciation	6.157	5.456
Undepreciated Tangible Assets	46.676	47.507
Participations & Long-term Receivables	13.740	12.971
Inventories	38.459	6.459
Total Receivables	20.875	5.106
Current Assets	90.475	64.519
Accruals	65	67
<b>Total Assets</b>	<b>153.445</b>	<b>127.457</b>
Shareholders Equity	118.782	111.240
Provisions	188	132
Long-term Liabilities	11.651	6.550
Short-term Liabilities	16.795	8.877
Total Liabilities	28.446	15.428
Provisional Liability Accounts	6.029	657
<b>Total Liabilities &amp; Shareholders equity</b>	<b>153.445</b>	<b>127.457</b>

<b>SHARE DATA</b>	2001	2000
Number of shares outstanding at year-end	14.496.250	14.496.250
Weighted average number of shares outstanding	14.496.250	9.887.213
Earnings per Share	Euro	Euro
Earnings before Taxes	0.25	0.32
Earnings after Taxes and BoD fees	0.12	0.19



LAMDA Development plans, through its subsidiary "LAMDA Pylaias", to develop land in Pylaia, Thessaloniki, owned by the Ecumenical Patriarchate. The 250,000 m<sup>2</sup> site will be transformed into a modern commercial and leisure centre serving not just the immediate community but the whole surrounding area.

## Progress in 2001

The Company has now completed its second year under new management and ownership structure, and can claim important successes, both in projects and in financial results. Work has already been completed on the administrative and procedural changes necessary for the LAMDA Development Group to assume its present form, while both the company and its subsidiaries are now staffed by acknowledged executives with excellent credentials. In the financial sector the consolidated turnover has seen a fourfold increase, rising to € 44 million. Pre-tax profits amounted to € 3.7 million, a slight decline on the previous year, due to the impact of the terrorist attacks in New York on the international aviation industry, where SWISSPORT LAMDA HELLAS operates.

2002 will see important investment moves, both in property and services.

In 2001 **DIMIOURGIA** played a leading role in the property development sector, scoring important successes. It sold the Sisini St. building, embarked on the development of a substantial number of building complexes – “Ag. Konstantinou”, “Xylokastro”, “Hatzikyriakeio”, “Halandri” – and undertook the development of the first commercial and leisure hyper-centre in Thessaloniki – on a 250,000 m<sup>2</sup> acre site owned by the Ecumenical Patriarchate. It also embarked on a large number of smaller projects, branching out into new areas of activity.

**OLYMPIA** completed its radical renovation of the OLYMPIA office building in Kifisia, formerly the Hotel Cecil. The company, which owns the building, has already rented a large part of it to select businesses.

**EFG EUROBANK PROPERTIES** continued to implement its capital investment programme, investing € 62 million in income-generating property in the course of 2001.

**HEPHAESTUS** has made valuable additions to the ranks of its executives and has more than doubled its turnover in 2001, while also recently securing important new contracts for the maintenance and refurbishing of large yachts.

Finally, **SWISSPORT LAMDA HELLAS** has commenced operations at the country's two largest airports and achieved a dramatic increase in turnover (€ 17 million, compared with € 2.5 million last year). Although it has been unable to avoid losses arising from the global aviation crisis, the situation is expected to improve from the summer of 2002.

# Profile

LAMDA Development is a holding company listed on the Main Market of the Athens Stock Exchange. Through its subsidiaries it offers a comprehensive range of integrated services in complementary sectors such as real estate, tourism, yacht maintenance and refurbishment, airport ground handling and infrastructure projects.

Combining specialist expertise and know how, expert personnel, powerful strategic allies and the credibility arising from the Latsis Group of companies, the LAMDA Development Group offers its clients high-quality and extremely competitive integrated solutions.

The main business objective of the LAMDA Development Group is to acquire a participation in the share capital of companies engaged in those markets in which the Group has an interest.

The company is active in the following sectors:

- A. Real Estate
- B. Service Provision

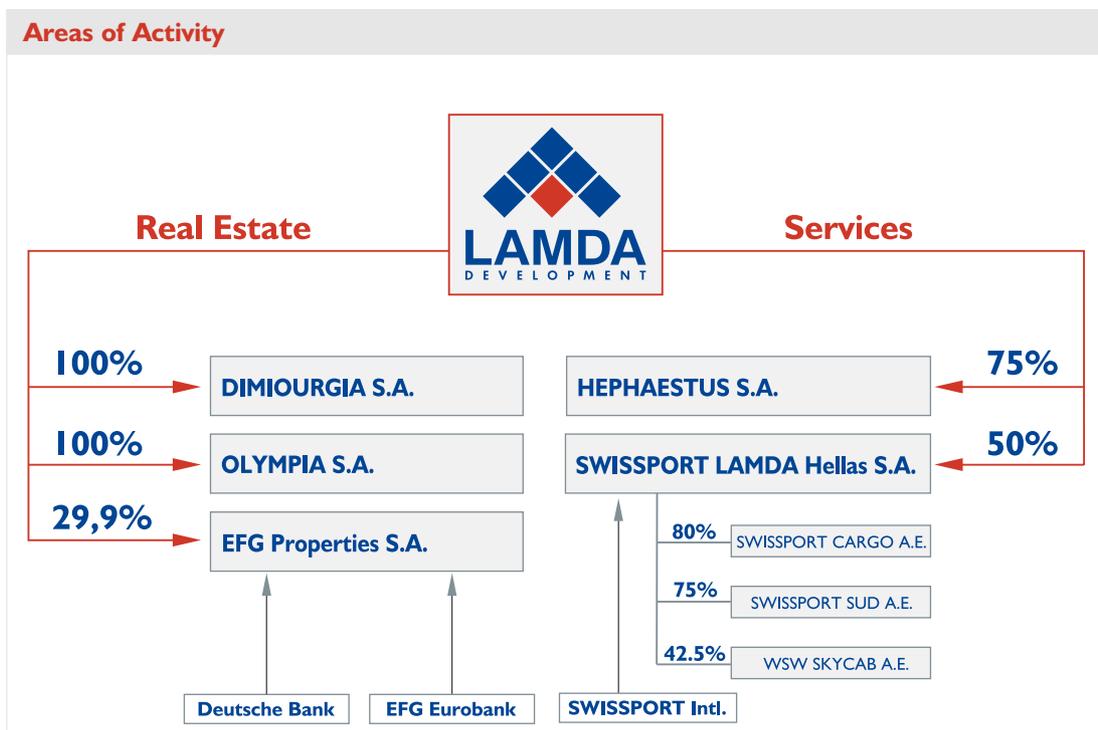
## A. REAL ESTATE

The real estate market can be divided into two basic sectors, Development and Investment. Through its subsidiaries and participations the company is active in both sectors. More specifically:

### A1. Property development sector

The property development sector, both in Greece and abroad, seeks to create added value through the planning, construction and initial operation of real estate.

Property development involves a series of diverse but interlinked activities. Both their time sequence and the accurate execution of each activity affect the overall success of the project. By success in real estate development we mean a substantial and rapid return on capital invested, creating a high-quality project which will facilitate immediate high returns and will lay the foundations for the success of the next project.



More specifically, development involves:

1. Identifying and securing (purchasing) Real Estate Property
2. Architectural concept and draft design of project
3. Market research to confirm original idea
4. Development of finance scheme
5. Design / urban planning applications
6. Construction
7. Commercialization / sale / concession / lease
8. Management

DIMIOURGIA S.A., a 100%-owned subsidiary of LAMDA Development, is one of the first independent property development companies in Greece, not linked to any construction group.

## **A2. Property investment sector**

Unlike property development, where added value is created in the initial stage, as the project is completed, property investment targets the surplus value which is created over the course of time, while at the same time seeking a return from leasing arrangements.

Property investment is similar to the financial products offered by banks, in that the investor puts in a certain amount of capital and waits for a return on that capital. The purpose of the investment is a high and rapid return on capital, but here the risk incurred by the investor is much smaller than that incurred in property development, and the return is likewise smaller. The objective for the investor is to buy at a low price and to receive a steady income, and then to sell at a high price, reaping whatever surplus value has accrued. In this case, there is no construction risk, no design risk and sometimes even no letting risk. And for this reason the anticipated return is smaller.

The companies EFG Eurobank Properties S.A. (with a 29.9% participation by LAMDA Development) and OLYMPIA S.A. (with a 100% participation by LAMDA Development) are active in the field of property investment.

## **B. SERVICE SECTOR**

The company's service sector is active, outside the real estate sector, in two basic markets: the maritime transport market and the aviation transport market. The company is active, through its subsidiaries, in both markets. More specifically:

### **B1. Yacht maintenance and refurbishment**

Drawing on its extensive experience and superb infrastructures in tackling the maintenance and refurbishment needs of maritime tourism, HEPHAESTUS S.A. aims to fill the gap in the large private yacht sector and in vertically structured services for the same sector. The company's diversification lies in its degree of specialisation in luxury leisure craft and other fast craft, where delivery times must be met without fail and the quality of the delivered project must meet the highest specifications.

### **B2. Airport ground handling services**

As a consequence of the deregulation of airport ground handling services private-sector companies are now free to offer services to third parties and to operate for the first time at many European airports. In association with the world's second largest provider of such services, Swissport International, which is involved in operations at more than 130 airports around the world, LAMDA Development has set up the Swissport LAMDA Hellas group of companies to provide services in Greece's major airports.



The Reconstructed Olympia Building



## **Areas of activity**

1. LAMDA DEVELOPMENT S.A.
2. DIMIOURGIA S.A.
3. OLYMPIA S.A.
4. EFG Eurobank Properties S.A.
5. HEPHAESTUS S.A.
6. Swissport LAMDA Hellas S.A.

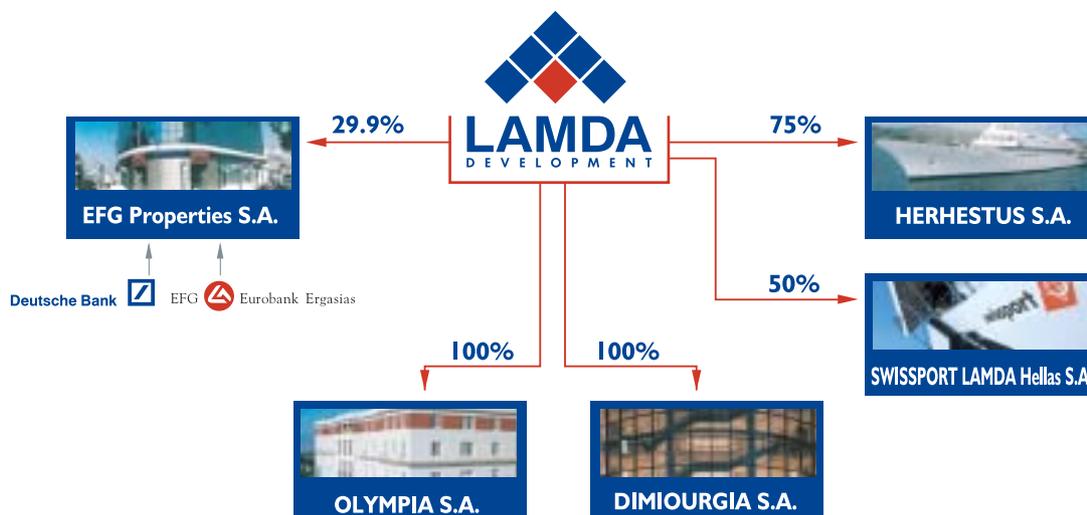
## LAMDA DEVELOPMENT S.A.

The LAMDA Development Group of companies is active in the real estate sector through a series of subsidiary companies and participations. DIMIOURGIA S.A. (100% participation by LAMDA Development) is the main property development company, while EFG Eurobank Properties S.A. (29,9% participation by LAMDA Development) is the Group's investment arm. The companies LAMDA Akinita (50% participation by LAMDA Development), LAMDA Pylaias (100% participation by LAMDA Development), Land and Construction (51% participation by DIMIOURGIA S.A.) and 4K (25% participation by DIMIOURGIA S.A.) are each involved in work on specific property development

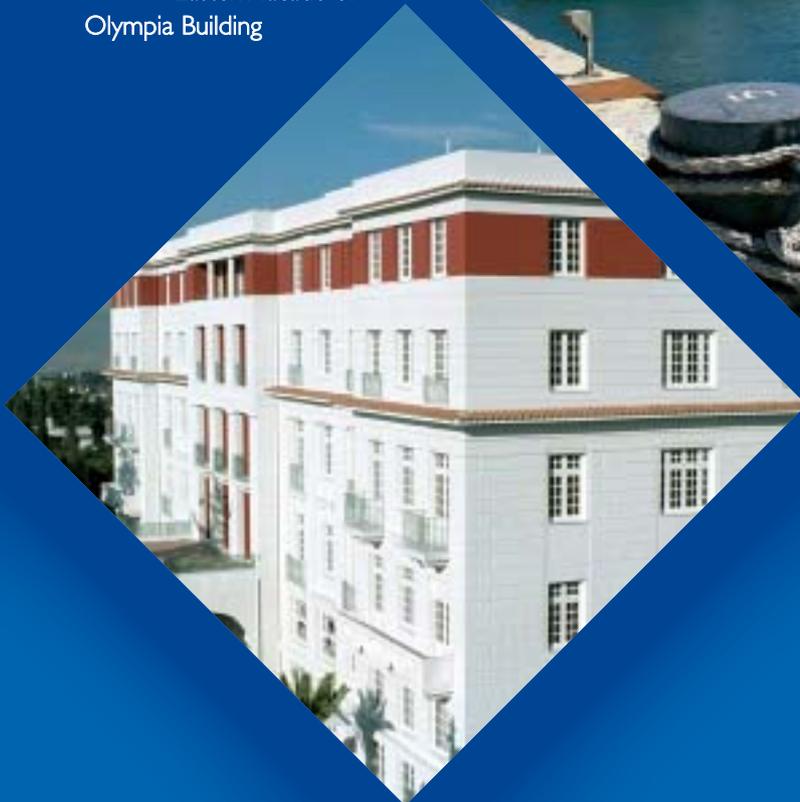
projects, in association with other, external companies. The company OLYMPIA S.A. (100% participation by LAMDA Development) is active in specialised fields of property investment and operation.

In the service provision sector the LAMDA Development Group is active through its subsidiaries HEPHAESTUS S.A. (75% participation by LAMDA Development) and Swissport LAMDA Hellas S.A. (50% participation by LAMDA Development), as well as through DIMIOURGIA S.A. and EFG Eurobank Properties S.A., which offer specialised services in the real estate sector.

Shareholders Equity (31/12/2001)		
	2001	2000
	Th. Euro	Th. Euro
Shares outstanding	14.496.250	14.496.250
Par Value	€ 0,300	€ 0,294
Share Capital	4.349	4.255
Share Premium	114.985	115.079
Capital Reserves	4.202	4.499
Total Shareholders Equity	123.536	123.833
Book Value	€ 8,52	€ 8,54



Eastern facade of  
Olympia Building



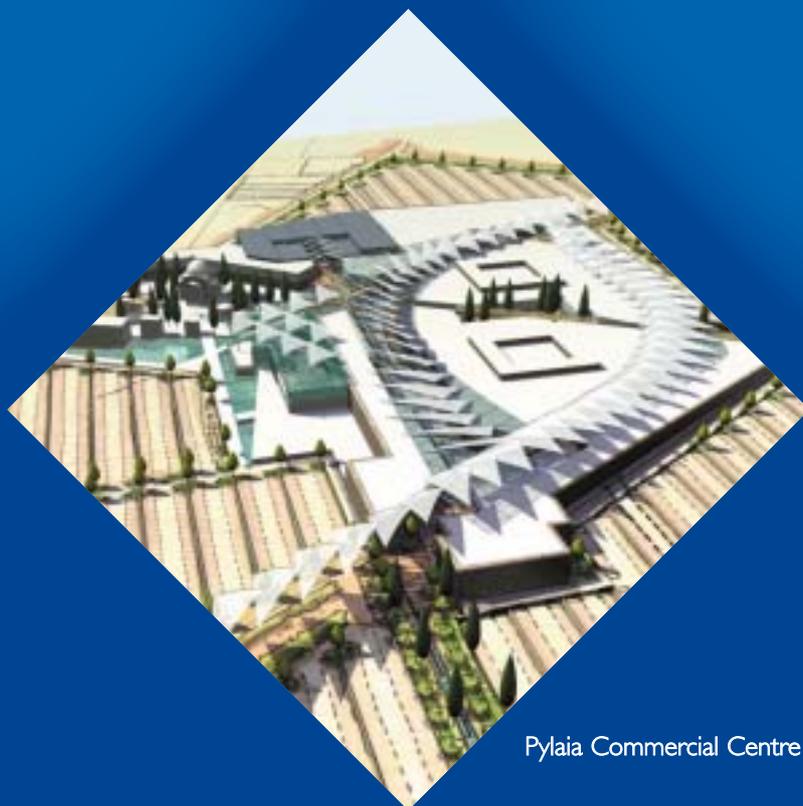
HEPHAESTUS specialises  
in the refurbishment, repair,  
maintenance and storage  
of large vessels



Swissport has commenced  
operations at the new El.  
Venizelos airport



Pylaia Commercial Centre



# DIMIOURGIA S.A.

## Activity

DIMIOURGIA S.A. is a property development and operation company specialised in Project Management, Construction Management, Project Development and the provision of related services.

