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Development of basic Financial Indicators

SUMMARY OF FINANCIAL INDICATORS

(in million €)	1996	1997	1998	1999	2000	2001	2002
Total Shareholder's Equity	25,62	26,89	28,91	92,69	95,51	98,81	94,15
(1996 = 100)	(100)	(105)	(113)	(362)	(373)	(386)	(367)
Total Capital Employed	40,33	39,18	47,21	122,11	128,11	145,46	129,82
(1995 = 100)	(100)	(97)	(117)	(303)	(318)	(361)	(322)
Fixed Assets (before Depreciation)	39,08	40,23	40,26	47,79	79,42	85,88	90,02
(1996 = 100)	(100)	(103)	(103)	(122)	(203)	(220)	(230)
Fixed Assets Depreciation	25,93	28,6	28,85	30	31,34	32,85	33,84
(1996 = 100)	(100)	(110)	(111)	(116)	(121)	(127)	(131)
Gross Profit	8,07	7,45	4,65	8,92	10,18	19,28	21,5
(1996 = 100)	(100)	(92)	(58)	(111)	(126)	(239)	(266)
Net profit (for distribution)	3,73	3,11	2,12	3,94	6,22	8,08	10,84
(1996 = 100)	(100)	(83)	(57)	(106)	(167)	(217)	(291)
Dividends	1,47	1,53	0,76	3,05	4,57	5,19	8,31
(1996 = 100)	(100)	(104)	(52)	(207)	(311)	(353)	(565)
Consolidation rate of equity							
(non-depreciated fixed assets / equity)	51%	43%	39%	19%	50%	54%	60%
Equity / Debt Ratio	174%	219%	158%	315%	293%	212%	264%
Current ratio (current assets / short-term debt)	1,91	2,39	1,97	3,61	2,3	1,95	2,01
Return on Equity (net profit / equity)	21%	17%	11%	6%	10%	14%	16%
Return on capital employed	8,98%	7,00%	4,49%	2,90%	2,20%	4,81%	6,67%
(net profit and finance expenses / total capital employed)							

SUMMARY OF CONSOLIDATED FINANCIAL INDICATORS

(in million €)	1996	1997	1998	1999	2000	2001	2002
Total Shareholder's Equity	25,83	27,20	28,58	92,59	95,47	100,25	90,07
(1996=100)	(100)	(105)	(111)	(358)	(370)	(388)	(349)
Total Capital Employed	40,31	38,96	46,47	124,54	135,82	149,37	125,56
(1996 = 100)	(100)	(97)	(115)	(309)	(337)	(371)	(311)
Fixed Assets (before depreciation)	42,43	43,72	43,09	50,68	63,69	69,95	71,41
(1996=100)	(100)	(103)	(102)	(119)	(150)	(165)	(168)
Fixed Assets Depreciation	29,69	32,53	32,89	34,14	38,60	40,96	42,59
(1996=100)	(100)	(110)	(111)	(115)	(130)	(138)	(143)
Gross Profit	8,48	7,86	4,95	9,70	19,85	27,85	26,45
(1996=100)	(100)	(93)	(58)	(114)	(234)	(328)	(312)
Net profit (for distribution)	3,84	3,21	2,18	4,18	9,83	11,47	12,32
1996=100)	(100)	(84)	(57)	(109)	(256)	(299)	(321)
Dividends	1,47	1,53	0,76	3,05	4,57	5,19	8,31
1996=100)	(100)	(104)	(52)	(207)	(311)	(353)	(565)
Consolidation rate of equity (non-depreciated fixed assets / equity)	49%	41%	36%	18%	26%	29%	32%
Equity / Debt Ratio	178%	231%	160%	290%	237%	204%	254%
Current ratio (current assets / short-term debt)	2,00	2,44	2,05	3,45	2,61	2,43	2,66
Return on Equity (net profit / equity)	21%	18%	11%	7%	19%	20%	18%
Return on capital employed (net profit and finance expenses / total capital employed)	9,40%	7,44%	4,62%	3,09%	3,90%	7,15%	9,25%

BOARD OF DIRECTORS – MANAGEMENT

BOARD OF DIRECTORS

EVANGELOS MYTILINEOS	Chairman & CEO
IOANNIS MYTILINEOS	Vice President & Managing Director
GEORGIOS PALLAS	Member & Deputy Managing Director
NIKOLAOS BAKIRTZOGLU	Member & General Manager
GEORGIOS OIKONOMOU	Member & Deputy General Manager
IOSIF AVAGIANOS	Member (Independent Non-Executive)
EMMANUEL KAKARAS	Member (Independent Non-Executive)

GENERAL MANAGEMENT

NIKOLAOS BAKIRTZOGLU	General Manager
FILIPPOS ZOTOS	Deputy General Manager Head – Projects Department
GEORGIOS OIKONOMOU	Deputy General Manager Head – Plants

