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**Aktor Constructions International
Limited**

**Report and financial statements
31 December 2006**

Aktor Constructions International Limited

Report and financial statements 31 December 2006

Contents

	Page
Board of Directors and other officers	1
Report of the Board of Directors	2 - 3
Independent Auditors' Report	4 - 6
Income statement	7
Balance sheet	8
Statement of changes in equity	9
Cash flow statement	10
Notes to the financial statements	11 - 20
Additional information to the income statement	21

Aktor Constructions International Limited

Board of Directors and other officers

Board of Directors

Charalambos Michaelides
Panayiota Papademetriou

Company Secretary

Zet Secretarial Ltd
Julia House
3 Themistocles Dervis Street
CY-1066 Nicosia
Cyprus

Registered office

Julia House
3 Themistocles Dervis Street
CY-1066 Nicosia
P.O. Box 21612
CY-1591 Nicosia
Cyprus

Aktor Constructions International Limited

Report of the Board of Directors

1 The Board of Directors presents its report together with the audited financial statements of the Company for the year ended 31 December 2006.

Principal activities

2 The principal activity of the Company, which is unchanged from last year, is that of an investment holding company.

Review of developments, position and performance of the Company's business

3 The Company has not made any new investment during 2006, but granted loans to related companies. The financial position of the Company as represented in the financial statements is considered satisfactory.

Principal risks and uncertainties

4 The principal risks of the Company are the recoverability of loans granted to related companies.

Future developments

5 The Board of Directors does not expect any significant changes in the activities of the company for the foreseeable future.

Results

6 The Company's results for the year are set out on page 7. The loss for the year is carried forward.

Share capital

7 On 28 February 2006 the Company issued 1 000 shares of C£1 each, at a price of C£115,18 per share, fully paid amounting to C£115.180. On 24 March 2006 the Company issued 1 000 shares of C£1 each, at a price of C£334,16 per share, fully paid amounting to C£334.160. On 31 December 2006 the Company issued 1 000 shares of C£1 each, at a price of C£86,393 per share, fully paid amounting to C£86.393.

Board of Directors

8 The members of the Board of Directors at 31 December 2006 and at the date of this report are shown on page 1. All of them were members of the Board throughout the year ended 31 December 2006.

9 There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors.

Aktor Constructions International Limited

Report of the Board of Directors (continued)

Events after the balance sheet date

10 There were no material events which occurred after the end of the financial year.

Branches

11 The Company did not operate through any branches during the year.

Auditors

12 The Independent Auditors, PricewaterhouseCoopers Limited, have expressed their willingness to continue in office. A resolution giving authority to the Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board



Charalambos Michaelides
Director

Nicosia
31 May 2007



PricewaterhouseCoopers Limited
Julia House
3 Themistocles Dervis Street
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Independent Auditors' Report To the Members of Aktor Constructions International Limited

Report on the Financial Statements

1 We have audited the financial statements of Aktor Constructions International Limited (the "Company") on pages 7 to 20, which comprise the balance sheet as at 31 December 2006 and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Board of Directors' Responsibility for the Financial Statements

2 The Company's Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (EU) and International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB) and the requirements of the Cyprus Companies Law, Cap. 113. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

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

Board Members: Phildas K Pliides (CEO), Dinos N Pápadopoulos (Deputy CEO), Tassos I Televantides (Deputy CEO), Panikos N Tsilialis, Christakis Santis, Stephanos D Stephanides, Costas L Hadjiconstantinou, George Foradaris, Costas M Nicolaidis, Angelos M Lolzou, Vasilis Hadjivassiliou, Androulla S Piltas, Savvas C Michail, Costas L Mavrocordatos, Christos M Themistocleous, Panicos Kaouris, Nicos A Neophytou, George M Lolzou, Timothy D Osburne, Pantelis G Evangelou, Lefkos M Theodorou, Stelios Constantinou, Tassos Procopiou, Andreas T Constantinides, Theo Pappas, Constantinos Constantinou, Petros C Petrakis, Philippos C Gossellos, Evgenios C Evgeniou, Christos Tsoiakis, Nicos A Theodoulou, Nikos T Nikolaidis, Cleo A Papadopoulou, Marios S Andreou, Nicos P Chimarides, Aram Tavliian, Constantinos Tsiolitis, Stavros A Kallamias, Yiannos A Kaponides, Tasos N Nolas, Chrysilios K Pelekanos
Directors of Operations: Adrian Ioannou, Androulla Aristidou, Achilleas Chrysanthou, George Skapoullaros, Bambos A Charalambous, Chris Odysseos, Demetris V Psaltis, Constantinos L Kapsalis, Melina Pyrgou

4 An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

6 In our opinion, the financial statements give a true and fair view of the financial position of Aktor Constructions International Limited as of 31 December 2006, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU and International Financial Reporting Standards as issued by the IASB and the requirements of the Cyprus Companies Law, Cap. 113.