## Identity

DIMIOURGIA S.A. was established in 1961 as a real estate company and became involved in property development in 1998. Its first major project was the renovation and reconstruction of the Pallas Athina office building (10,000 m<sup>2</sup>) in Kifisia. The company was acquired by LAMDA Development in April 2000 and since then has reported substantial rates of growth – among the highest in the market – in all areas. In December 2001 the company employed a staff of 38, including 15 engineering graduates. The company's executives have broad experience in property development in Greece and abroad, between them having worked on similar projects in more than 15 different countries.

## Projects

### I. Property Development Projects

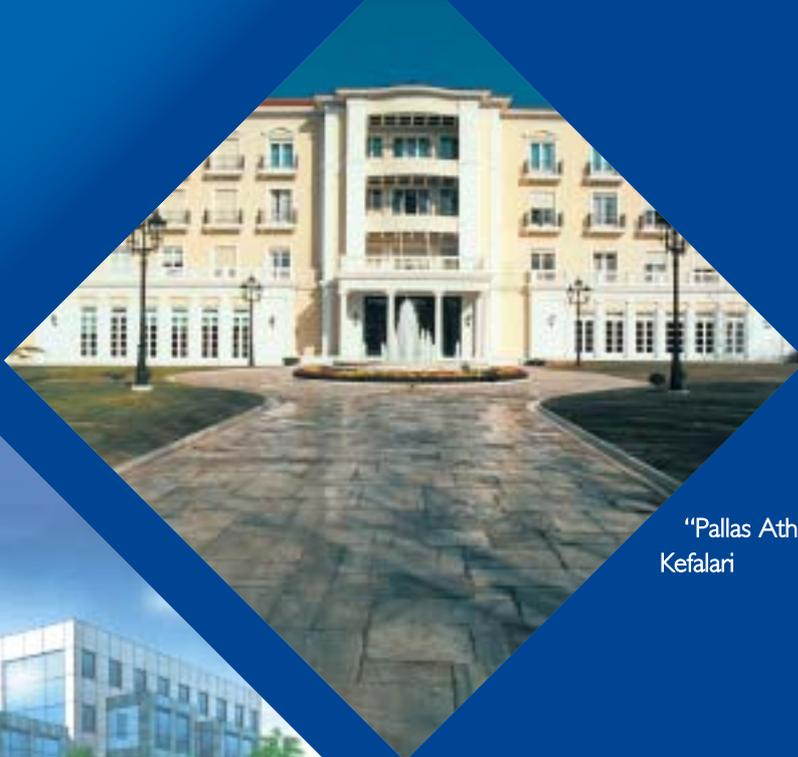
- Development of 5,200 m<sup>2</sup> office building in Hilton area.

On a site at 18 Sisini St., at the corner of Iridanou St. in Athens, a short distance from the Megaro Mousikis Underground Station and also from the Hilton Hotel, DIMIOURGIA S.A. is developing an office building consisting of a ground floor, six upper floors and three underground parking levels, overall capacity 55 vehicles. In December 2001 the company sold the whole development to the Journalists Subsidiary Insurance and Care Association (EDOEAP). The project is expected to be completed and handed over to the purchaser in October 2002.

- Development of 16,300 m<sup>2</sup> office building at 49 Ag. Konstantinou St., corner of Grammou St., Marousi, very close to Kifisias Ave.

The Kronos Business Centre, which is being constructed on a 4,000 m<sup>2</sup> site, is a self-contained, state-of-the-art office-and-shop development in Marousi, consisting of 1,000 m<sup>2</sup> ground-floor retail premises, three upper floors of 1,000 m<sup>2</sup> each, and three underground parking levels, total capacity 500 vehicles. 400 of the 500 parking places will be made over for use by a commercial parking operation, which will be of substantial value to users of the building and the neighbourhood as a whole. Very close to the junction of Kifisias Avenue and the new Attiki Odos road, currently under construction, the Kronos Business Centre will offer easy access from and to all areas of Athens, as well as the new Eleftherios Venizelos International Airport. The project is expected to be handed over in the first quarter of 2003.





“Pallas Athina”,  
Kefalari



“Apollo” – Incorporation  
of listed building / Addition  
of new office building (8,200 m<sup>2</sup>)



“Kronos Business Centre”  
office building with  
3 underground garages (16,300 m<sup>2</sup>)

“18 Sisini St.” – office building  
with 3 underground garages  
(5,200 m<sup>2</sup>)



- Development of a 8,200 m<sup>2</sup> office building at a central point in the district of Halandri, constructed on a 4,193 m<sup>2</sup> plot.

The Apollo Business Centre stands at the corner of Eth. Antistaseos and Agamemnonos Streets in Halandri, where DIMIOURGIA S.A. has undertaken the renovation of a listed building, surface area 925 m<sup>2</sup>, as well as the adjoining development of a modern office complex, surface area 3,500 m<sup>2</sup>, with two ground floor levels, three upper floors and three underground parking levels, capacity 70 vehicles. The project is expected to be ready for handover in the second quarter of 2003. Just a short distance from both Kifisias Avenue and Mesogeion Avenue, this is a unique and pioneering property in an area of high-specification developments. It has already attracted interest from multinational companies, embassies and large investment institutions.

- Renovation of office building on Syngrou Avenue.

In 2001 DIMIOURGIA S.A. undertook the full renovation of a six-floor 3,500 m<sup>2</sup> office building on Syngrou Ave. The building consists of six floors, ground-floor retail premises and part of the basement level, which was redesigned to house electromechanical installations. Work on the building was completed in November 2001.

## 2. Property Development Projects on behalf of subsidiary companies

- Development of apartment complex on 12,000 m<sup>2</sup> seafront site at Xylokastro, Corinthia.

DIMIOURGIA S.A. has undertaken, on behalf of its subsidiary Land and Construction S.A., the project of developing a 200-apartment tourist complex at Xylokastro, Corinthia. The project is scheduled for completion early in 2004.

- Restoration, operation and management of listed building in centre of Athens.

The company 4K, in which DIMIOURGIA has a 25% participation, has undertaken the reconstruction of a listed building at the corner of Stadiou and Korai

Streets in the centre of Athens, as well as management of the building for a period of 25 years. The property is to be converted into a modern shop-and-office complex with a total surface area of 2,300 m<sup>2</sup>. The building consists of a basement level, ground floor with interior atrium, three upper floors and penthouse level. Apart from its stake in the investment, DIMIOURGIA S.A. has also undertaken to provide construction management for the project.

- Development and management of state-of-the-art commercial and leisure centre at eastern exit from Thessaloniki.

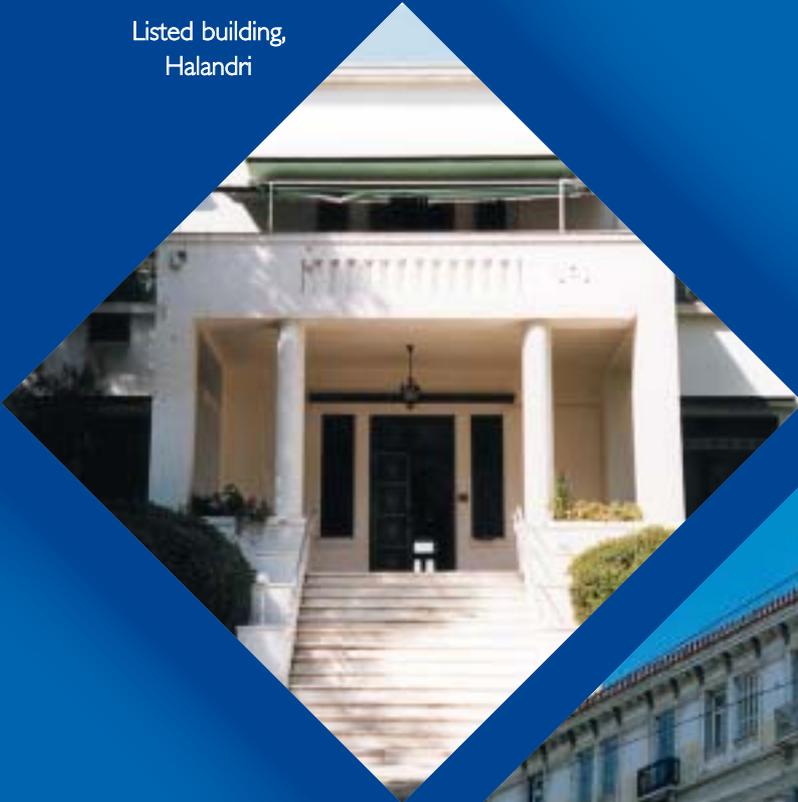
The Ecumenical Patriarchate accepted the LAMDA Development tender for the development of a 250,000 m<sup>2</sup> plot owned by the Patriarchate in the district of Pylaia, Thessaloniki. Through its subsidiary LAMDA Pylaias, LAMDA Development plans to build on the site a modern commercial and leisure centre, serving not just the local community but the wider region. The total area to be developed is 50,000 m<sup>2</sup>, with construction on two levels. The project consists of a state-of-the-art commercial centre, with its southern end given over to a variety of leisure facilities and catering areas with an unimpeded view of the Thermaic Gulf. One section of the project will also contain a traditional Greek village (the design incorporates the appropriate traditional materials and colours), to be developed around a church. The majority of the land will be given over to green areas and sports fields, while there will also be parking for at least 3000 vehicles. The project budget is in the order of € 90 million and completion is scheduled before the opening of the Olympic Games in 2004.

- Development of 31,500 m<sup>2</sup> building in Kato Kifisia.

In December 2001 LAMDA Properties (50% participation by LAMDA Development) undertook the development and subsequent operation of a complex of buildings with a total surface area of 29,000 m<sup>2</sup> on the site of the old Papoutsani factory. DIMIOURGIA S.A. has undertaken the project development.



Listed building,  
Halandri



"Hatzikyriakeio"  
Renovation of office building  
(2,300 m<sup>2</sup>)



"Xylokastro" holiday home complex  
(14,300 m<sup>2</sup>)

### 3. Construction Management Projects

- Construction management of a new hospital burns unit at Elefsina.

DIMIOURGIA S.A. has undertaken the construction management for the state-of-the-art Latseio Burns Centre. In January 2002 DIMIOURGIA announced completion of the construction of the load-bearing structure and commissioning of the second and more complex phase of the project, with a view to completion of the third phase and handover of the hospital unit in April 2003. The Centre, part of the existing Regional General Hospital of Elefsina, will be without rival in south-eastern Europe, comparable only with similar units in the USA and a handful of western European countries. The total surface area will exceed 7,200 m<sup>2</sup>.

- Restoration consultancy for central Athens hotel

On the basis of its extensive experience in the restoration and renovation of old buildings (former

Apergi and Cecil hotels in Kifisia), DIMIOURGIA S.A. was appointed restoration consultant for the reconstruction of the central King George Hotel in Syntagma Square. The project, undertaken by the Grecotel Group, involves the creation of a de luxe five-star hotel and should be completed before the end of 2002.

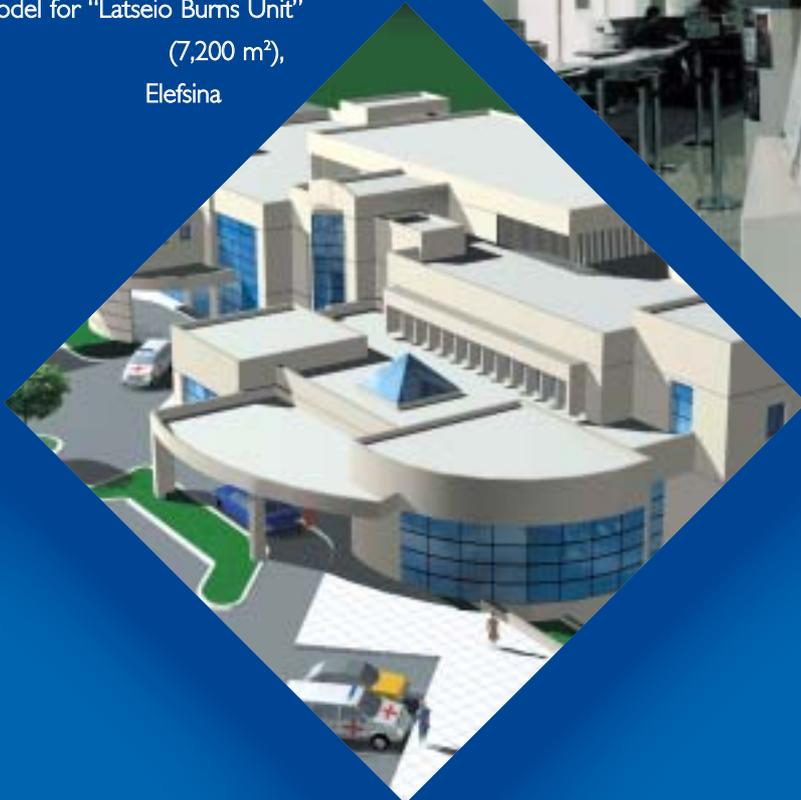
### 4. Property management

DIMIOURGIA has undertaken the management of a number of buildings, including the Pallas Athina Office Building in Kefalari, Kifisia, the Cecil Office Building, also in Kefalari, and the IIK Office Building in Kirchberg, Luxembourg. These buildings, 10,000, 6,000 and 17,000 m<sup>2</sup> respectively, are each leased to between 5-10 tenants. DIMIOURGIA supplies management services to the owners of the properties, including financial management, maintenance services, legal support and, of course, its services as consultant on securing maximum income from the properties

#### Selected Financial Data 2000-2001

	2001	2000
	Th. Euro	Th. Euro
Turnover	13.655	3.043
Gross Profit	5.652	1.224
Other operating income	0	1.215
Earnings before Interest, Taxes And Minority rights	5.652	2.439
Total Administrative & Distribution Expenses	1.423	986
Earnings before Taxes, Interest, Depreciation & Minority Rights	4.525	1.555
Earnings before Taxes, Depreciation & Minority Rights	4.475	1.594
Depreciation	367	552
Net Earnings before Taxes	4.138	1.042

Model for "Latseio Burns Unit"  
(7,200 m<sup>2</sup>),  
Elefsina



Construction-layout  
of Eurobank branch  
– IT Center Syngrou Avenue



IJK Building, 17,000 m<sup>2</sup>  
Luxembourg

## OLYMPIA S.A.

### Activity

OLYMPIA S.A. is a real estate company which specialises in investment in, and management of, upmarket properties.

### Identity

OLYMPIA S.A. was founded in 1930 under the name A.X.E. DIMAS S.A. and operated as a hotel business, engaged primarily in the management of the Cecil Hotel in Kifisia. In 1989 its name was changed to OLYMPIA and the hotel was converted for use as an office building. In 1998 it decided to renovate the hotel premises and develop them as office space - a project which was completed in 2001. The company was acquired by LAMDA Development in April 2000. The company employs no staff - its various services (legal, financial, management) are provided by the parent company LAMDA Development.

### Real Estate

OLYMPIA S.A. operates the Cecil office building (formerly the Hotel Cecil) in Kifisia, which was renovated by DIMIOURGIA S.A. in 1999-2001. In December 2001 65% of the 6,000 m<sup>2</sup> superstructure of the building was leased to three companies, engaged in public relations, advertising and shipping.

OLYMPIA S.A. also owns a plot of land in a central part of Kefalari, Kifisia, with a total surface area of 3,600 m<sup>2</sup>.