INTERNAL AUDIT

GEORGIOS ZERIS	Director
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DIVISIONS

GEORGIOS MAMMAS	Director – Financial and Administrative Services
IOANNIS THEODOROPOULOS	Head – Procurement
GEORGIOS IOANNIDIS	Head – Civil Engineering Projects
STAVROS KARYDIS	Head – Defense Projects
THEMISTOKLIS TYPALDOS	Head – Commercial Department
AIMILIOS FILIPPIDES	Head – Technical Services Department

LETTER TO THE SHAREHOLDERS

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Dear Shareholders,

For METKA, 2002 was a milestone year in which we consolidated the development of the company's complex and specialized projects in all its basic sectors.

- In the energy sector, the project of major importance SES Fiorina was completed, and an agreement is in place to construct two power production plants, with a total output capacity of 60 MW, in Crete. In fact, the initial stage of construction is underway.
- In the infrastructure sector, a significant part of the metal work on the Rio-Antirio Bridge was completed. In addition, construction has commenced on the exceptionally complex and impressive OAKA velodrome for the 2004 Olympic Games. The cycling track was designed by the renowned architect Santiago Calatrava.
- In the defense sector, the first part of METKA's submarine project was completed and delivered, and a major contract was signed for a tank-manufacturing program.
- In addition to these projects, METKA completed a series of other contracts that were technically and economically successful.
- Our objectives are to secure major projects in all basic sectors and continue to make METKA an exceptional performer. Based on its formidable experience, its unique expertise, and its specialized personnel, METKA is well-placed to grow significantly from its two industrial sites in Volos.

We are fully aware that for the METKA Group to maintain its current leading position and to expand further requires persistence and perseverance. We are confident and optimistic that our future is bright and that METKA will continue to lead, will continue to expand, and will continue to give its shareholders excellent value.

Ioannis G. Mytilineos
Vice President and Managing Director

Subsidiary Company Activity

SUBSIDIARY COMPANY ACTIVITY

- Subsidiaries EKME S.A. - RODAX A.T.E.E. -3KP A.T.E.E. continued to perform well in 2002, having achieved satisfactory financial results and additional collaborative partnerships. Under Mytilineos-METKA administration, ELVO continued to show profits for a second year; this after repeated losses before 2001. TCB was the sole exception, as it showed weakness in collaborative development with METKA and other companies of the Group, as well as in activities as an independent company. There was a delay in TCB's anticipated investments in refineries, the primary activity of the company.

Because of these developments, the administration of METKA took drastic measures—it purchased a further 54% of TCB shares and took complete control of the administration of the company in March 2002. In August 2002, METKA purchased the remaining 6% stake of TCB, making it the sole shareholder of TCB with a 100% stake, and we expect total consolidation to be completed in 2004.

NEW SUBSIDIARY COMPANIES AND ACTIVITIES

■ MYTILINEOS POWER GENERATION AND SUPPLIES S.A.

In line with the Mytilineos Group of Companies' five-year plan, and within the framework of a deregulated electricity market, Mytilineos Power Generation and Supplies S.A. was formed, with METKA holding a 33% stake. The primary objective of the company is to produce, and trade in, energy. The priority project is the construction of a natural gas-fired power plant in Volos, with a total output capacity of 400 MW. The company has obtained the necessary licenses from the Regulating Authority for Energy (RAE) to market the electricity produced. The studies for the project were assigned to the Fichtner-Exergis consortium, and have reached an advanced stage. At the same time, discussions have been initiated with financial institutions for project financing, as well as with international energy companies to forge a strategic partnership. We are awaiting the publication of a new legal code, concerning the privatization of energy, to begin the project.

■ MYTILINEOS HELLENIC WIND POWER S.A.

Mytilineos Hellenic Wind Power S.A. was founded to develop and construct wind farms. The company has already acquired licenses for the construction of wind farms in Platano, Crete and in Sidirokastro, Serres. METKA holds 24% of the company shares and will undertake the construction of the wind farms.

■ REAL ESTATE IN VOLOS

As stated in the bulletin on increasing shareholder capital, which METKA published in December 1999, the company's commitment to its shareholders' interests includes purchasing and developing real estate on the Volos beachfront valued at €2,35 million. METKA obtained building licenses for this property in 2002 and began construction of residential homes at the start of 2003.

PROGRESS OF PROJECTS: 2002

■ CONFRONTING ENERGY CHALLENGES IN CRETE

During the summer of 2001, the gas turbines under lease to SES Linoperamata were successfully installed and in operation, and were able to meet the increased demand for electricity in Crete, thus preventing power cuts on the island.