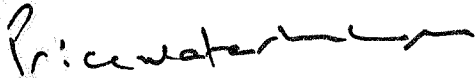
Report on Other Legal Requirements

7 Pursuant to the requirements of the Companies Law, Cap. 113, we report the following:

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- In our opinion, proper books of account have been kept by the Company.
- The Company's financial statements are in agreement with the books of account.
- In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Law, Cap. 113, in the manner so required.
- In our opinion, the information given in the report of the Board of Directors on pages 2 to 3 is consistent with the financial statements.

Other Matter

8 This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 156 of the Companies Law, Cap. 113 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.



PricewaterhouseCoopers Limited
Chartered Accountants

Nicosia, 31 May 2007

Aktor Constructions International Limited

Income statement for the year ended 31 December 2006

	Note	2006 €	2005 €
Gains	5	20.162	6.342
Administrative expenses		(19.169)	(18.507)
Operating profit/(loss)		<u>993</u>	<u>(12.165)</u>
Finance cost	7	(44.101)	(25.937)
Loss before tax		<u>(43.108)</u>	<u>(38.102)</u>
Tax	8	-	-
Loss for the year		<u>(43.108)</u>	<u>(38.102)</u>

The notes on pages 11 to 20 are an integral part of these financial statements.


Aktor Constructions International Limited

Balance sheet at 31 December 2006

	Note	2006 €	2005 €
Assets			
Non-current assets			
Investments in subsidiary companies	9	164.349	164.349
Receivables	10	762.431	341.317
		<u>926.780</u>	<u>505.666</u>
Current assets			
Receivables	11	1.912.529	1.243.486
Cash and cash equivalents	12	22.660	80
		<u>1.935.189</u>	<u>1.243.566</u>
Total assets		<u><u>2.861.969</u></u>	<u><u>1.749.232</u></u>
Equity and liabilities			
Capital and reserves			
Share capital	13	24.253	19.025
Share premium	13	1.923.030	998.258
Accumulated losses		(101.398)	(58.290)
		<u>1.845.885</u>	<u>958.993</u>
Current liabilities			
Payables	14	31.156	19.405
Borrowings	15	984.928	770.834
		<u>1.016.084</u>	<u>790.239</u>
Total liabilities		<u>1.016.084</u>	<u>790.239</u>
Total equity and liabilities		<u><u>2.861.969</u></u>	<u><u>1.749.232</u></u>

On 31 May 2007 the Board of Directors of Aktor Constructions International Limited authorised these financial statements for issue.

Charalambos Michaelides, Director



Panayiota Papademetriou, Director



The notes on pages 11 to 20 are an integral part of these financial statements.

Aktor Constructions International Limited

Statement of changes in equity for year ended 31 December 2006

	Note	Share capital €	Share premium €	Accumulated losses (1) €	Total €
Balance at 1 January 2005		19.025	998.258	(20.188)	997.095
Loss for the year		-	-	(38.102)	(38.102)
Balance at 31 December 2005/ 1 January 2006		<u>19.025</u>	<u>998.258</u>	<u>(58.290)</u>	<u>958.993</u>
Issue of share capital	13	5.228	924.772	-	930.000
Loss for the year		-	-	(43.108)	(43.108)
Balance at 31 December 2006		<u>24.253</u>	<u>1.923.030</u>	<u>(101.398)</u>	<u>1.845.885</u>

- (1) As from 1 January 2003, companies which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, during the two years after the end of the year of assessment to which the profits refer, will be deemed to have distributed this amount as dividend. Special contribution for defence at 15% will be payable on such deemed dividend to the extent that the shareholders (individuals and companies) at the end of the period of two years from the end of the year of assessment to which the profits refer are Cyprus tax residents. The amount of this deemed dividend distribution is reduced by any actual dividend paid out of the profits of the relevant year at any time. This special contribution for defence is paid by the Company for the account of the shareholders.

The notes on pages 11 to 20 are an integral part of these financial statements.