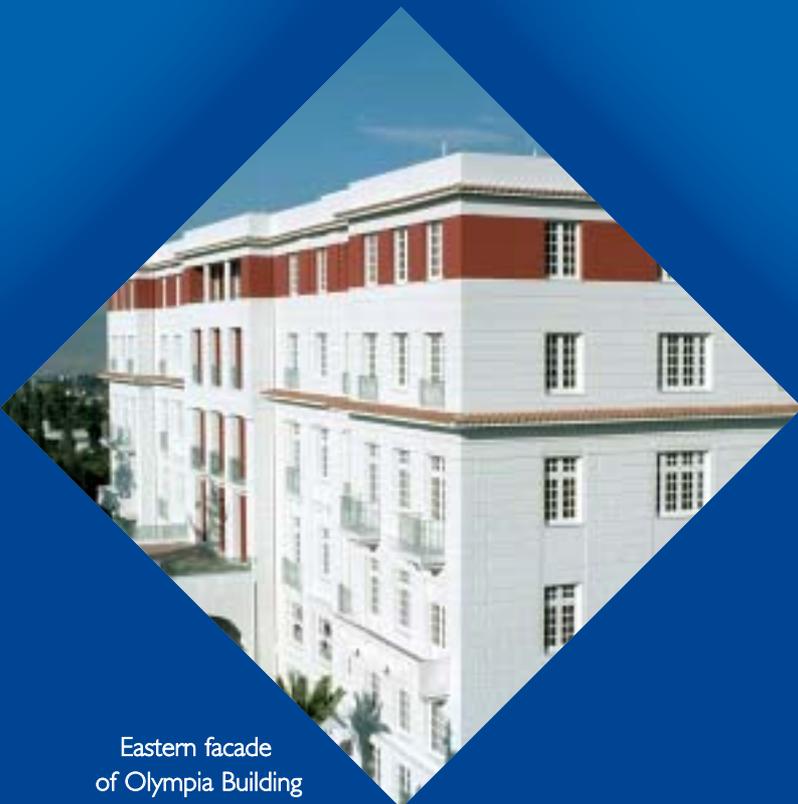
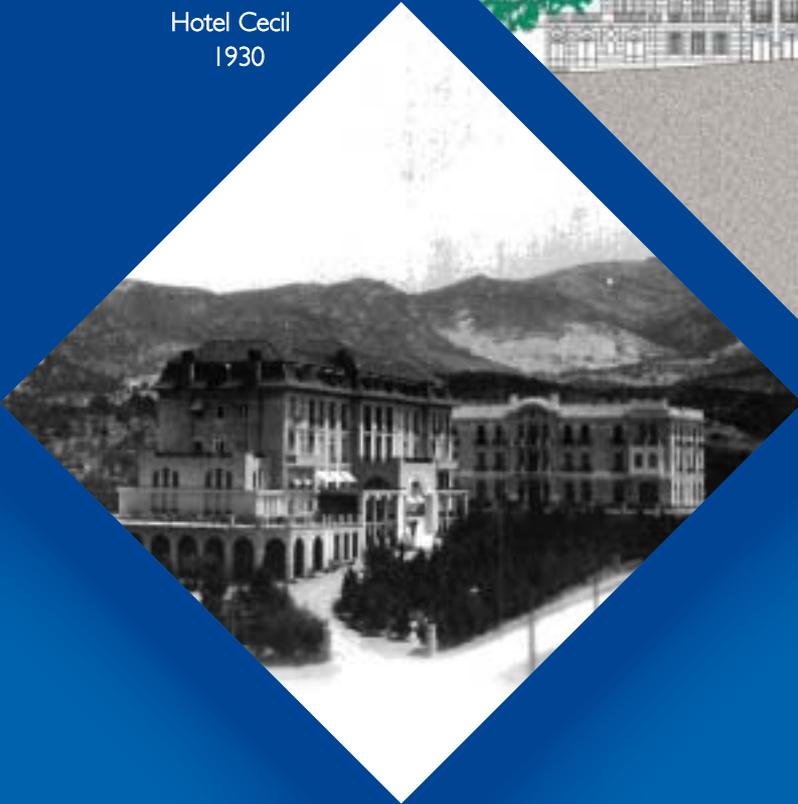


Renovated  
Olympia Building

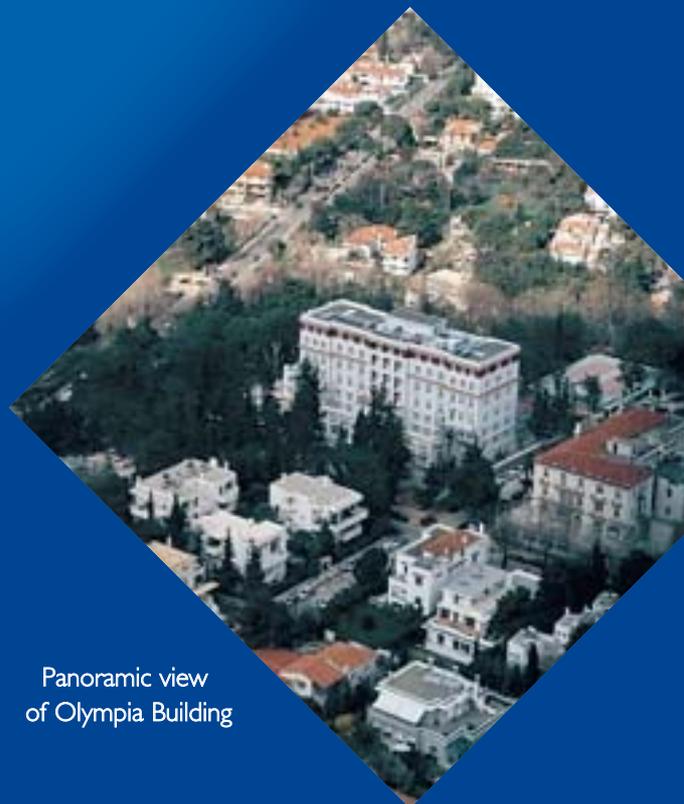
Hotel Cecil  
1930



Architectural Facade



Eastern facade  
of Olympia Building



Panoramic view  
of Olympia Building

## EFG Eurobank Properties S.A.

### Activity

EFG Eurobank Properties S.A. is jointly owned by LAMDA Development (29.9%), EFG Eurobank Ergasias (50.1%) and Deutsche Bank (20%).

EFG Eurobank Properties S.A. is active mainly in the field of property investment and service provision. It was the first company in Greece to concentrate exclusively on investment in this sector, and essentially constitutes the investment arm of LAMDA Development in the income generating property sector (i.e. property not requiring development but ready for rental to tenants, providing immediate income to their owners).

The company is also active in the provision of services. More specifically, the company is active in the following areas:

- Property investment evaluation
- Property valuations
- Brokerage
- Assessment of property financing options
- Financial consulting services
- Organisation and creation of Real Estate Mutual Funds and Investment Companies

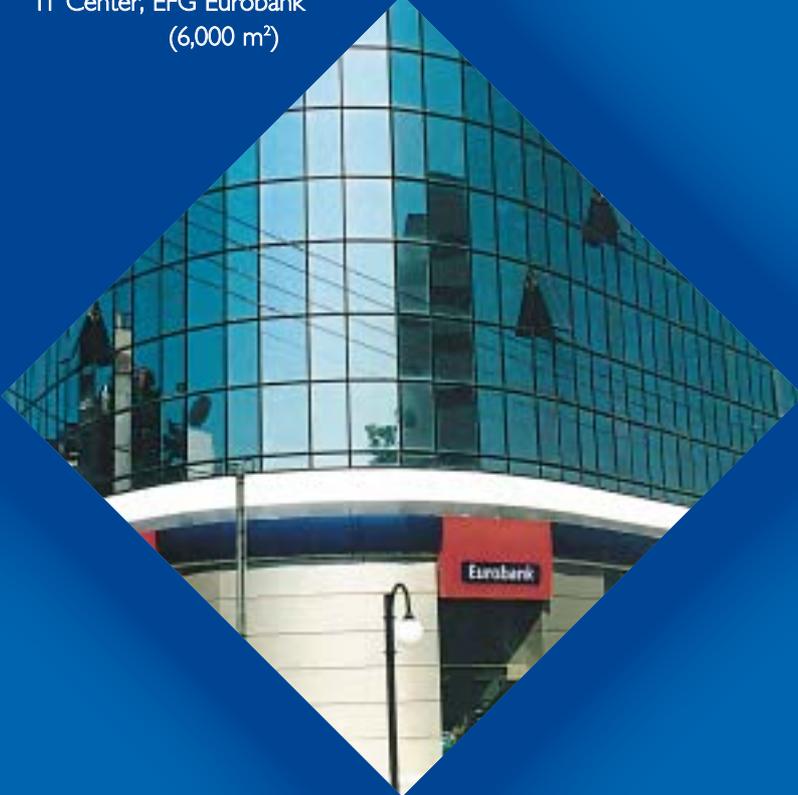
The PROPINDEX property price index is the first of its kind in Greece and was created by the company in association with Alpha Astika Akinita, Property Ltd. and the Greek Valuers Institute. Despite the inevitable teething troubles of such a venture the index has nevertheless offered a first quantitative measuring instrument for the Greek property market, based on a specific methodology and intended to remedy the lack of satisfactory property investment assessment tools.

### Identity

EFG Eurobank Properties was founded in 1952 and functioned as a real estate company under the name EBO, as a subsidiary of the Bank of Crete. Following the acquisition of the Bank of Crete by EFG Eurobank, it was taken over as a subsidiary of the latter. By joint decision between EFG Eurobank, Deutsche Bank and LAMDA Development the company changed its name and assumed its present form and objectives in the spring of 2000. LAMDA Development acquired its stake in the company's share capital in March 2000. In December 2001 the company employed 37 individuals, including 11 engineering graduates. It should be noted that based on the shareholders agreement property investment decisions are taken jointly and must be unanimous.



IT Center, EFG Eurobank  
(6,000 m<sup>2</sup>)



Interamerican  
Plaza



Selected Financial Data 2000-2001		
	2001	2000
Operating Results	Th. Euro	Th. Euro
Turnover	9.761	3.800
Cost of Services provided	2.926	1.617
Gross Profit before Depreciation, Interest & Tax	6.835	2.183
Other operating Income	0	3
Administration and Marketing Expenses	531	337
Earnings before Depreciation, Interest & Taxes	6.304	1.849
Interest Expense	1.737	302
Depreciation	3.977	1.077
Operating Income before taxes	590	470
Extraordinary Income/Expenses	1.714	1.444
Net Earnings before Taxes	2.304	1.914

### Property and related participations

EFG Eurobank Properties made significant investments in income-generating property over the two years 2000-2001. In December 2001 its property portfolio with a total value of € 106 million, included:

- 17,000 m<sup>2</sup> Interamerican Plaza office building complex in Marousi
- 7,000 m<sup>2</sup> office building in Marousi
- 3,000 m<sup>2</sup> office building on Kallirois St.
- 3,200 m<sup>2</sup> office building on Stadiou St.
- 2,817 m<sup>2</sup> office building in Alimos

In 2001 the company acquired 100% of the company Greek International Commerce and Development Businesses S.A. (ELDEPA) (value of participation € 4.1 million), which during this

period was developing commercial storage premises on its site in Oinofyta in preparation for their leasing, already agreed, to a product distribution company. Since EFG Eurobank Properties S.A. can not be involved in property development, but invests only in income-generating property, the completion of the assumed and development of these storage spaces has been guaranteed by the previous owner of ELDEPA. The value of the investment of EFG Eurobank Properties S.A. in these buildings is € 12.6 million.

Other company participations at 31/12/2001 include:

- 4% stake in property investment company in Italy
- Participation in a JV to remodel and operate for profit the Voula coastline project



## Activity

Hephaestus Hellas Shipbuilding S.A. is a contemporary yacht maintenance and refurbishment company which, as a member of the Latsis Group of companies, has been involved since 1968 in the provision of specialised and integrated repair work on luxury yachts, commercial ships and marine crafts of all types.

Hephaestus Hellas Shipbuilding S.A. provides all necessary facilities, such as shore connection, telephone, drinking water, fire-fighting services, compressed air, removal of waste. Its extensive premises at Elefsina, at the 27th kilometre of the old national highway from Athens to Corinth, cover a total surface area of 90,000 m<sup>2</sup>.

## Hephaestus Hellas Shipbuilding S.A. Services

Hephaestus Hellas Shipbuilding S.A. undertakes and executes successfully all kinds of repair, engineering and construction work on:

- Yachts - Mega Yachts

- Commercial ships
- Special craft

The company's activities also include industrial engineering and construction projects at refineries and other industrial facilities.

Its clientele base includes owners of some of the world's largest and most luxurious yachts.

## Identity

Hephaestus Hellas Shipbuilding-Industrial & Maritime S.A. was founded in 1968. Up until 1995 it operated as shipbuilder and repairer to the Latsis Group fleet and the vessels of its clients. During the 1990s it focused on the maintenance, repair and conversion of yachts, an area in which it acquired a wealth of experience. The company was acquired by LAMDA Development in March 2000. In December 2001 the company employed a workforce of 104.



Selected Financial Data		
Income Statement	2001	2000
	Th. Euro	Th. Euro
Turnover	12.522	5.591
Cost of Sales	11.657	4.875
Gross Profit before Depreciation	865	716
Other Operating Income	194	170
Administration & Marketing Expenses	704	519
Partial Operating Income before Depreciation, Taxes & Interest	355	367
Interest & Participation Income	23	6
Interest expense & related costs	20	3
Total Operating Income before depreciation & taxes	358	370
Depreciation	112	82
Total Operating Income before Taxes	246	288
Extraordinary Income	3	11
Net Earnings before Taxes	249	299



HEPHAESTUS  
Panoramic view of facilities



HEPHAESTUS  
Refurbishment  
of mega-yacht



## Mechanical and Machinery Works

### Contemporary Machine Equipment

Hephaestus Hellas Shipbuilding S.A. boasts one of the most fully equipped machine-works in Greece, capable of comprehensive and exclusive solution of any kind of machine engineering problem. The Hephaestus Hellas Shipbuilding S.A. equipment includes:

- Special 4 m crank reconditioning machine
- Level surface reconditioning on special 1 m flat reconditioning machine
- Dynamic rotor balancing, diameter 1,500 mm
- Boring of large-body engine plinths, and processing of interior surfaces
- Series of lathes for processing of parts up to diameter 2,000 mm and length 6,000 mm
- 10 ton crane bridge
- 400 ton hydraulic press
- A whole range of specialist machinery such as milling machine 1,500 mm in length, radial drill 1,000 mm in diameter, vertical lathes, boiler test bench, etc.

### Specialist services

Hephaestus Hellas Shipbuilding S.A. is staffed by specially trained personnel with extensive experience in various kinds of machine working. This experience enables it to offer all its clients the maintenance and repair work they require, including:

- Aluminium and steel rolling
- Piping work
- Mechanical and machinery works
- Repairs to a wide range of Internal Combustion Engines
- Electrical engineering
- Design of interior spaces, insulation, floor-laying and construction of freezer areas.

### Ongoing improvement

In September 2001 the company management was significantly enhanced by the recruitment of a new General Manager and Technical Director, both with wide experience in the shipbuilding and ship repair sector in Greece and abroad. Under this new management the company is drawing up a business plan to renew and modernise its infrastructure, enabling it to offer a broad range of integrated services to all its clients. HEPHAESTUS S.A. regularly renews its mechanical equipment and makes a steady commitment to the modernisation and improvement of its services.



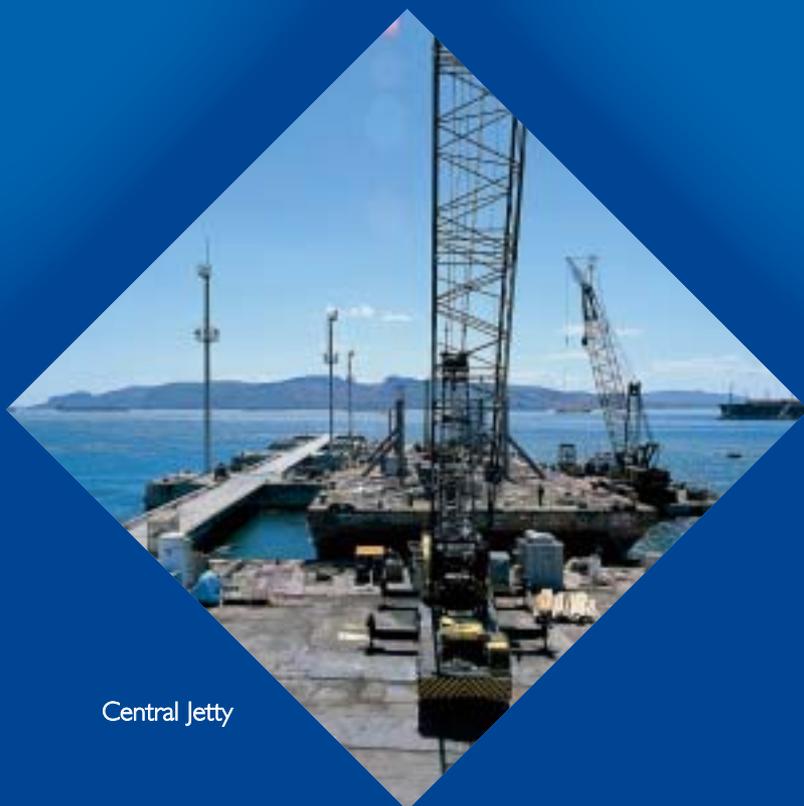
Reconditioning of cranks - shafts  
(L: 3.000 mm, D: 350 mm)



Milling Machine  
(Table L: 1.100 mm, H: 350 mm)



HEPHAESTUS  
Panoramic view of central jetty



Central Jetty



Machine and fitting shop

## Swissport LAMDA Hellas S.A.

### Activity

Swissport LAMDA Hellas S.A., jointly owned by LAMDA Development and Swissport International, is engaged in the provision of airport ground handling services. It provides services at the new Athens International Airport "Eleftherios Venizelos" at Spata, the "Nikos Kazantzakis" Airport in Irakleio and the "Macedonia" Airport in Thessaloniki.