The installation of a permanent gas turbine of 43,2 MW at SES Linoperamata was completed during 2002. The turbines were put into operation according to contractual obligation. Works completed during 2002 on this project amounted to €18,5 million.

■ CO-DISPOSAL PIPE CONVEYOR OF SES MEGALOPOLIS

The project was completed during 2002 and is now in commercial operation. Works executed in 2002 on this project amounted to €2,9 million.

■ CONSTRUCTION AND ERECTION OF LHFS AND BOILER AT SES MELITI ACHLADA

Construction was completed during 2002, because of delays in civil works caused by another contractor.

■ FABRICATION AND ERECTION OF STEEL STRUCTURE FOR THE STEAM TURBINE BUILDING OF SES MELITI ACHLADA

Although another contractor delayed the civil works, the project was completed successfully in June 2002.

■ SUPPLY OF SEMI-TRAILERS AND LAUNCHERS FOR THE PATRIOT DEFENSE SYSTEM

After successfully manufacturing a prototype in 2000, METKA proceeded with its contract to produce Patriot Missile Carriers and Launchers for Raytheon. The production program was highly successful and deliveries were made by September 2002.

This is the first time such a system was manufactured in Greece, and its success has led Raytheon to appoint METKA as one of two manufacturers worldwide to produce Patriot Missile Carriers and Launchers. This will allow METKA to export these systems from Greece, a significant advantage for the company.

■ FABRICATION OF THE ARMORED HULL OF TWO SUBMARINES

This exceptional project breaks new ground for Greek industry. After complex technical issues were resolved and prototype trials successfully completed, the project entered the production stage.

METKA has taken the lead as one of the few potential manufacturers of armored submarine hulls, putting the company in a promising position for exports in the future.

Production during 2002 generated a total turnover of €2,4 million.

■ REPLACEMENT OF GENERATOR ROTORS AT SES LINOPERAMATA AND SES RHODES

In January 2002, METKA signed a €2,42 million contract to repair two (2) shafts of SES diesel machines, one in Linoperamata, Crete, and one on Rhodes, and successfully completed the work within the first half of 2002.

■ RIO-ANTIRIO BRIDGE

METKA has been assigned to manufacture and construct vital and specialized sections of the Rio-Antirio Bridge, both as a main contractor of KINOPRAXIA GEFYRA S.A. and as sub-contractor of Cleveland Bridge. The total contract is valued at more than €12 million. During 2002, METKA completed works valued at €1,15 million. We expect the remaining €9,79 million works to be completed during 2003. We anticipate additional construction projects to be allocated during 2003.

■ OLYMPIC PROJECTS

METKA undertook the manufacture, assembly, and full construction of the steel roof structure of the Velodrome and Western Market at the Olympic Athletic Center in Athens (OAKA) from the AKTOR ATE company. Work on the project, valued at €23 million, will continue through 2004. The Velodrome will be executed during 2003 and 2004.

■ EXECUTION OF LONG-TERM AGREEMENTS FOR MAINTENANCE OF PPC STATIONS

In 2002, METKA successfully completed various scheduled repairs and maintenance projects of PPC stations, valued at more than €4,5 million.

■ FABRICATION AND ERECTION OF ELECTROSTATIC PRECIPITATORS AT SES KARDIA

The METKA-ALSTOM consortium won the tender for this project, valued at €42 million. METKA's participation is valued at €26.4 million. Fabrication began in June 2002 and will be completed during 2004. METKA holds a 63% share—unprecedented for a domestic company in the Greek energy industry—in the consortium. The work completed during 2002 had a value of €2,1 million.

■ REPAIR OF GENERATOR AND ITS AUXILIARIES AT SES AGIOS DIMITRIOS, UNIT II

The METKA-ALSTOM consortium signed a €18,3 million contract to repair the generator and peripheral systems that were destroyed in the December 2001 accident at unit II of SES Agios Dimitrios. The work was completed successfully and the station was handed over in June 2002, earlier than the contractual date of delivery. METKA holds a 70% share in the consortium for this project.

■ FABRICATION AND ERECTION OF LIGNITE FILTERS AT SES MEGALOPOLIS, UNIT III

In an international invitation to pre-qualify as contractor to fabricate lignite filters at SES Megalopolis III, the METKA-ALSTOM consortium was the sole candidate manufacturer, and after direct negotiations was appointed contractor of the €17 million project. METKA's participation is a 65% (€11 million) share of the project. The contract was signed at the beginning of 2003. Work has begun and is expected to be completed within the next two years.

■ TITAN

METKA manufactured and installed building structures as part of the building enhancement program at the Titan factory in Thessaloniki. The project was valued at €3,8 million and was completed successfully during 2002.

■ SYROS SHIPYARD

METKA manufactured and installed the €1-million system that hoists boats from the water for maintenance. The project was completed successfully during 2002.