Aktor Constructions International Limited

Cash flow statement for the year ended 31 December 2006

	Note	2006 €	2005 €
Cash flows from operating activities			
Loss before tax		(43.108)	(38.102)
Interest income	5	(20.162)	(6.342)
Interest expense	7	44.079	19.990
		<u>(19.191)</u>	<u>(24.454)</u>
Changes in working capital:			
Receivables		-	66.639
Payables		11.751	15.709
		<u>(7.440)</u>	<u>57.894</u>
Cash (used in)/generated from operations		(7.440)	57.894
Tax paid		-	-
		<u>(7.440)</u>	<u>57.894</u>
Cash flows from investing activities			
Purchase of subsidiaries	9	-	(164.349)
Interest received		20.162	6.342
Loans to related parties		(1.090.157)	(1.584.803)
		<u>(1.069.995)</u>	<u>(1.742.810)</u>
Cash flows from financing activities			
Proceeds from issue of share capital		930.000	1.000.000
Interest paid		(44.079)	(19.990)
		<u>885.921</u>	<u>980.010</u>
Net cash from financing activities		885.921	980.010
		<u>(191.514)</u>	<u>(704.906)</u>
Net decrease in cash and bank overdrafts		(191.514)	(704.906)
Cash and bank overdrafts at beginning of year		(770.754)	(65.848)
		<u>(962.268)</u>	<u>(770.754)</u>
Cash and bank overdrafts at end of year	12	(962.268)	(770.754)

The notes on pages 11 to 20 are an integral part of these financial statements.

Aktor Constructions International Limited

Notes to the financial statements

1 General information

Country of incorporation

The company is incorporated and domiciled in Cyprus as a private limited liability company in accordance with the provisions of the Companies Law, Cap. 113. Its registered office is at Julia House, 3 Themistocles Dervis Street, CY-1066 Nicosia, Cyprus.

Principal activities

The principal activity of the Company, which is unchanged from last year, is that of an investment holding company.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented in these financial statements unless otherwise stated.

Basis of preparation

The financial statements of Aktor Constructions International Limited have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB). The financial statements comply with both these reporting frameworks because at the time of their preparation all applicable IFRSs issued by the IASB have been adopted by the EU through the endorsement procedure established by the European Commission. In addition the financial statements have been prepared in accordance with the requirements of the Cyprus Companies Law, Cap. 113. The financial statements have been prepared under the historical cost convention as modified by the revaluation of land and buildings, investment property, available-for-sale financial assets and financial assets at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Consolidated financial statements

The Company has prepared these parent's separate financial statements for compliance with the requirements of the Cyprus Income Tax Law.

The ultimate holding Company has prepared consolidated financial statements in accordance with International Financial Reporting Standards. The consolidated financial statements can be obtained from 78A Louizes Riankour, 11523 Athens, Greece.

Aktor Constructions International Limited

2 Accounting policies (continued)

Consolidated financial statements (continued)

Users of these parent's separate financial statements should read them together with the Group's consolidated financial statements as at and for the year ended 31 December 2006 in order to obtain a proper understanding of the financial position, the financial performance and the cash flows of the Company and the Group.

Adoption of new and revised IFRS

In the current year the Company adopted all new and revised IFRS that are relevant to its operations and are effective for accounting periods beginning on 1 January 2006.

This adoption did not result in substantial changes to the Company's accounting policies.

At the date authorisation of these financial statements the following Standards were in issue but not yet effective:

New Standard / Interpretation	Effective
<i>Standards that become effective for years ending 31 December 2007</i>	
• IFRS 7 "Financial Instruments: Disclosures" and IAS 1 amendment "Presentation of Financial Statements"	1 January 2007
• IFRIC Interpretation 7 "Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies"	1 March 2006
• IFRIC Interpretation 8 "Scope of IFRS 2"	1 May 2006
• IFRIC Interpretation 9 "Reassessment of Embedded Derivatives"	1 June 2006
• IFRIC Interpretation 10 "Interim Financial Reporting and Impairment" *	1 November 2006
<i>Standards that become effective for years ending 31 December 2008</i>	
• IFRIC Interpretation 11 "IFRS 2 - Group and Treasury Share Transactions" *	1 March 2007
• IFRIC Interpretation 12 "Service Concession Arrangements" *	1 January 2008
<i>Standards that become effective for years ending 31 December 2009</i>	
• IFRS 8 "Operating Segments" *	1 January 2009
• IAS 23 (Amendment) "Borrowing Costs" *	1 January 2009

* Have not yet been endorsed by the European Union.