Swissport LAMDA Hellas S.A. adheres to the high quality specifications of the LAMDA Development Group and of Swissport International, which provides quality-assured services to more than 130 airports worldwide. Swissport LAMDA Hellas S.A. is the first Greek ground handling service provider to secure ISO 9002 quality certification.

Swissport LAMDA Hellas S.A. has been providing ground handling services at the Athens International Airport "Eleftherios Venizelos" since March 2001, and at the "Macedonia" Airport in Thessaloniki since April 2002. The services include:

- Ramp handling
- Handling of passengers, cargo and mail between airport buildings and aircraft
- Baggage transport and handling
- Administrative ground and supervisory services
- Passenger service
- Aircraft cleaning and maintenance services
- Flight and crew management services

### Identity

Swissport LAMDA Hellas was founded in 1999 to provide ground handling services to aircrafts at Greek airports, where gradual deregulation was being introduced in the same year. In December 1999 the company won an operating and ground handling service temporary licence at the Athens' "Hellinikon" Airport, beginning operations there in June 2000. At the same time the company was tendering for the provision of ground handling services at the new Athens International Airport "Eleftherios Venizelos" at Spata and succeeded in securing one of the three licences granted. It began operations at Spata as soon as the new airport opened in March 2001. LAMDA Development acquired a 50% stake in the company in June 2000. In December 2001 the company and its subsidiaries employed a workforce of approximately 650. It should be noted that owing to seasonal fluctuations in volume of work (mainly at airports outside Athens) the size of the workforce increases significantly in the summer.





Swissport LAMDA Hellas S.A.  
Athens International Airport  
"El. Venizelos"

## Subsidiaries

- Swissport Hellas Sud S.A. (75% participation by Swissport LAMDA Hellas S.A.) was founded in 2000 to provide services to the Heraklion airport in Crete. A decision by the Ministry of Transport and Communications in December 2000 approved a Swissport Hellas Sud S.A. tender and selected the company to operate as one of the three ground handling service providers at the "Nikos Kazantzakis" Airport in Heraklion, Crete.

Since April 2001 Swissport Hellas Sud S.A. has been providing ground handling services to the "Nikos Kazantzakis" Airport in Heraklion, including:

- Ramp handling for aircraft
- Baggage transport and handling
- Administrative ground and supervisory services
- Passenger care
- Aircraft maintenance and cleaning services
- Flight and crew management services

- Swissport Hellas Cargo S.A. (80% participation by Swissport LAMDA Hellas S.A.) was founded in 2000 to provide cargo and mail transportation services to Greek airports.

Since March 2001 Swissport Hellas Cargo S.A. has been providing the following services at the El. Venizelos Airport:

- Handling of cargo and mail
- Cargo management and storage

- WSW SKYCAB SERVICES S.A (42.5% participation by Swissport LAMDA Hellas S.A.) was founded in January 2001 to provide trolley and porter services.

Since March 2001 WSW. has been providing services to the Athens International Airport "Eleftherios Venizelos" including:

- Handling of trolleys
- Provision of porter services

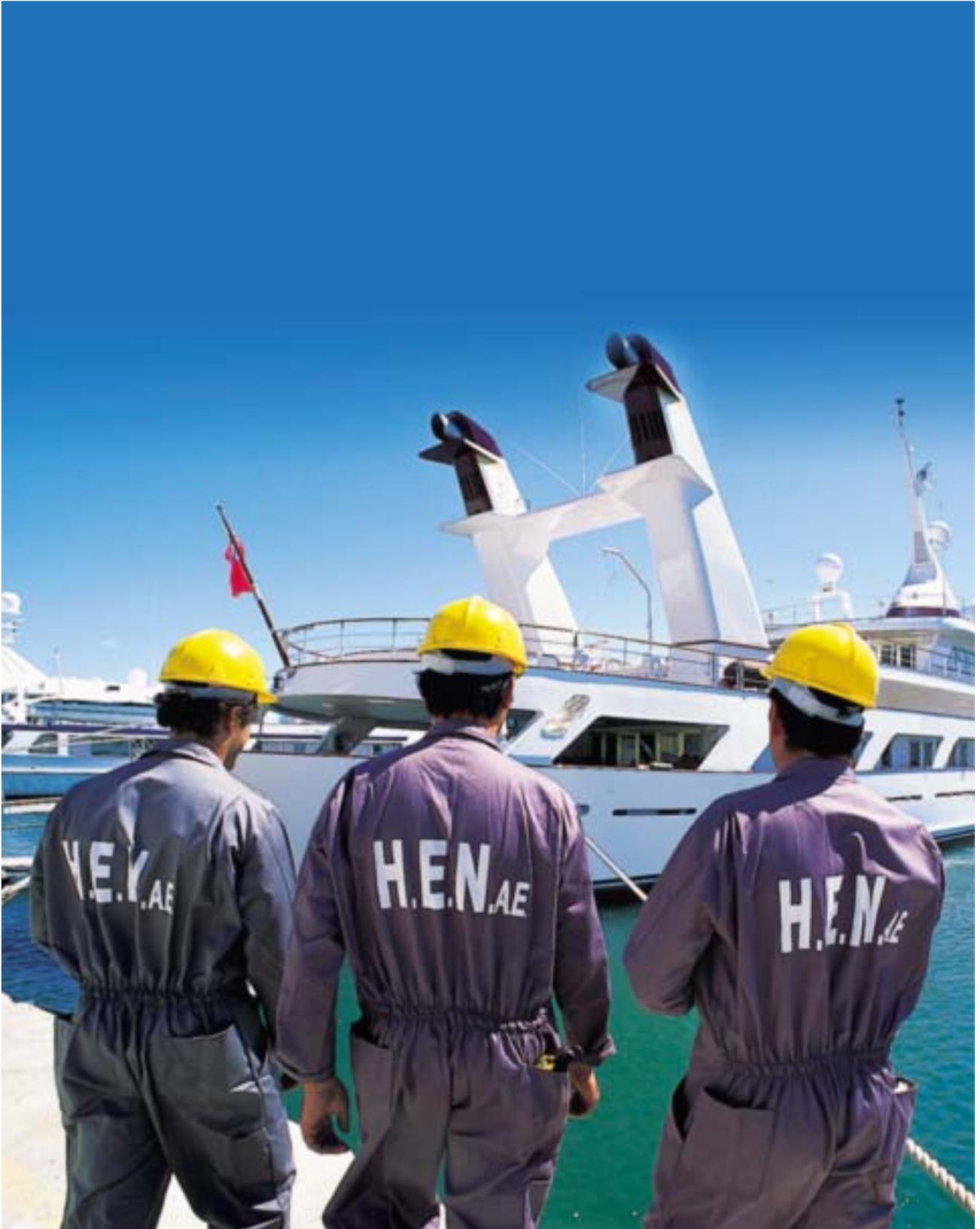
Selected Consolidated Financial Data		
	2001	2000*
Operating Results	Th. Euro	Th. Euro
Turnover	17.218	2.477
Cost of Services provided	18.260	2.712
Gross Profit before Depreciation	(1.042)	(235)
Other Operating Income	748	0
Administration & Marketing Expenses	2.515	329
Partial Operating Income before Depreciation, Taxes, Interest & Minority Rights	(2.809)	(564)
Income/Expenses from Financial Transactions	(217)	12
Depreciation	370	106
Extraordinary Income/Expenses	(59)	3
Total Operating Income before Taxes & Minority Rights	(3.455)	(655)
Minority Rights	173	0

\* Year 2000 figures are not consolidated.



Swissport commences operations  
at the Athens International Airport  
"El. Venizelos"





Hephaestus Hellas Shipbuilding



◆ **Human Resources**

◆ **Sponsorships**

◆ **IT**

## Human resources

For LAMDA Development, its human resources are the key factor in realising its corporate objectives.

The company has two main priorities: a) to create a pleasant, efficiently organised and equipped working environment for its personnel and b) to reward the efforts of its staff and provide incentives for the increase of their productivity and efficiency.

In pursuit of an outstanding working environment the company implements a number of internationally acknowledged personnel management systems, including:

- Provision of opportunities for education and further training through the implementation of staff training programmes, both in-house and in collaboration with external agencies.
- Regular assessment of staff performance at all levels, in an effort to ensure the fullest use of their skills and abilities.
- Implementation of programmes offering a broad range of valuable, tailor made fringe benefits, including: Health Care Scheme, Pension Plan, Bonus System, etc.

The average age of employees is 39.

The company recently introduced a stock option scheme for the Group's executives.

The Group employs a total workforce of 847\* persons distributed as follows:

LAMDA Development S.A.	17
DIMIOURGIA S.A. & its subsidiaries	48
SWISSPORT LAMDA HELLAS S.A. & its subsidiaries	652
HEPHAESTUS S.A.	97
EFG EUROBANK PROPERTIES S.A.	32
Other companies	1
<b>GROUP TOTAL</b>	<b>847</b>

\* figures 31/12/2001





## Sponsorships

LAMDA Development is advancing into the third millennium determined to plan for, invest in and expand the development potential of the country. Yet its ambitions go even further: being fully aware of the obligations incumbent on a major company to make a responsible contribution to the community as a whole, the company is engaged in various aspects of community life. In association with various government and non-government organisations, LAMDA Development is contributing to addressing various social issues and thereby furthering the cause of development and progress.

We cite below a number of examples of LAMDA Development's involvement in the life of the community at large:

### • World Beach Volley Championship

LAMDA Development sponsored the world championship "Challenger" 2001, held at Xylokastro, Corinthia, in July 2001

The championship was organised by the Xylokastro Municipality as part of its campaign to highlight the sport and also promote the region as an important tourist resort. This campaign was supported by LAMDA Development, which, through its subsidiary DIMIOURGIA S.A., is playing a key role in the region by developing a 200-apartment holiday complex at Xylokastro.

### • Benaki Museum – Exhibition: March 2001

"Two Swiss archaeologists photograph Greece – Waldemar Deonna and Paul Collart 1904-1939"

In March 2001 LAMDA Development and its 50%-owned subsidiary Swissport LAMDA Hellas S.A. sponsored the major exhibition "Two Swiss archaeologists photograph Greece – Waldemar Deonna and Paul Collart 1904-1939", co-organised by the Benaki Museum, the Swiss Archaeological School in Greece, the Lausanne Institute of Archaeology and Ancient History and the Tellogleio Foundation.

### • Economist Conference

3rd International Shipping Conference "Shipping & Maritime Transportation in the Global Economy" – October 2001.

LAMDA Development and its subsidiary HEPHAESTUS S.A. sponsored the 3rd International Shipping Conference "Shipping & Maritime Transportation in the Global Economy", held at the Divani Apollon Palace Hotel in Kavouri on 4-5 October 2001.

The Shipping Conference, organised by the Economist Conferences, discussed the role of shipping in the global economy.

## IT

LAMDA Development has invested substantial capital in state-of-the-art IT systems and intends to exploit the potential of the Internet to optimise the services it offers to third parties and its own internal operations. The Group's companies and their executives are able to communicate through the net with the central computer systems from anywhere in the world. The company places particular emphasis on, and attributes great importance to, the security of its networks and data, maintaining

rigorous access and service security procedures for users of its computer systems.

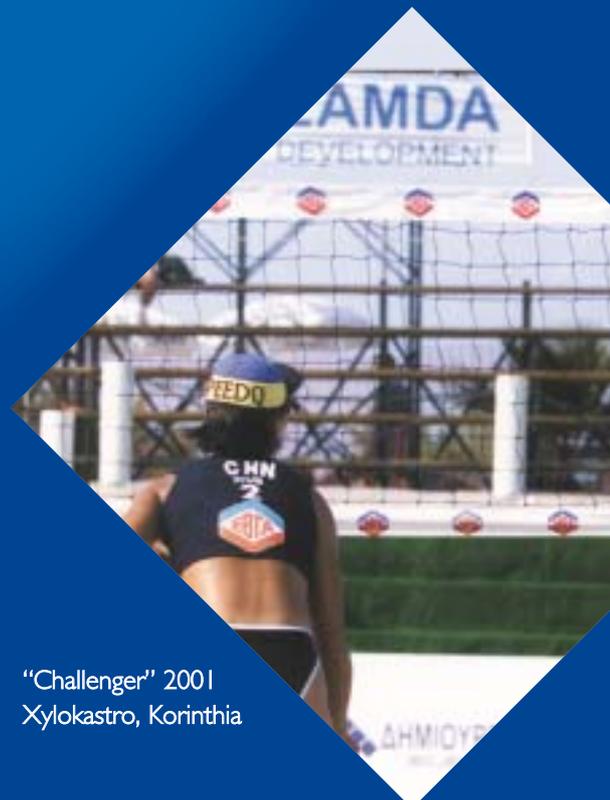
The computer systems used by the LAMDA Development Group of companies are based on a native OS Client-Server environment. The 'heart' of the business is an integrated Enterprise Resource Planning (E.R.P.) System, with a variety of other peripheral systems covering the companies' operating needs.



"Challenger" 2001  
Xylokastro, Korinthia



Exhibition of works  
by Waldemar Deonna  
& Paul Collart



"Challenger" 2001  
Xylokastro, Korinthia



IIK Building, 17,000 m<sup>2</sup>, Luxembourg



 **Financial  
Report**



## Financial report 2001

The financial year 2001 was the second year since the foundation of the LAMDA Development Group of companies, a period in which the company enjoyed rapid growth and established its presence in the field of real estate development.

As the companies within the Group became fully operational in the course of the year, consolidated turnover rose to € 43.9 million, an increase of 296% over the € 11.1 million recorded in 2000.

During the same period the company achieved consolidated pre-tax profits of € 3,764 million, compared with € 4.566 million in 2000, although in practice the two results are not comparable, since the figures for 2000 include € 2,706 million, of extraordinary profits from the sale of the company's construction sector.

DIMIOURGIA S.A. (100% participation by LAMDA Development) achieved rapid expansion in the property development sector and recorded a substantial increase in turnover of 349%, a total of € 13.7 million, compared with € 3.0 million in 2000, making a decisive contribution to the Group's overall results with € 4.2 million, pre-tax profits. During the same year OLYMPIA S.A. (100% participation by LAMDA Development) began to receive income following completion of its reconstruction of the old Hotel Cecil building in Kefalari.

In the service sector the ship construction and repair business Hephaestus Hellas Shipbuilding S.A. (75% participation by LAMDA Development) reported an increase in turnover of 124%, with a total of € 12.5 million, compared with € 5.6 million in 2000 and pre-tax profits of € 0.25 million.

Swissport LAMDA Hellas (50% participation by LAMDA Development) only entered full operating status in 2001, and was thus able to increase its consolidated turnover by 595%, with a total of € 17.2 million, compared with € 2.5 million in 2000. The events of 11 September were a heavy blow to the global aviation industry, which is why the company closed its fiscal year with pre-tax losses of € 3.3 million.

EFG Eurobank Properties (29.9% participation by Lamda Development) continued to make healthy progress, earning the Group net profits in the order of € 0.4 million.

## Investments

The Extra-Ordinary General Meeting of shareholders on 20.01.2000 voted to increase the company's share capital by 725,125,000 GRD by issuing 7,251,250 new shares with a face value of 100 GRD and a selling price of 5,500 GRD per share. The period in which the option could be exercised was from 19.05.2000 to 19.06.2000, certification of payment took place on 20.06.2000 and the new shares could be traded from 17.07.2000. The increase raised a net capital sum of 39,757m GRD (total 39,882 million GRD, minus costs of 125 million GRD) which, according to the details given in the Prospectus,

were placed, by 31.12.2001, as follows:

On 31.12.2001 the available balance of 5,629 million GRD was placed in repos, Greek government bonds and units in domestic mutual funds. Investments nos. 7, 9, 10, 11, 13, 15 and 16 were made by the 100%-owned subsidiary "DIMIOURGIA S.A.". Investments nos. 17, 18, and 19 were made a) by the 100%-owned subsidiary "LAMDA PYLAIAS S.A.", b) by the 75%-owned subsidiary "HEPHAESTUS S.A.", and c) by the 50%-owned subsidiary "LAMDA AKINITA S.A.", respectively.