■ REFINERIES PROJECTS (ELPE- ASPROPYRGOS INDUSTRIAL COMPLEX)

METKA began the manufacture and erection of a new methanol tank, a project valued at roughly €600.000. During 2002, work valued €120.660 was completed. The remaining work will be completed during 2003.

In addition, the company manufactured 12 pressure vessels for TAME Unit, valued at €95.000. The vessels were delivered in 2002.

■ SILVER & BARYTE ORES MINING CO. S.A.

METKA manufactured and erected a conveyor belt, loading lifts of ten perlite silos in Voudia, Milos. The conveyor belt, valued at roughly €86.000, was completed and delivered during 2002.

■ KIFISOS BRIDGE (EUKLEIDIS)

The Eukleidis Company appointed METKA to manufacture and erect the steel bridge of Kifisos. The project, valued at €395.000, will be completed during 2003.

■ EXPORTS

For a Greek company trading in Nigeria, METKA constructed 13 silos (and their steel supporting structures) for storing flour, a project valued at €635.000. The silos and steel supporting structures were manufactured at the EKME factory in Kavala and were shipped to Nigeria in two shipments, in January and May 2003. Executed works amounted to €222.000.

■ VARIOUS PROJECTS

During 2002, METKA completed other projects under contract that had a total turnover of more than €5 million.

NEW PROJECTS: 2003

■ FABRICATION OF THE HULL OF TWO SUBMARINES

This project to build fortified submarine hulls, begun in 2002 with the German shipyard Howaldtswerke Deutsche Werft A.G. (HDW), will continue during 2003. Production is expected to generate a total turnover of more than €7,7 million.

■ RIO-ANTIRIO BRIDGE

The Rio-Antirio Bridge project will continue during 2003, and the following works will be completed by METKA, either as the main contractor of "Kinopraxia Gefyra" or as sub-contractor of "Cleveland Bridge":

Project	Client	Contract Price (EUROS)	Executed during 2003
Fabrication and Installation of Pylon Head Steel Structure	KINOPRAXIA GEFYRA	4.991.066	4.922.200
Fabrication of 4 Marsupial Platforms (Auxiliary Platforms for Erection)	KINOPRAXIA GEFYRA	1.350.000	1.350.000
Installation of Rotating Frames	KINOPRAXIA GEFYRA	800.000	760.000
Fabrication and Installation of Lifting Lugs for Pylon Heads	KINOPRAXIA GEFYRA	1.271.000	128.000
Assembly and Installation of the Bridge's Steel Deck	CLEVELAND BRIDGE	3.625.365	2.625.365
		12.037.431	9.785.565

■ FABRICATION & ERECTION OF ELECTROSTATIC PRECIPITATORS AT SES KARDIA

Work by the METKA-ALSTOM consortium on the €42 million project to construct filters for the SES Kardias power station will proceed. (METKA's stake amounts to €26,4 million). Construction began in June 2002 and will be completed during 2004. METKA holds a 63% share—unprecedented for a domestic company in the Greek energy industry—in the consortium. During 2002, works valued at €2,1 million were completed. During 2003, revenues should total €18 million.

■ FABRICATION AND ERECTION OF NEW GENERATOR STATOR AT SES KARDIA

The METKA-ALSTOM consortium signed a contract for the study, fabrication and installation of a new stator for Unit I of SES Kardias. METKA's portion amounts to €3,4 million.

■ FABRICATION AND ERECTION OF LIGNITE FILTERS AT SES MEGALOPOLIS, UNIT III

In an international invitation to pre-qualify as contractor, the METKA-ALSTOM consortium was the sole candidate manufacturer, and after direct negotiations was appointed contractor of the approximately €17-million project. METKA has a 65% (€11 million) share in the project. The contract was signed at the beginning of 2003. Work has begun and is expected to be completed within the next two years.

■ **INSTALLATION OF TWO NEW GAS TURBINES IN OPEN CYCLE OPERATION AT SES LINOPERAMATA AND SES CHANIA**

Following an international tender, METKA won the contract with PPC for the design, procurement, fabrication and installation of two gas turbine units at SES Chania to cover increased demands of electricity during peak times. The €32,3 million contract was signed at the beginning of 2003. A supplement of €4,9 million worth of work was added to the contract for the installation of one of the two units at SES Linoperamata (instead of SES Chania).

PPC, upon signing of this contract with METKA, implicitly recognizes METKA as EPC contractor for the construction of power plants, a status that sets METKA apart from all other Greek construction companies.

In the same contract, PPC included the option of assigning to METKA an additional gas turbine unit to fabricate, valued at approximately €17 million.