The Board of Directors anticipates that the adoption of these Standards in future periods will have no material impact on the financial statements of the Company.

Aktor Constructions International Limited

2 Accounting policies (continued)

Revenue recognition

Interest income is recognised on a time proportion basis using the effective interest method.

Foreign currency translation

(a) Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in EURO, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Tax

Current tax liabilities and assets for the current periods are measured at the amount expected to be paid to or recovered from the taxation authorities using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Subsidiaries

Subsidiaries are undertakings in which the Company generally has over 50% of the voting rights, or over which the Company has control. Investments in subsidiaries are shown at cost less any provision for impairment.

Aktor Constructions International Limited

2 Accounting policies (continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and for which there is no intention of trading the receivable. They are included in current assets, except for maturities greater than twelve months after the balance sheet date. These are classified as non-current assets.

Share capital

Ordinary shares are classified as equity.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Cash and cash equivalents

Cash and cash equivalents include deposits held at call with banks and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

Aktor Constructions International Limited

3 Financial risk management

(a) Financial risk factors

The Company's activities expose it to interest rate risk, liquidity risk and currency risk arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

(i) Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Company's income and operating cash flows are substantially independent of changes in market interest rates as the Company has no significant interest-bearing assets. The Company is exposed to interest rate risk in relation to its borrowings. The Company's management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

(ii) Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

(iii) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's functional currency. At the year-end the Company had no significant balances in foreign currencies. The Company's management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

(b) Fair value estimation

The nominal value less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values.

Aktor Constructions International Limited

4 Critical accounting estimate and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. As at the balance sheet date, the Company's estimates and assumptions had no significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5 Gains

	2006 €	2005 €
Interest income:		
Loans to related parties (Note 16b)	<u>20,162</u>	<u>6,342</u>

6 Expenses by nature

	2006 €	2005 €
Accounting and administration fees	11,901	10,452
Auditors' remuneration	2,200	2,536
Auditors remuneration prior years	(261)	-
Legalisation of documents	764	2,467
Bank charges	1,348	271
Directors' fees	876	857
Secretary's fees	350	343
Other expenses	1,991	1,611
Total cost of administrative expenses	<u>19,169</u>	<u>18,507</u>

7 Finance costs

	2006 €	2005 €
Interest expense:		
Bank borrowings	<u>44,079</u>	<u>19,990</u>
Net foreign exchange transaction losses	<u>22</u>	<u>5,947</u>
	<u>44,101</u>	<u>25,937</u>

Aktor Constructions International Limited

8 Tax

The Company had tax losses carried forward at 31 December 2006 amounting to C£55,038 (2005: C£30,440).

No provision for deferred taxation has been made as:

- (a) There are no differences between the amounts attributed to assets and liabilities for tax purposes and their corresponding carrying amounts in the balance sheet; and
- (b) There is uncertainty over the utilisation of the accumulated tax losses in future years.

9 Investments in subsidiary companies

	2006 €	2005 €
At beginning of the year	164,349	-
Acquisitions	-	164,349
At the end of the year	<u>164,349</u>	<u>164,349</u>

The Company's interest in its wholly subsidiary companies, which are unlisted, is as follows:

Name	% of holding	Country of incorporation
General Gulf Holdings S.P.C	100	Bahrain
Millennium Construction Equipment & Trading LLC	100	Dubai

The recoverability of the investment held in Millennium Construction Equipment & Trading LLC is guaranteed by the holding company, Aktor S.A..

10 Non-current receivables

	2006 €	2005 €
Loans and receivables:		
Loans to related parties (Note 16a)	<u>762,431</u>	<u>341,317</u>

11 Receivables

	2006 €	2005 €
Loans to related parties (Note 16a)	<u>1,912,529</u>	<u>1,584,803</u>

The fair value of receivables which are due within one year approximates their carrying amount at the balance sheet date.