1,000,000 Grd = € 2,934.7

Use of Capital Raised - Grd (million)	Prospectus Schedule				Sums made available		
	2000		2001		TOTAL	01.10.2001	Total
	1st half	2nd half	1st half	2nd half		31.12.2001	31.12.2001
1. Acquisition of 75% of Hephaestus Hellas S.A.	3.673				3.673		3.673
2. Acquisition of 100% of Dimiourgia S.A.	6.946				6.946		6.946
3. Acquisition of 100% of Olympia S.A.	4.200				4.200		4.200
4. Acquisition of 50% of Swiss Port Lamda Hellas S.A.		400			400		400
5. Participation in capital increase of EFG Eurobank Properties S.A.	4.300		6.000	10.300		4.296	4.296
6. Property Development		3.000	3.000	2.000	8.000		
7. Acquisition of Land and Development of Real Estate		5.000			5.000	79	4.817
8. Working Capital		400	500	380	1.280	487	1.036
9. Acquisition of Land and Development of Real Estate						167	1.069
10. Acquisition of Land and Development of Real Estate						203	1.257
11. Acquisition of "Land and Construction S.A. "							1.051
12. Acquisition of Real Estate							505
13. Acquisition of Land and Development of Real Estate						162	2.298
14. Costs involved in issue					80		125
15. Founding of Citypark S.A.							82
16. Participation in 'Hatzikyriakeio' Joint Venture							125
17. Founding of Lamda Pylaias S.A. and operation of property						300	550
18. Participation in increase of capital of Hephaestus S.A. for acquisition of real estate						421	421
19. Founding of Lamda Akinita S.A.						1.400	1.400
20. Available balance							5.629
<b>TOTAL</b>	<b>14.820</b>	<b>13.100</b>	<b>3.500</b>	<b>8.380</b>	<b>39.880</b>	<b>3.219</b>	<b>39.880</b>

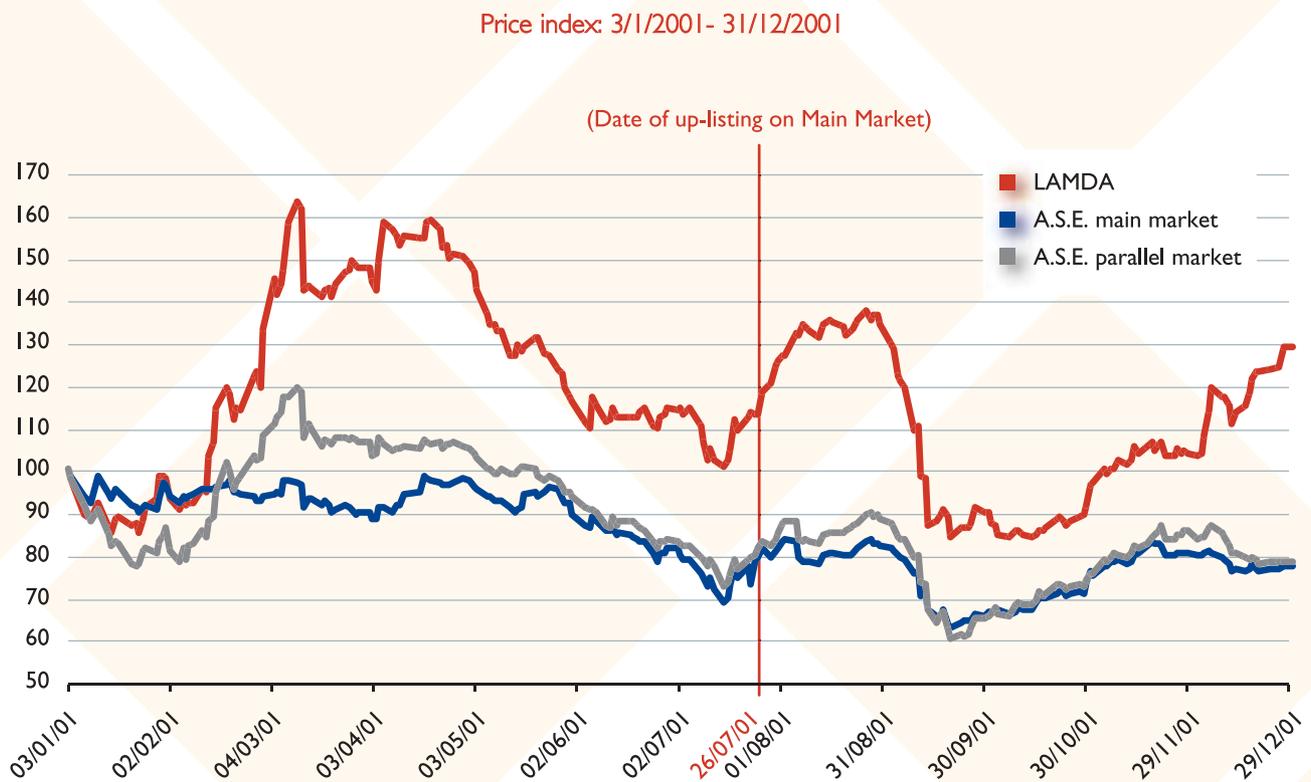
**Notes:** 5. The second phase of capital-raising by EFG Eurobank Properties S.A., as scheduled in the Prospectus, did not in fact occur, owing to lack of suitable investment opportunities. The company management is still evaluating investment opportunities and estimates that this capital will be invested before the end of 2002. 6. The sum of 8,000m GRD earmarked for the development of a building complex by 31.12.2001 was not invested, owing to delays which occurred in respect of the area and the site on which the development was planned. Instead, a) 4,624m GRD were spent on the acquisition of three plots within the prefecture of Attica, on which office buildings are to be constructed, with a surface area of 27,824 square metres (see 9,10 and 13 above), b) 1,051m GRD were spent on the acquisition of a 51% stake in the newly-founded company Land and Construction S.A., whose only property asset is a plot of land, for the development of a holiday home complex, total surface area 14,400 square metres (see 11 above), c) 505m GRD were spent on the acquisition of an industrial property in the prefecture of Attica (see 12 above), d) 82m GRD were spent on the founding of a company to operate a parking area (see 15 above), e) 125m GRD were spent on participation in a Joint Venture to operate a property in the centre of Athens (see 16 above), f) 550m GRD were spent on founding the company Lamda Pylaias S.A. and the long-term lease of a 62 acre site for development and operation of a commercial complex and leisure centre (see 17 above), g) 421m GRD were spent on participation in capital-raising by Hephaestus S.A. for the acquisition of a property in the prefecture of Attica (see 18 above) and h) 1,400m GRD were spent on founding and 50% participation in Lamda Akinita S.A., whose only property asset is a 20,229 square metre site on which office buildings are to be constructed with a total surface area of 29,000 square metres (see 19 above). 7. The sum invested in the acquisition of a site in the region of the prefecture of Attica fell short of the estimate by 183m GRD, owing to the purchase of fewer acres and the negotiation of a price lower than anticipated. 8. a) of the sum of 1,280m GRD envisaged in the Prospectus for working capital, the sum of 45m GRD was spent on covering expenses incurred in the issue over and above those anticipated, and b) the total available sum at 31.12.2001 fell short of the amount anticipated by 244m GRD, owing to deferred take-up of budgets by the subsidiaries and to the adequate level of liquidity during this period.

## Share Price performance

Statistics relating to share price performance are shown below:

	2001 (Euro)	2000 (Euro)
Closing Price at year-end	11.4	9.1
Annual Average Price	10.3	15.1
Annual High	14.5	37.4
Annual Low	7.5	8.6
Average daily transactions (shares)	18.445	66.000
% of time weighted average number of shares*	0.13%	0,67%

\* Adjusted for changes in the company's share capital.



# Financial Statement Analysis

## LAMDA DEVELOPMENT S.A. – CONSOLIDATED FINANCIAL STATEMENTS

	2001	2000
	Th. Euro	Th. Euro
Turnover	43.965	11.09
Less: Cost of Sales	37.379	8.643
Gross Profit before Depreciation	6.586	2.447
(% of Turnover)	14,98%	22,0%
Plus: Other Operating Income	1.288	1.385
Total	7.874	3.832
Less: Administration expenses	6.632	3.304
Less: Marketing expenses	59	62
Total Expenses	6.691	3.366
(% of Turnover)	15,22%	30,3%
Operating Income (before depreciation)	2.888	466
(% of Turnover)	6,57%	4,2%
Plus: Income from Participations & Securities	563	3.105
Plus: Extraordinary Income	60	176
Less: Extraordinary Expenses	158	73
Earnings before Taxes, Interest, Depreciation & Minority Rights	2.014	3.674
(% of Turnover)	4,57%	33,1%
Interest Income	1.764	2.662
Interest Expense	619	528
Earnings before Taxes, Depreciation & Minority Rights	3.159	5.808
(% of Turnover)	7,18%	52,3%
Less: Depreciation	1.259	1.535
Earnings before Taxes and Minority Rights	1.899	4.273
(% of Turnover)	4,32%	38,5%
Earnings before Income Taxes	3.677	4.566
Less: Income and other Taxes	1.937	1.790
Net Earnings after Taxes & Board of Directors fees	1.740	2.776
(% of Turnover)	3,95%	25,0%

**CONSOLIDATED BALANCE SHEETS**

	2001	2000
	Th. Euro	Th. Euro
<b>ASSETS</b>		
Preoperating expenses	475	135
Depreciation	132	76
Other preoperating expenses	3.478	3.331
Depreciation	1.332	998
Preoperating Expenses (Undepreciated)	2.489	2.392
Tangible Assets	52.833	52.963
Accumulated Depreciation	6.157	5.456
Undepreciated Tangible Assets	46.676	47,507
Participations	13.740	12,971
Inventories	38.459	6.459
Receivables	20.875	5.106
Securities	22.087	88
Cash & cash equivalents	9.054	52.866
Provisional accounts	65	67
<b>Total Assets</b>	<b>153.445</b>	<b>127.456</b>
<b>LIABILITIES</b>		
Share Capital	4.349	4.255
Paid up share premium	115.548	115.079
Retained earnings	1.323	1.209
Capital Reserves	5.725	4.182
Consolidation adjustments	(16.337)	(14.242)
Minority Rights	8.174	757
<b>Total Shareholders Equity</b>	<b>118.782</b>	<b>111.240</b>
Provisions	188	132
Long-term liabilities	11.651	6.550
Short-term loans	3.894	1.456
Other short-term liabilities	12.901	7.421
<b>Total Liabilities</b>	<b>28.446</b>	<b>15.428</b>
Provisional Liability Accounts	6.029	657
<b>Total Liabilities &amp; Shareholders Equity</b>	<b>153.445</b>	<b>127.456</b>

## Prospects

During the course of 2001 the Lamda Development Group of companies established a leading presence in its various areas of activity. In accordance with the business plan presented to, and approved by, the company's first General Meeting in January 2000, the Group's companies embarked on a course of dynamic growth, securing a place among the top Greek companies in the fields of property development, operation and investment, as well as the provision of high-quality services in the aviation and maritime infrastructure sectors.

Judging from its successes in 2001, the Group can look forward with considerable optimism to the coming year. Its companies, relying on their expert workers, will be consolidating their position in the markets where they are engaged and exploiting all available opportunities for developing new business plans.

### REAL ESTATE DEVELOPMENT

DIMIOURGIA has established itself as one of the leading companies in the field of real estate development, with significant achievements to its credit as it makes full use of its own know-how and its collaboration with carefully selected partners. This is the most promising and rapidly growing sector in the Greek real estate market today. DIMIOURGIA seeks to maximise profits from its capital investments through the development of high-quality projects. For example:

- In January 2002 the final contract was signed for the sale of the office building currently developed by the company in the Hilton area of Athens, scheduled for handover in October.
- Another four office buildings are being developed in Athens for sale, to be delivered in 2002/2003.
- The company has undertaken the development and management of the first mixed-use (commercial and leisure) hyper-centre in Thessaloniki, scheduled to open its doors to the public in 2004.

The requirements of the Olympic Games in 2004 and the introduction of the single European currency from 1/1/02 have substantially improved the prospects of the Greek property development market, owing to the major projects in the pipeline and to increased interest in the market on the part of foreign companies. Dimiourgia has all the necessary resources (experienced personnel, partnerships with major specialist companies in Europe, robust capital structure, synergies from the activities of the Latsis Group within and outside Greece) to play a leading role in the rapid growth of the market over the coming years.

### REAL ESTATE INVESTMENT

EFG Properties is playing a dynamic part in the field of Real Estate Investment through the acquisition of selected high-yield real estate and the creation of a broad portfolio of professional properties, seeking not only high rental income but also added value from their eventual sale.

With important investments in income-generating properties during 2001, as well as its first move into foreign investment with the acquisition of a stake in the Italian company Rio Nuovo Immobiliare, EFG Properties has become, essentially, the first institutional real estate investor in Greece. The creation and management of Real Estate Portfolio Investment Companies, which is expected to gather pace during the coming year, and in which EFG Properties will be participating, will act as a catalyst for the real estate investment market in Greece, increasing market liquidity and investment opportunities.

During 2001 Olympia S.A. completed its radical reconstruction of the old Cecil Hotel building in Kefalari, which has now been converted into a model contemporary office building, constructed to the highest specifications. The location and unique character of the building in this area are features which are sure to keep demand at high levels.

## PROVISION OF SERVICES

### A. real estate sector

Both DIMIOURGIA and EFG Properties offer a range of services to the real estate market, Dimiourgia providing services associated with property development (project management, construction management, feasibility studies, etc.) and EFG Properties concentrating on services related to the investment side of real estate (brokerage, valuations, etc.). For both companies the provision of services is a rapidly growing sector with prospects of further expansion to be anticipated from the parallel development and maturing of the Greek real estate market, which offers opportunities for increased revenue without the need to take investment risk.

In partnership with leading international developers and contractors (HOCHTIEF AG, GRUPO DRAGADOS S.A., BILFINGER BERGER AG) LAMDA Development bid in 2001 for a motorway concession in the framework of the Greek Motorway redevelopment program. Dimiourgia has exclusively assumed the role of offering project management services and developing the motorways concession real estate.

### B. maritime infrastructure sector

In 2001 HEPHAESTUS HELLAS embarked on a radical re-engineering in order to create the necessary conditions for further growth. It is currently preparing an investment plan whose basic focus is on the even fuller utilisation of its shipyard facilities and premises, as well as a reorientation of the company to sectors and activities where there is keen demand and limited competition, such as repairs, refurbishment and maintenance of mega-yachts, and the construction of new vessels using the latest state-of-the-art technology and materials.

The company's many years of involvement in the maintenance of the industrial plant of PETROLA HELLAS will allow it to penetrate other, related industrial areas – increasing its prospects in this field of activity.

All the above factors, as well as the broadening of the company's clientele base and its provision of high-quality specialist services, are expected to lead to an increase in the yield of its invested capital. Already, by the second half of 2001, the company had a full list of orders for the refurbishment of large leisure craft – thereby securing a substantial flow of income for the immediate future.

### C. aviation infrastructures sector

In 2001 SWISSPORT LAMDA HELLAS commenced operations in the ground handling services sector at the new Eleftherios Venizelos International Airport in Athens (from March), and the new N. Kazantzakis International Airport at Irakleio (from April). In 2002 the company will extend its operations to the Macedonia International Airport in Thessaloniki. Following deregulation of the Rhodes and Corfu airports the company will be bidding to supply similar services as soon as tenders are invited.

The fundamental objective of the company and its subsidiaries is to continue increasing their market share and to re-establish profitability following the significant impact of the terrorist attack of 11/9/01 in New York. It is anticipated that the 2004 Olympics will have a positive impact on air travel to Greece and will further increase the company's workload.

The long-term goal is to create a competitive, high-quality ground handling services network in Greece – a new market which is still in the early stages of rapid growth. This network will be interlinked with the extensive international network of Swissport International, allowing it to offer comprehensive, high-quality services at competitive prices.



Athens International Airport "El. Venizelos"



# **Balance sheets 2001**

- I. LAMDA DEVELOPMENT S.A. Consolidated
2. LAMDA DEVELOPMENT S.A.
3. DIMIOURGIA S.A.
4. OLYMPIA S.A.
5. EFG Eurobank Properties S.A.
6. HEPHAESTUS S.A.
7. Swissport LAMDA Hellas S.A.