■ **OLYMPIC PROJECTS**

METKA began the manufacture, erection, and full construction of the steel structure of the roof of the Velodrome and Western Market at the Olympic Athletic Center in Athens (OAKA) from the AKTOR ATE company. Work on the project, valued at €23 million, has begun. We expect 80% of the work to be completed in 2003 and the remaining 20% to be completed in 2004.

■ **REFINERIES PROJECTS (ELPE-ASPROPYRGOS INDUSTRIAL COMPLEX)**

Work on this project continued and completion is expected during May 2003. The value of the work remaining is €480.000.

■ **KIFISOS BRIDGE (EUKLEIDIS)**

"Eukleidis" appointed METKA to manufacture and construct the steel bridge of Kifisos, valued €395.000. Construction has begun and will be completed during 2003.

■ **KATEHAKI BRIDGE (ATTIKO METRO)**

Following a public tender, METKA won the tender with Attiko Metro to construct a pedestrian bridge designed by Santiago Calatrava over Katehaki Avenue. We expect the €2,3 million contract to be signed shortly.

■ **CO-PRODUCTION OF LEOPARD TANKS**

METKA signed a contract with KMW (Krauss Maffey Wegman) for the co-production of Leopard Armored Vehicles for the Hellenic Ministry of Defense. The €107,3 million contract will ensure long-term production at the Volos factory.

■ **EXECUTION OF LONG-TERM AGREEMENTS FOR MAINTENANCE OF PPC STATIONS**

During 2003, METKA will continue the maintenance of PPC stations, either under contract or after tender. We anticipate contracts to have a total value of €4-5 million.

■ **VOLOS REAL ESTATE**

At the beginning of 2003, construction began on the residential development of a property on a beachfront in Volos. METKA purchased the property at €2,35 million after share capital increase.

■ **EXPORTS**

Thirteen silos for storing flour, and their steel supporting structures, in a contract valued €635.000, were completed for a Greek company trading in Nigeria. The value of work completed during 2003 was €413.000.

■ **VARIOUS PROJECTS**

During 2003, METKA will complete various projects already under contract, which will generate a total turnover of more than €5 million.

Annual Report 2002

1. Company Profile

1.1 Company Data - Annual Report 2001

1.1.1 General Information

Metal Constructions of Greece S.A. (METKA) was established in 1962, with activities in the metallurgy industry, mainly relating to the construction of large and sophisticated metal and mechanical projects. In addition, METKA is also involved in Public Power Corporation (PPC) projects. The Company is based in Nea Ionia, Volos, Greece, has been operating for 41 years and its objectives, based on article 4 in the articles of association are:

1. Industrial production of metal constructions of all types and for all purposes, boilers and sifters, and the trade of all such products in Greece and abroad.
2. Production of all types of machine-works items and trade in such products in Greece and abroad, and execution of all types of engineering works.
3. Performance of all types of works relating to the construction, modification, repair and dismantling of ships and trade in such products in Greece and abroad.
4. The elaboration of designs and implementation of all types of public and private construction projects, especially those relating to the assembly and installation of products manufactured by the Company in Greece and abroad, and all types of installations of industrial equipment.

To achieve the above objectives, the Company may:

- maintain a holding in any type of business with a similar object, including the acquisition of shares of an S.A. company;
- enter a partnership of any form with any natural person or legal entity;
- establish branches of agencies anywhere;
- act as an agent for any other domestic or foreign company.

Article 4 in the Company's founding Articles of Association of 1962 was extended and codified in 1982 and continues to be in force today without any additional changes having been made since then.

The basic market sectors of the Company's activities (design, development, manufacture, installation and commissioning) are listed below:

- Thermoelectric Power Stations
- Hydroelectric Power Stations
- Mine-Conveyor Belts
- Co-manufacturing Defense Programs
- Refineries
- Special Constructions for Plants
- Worksite Constructions (Building).

The Company's objectives are classified under «construction of tanks, containers and vessels», code No. 282.1, in accordance with the classification by the Hellenic National Bureau of Statistics (ESYE).

1.2 Company History

The Company was founded in 1962 by the Hellenic Industrial Development Bank and became involved in the manufacturing of metal constructions, while its plant commenced operation in 1964.

In 1971, the Company was privatized and its rapid development began. The Company's shares were listed on the

Athens Stock Exchange in 1973.

In 1980, METKA acquired the recognized and robust contracting firm TECHNOM S.A., and thus obtained the capacity to built and assemble items at an industrialized level, and therefore the ability to undertake and implement large public projects.

In 1989, the company acquired the «Greek Steel Processing Industry» (Servisteel S.A.), a production plant equipped with advanced technology machinery, which was used in the first phase of industrializing metal works (blasting, cutting, drilling).

The company continued to grow at a steady pace and develop technologically, manufacturing high-technology products and turning out top-quality projects.