Aktor Constructions International Limited

12 Cash and cash equivalents

	2006 €	2005 €
Cash at bank	<u>22,600</u>	<u>80</u>

Cash and bank overdrafts include the following for the purposes of the cash flow statement:

	2006 €	2005 €
Cash and bank balances	22,660	80
Bank overdrafts (Note 15)	(984,928)	(770,834)
	<u>(962,268)</u>	<u>(770,754)</u>

13 Share capital and share premium

	Number of shares	Share Capital		Share Premium		Total	
		C£	€	C£	€	C£	€
At 1 January 2005 and 31 December 2005	11 000	11,000	19,025	573,000	998,258	584,000	1,017,283
Issue of shares in 2006 (1)	3 000	3,000	5,228	532,733	924,772	535,733	930,000
At 31 December 2006	<u>14 000</u>	<u>14,000</u>	<u>24,253</u>	<u>1,105,733</u>	<u>1,923,030</u>	<u>1,119,733</u>	<u>1,947,283</u>

The total authorised number of ordinary shares is 500 000 shares (2005: 500 000 shares) with a par value of C£1 per share.

- (1) On 28 February 2006 the Company issued 1 000 shares of C£1 each, at a price of C£115,18 per share, fully paid amounting to C£115,180. On 24 March 2006 the Company issued 1 000 shares of C£1 each, at a price of C£334,16 per share, fully paid amounting to C£334,160. On 31 December 2006 the Company issued 1 000 shares of C£1 each, at a price of C£86,393 per share, fully paid amounting to C£86,393.

All issued shares are fully paid.

14 Payables

	2006 €	2005 €
Payable to related party (Note 16b)	27,779	16,013
Accrued expenses	2,416	2,002
Other payables	961	1,390
	<u>31,156</u>	<u>19,405</u>

The fair value of payables which are due within one year approximates their carrying amount at the balance sheet date.

Aktor Constructions International Limited

15 Borrowings

	2006 €	2005 €
Current		
Bank overdrafts (Note 12)	<u>984.928</u>	<u>770.834</u>

The bank overdrafts are secured with guarantees from the ultimate holding company.

The weighted average effective interest rate at the balance sheet date is as follows:

	2006 %	2005 %
Bank overdraft	<u>5,25</u>	<u>5,25</u>

The carrying amount of bank overdraft approximates its fair value.

16 Related party transactions

The Company is wholly owned by Aktor S.A. a company incorporated in Greece. The Company's ultimate controlling party is Hellenic Technodomiki TEB A.E., a company listed in the Athens Stock Exchange.

The following transactions were carried out with related parties:

(a) Loans to related parties

	2006 €	2005 €
Current loans (Note 11):		
Millennium Construction Equipment & Trading LLC (1)	1.912.529	1.133.486
Al Ahmadiyah Aktor LLC	-	110.000
	<u>1.912.529</u>	<u>1.243.486</u>
Non-current loans (Note 10):		
Gulf Millennium Holdings Limited (2)	641.479	341.317
General Gulf Holdings S.P.C. (3)	120.952	-
	<u>762.431</u>	<u>341.317</u>
Total loans to related parties	<u>2.674.960</u>	<u>1.584.803</u>

- (1) The loan to Millennium Construction Equipment & Trading LLC was provided interest free and is repayable on demand. The loan is guaranteed by the holding company, Aktor S.A..
- (2) The loan to Gulf Millennium Holdings Limited was provided with an interest rate of 3,5% and is repayable within 5 years from the date of issue. The loan is guaranteed by the holding company, Aktor S.A..
- (3) The loan to General Gulf Holdings S.P.C. was provided interest free and is repayable within 5 years from the date of issue.

Aktor Constructions International Limited

16 Related party transactions (continued)

(b) Payable to related party

	2006	2005
	€	€
Payable to related party (Note 14):		
Gulf Millennium Holdings Limited	<u>27.779</u>	<u>16.013</u>

The loan from Gulf Millennium Holdings Limited was provided interest free and is repayable on demand.

(c) Directors' remuneration

The total remuneration of the Directors was as follows:

	2006	2005
	€	€
Fees	<u>876</u>	<u>857</u>

17 Events after the balance sheet date

There were no material post balance sheet events, which have a bearing on the understanding of the financial statements.

Independent Auditors' Report on pages 4 to 6.

Aktor Constructions International Limited

Analysis of expenses for year ended 31 December 2006

	2006	2005
	€	€
Administrative expenses		
Auditors' remuneration	2.200	2.535
Auditors remuneration – prior year	(261)	-
Accounting and administration fees	11.901	10.452
Directors' fees	876	857
Bank charges	1.348	271
Legalisation of documents	764	2.467
Professional tax	389	368
Printing, stationery and office supplies	385	170
Postages, telephone and faxes	371	120
Secretary's fees	350	343
Registered office fees	348	343
Courier charges	-	36
Travelling local	-	34
Sundry expenses	498	511
	<u>19.169</u>	<u>18.507</u>