# LAMDA DEVELOPMENT

HOLDING & REAL ESTATE DEVELOPMENT COMPANY S.A.  
CO. REG. NO.: 3039/06/B/86/28

2ND CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2001 (JANUARY 1 - DECEMBER 31 2001)

## ASSETS

	Acquisition	Accumulated	Net Book	Acquisition	Accumulated	Net Book
	Cost	Depreciation	Value	Cost	Depreciation	Value
<b>B. CAPITALISED EXPENSES</b>						
1. Establishment expenses	161,810,642	44,446,289	117,364,353	45,921,547	25,724,057	20,197,490
4. Other capitalised expenses	1,184,588,370	453,945,430	730,642,940	1,135,288,040	340,087,452	795,200,588
<b>Total capitalised expenses</b>	<b>1,346,399,012</b>	<b>498,391,719</b>	<b>848,007,293</b>	<b>1,181,209,587</b>	<b>365,811,509</b>	<b>815,398,078</b>
<b>C. FIXED ASSETS</b>						
<i>II. Tangible Assets</i>						
1. Land	6,717,879,765	0	6,717,879,765	9,895,963,305	0	9,895,963,305
3. Buildings	7,651,436,090	1,170,341,469	6,481,094,621	4,240,735,479	1,028,901,791	3,212,183,688
4. Machinery, installations & equipment	1,631,113,203	749,400,782	881,712,421	934,962,841	729,699,547	205,263,294
5. Motor vehicles	392,960,061	53,149,145	339,810,916	116,543,773	41,834,904	74,708,869
6. Furniture & fixtures	408,422,484	125,413,863	283,008,621	123,519,561	58,726,986	64,792,575
7. Assets under construction & advances	1,201,679,227	0	1,201,679,227	2,735,001,348	0	2,735,001,348
	<b>18,003,490,830</b>	<b>2,098,305,259</b>	<b>15,905,185,571</b>	<b>18,046,726,307</b>	<b>1,859,163,228</b>	<b>16,187,563,079</b>
<i>III. Equity participations &amp; long-term receivables</i>						
1. Participations in affiliated companies	4,631,094,430	14,000,000	4,617,094,430	4,414,521,109	0	4,414,521,109
2. Participations in other companies	4,682,236,841	96,969,411	4,585,267,430	5,519,100	0	5,519,100
Less: Installments payable				4,420,040,209		4,420,040,209
7. Other long-term receivables				<b>20,607,603,286</b>		<b>20,607,603,286</b>
<b>Total fixed assets (CII + CIII)</b>						
<b>D. CURRENT ASSETS</b>						
<i>I. Inventories</i>						
2a. Assets under construction for sale	5,017,768,284		5,017,768,284	175,792,584		175,792,584
2b. Land & building materials for sale	8,026,282,884		8,026,282,884	1,967,512,572		1,967,512,572
4. Raw & consumable materials - Packaging materials	60,706,155		60,706,155	58,164,792		58,164,792
	<b>13,104,757,323</b>		<b>13,104,757,323</b>	<b>2,201,469,948</b>		<b>2,201,469,948</b>
<i>II. Receivables</i>						
1. Accounts receivable	5,405,282,646		5,405,282,646	1,018,654,421		1,018,654,421
3a. Cheques receivable	230,702,577		230,702,577	10,267,608		10,267,608
10. Doubtful receivables	2,673,800		2,673,800	2,673,800		2,673,800
11. Sundry debtors	1,463,205,762		1,463,205,762	645,337,407		645,337,407
12. Advances on account	11,591,880		11,591,880	62,816,829		62,816,829
	<b>7,113,456,665</b>		<b>7,113,456,665</b>	<b>1,738,750,065</b>		<b>1,738,750,065</b>
<i>III. Securities</i>						
3. Other securities	7,526,124,483		7,526,124,483	30,000,000		30,000,000
	<b>7,526,124,483</b>		<b>7,526,124,483</b>	<b>30,000,000</b>		<b>30,000,000</b>
<i>IV. Cash-(Available means)</i>						
1. Cash in hand	82,964,369		82,964,369	1,200,589		1,200,589
3. Cash at banks & time deposits	3,001,671,231		3,001,671,231	18,013,208,690		18,013,208,690
	<b>3,084,635,600</b>		<b>3,084,635,600</b>	<b>18,014,409,279</b>		<b>18,014,409,279</b>
<b>Total Current Assets (DI+DII+DIII+DIV)</b>	<b>30,828,974,071</b>		<b>30,828,974,071</b>	<b>21,985,629,292</b>		<b>21,985,629,292</b>
<b>E. SUSPENSE ACCOUNTS</b>						
1. Prepaid expenses	17,849,783		17,849,783	20,038,621		20,038,621
2. Suspense accounts income	3,732,329		3,732,329	7,882,107		7,882,107
3. Sundry suspense accounts	749,228		749,228	<b>22,820,728</b>		<b>22,820,728</b>
	<b>22,331,340</b>		<b>22,331,340</b>	<b>43,631,451,386</b>		<b>43,631,451,386</b>
<b>TOTAL ASSETS</b>	<b>52,286,725,116</b>		<b>52,286,725,116</b>	<b>43,631,451,386</b>		<b>43,631,451,386</b>
<b>MEMO DEBIT ACCOUNTS</b>						
1. Third-party assets	3,278,483,862		3,278,483,862	1,214,679,096		1,214,679,096
2. Warranties & collateral security debit accounts	6,563,665,673		6,563,665,673	4,467,495,233		4,467,495,233
	<b>9,842,149,535</b>		<b>9,842,149,535</b>	<b>5,682,174,329</b>		<b>5,682,174,329</b>

## LIABILITIES

	Current year	Previous year
<b>A. SHAREHOLDERS EQUITY</b>		
<i>I. Share capital</i>		
(14,496,250 common shares at 102,225 GRD each)	1,481,879,156	1,449,625,000
1. Paid in	39,372,750,708	39,213,250,000
<i>II. Paid up share premium</i>		
3. Fixed asset investment subsidy reserves	435,680,000	0
<i>III. Retention &amp; Subsidy reserves</i>		
IV. Capital reserves		
1. Ordinary reserves	192,012,801	133,173,546
2. Non-operating reserves	25,500,000	25,500,000
5. Tax exempt reserves	1,297,006,679	1,266,783,398
	<b>1,514,519,480</b>	<b>1,425,456,944</b>
<i>V. Retained earnings</i>		
Profits carried forward	451,163,599	411,585,791
VI. Consolidation differences	-5,565,974,107	-4,852,876,487
VII. Minority rights	2,785,376,512	258,170,340
	<b>40,475,395,348</b>	<b>37,905,261,588</b>
<b>Total Shareholders Equity (AI+AII+AIII+AV+AVI+AVII)</b>	<b>64,337,933</b>	<b>44,941,515</b>
1. Staff Leaving Indemnities	64,337,933	44,791,701
2. Other provisions		149,814
	<b>64,337,933</b>	<b>44,941,515</b>
<b>C. LIABILITIES</b>		
<i>I. Long-term liabilities</i>		
1. Bank loan	3,818,897,244	2,172,105,386
2. Other long-term liabilities	150,734,000	60,000,000
	<b>3,969,631,244</b>	<b>2,232,105,386</b>
<i>II. Current liabilities</i>		
1. Suppliers	2,360,424,244	583,993,074
3. Short-term bank loans	1,326,975,641	496,444,244
4. Customer advances	12,415,260	46,072,590
5. Taxes payable	977,027,543	879,983,365
6. Social security funds	297,641,502	126,251,512
10. Dividends payable	507,575,257	779,569,784
11. Sundry creditors	241,039,464	112,844,854
	<b>5,723,098,911</b>	<b>3,025,159,423</b>
<b>Total Liabilities (CI+CII)</b>	<b>9,692,730,155</b>	<b>5,257,264,809</b>
<b>D. SUSPENSE LIABILITY ACCOUNTS</b>		
2. Suspense accounts expenses	481,219,680	223,983,474
3. Other provisional liability accounts	1,573,052,000	223,983,474
	<b>2,054,271,680</b>	<b>43,431,451,386</b>
<b>TOTAL LIABILITIES</b>	<b>52,286,725,116</b>	<b>43,431,451,386</b>
<b>MEMO CREDIT ACCOUNTS</b>		
1. Beneficiaries of third-party assets	3,278,483,862	1,214,679,096
2. Warranties & collateral security credit accounts	6,563,665,673	4,467,495,233
	<b>9,842,149,535</b>	<b>5,682,174,329</b>



# LAMDA DEVELOPMENT

HOLDING & REAL ESTATE DEVELOPMENT COMPANY S.A.  
CO. REG. NO.: 3039/06/B/66/28

BALANCE SHEET AS OF DECEMBER 31, 2001 (24th FISCAL PERIOD JANUARY 1 - DECEMBER 31 2001)

## ASSETS

	Acquisition Cost	Accumulated Depreciation	Net Book Value	Acquisition Cost	Accumulated Depreciation	Net Book Value
<b>B. CAPITALISED EXPENSES</b>						
1. Establishment expenses	6.468.845	1.293.769	5.175.076	6.468.845	539.070	5.929.775
4. Other capitalised expenses	384.846.800	126.790.998	258.055.802	268.766.873	55.205.474	213.561.399
Total capitalised expenses	391.315.645	128.084.767	263.231.378	275.235.718	55.744.544	219.491.174
<b>C. FIXED ASSETS</b>						
<i>II. Tangible Assets</i>						
1. Land	160.560.000	0	160.560.000	0	0	0
3. Buildings	289.440.000	13.266.000	276.174.000	0	0	0
6. Furniture & fixtures	61.857.699	18.381.836	43.475.863	35.636.341	4.086.752	31.549.589
Total tangible assets (CII)	511.857.699	31.647.836	480.209.863	35.636.341	4.086.752	31.549.589
<i>III. Equity participations &amp; long term receivables</i>						
1. Participations in affiliated companies	34.379.364.575		33.532.311.835	25.057.569.319		804.200
Less: Installments payable		847.052.740	2.118.740			
7. Other long-term receivables			33.534.430.575			25.058.373.519
Total fixed assets (CII+ CIII)			34.014.640.438			25.089.923.108
<b>D. CURRENT ASSETS</b>						
<i>II. Receivables</i>						
1. Accounts receivable			235.274.529			337.801.218
5. Short-term receivables from affiliated companies			10.704.335			49.806.701
11. Sundry debtors			254.069.292			387.607.919
12. Advances on account			3.990.000			0
<i>III. Securities</i>						
3. Other securities			504.038.156			0
<i>IV. Cash/(Available means)</i>						
1. Cash in hand			6.722.192.365			108.531
3. Cash at banks & time deposits			6.722.192.365			17.863.620.300
Total Current Assets (DII+DIII+DIV)			13.253.297.645			18.251.336.750
<b>E. SUSPENSE ACCOUNTS</b>						
2. Suspense accounts income			2.331.350			2.233.716
Total Assets			42.675.187.182			43.562.984.748
<b>MEMO DEBIT ACCOUNTS</b>						
2. Warranties & collateral security debit accounts			1.500.000			0
			1.500.000			0

## Notes:

- On 31/12/2001 the company had 16 employees.
- The company's fixed assets are not burdened by financial obligations (debt).
- The Assets account "Equity participations and long-term receivables" (CIII) includes participations at acquisition cost in three companies engaged in real estate development in the amount of approx. 34.4 billion GRD. The corresponding book value of these participations, according to the their latest financial statements is approximately 8.4 billion GRD less than the acquisition cost. Of this amount, approx. 8.0 billion GRD represents the difference between the acquisition cost and the current market value (according to valuations by independent appraisers) of the real estate assets of the affiliated companies, while the balance of 0.4 billion GRD represents, according to the company, the goodwill related to the acquisition of these participations. These participations were valued at acquisition cost, according to the provisions of par. 3 of article 42a of CL 21/90/1920, regarding the presentation of an accurate view of the company's financial position.

## LIABILITIES

	Current year	Previous year
<b>A. SHAREHOLDERS EQUITY</b>		
<i>I. Share capital</i>		
(14,496,250 shares at 102,225 GRD each)	1.481.879.156	1.449.625.000
1. Paid in	1.481.879.156	1.449.625.000
<i>II. Paid up share premium</i>	39.180.995.844	39.213.250.000
<i>IV. Capital reserves</i>		
1. Ordinary reserves	138.105.132	126.420.448
4. Non-operating reserves	25.500.000	25.500.000
5. Tax exempt reserves	1.268.037.542	1.246.798.056
	1.431.642.674	1.398.718.506
<i>V. Retained earnings</i>		
Profits carried forward	0	134.090.055
Total Shareholders Equity (AII+AIIV+AV)	42.094.517.674	42.195.683.561
<b>B. PROVISIONS</b>		
<i>I. Staff Leaving Indemnities</i>	18.695.600	0
	18.695.600	0
<b>C. LIABILITIES</b>		
<i>II. Current liabilities</i>		
1. Suppliers	28.881.335	63.043.664
5. Taxes payable	14.364.141	521.158.668
6. Social security funds	6.540.128	2.472.271
10. Dividends payable	507.575.257	779.569.784
11. Sundry creditors	4.834.603	1.056.800
Total Liabilities (CII)	561.895.664	1.367.301.187
<b>D. SUSPENSE LIABILITY ACCOUNTS</b>		
2. Suspense accounts expenses	78.244	0
	78.244	0
<b>TOTAL LIABILITIES</b>	42.675.187.182	43.562.984.748
<b>MEMO CREDIT ACCOUNTS</b>		
2. Warranties & collateral security credit accounts	1.500.000	0
	1.500.000	0

## INCOME STATEMENT

for the year ended December 31, 2001 (January 1 - December 31, 2001)

	Current year	Previous year
<b>I. Operating results</b>		
Turnover (sales)	31,345,080	0
Less: Cost of goods sold	<u>13,266,000</u>	<u>0</u>
Gross operating results	18,079,080	0
Plus: I. Other operating income	243,585,194	0
Total	<u>261,664,274</u>	<u>0</u>
Less :		
I. Administrative expenses	582,671,083	296,657,133
Other operating income	<u>-321,006,809</u>	<u>-296,657,133</u>
<b>More :</b>		
I. Income from equity participations	61,377,024	
2. Income from securities	1,944,445	
4. Interest income and related revenues	<u>587,242,639</u>	<u>1,820,871,573</u>
Less :		
3. Interest expense & related costs	225,505	173,351,063
Total operating result	<u>650,338,603</u>	<u>1,647,520,510</u>
<b>II. PLUS Non-operating results</b>	329,331,794	1,350,863,377
I. Non-operating income	30,095,378	244,444
2. Non-operating gains	<u>131,199</u>	<u>244,444</u>
Less :		
I. Non-operating expenses	29,622	4,955,186
2. Non-operating losses	<u>0</u>	<u>4,955,186</u>
Total operating & non-operating results	<u>359,528,749</u>	<u>1,346,152,635</u>
Less :		
Total depreciation of fixed assets	100,032,006	59,831,296
Less: Depreciation included in operating cost	<u>100,032,006</u>	<u>59,831,296</u>
<b>NET INCOME BEFORE TAX</b>	<u>359,528,749</u>	<u>1,346,152,635</u>

Athens, April 12, 2002

THE CHAIRMAN OF THE BOARD OF DIRECTORS

SPYRIDON G. MAKRIDAKIS  
ID No. A711644

THE CHIEF EXECUTIVE OFFICER

LAMBROS G. ANAGNOSTOPOULOS  
PASSPORT No. N627134

THE CHIEF FINANCIAL OFFICER

ANTONIOS K. KAFFAS  
ID No. S272217

THE DEPUTY C.F.O  
AND CHIEF ACCOUNTANT

FANOURIOS E. A. LIFRAGIS  
ID No. S646146

## APPROPRIATION ACCOUNT

	Current year	Previous year
Net results (profit) before tax	359,528,749	1,346,152,635
Retained earnings	134,090,055	134,090,055
Total	493,618,804	1,480,242,690
LESS I. Income tax	<u>114,922,833</u>	<u>390,283,654</u>
Net income to be distributed	<u>378,695,971</u>	<u>1,089,959,036</u>
<b>Net income (profit) distribution</b>		
1. Statutory reserve	11,684,684	43,749,961
2. Dividends	345,771,803	724,812,500
6a. Tax-exempt income reserves	18,855,804	92,118,892
6b. Specially taxed income reserves	2,383,680	95,187,628
8. Retained earnings carried forward	<u>0</u>	<u>134,090,055</u>
	<u>378,695,971</u>	<u>1,089,959,036</u>



## INCOME STATEMENT

for the year ended December 31, 2001 (January 1 - December 31, 2001)

	Current year	Previous year
<b>I. Operating results</b>		
Turnover (sales)	4,653,184,238	1,036,920,127
Less: Cost of goods sold	2,726,840,776	619,856,505
Gross operating results (profit)	1,926,343,462	417,063,622
Plus : I. Other operating income	0	414,451,151
Total	1,926,343,462	831,514,773
Less :		
1. Administrative expenses	586,981,632	523,917,135
Other operating income (profits)	1,339,361,830	307,597,638
<b>Plus :</b>	2,099,050	14,918,209
Less :		
2. Income from securities		
3. Interest expense & related costs	18,185,488	1,912,637
Total operating result (profits)	1,323,275,392	13,005,572
<b>II. PLUS Non-operating results</b>		
I. Non-operating income	1,511,981	7,531,629
3. Prior year income	99,480,344	20,104,100
3. Income from prior year provisions	0	21,209,718
Less :		
1. Non-operating expenses	0	3,820,967
3. Prepaid expenses	0	10,687,695
Operating & non-operating results (profits)	1,424,267,717	14,508,662
Less :		
Total depreciation of fixed assets	120,769,352	187,722,394
Less : Depreciation included in operating cost	120,769,352	187,722,394
<b>NET INCOME BEFORE TAX</b>	<u>1,424,267,717</u>	<u>354,939,995</u>