METKA has been operating for 41 consecutive years, and it is now expanding to new fields of activity such as energy, defense, renewable energy production projects, exports, and refineries.

At the same time, the company continues its 35-year-long partnership with the Greek Public Power Corporation (PPC) in the development of major projects (a 330 MW steam power station in Florina, a 550 MW combined cycle station in Lavrio), while also pursuing smaller projects and long-term agreements.

In January 1999, Mytilineos Holdings S.A. acquired METKA, after a six-month effort to gain the controlling majority of shares. A package corresponding to 11,8% of METKA shares was bought in July 1998, rising to 27,54% in December 1998. The funds invested to obtain the above percentage of shares reached GRD 10,7 billion. The acquisition was officially completed in early 1999, when one of the main shareholders sold 20,6% of METKA's equity to Mytilineos Group for GRD 9,2 billion. The acquired company is the largest metal constructions complex in Greece with a well-felt presence for many decades in the domestic and international markets. METKA is the main partner of the PPC in many large projects and has acquired all the specialized know-how on issues concerning mine facilities and equipment, advanced industrial constructions, heavy metal constructions and defense systems. The company's current project backlog stands at GRD 45 billion.

METKA employs a staff of 500, while the value of its machinery and equipment exceeds GRD 4,7 billion. METKA plans to expand and strengthen its position in the energy sector (in partnership with the PPC), as well as in large infrastructure projects, specialized industrial constructions and defense systems and materials.

1.3 Services and Products

The strategy of ongoing investment in human resources and equipment resulted in a rapid development of the company's construction capabilities in large Electro-Mechanical projects. From building simple metal constructions (PPC pylons in 1970), the company rapidly moved into complex metal/mechanical constructions and various other projects, such as conveyor belts and power stations, mine excavators and deposits, port equipment, large production plants (Aluminum of Greece, AEVAL), boilers for energy stations and coal crushing mills. In addition, in the last years it has been involved in generators and turbines for hydroelectric and thermoelectric power stations.

Moreover, a large part of the Company's growth has resulted from long-lasting partnerships with large foreign firms (ALSTOM, JEUMONT, EVT, MAN, LURGI, VEVEY) in the implementation of public projects in Greece, leading to expansion to projects outside of Greece, such as mine equipment in Germany, power station components in Germany, Belgium and Switzerland, the construction of the largest port crane in Holland, and further extended to providing exclusive know-how on issues of advanced technological standards and requirements (coal crushing mills, high pressure parts of boilers).

The company offers comprehensive solutions in all the above sectors and fields of activity and has the required expertise to successfully realize turn-key projects.

1.4 Market Statistics

METKA belongs to the market sector of metal construction, specifically to the sector of industrial manufacturing and the treatment and conversion of ferrous metals.

METKA is one of 73 companies in this sector which, according to the consolidated balance sheet published by Industrial News and Research: Greek Industry 1998-1999, has total annual sales of €3 billion.

The company is competitive in a number of areas including constructing large thermoelectric stations, large hydroelectric projects, mining and conveyor-belt equipment, specialized and highly demanding factory construction, and worksites for large projects.

METKA's 40-plus years of experience in the energy sector allow it to compete dynamically in the sector, and the company has successfully entered the new deregulated energy market in Greece.

In the defense equipment sector, the prospects are highly promising, especially in co-production contracts.

New government policies, which forecast an EPA increase from 4% to 25% in supplies to the Hellenic Armed Forces, create a host of opportunities, especially in armored and other vehicles, frigates, and submarines.

The company's integrated factories and sophisticated production facilities in Volos, and its experience manufacturing Patriot missile systems, Leonidas armored vehicles, and automatic loading systems for torpedo submarines, create a strong platform for expansion and growth. Recently, new contracts have been signed to co-produce 170 Leopard tanks with Krauss Maffei Weggman and to construct three U-214 submarine hulls with Howaldtswerke-HDW.

Similar prospects are emerging in refinery projects. After many years of stagnation, significant investments in Greece's public and private refineries are moving forward. METKA's technical expertise, integrated factories, and extensive experience are combining to make our company exceptionally competitive in this area.

Since 1999, when the Mytilineos Group assumed ownership and management of METKA S.A., the company has benefitted in numerous ways. The Mytilineos Group has aided in forging new partnerships and improving METKA's financial position, through an expanded international sales network and cost-cutting, especially in procuring raw materials.

The new management has provided renewed momentum to METKA, and the company is now pursuing projects beyond Greece's borders, asserting itself in the new energy market, participating in RES (renewable energy sources) projects, and entering large infrastructure projects. In short, METKA is becoming a dynamic and aggressive leader in a host of areas.