THE CHAIRMAN OF THE BOARD OF DIRECTORS

EVANGELOS I. CHRONIS  
ID No. S281286

THE CHIEF EXECUTIVE OFFICER

LAMBROS G. ANAGNOSTOPOULOS  
PASSPORT No. N627134

Athens, March 29 2001

A MEMBER OF THE BOARD

ANTONIOS K. KAFFAS  
ID No. S272217

THE CHIEF ACCOUNTANT

PAVLOS N. KORNAROS  
ID No. X282210

## APPROPRIATION ACCOUNT

	Current year	Previous year
Net results (profit) before tax	1,424,267,717	354,939,995
Retained earnings	0	-43,767,334
Difference from revaluations according to law No. 2065/92	0	41,740,895
Balance from profits from previous accounting period	179,657,362	0
Total	1,603,925,079	352,913,556
LESS		
1. Income tax	471,461,025	138,826,141
2. Other taxes not included in operating cost	16,635,629	7,692,537
<b>Net Income (profit) to be distributed</b>	<u>1,115,828,425</u>	<u>206,394,878</u>

### Net Income (profit) distribution

1. Statutory reserve	44,508,366	10,421,066
2. Dividends	1,069,955,000	0
6a. Tax-exempt income reserves	11,436	16,316,450
6b. Specially taxed income reserves	713	0
6c. Special reserve from construction activities	1,352,910	0
8. Profit carried forward	0	179,657,362
	<u>1,115,828,425</u>	<u>206,394,878</u>

**OLYMPIA SA**

REAL ESTATE COMPANY  
CO. REG. No. I3078/01/B/86/138(01)

BALANCE SHEET AS OF DECEMBER 31 2001 (13th FISCAL PERIOD JANUARY 1 - DECEMBER 31 2001)

**ASSETS**

	Acquisition Cost	Accumulated Depreciation	Net Book Value	Acquisition Cost	Accumulated Depreciation	Net Book Value
<b>B. CAPITALISED EXPENSES</b>						
4. Other capitalised expenses	45,969,108	36,775,285	9,193,823	45,969,108	27,581,463	18,387,645
<b>C. FIXED ASSETS</b>						
<i>II. Tangible Assets</i>						
1. Land						
3. Buildings	788,756,529	0	788,756,529	788,756,529	0	788,756,529
4. Machinery, installations & equipment	2,915,465,221	201,414,547	2,714,050,674	282,939,726	152,823,460	130,116,266
6. Furniture & fixtures	801,524,401	58,099,894	743,424,507	179,892,979	65,913,957	113,979,022
7. Assets under construction	3,211,849	579,320	2,632,529	3,986,829	2,713,073	1,273,756
	0	0	0	2,735,001,348	0	2,735,001,348
	4,508,958,000	260,093,761	4,248,864,239	3,990,577,411	221,450,490	3,769,126,921
<i>III. Equity participations &amp; long-term receivables</i>						
7. Other long-term receivables			3,650,000			3,650,000
			4,252,514,239			3,769,776,921
<b>D. CURRENT ASSETS</b>						
<i>II. Receivables</i>						
4. Equity capital receivable			2,005,936			0
11. Sundry debtors			58,736,353			0
12. Advances on account			0			108,325
			60,742,289			108,325
<i>IV. Cash-(/Available means)</i>						
1. Cash in hand			60,957			14,545
3. Cash at banks & time deposits			399,103			1,977,994
			460,060			1,992,539
			61,202,349			2,100,864
<b>Total Current Assets (DII+DIII+DIV)</b>			<b>4,322,910,411</b>			<b>3,790,378,070</b>
<b>E. SUSPENSE ACCOUNTS</b>						
1. Prepaid expenses			0			112,640
			0			112,640
<b>TOTAL ASSETS</b>			<b>4,322,910,411</b>			<b>3,790,378,070</b>
<b>MEMO DEBIT ACCOUNTS</b>						
2. Warranties & collateral security debit accounts			3,956,107,650			3,966,644,180
			3,956,107,650			3,966,644,180

**LIABILITIES**

	Current year	Previous year
<b>A. SHAREHOLDERS EQUITY</b>		
<i>I. Share capital</i>		
(360,000 shares at 3,407.50 GRD each)		
1. Paid in	1,224,694,064	1,224,694,064
2. Due	2,005,936	0
	1,226,700,000	1,224,694,064
<i>III. Revaluation &amp; Subsidy reserves</i>		
2. Other asset revaluation reserve	39,489,973	39,489,973
	39,489,973	39,489,973
<i>IV. Capital reserves</i>		
1. Ordinary reserves	233,503	233,503
	233,503	233,503
<i>V. Retained earnings</i>		
Losses carried forward	-114,515,834	-56,211,718
Losses carried forward	-343,883,559	-287,671,841
	-458,399,393	-343,883,559
	808,024,083	920,533,981
<b>Total Shareholders Equity (AII+AIII+AV)</b>		
<b>C. LIABILITIES</b>		
<i>I. Long-term liabilities</i>		
2. Bank loans	2,918,897,244	2,172,105,386
8. Other long-term liabilities	111,900,000	99,900,000
	3,030,797,244	2,272,005,386
<i>II. Current liabilities</i>		
1. Suppliers	13,093,856	74,056,833
3. Short-term bank loans	460,530,838	496,444,244
5. Taxes payable	6,059,684	5,249,054
6. Social security funds	0	16,131,737
11. Sundry creditors	4,404,706	5,956,835
	484,089,084	597,838,703
	3,514,886,328	2,869,844,089
<b>Total Liabilities (CI+CII)</b>	<b>4,322,910,411</b>	<b>3,790,378,070</b>
<b>MEMO CREDIT ACCOUNTS</b>		
2. Warranties & collateral security credit accounts	3,956,107,650	3,966,644,180
	3,956,107,650	3,966,644,180

## INCOME STATEMENT

for the year ended December 31, 2001 (January 1 - December 31, 2001)

	Current year	Previous year
<b>I. Operating results</b>		
Turnover (sales)	165.600.000	0
Less : Cost of goods sold	<u>32.606.337</u>	<u>0</u>
Gross operating results (profit)	132.993.663	0
Less :		
1. Administrative expenses	<u>-109.036.576</u>	<u>-45.007.574</u>
Other operating income	23.957.087	-45.007.574
<b>Plus :</b>		
4. Interest income and related revenues	424.092	278.284
3. Interest expense & related costs	<u>105.395.683</u>	<u>75.125</u>
Total operating result (loss)	<u>-104.971.591</u>	<u>203.159</u>
<b>II. PLUS Non-operating results</b>		
1. Non-operating income	297.945	90.492
Less :		
2. Non-operating losses	0	0
3. Prepaid expenses	<u>21.881.480</u>	<u>0</u>
Total operating & non-operating result	<u>-102.598.039</u>	<u>-44.713.923</u>
Less :		
Total depreciation of fixed assets	81.177.721	11.807.945
Less : Depreciation included in operating cost	<u>81.177.721</u>	<u>11.807.945</u>
<b>NET INCOME/(LOSS) BEFORE TAX</b>	<u>-102.598.039</u>	<u>-44.713.923</u>

THE CHAIRMAN OF THE BOARD OF DIRECTORS

EVANGELOS I. CHRONIS  
ID No. 5281286

Athens, March 29, 2002

THE CHIEF EXECUTIVE OFFICER

LAMBROS G. ANAGNOSTOPOULOS  
PASSPORT No. N627134

A MEMBER OF THE BOARD

ANTONIOS K. KAFFAS  
ID No. 5272217

THE ACCOUNTING MANAGER

PAVLOS N. KORNAROS  
ID No. 5282210

# HEPHAESTUS HELLAS SHIPYARDS

INDUSTRIAL AND SHIPPING SA

CO. REG. No. 7814/03/B/86/95

BALANCE SHEET AS OF DECEMBER 31 2001 (33rd FISCAL PERIOD JANUARY 1 - DECEMBER 31 2001)

	Acquisition Cost		in GRD		Acquisition Cost	in GRD		Current year	Previous year
	Cost	Depreciation	Net Book Value	Accumulated Depreciation		Net Book Value	Depreciation		
<b>B. CAPITALISED EXPENSES</b>									
1. Establishment expenses	26.851.054	23.256.813	3.594.241	22.428.453	22.428.454	22.428.453			
4. Other capitalised expenses	60.160.119	50.513.824	9.646.295	59.891.119	59.891.119	41.733.437			
Total capitalised expenses	87.011.173	73.770.637	13.240.536	82.319.573	82.319.573	64.161.890			2.250.000.000
<b>C. FIXED ASSETS</b>									
<i>II. Tangible Assets</i>									
1. Land	474.581.856		474.581.856		474.581.856				
3. Buildings	236.677.865	216.911.943	19.765.922	236.143.865	236.143.865	213.934.219		6.899.782	41.835.77
4. Machinery, installations & equipment	557.612.687	518.216.794	39.395.896	551.847.422	551.847.422	507.351.739		7.619.278	
5. Motor vehicles	374.600.375	50.974.479	323.625.896	108.718.773	108.718.773	41.651.571		14.449.060	4.183.577
6. Furniture & fixtures	30.074.097	20.700.153	9.373.944	19.961.629	19.961.629	18.856.006			
7. Assets under construction	456.351.895		456.351.895	19.961.629	19.961.629	18.856.006		27.344.691	42.547.335
Total tangible assets (CII)	2.129.898.775	806.803.369	1.323.095.406	1.391.253.545	1.391.253.545	778.793.535		27.344.691	-1.417.793.559
<i>III. Equity participations &amp; long-term receivables</i>									
7. Other long-term receivables			4.751.400					4.751.400	-1.375.246.224
Total fixed assets (CII+CIII)			1.327.846.806					1.831.893.890	878.937.353
<b>D. CURRENT ASSETS</b>									
<i>I. Inventories</i>									
4. Raw materials & consumables - spare parts and packaging materials			60.706.155					988.620.001	192.297.387
<i>II. Receivables</i>									
1. Accounts receivable			679.299.702					103.219.915	6.172.590
3a. Cheques receivable			97.171.550					12.415.260	6.172.590
10. Doubtful receivables			2.673.800					165.764.137	147.860.369
11. Sundry debtors			47.082.000					54.114.146	47.649.757
12. Advance on accounts			331.880					67.867.302	60.664.825
<i>III. Securities</i>									
3. Other securities			5.155.885					1.392.000.761	454.644.928
<i>IV. Cash-(Available means)</i>									
1. Cash in hand			154.578						
3. Cash at banks & time deposits			981.442.191						
Total Current Assets (DII+DIII+DIV)			1.874.017.741					3.223.894.651	1.333.582.281
<b>E. SUSPENSE ACCOUNTS</b>									
I. Prepaid expenses									
3. Other securities			8.789.568						
Total Assets (B+C+D+E)			3.223.894.651					3.223.894.651	1.333.582.281
<b>MEMO DEBIT ACCOUNTS</b>									
2. Warranties & collateral security debit accounts									
Total Memo Debit Accounts									
<b>LIABILITIES</b>									
<b>A. SHAREHOLDERS EQUITY</b>									
<i>I. Share capital</i>									
(1.313.353 shares at 1.363 GRD each)									
I. Paid in								1.790.100.139	2.250.000.000
<i>IV. Capital reserves</i>									
1. Ordinary reserves								6.899.782	41.835.77
5. Tax exempt reserves								7.619.278	
<i>V. Retained earnings</i>									
Profits carried forward								27.344.691	42.547.335
Losses brought forward								27.344.691	-1.417.793.559
Total Shareholders Equity (AII+AV+AV)								1.831.893.890	878.937.353
<b>C. LIABILITIES</b>									
<i>II. Current liabilities</i>									
1. Suppliers								988.620.001	192.297.387
3. Short-term bank loans								103.219.915	6.172.590
4. Customer advances								12.415.260	6.172.590
5. Taxes payable								165.764.137	147.860.369
6. Social security funds								54.114.146	47.649.757
11. Sundry creditors								67.867.302	60.664.825
Total Liabilities (CII)								1.392.000.761	454.644.928
<b>TOTAL LIABILITIES (A+C)</b>								3.223.894.651	1.333.582.281
<b>MEMO CREDIT ACCOUNTS</b>									
2. Warranties & collateral security credit accounts								312.294.400	99.279.200

## INCOME STATEMENT

for the year ended December 31, 2001 (January 1 - December 31 2001)

	Current year	in GRD	Previous year	in GRD
<b>I. Operating results</b>				
Turnover (sale of services)		4,266,580,464		1,905,167,352
Less : Cost of sales		4,010,085,727		1,689,578,381
Gross operating results (profit)		256,494,737		215,588,971
Plus : Other operating income		66,425,858		57,904,977
<b>Total</b>		<u>322,920,595</u>		<u>273,493,948</u>
<b>Less :</b>				
1. Administrative expenses		219,938,321		155,881,311
3. Sales & Distribution expenses		239,996,994		176,536,296
Other operating income		82,923,601		96,957,652
<b>Plus :</b>				
2. Income from securities		4,691,983		1,376,512
4. Interest income and related revenues		2,927,295		760,492
		<u>7,619,278</u>		<u>2,137,004</u>
<b>Less :</b>				
3. Interest expense & related costs		6,868,809		1,074,749
Total operating result (loss)		<u>750,469</u>		<u>1,062,255</u>
<b>II. PLUS Non-operating results</b>		<u>83,674,070</u>		<u>98,019,907</u>
1. Non-operating income		1,311,283		271,141
2. Non-operating gains		10,880,642		9,000,000
3. Prior year income		12,191,925		9,027,141
<b>Less :</b>				
1. Non-operating expenses		381,828		4,943,111
3. Prepaid expenses		10,805,618		1,004,479
Total operating & non-operating results		<u>84,678,549</u>		<u>102,103,937</u>
<b>Less :</b>				
Total depreciation of fixed assets		37,705,498		28,928,209
Less : Depreciation included in cost of goods sold		<u>37,705,498</u>		<u>28,928,209</u>
<b>NET INCOME BEFORE TAX</b>		<u>84,678,549</u>		<u>102,103,937</u>

Elefina, January 24, 2002

THE C.E.O. & MANAGING DIRECTOR

MARIOS A. STERGIOU  
ID No. 0409007

THE CHIEF FINANCIAL OFFICER  
& ACCOUNTING MANAGER

APOSTOLOS K. IDOUNAS  
ID No. M334566

THE ACCOUNTING MANAGER

PAVLOS N. KORNAROS  
ID No. E282210

## APPROPRIATION ACCOUNT

in GRD

	Current year	Previous year
Net results (profit) before tax	84,678,549	102,103,937
(+) or (-) Losses brought forward	-2,746,224	-1,417,793,559
(+) or (-) Tax audit differences brought forward		-11,427,044
<b>Total</b>	<u>81,932,325</u>	<u>-1,327,116,666</u>
Less: 1. Income tax and contribution to the Agricultural Fund	37,970,941	46,950,654
2. Other taxes not included in operating cost	6,351,210	1,178,904
<b>Net Income (profit) to be distributed</b>	<u>37,610,174</u>	<u>-1,375,246,224</u>
<b>Net Income (profit) distribution</b>		
1. Statutory reserve	2,646,205	
6b. Specially taxed income reserves	7,619,278	
8. Retained earnings carried forward	27,344,691	
	<u>37,610,174</u>	

**NOTES:** 1. During the year 2000 company assets were revalued according to the provisions of L. 2065/1992, and the acquisition cost of land was adjusted by 77,832,000 GRD, an amount reflected in losses brought forward.  
2. The company's fixed assets are not burdened by financial obligations (debt).

# EFG EUROBANK PROPERTIES

REAL ESTATE MANAGEMENT S.A.

CO. REG. No. 365018/06/365

BALANCE SHEET AS OF DECEMBER 31 2001 (49TH FISCAL PERIOD JANUARY 1 - DECEMBER 31 2001)

## ASSETS

### B. CAPITALISED EXPENSES

1. Construction loan interest expenses
4. Other capitalised expenses

Acquisition Cost	Accumulated Depreciation	Net Book Value	Acquisition Cost	Accumulated Depreciation	Net Book Value
84,525,466	31,653,920	52,871,546	79,134,800	15,826,960	63,307,840
3,393,449,061	832,644,323	2,560,804,738	2,221,370,999	183,267,891	2,038,103,108
3,477,974,527	864,298,243	2,613,676,284	2,300,505,799	199,094,851	2,101,410,948

Total capitalised expenses

### C. FIXED ASSETS

#### I. Tangible Assets

1. Land
3. Buildings
6. Furniture & fixtures
7. Assets under construction and advance payments

Acquisition Cost	Accumulated Depreciation	Net Book Value	Acquisition Cost	Accumulated Depreciation	Net Book Value
6,905,814,857		6,905,814,857	2,571,032,330		2,571,032,330
17,079,491,026	1,569,456,218	15,510,034,808	12,899,640,218	1,038,118,018	11,861,522,200
74,018,400	11,044,645	62,973,755	39,825,898	2,745,609	37,080,289
643,525,701		643,525,701	1,318,294,051		1,318,294,051

#### III. Equity participations & long-term receivables

1. Participations in affiliated companies
2. Participations in other companies
4. Long-term receivables from affiliated companies
6. Marketable securities
7. Other long-term receivables

Acquisition Cost	Accumulated Depreciation	Net Book Value	Acquisition Cost	Accumulated Depreciation	Net Book Value
24,702,849,984	1,580,500,863	23,122,349,121	16,828,792,497	1,040,863,627	15,787,928,870
		1,402,000,000			
		239,945,545			
		492,751,525			
		226,719,880			
		955,100			955,100
		25,484,721,171			15,788,883,970
		559,022,218			559,022,218

#### Total fixed assets (CII+CIII)

### D. CURRENT ASSETS

#### I. Inventories

##### 1. Merchandise

#### II. Receivables

1. Accounts receivable
4. Equity capital receivable
11. Sundry debtors
12. Advance on account

		414,634,270			230,812,670
		200,100,000			
		203,749,305			138,528,589
		21,300,000			
		820,613,575			369,341,259
		1,297,971,805			0

#### III. Securities

##### 1. Shares

#### IV. Cash/(Available means)

1. Cash in hand
3. Cash at banks & time deposits

		35,171			27,758
		1,059,862,922			242,984,923
		1,059,898,093			243,012,681
		3,737,505,691			1,171,376,158

#### Total Current Assets (DII+DIII+DIII+DVI)

### E. SUSPENSE ACCOUNTS

2. Suspense accounts income

#### TOTAL ASSETS (B+C+D+E)

		4,164,120			7,415,718
		31,840,067,266			19,069,086,794

### MEMO DEBIT ACCOUNTS

1. Third-party assets
2. Warranties & collateral security debit accounts
3. Claims from bilateral agreements

		5,117,033,800			5,117,033,800
		15,333,750,000			15,333,750,000
		7,650,162,000			6,050,000,000
		28,100,945,800			6,050,000,000

## LIABILITIES

### A. SHAREHOLDERS EQUITY

#### I. Share capital

(6,898,082 shares at 725,7975 GRD each)

		4,806,510,670			4,801,009,450
		200,100,000			4,801,009,450
		5,006,610,670			4,801,009,450
		6,919,145,896			6,924,647,116

#### 2. Due

		102,293,447			102,293,447
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#### II. Paid up share premium

		42,752,600			18,194,114
		3,880,194			3,880,194
		13,473,983			10,854,603
		60,106,087			32,928,911

#### III. Revaluation & Subsidy reserves

		42,752,600			18,194,114
		3,880,194			3,880,194
		13,473,983			10,854,603
		60,106,087			32,928,911

#### IV. Capital reserves

		42,752,600			18,194,114
		3,880,194			3,880,194
		13,473,983			10,854,603
		60,106,087			32,928,911

#### I. Ordinary reserves

		42,752,600			18,194,114
		3,880,194			3,880,194
		13,473,983			10,854,603
		60,106,087			32,928,911

#### 4. Non-operating reserves

		42,752,600			18,194,114
		3,880,194			3,880,194
		13,473,983			10,854,603
		60,106,087			32,928,911

#### 5. Tax exempt reserves

		42,752,600			18,194,114
		3,880,194			3,880,194
		13,473,983			10,854,603
		60,106,087			32,928,911

#### V. Retained earnings

		399,859,567			37,909,496
		12,488,015,667			11,898,788,420

#### Total Shareholders Equity (AII+AIV+A V)

		8,330,000			8,243,733
		8,330,000			8,243,733
		8,330,000			8,243,733

### B. PROVISIONS

#### 1. Staff Leaving Indemnities

		8,330,000			8,243,733
		8,330,000			8,243,733

#### 2. Other provisions

		8,330,000			8,243,733
		8,330,000			8,243,733

### C. LIABILITIES

#### I. Long-term liabilities

##### 1. Debentures

		15,333,750,000			15,333,750,000
		1,300,000,000			1,300,000,000
		16,633,750,000			16,633,750,000

##### 2. Bank loans

		272,577,558			302,970,115
		1,600,162,000			6,200,000,000
		549,494,627			418,676,645
		11,854,741			8,224,695
		140,000,345			205,325,733
		41,096,041			16,344,258
		2,691,317,016			7,151,541,446

#### II. Current liabilities

##### 1. Suppliers

		18,654,583			6,651,944
		31,840,067,266			19,069,086,794

##### 3. Short-term bank loans

		5,117,033,800			5,117,033,800
		15,333,750,000			15,333,750,000
		7,650,162,000			6,050,000,000
		28,100,945,800			6,050,000,000

##### 5. Taxes payable

		5,117,033,800			5,117,033,800
		15,333,750,000			15,333,750,000
		7,650,162,000			6,050,000,000
		28,100,945,800			6,050,000,000

##### 6. Social security funds

		5,117,033,800			5,117,033,800
		15,333,750,000			15,333,750,000
		7,650,162,000			6,050,000,000
		28,100,945,800			6,050,000,000

##### 9. Liabilities to affiliated companies

		5,117,033,800			5,117,033,800
		15,333,750,000			15,333,750,000
		7,650,162,000			6,050,000,000
		28,100,945,800			6,050,000,000

##### 10. Dividends payable

		5,117,033,800			5,117,033,800
		15,333,750,000			15,333,750,000
		7,650,162,000			6,050,000,000
		28,100,945,800			6,050,000,000

##### 11. Sundry creditors

		5,117,033,800			5,117,033,800
		15,333,750,000			15,333,750,000
		7,650,162,000			6,050,000,000
		28,100,945,800			6,050,000,000

#### Total Current Liabilities (CII)

		18,654,583			6,651,944
		31,840,067,266			19,069,086,794

#### Total Liabilities (CII+CIII)

		5,117,033,800			5,117,033,800
		15,333,750,000			15,333,750,000
		7,650,162,000			6,050,000,000
		28,100,945,800			6,050,000,000

### D. SUSPENSE LIABILITY ACCOUNTS

2. Suspense accounts expenses

		18,654,583			6,651,944
		31,840,067,266			19,069,086,794

#### TOTAL LIABILITIES (A+B+C+D)

		5,117,033,800
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## INCOME STATEMENT

for the year ended December 31, 2001 (January 1 - December 31, 2001)

	2001	in GRD	2000	in GRD
<b>I. Operating results</b>				
Turnover (sales)		3,326,486,814	1,294,844,360	in GRD
Less : Cost of sales		2,351,587,661	918,276,401	
Gross operating results (profit)		974,899,153	376,567,959	
Plus : Other operating income		974,899,153	1,000,000	
Total		1,949,798,306	377,567,959	
Less :				
1. Administrative expenses		180,566,436	107,977,736	
3. R&D expenses		794,332,717	7,440,493	
Other operating income		74,596,955	3,358,532	
Plus :				
4. Interest income and related revenues		666,674,512	106,721,005	
Less :				
3. Interest expense & related costs		202,255,160	158,787,257	
Total operating result (profit)		1,355,000,620	491,951,687	
<b>II. PLUS Non-operating results</b>				
1. Non-operating income	35,227,286		253,175,303	
2. Non-operating gains	570,188,203		238,776,384	
3. Prior year income	1,736,097			
4. Income from prior year provisions	3,861,251			
Less :				
1. Non-operating expenses	147,811		20,000	
2. Non-operating losses	18,840,828		0	
3. Prepaid expenses	8,407,806		122,130	
Total operating & non-operating results		1,355,000,620	142,130	
Less :				
Total depreciation of fixed assets		1,355,000,620	366,708,932	
Less : Depreciation included in operating cost		0	366,708,932	
<b>NET INCOME BEFORE TAX</b>		0	0	
		785,871,552	650,596,814	

Athens, 2002

THE CHAIRMAN OF THE BOARD OF DIRECTORS

HARALAMBOS KYRKOS  
ID No. M123371

THE CHIEF EXECUTIVE OFFICER

ARISTOTELIS KARYTINOS  
ID No. S199654

THE HEAD OF THE ACCOUNTING DEPT.

ILIAS PAPAIIPOPOULOS  
ID No. K015219

## APPROPRIATION ACCOUNT

in GRD

	2001	2000
Net results (profit) before tax	785,871,552	650,596,814
Profit (Loss) brought forward	37,909,496	-118,990,126
Total	823,781,048	531,606,688
Less :		
1. Income tax	396,744,305	235,515,112
2. Other taxes not included in operating cost	427,036,743	276,091,576
Net Income (profit) to be distributed or losses carried forward		
Net Income (profit) distribution	24,558,486	15,948,200
1. Statutory reserve	205,284,542	205,284,542
2. Dividends	261,8690	779,338
5. Specially taxed income, reserves		16,170,000
6. Executive compensation	399,859,567	37,909,496
8. Retained earnings carried forward	427,036,743	276,091,576

# SWISSPORT LAMDA HELLAS

AIRCRAFT GROUND HANDLING SA

CO. REG. No. 42190/04/B/99/63(01)

IST CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31 2001 (JANUARY 1 - DECEMBER 31 2001)

## ASSETS

	Acquisition Cost	Accumulated Depreciation	Net Book Value
<b>B. CAPITALISED EXPENSES</b>			
1. Establishment expenses	98.109.973	18.897.872	79.212.101
4. Other capitalised expenses	184.368.045	65.707.949	118.660.096
Total capitalised expenses	282.478.018	84.605.821	197.872.197
<b>C. FIXED ASSETS</b>			
<i>II. Tangible Assets</i>			
1. Buildings	233.569.885	25.974.688	207.645.197
4. Machinery, installations & equipment	82.918.448	12.803.985	70.114.463
5. Motor vehicles	18.359.686	2.174.666	16.185.020
6. Furniture & fixtures	226.751.538	36.818.714	189.932.824
Total tangible assets (CII)	561.599.557	77.772.053	483.827.504
<i>III. Equity participations &amp; long-term receivables</i>			
7. Other long-term receivables			79.992.663
Total fixed assets (CII+CIII)			563.870.167

## D. CURRENT ASSETS

<i>II. Receivables</i>			
1. Accounts receivable			898.569.214
3a. Cheques receivable			133.531.027
11. Sundry debtors			129.862.373
			1.161.962.614
<i>III. Securities</i>			
3. Other securities			342.140.616
<i>IV. Cash-(Available means)</i>			
1. Cash in hand			82.144.753
3. Cash at banks & time deposits			263.792.320
			345.937.073
Total Current Assets (DI+DIII+DIV)			1.850.040.303

## E. SUSPENSE ACCOUNTS

1. Prepaid expenses	8.876.975
2. Suspense accounts income	1.090.943
3. Sundry suspense accounts	749.228
	10.717.146
<b>TOTAL ASSETS (B+C+D+E)</b>	<b>2.622.499.813</b>

## MEMO DEBIT ACCOUNTS

1. Third-party assets	3.278.483.862
2. Warranties & collateral security debit accounts	1.954.435.685
	5.232.919.547

## LIABILITIES

	2001	in GRD
<b>A. SHAREHOLDERS EQUITY</b>		
<i>I. Share capital</i>		
1. Paid in	1.373.086.202	
<i>V. Retained earnings</i>		
Losses carried forward	1.118.175.225	
Losses brought forward	-223.127.996	
<i>IX. Minority Interests</i>		
	14.769.952	
Total Shareholders Equity (AI+AV+AIX)	46.552.993	
<b>C. LIABILITIES</b>		
<i>II. Current liabilities</i>		
1. Suppliers	1.154.715.202	
3. Short-term bank loans	558.480.067	
5. Taxes payable	50.966.952	
6. Social security funds	206.556.008	
11. Sundry creditors	135.656.824	
Total Liabilities (CII)	2.106.375.053	
	469.571.827	

## D. SUSPENSE LIABILITY ACCOUNTS

2. Suspense accounts expenses	2.622.499.813
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## TOTAL LIABILITIES (A+C+D)

## MEMO CREDIT ACCOUNTS

1. Beneficiaries of third-party assets	3.278.483.862
2. Warranties & collateral security credit accounts	1.954.435.685
	5.232.919.547

## INCOME STATEMENT

for the year ended December 31, 2001 (January 1 - December 31, 2001)

	Current year	in GRD
<b>I. Operating results</b>		
Turnover	5,866,747,389	
Less : Cost of sales	6,348,331,599	
Gross operating results (loss)	-481,584,210	
Plus : Other operating income	254,768,237	
<b>Total</b>	<b>-226,815,973</b>	
<b>Less :</b>		
1. Administrative expenses	857,438,702	
Other operating income (loss)	-1,084,254,675	
<b>Plus :</b>	<b>5,891,875</b>	
4. Interest income and related revenues	79,036,712	
3. Interest expense & related costs	-73,144,837	
<b>Total operating result (loss)</b>	<b>-1,157,399,512</b>	
<b>II. PLUS Non-operating results</b>		
1. Non-operating income	943,765	
3. Prior year income	248,375	
<b>Less :</b>		
1. Non-operating expenses	20,947,901	
<b>Total operating &amp; non-operating results (loss)</b>	<b>0</b>	
<b>Less :</b>		
Total depreciation of fixed assets	125,752,822	
Less : Depreciation included in cost of goods sold	125,752,822	
<b>NET INCOME/(LOSS) before minority rights</b>	<b>-1,177,155,273</b>	

Sparta, February 25, 2002

THE CHAIRMAN OF THE BOARD OF DIRECTORS

JOSEF IN-ALBON  
PASSPORT No. 976783321-4-1998

THE VICE CHAIRMAN  
OF THE BOARD OF DIRECTORS

LAMBROS ANAGNOSTOPOULOS  
PASSPORT No. 627134/23-4-1999

THE GENERAL MANAGER

SIMON LEHMAN  
PASSPORT No. 1025152/21-6-2001

THE FINANCIAL MANAGER

GRIGORIA GEORGIU  
ID No. LI63933/20-5-1980

### AUDITORS REPORT

To the Shareholders of SWISSPORT LAMDA HELLAS, Aircraft Ground Handling Services SA

We have audited according to the provisions of Art.108 of Cod.Law 2190/1920, the above Consolidated Financial Statements and the Notes thereto of the SWISSPORT LAMDA HELLAS Aircraft Ground Handling Services SA and its subsidiaries SWISSPORT FREIGHT PLUSHELLAS Freight and Postal Services SA, SWISSPORT - AVIAREPS HELLAS Aircraft Ground Handling Services SA and WACKENHUT - SWISSPORT - WANZL HELLAS Airport transport services SA, for the fiscal year ended December 31, 2001. Our audit was conducted in accordance with the auditing procedures that we considered appropriate, based on the auditing standards and guidelines of the Greek Association of Certified Auditors, and we have verified that the Board of Director's consolidated report is consistent with the related Consolidated Financial Statements. We have not audited the financial statements of the WACKENHUT - SWISSPORT - WANZL HELLAS SA subsidiary (airport handling services), included in the consolidation and representing 9.4% and 9.2% of consolidated total assets and turnover respectively. This subsidiary, whose initial fiscal period will end on December 31, 2002, is included in the consolidation with financial statements for the period February 21 to December 31, 2001. Based on our audit the following can be stated: 1. All of the companies included in the consolidation have not been audited for tax purposes since their establishment. Therefore, their tax obligations have not been finalized. 2. Based on the No. 205/1988 Advisory Opinion by the Plenary Session of the Legal Council to the Hellenic Administration, the companies included in the consolidation do not maintain severance and retirement reserves. If such reserves had been maintained in compliance with article 42b of CL 2190/1920 they would amount to approximately 114.5 million GRD. 3. The DIII /Accounts Receivable account includes a doubtful amount of 148 million GRD. This account should be reduced by this amount, with a corresponding entry made in Losses carried forward. 4. Total Shareholders Equity is less than half of Share Capital and therefore article 47 of CL 2190/1920 is applicable. In our opinion (taking into consideration our above notes 1, 2 and 3), the above Consolidated Financial Statements are in compliance with CL 2190/1920 and present fairly and in accordance with the relevant legislation and the generally accepted accounting principles applied by the company the financial position as well as the financial results of all the companies included in the consolidation as of December 31, 2001.

Athens, March 26 2001  
THE CERTIFIED AUDITOR  
CHRISTODOULOS SEFERIS  
L.C. A.C.A. 12541  
ERNST & YOUNG (HELLAS), CHARTERED ACCOUNTANTS S.A.



## **BOARD OF DIRECTORS:**

1. Spyridon G. Makrydakis,  
*Chairman*
2. Evangelos I. Chronis,  
*Vice Chairman*
3. Lambros G. Anagnostopoulos,  
*Chief Executive Officer*
4. Anastasios-Alexandros Livieratos,\*  
*Member*
5. Dimitrios T. Papalexopoulos,\*\*  
*Member*

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\* *from 3/10/2001*

\*\* *from 8/2/2002*







16 Laodikias Str.  
115 28 Athens - Greece  
Tel.: +3010 7450-600  
Fax: +3010 7450-645  
e-mail: [lamda@lamda-development.net](mailto:lamda@lamda-development.net)  
[www.lamda-development.net](http://www.lamda-development.net)