1.5 Prospects - Competition

METKA's prospects seem great in all fields of company activities. The Company concentrates its efforts towards two main directions. The first one is to strengthen its position in its traditional fields of activity, while secondly it wishes to create the circumstances allowing for expansion to new fields of activity in Greece and abroad, especially in neighboring Balkan countries.

We believe that these markets present great development potential, especially in fields of special interest to METKA.

As far as the domestic market is concerned, it is estimated that a number of factors including the economic parameters, the development prospects in some sectors, the energy market deregulation and the support-development programs of 2003-2006 will invite, and in some cases impose, major investments and additional infrastructure projects. Based on its standing in the market and its resources, METKA expects to play a major role in projects that are going to be realized within that context.

In what concerns the markets in Greece's neighboring countries, METKA is already well-prepared, with certain arrangements having already been made for partnerships with dynamic companies in these countries, as well as in

Greece, that offer supplementary services to METKA's field of activity. It is considered almost certain that within the framework of developing-rebuilding the Balkans, METKA will have a share in a number of projects in various sectors.

The individual strategic fields of activity are as follows:

- Energy (Deregulation/Renewable Energy Sources/Co-Production)
- Industry
- Defense
- Petrochemicals-Refineries
- Transportation
- Mining
- Large Infrastructure Projects

Energy

In Greece, besides the conventional PPC power stations (thermoelectric, hydroelectric) the newest development is the generation of power from renewable sources. The same policy seems to be followed by the rest of the Balkan countries. The expansion of the energy market is accompanied by the gradual liberation of the market. The national power transfer networks in Southeast Europe are connected to each other, as well as to the existing power network in Europe.

METKA is very interested in the developments in the energy market and plans to become active in all individual sectors of the market.

METKA's long experience in the construction of both thermoelectric power stations (Kardia, Ag. Demetrios, Lavrio) and hydroelectric power stations (Giona, Aoos, Thissavros) ranks the Company as a leading player in the industry. Therefore, METKA believes that it will be an active competitor in both the long-term works for the upgrading of the existing power stations and the construction of new ones.

At the same time, the Company is very interested in investing in all renewable energy sources (solar, wind, biomass-waste management) and the emerging co-generation market and has already developed certain activities.

In the neighboring Balkan countries, procedures are already under way for the extensive participation of METKA in international contracting joint ventures for new constructions and repair/upgrading projects.

Industry

METKA has always been a key player in industrial investment projects (expansions, reconstructions, upgrading). Indicatively we mention the metallurgy and cement production fields. The Company's specialization combined with all the technological developments will lead it to increase its fields of activity and clients in both the domestic market and in similar industry areas in neighboring countries.

Defense Industry

METKA's entry to the defense sector has been markedly successful. The company, following new regulations set forward by the Uniform Medium-Term Defense Equipment Program (which, for the first time in Greece, impose by law the allocation of armament system production to companies working in co-production) won a significant share of government defense contracts. After fulfilling its initial contracts to high satisfaction, METKA signed major contracts with Raytheon and Lockheed Martin of the United States to construct Patriot missile systems, a project completed in 2002.

The company's extensive preparation to enter the defense sector has proved to be well-planned, and METKA will

continue to pursue promising and profitable activities in defense programs. The state procurement program includes provisions for new tanks and armored vehicles for the Hellenic Army and frigates and submarines for the Hellenic Navy. Given METKA's core competence in this highly specialized area, the company's participation in such projects is seen as certain.

In 2002, METKA signed a contract with Germany's KMW (Krauss Maffei Weggman) to co-manufacture 170 Leopard tanks and, also in 2002, signed a contract with HDW (Howaldtswerke) to manufacture 3 U-214 submarine hulls for the Hellenic Navy (works in progress).

These projects, providing METKA personnel with valuable experience and technical expertise, will lead to additional contracts in the near- and long-term future, and open new horizons for METKA's export potential.

Petrochemicals - Refineries

METKA activities in the petrochemicals-refineries sector have included getting a share in projects constructed as part of investment programs by both state (Hellenic Petroleum) and private (Motor Oil, Petrola) refineries.

Having achieved this target, prospects look very promising for METKA's share in major investment programs for the modernization of refineries in Greece within the next few years, as part of conforming to modern quality and environmental standards as set by the European Union. Prospects are also fine for the expansion of activities in similar projects in neighboring countries, with the Company already considering its moves.

Transportation

On the basis of agreements signed with the Piraeus Port Organization and the Hellenic Railway Organization, METKA is aiming at expanding activities in the transportation sector, via the assignment of further contracts for the construction of railway and port projects in Greece. In addition, the Company is currently exploring the possibilities for partnerships in similar projects in neighboring Mediterranean and Black Sea countries.

Mining

METKA has an active presence in projects relating to repair, maintenance and supply of spare parts for PPC mining and handling of lignite and ash facilities. Such high-technology projects targeting the upgrade of facilities and environmental protection, e.g. wet and dry ash conveyor belts, allow METKA to capitalize on partnerships entered with some of the major foreign firms operating in the sector, thus contributing to further know-how advancement.

The Company has well-founded prospects for assignment of projects relating to:

- More PPC power stations and mines
- New private investments in mining facilities (gold, copper, lead, zinc), both in Greece and abroad
- Cement industries

Major Infrastructure Projects

METKA intends to continue and expand its activities in major infrastructure projects in Greece. Currently, our primary objective is to construct those parts of infrastructure projects that require metal construction or our expertise. Our participation in such projects as the Rio-Antirio bridge, the velodrome for the 2004 Olympic Games, and the pedestrian bridge (designed by Calatrava) at Katehaki Avenue in Athens is expected to cement our reputation as a leader with unequalled reliability.

We have similar objectives for projects in neighboring countries, where there is a widespread need for extensive

infrastructure development and modernization.

In general, we find that certain characteristics define the infrastructure environment:

- The ever-evolving globalization of markets coupled with international mergers
- All-inclusive packages that include pre-project studies, material procurement, manufacture, and construction
- An emphasis on quality control

Although competition differs within each market and sub-sector, METKA has an undisputed advantage due to its ability to meet the demanding criteria of infrastructure projects. METKA offers:

- High-technology capabilities and high standards of quality
- Specialized technical knowledge and multiple references
- International standards throughout the organization
- Financial transparency
- Local and international collaborative experience

It is within a demanding and changing environment that METKA is competing successfully. The market is growing and developing rapidly, and the company is increasingly able to exploit its strengths and advantages.

METKA: A Powerful and Growing Presence

- In energy and mining, METKA continues to be the leader in technical expertise and solution delivery.
- In heavy industry, METKA is a reliable partner to deliver on-time solutions.
- In the Hellenic defense sector, still in the early stages of its development, METKA has secured an exclusive position in the manufacture of specialized and technologically advanced products. The company implements strict quality controls and closely follows international standards. METKA sees a strong and permanent future in the defense sector.
- In the refining and petrochemical sectors, METKA enjoys a solid reputation for its broad competence in manufacturing and construction and for its strict adherence to all standards and codes.
- In major infrastructure projects, subject to intense international competition, METKA is offering comprehensive solutions in both manufacturing and construction, and is becoming both a valued partner with and respected competitor to domestic and international construction firms and consortia.

1.6 Assets - Guaranties and Real Securities

1.6.1 Land-Building Facilities

The Company fully owns the following landed property

- Industrial facility in Nea Ionia, Volos, of a total area of 24.870 m², as well as 870-m² offices building in the same area, located on a 78.521-m² land plot.
- Land plot in Nea Ionia, Volos, of a total area of 120 m²
- Land plot in Nea Ionia, Volos, of a total area of 463 m²
- Land plot in Nea Ionia, Volos, of a total area of 213 m²
- Land plot in Nea Ionia, Volos, of a total area of 388 m²
- Building of a total area of 2.489 m² on a 1.293 m² plot in the Athens suburb of Neo Iraklio, where the Company's Management offices are situated.
- Land plot in Volos, of a total area of 2.080 m², valued at GRD 878 million (€ 2.577 million.)

Subsidiary SERVISTEEL S.A. fully owns the following property:

Land in Keratea, Attica, of a total area 16.187 m²

Industrial facility in the First Industrial Park of Volos, of a total floor area 13.883 m², on a 103.431 m² plot.

Value of Fixed Assets

The table below shows the book value development of the company's fixed assets for the period 2001-2002 (amounts in € thousand).

Fixed Assets before depreciation and installation expenses	Balance 31.12.02	Balance 31.12.01	Change (+/-) 2002/2001
Buildings & Construction Projects	9.765	9.695	70+
Machinery-Technical Installations & Other Equipment	27.158	26.750	408+
Transportation Means, Furniture & Other Fixtures	4.000	3.975	25+
Payments on Account & Tangible Assets under Construction			
Other Installation Expenses	6.591	6.591	0+
Total Fixed Assets under Depreciation	47.514	47.011	503+
Land	7.033	7.033	0+
Holdings	42.064	38.425	3.639+
Other Financial Assets	43	25	18+
Total Fixed Assets before Depreciation	96.654	92.494	4.160+

Depreciation Regular and additional	Balance 31.12.02	Balance 31.12.01	Change (+/-) 2002/2001
Buildings & Construction Projects	8.381	8.103	278+
Machinery-Technical Installations & Other Equipment	22.228	21.672	556+
Transportation Means, Furniture & Other fixtures	3.232	3.070	162+
Other Installation Expenses	3.966	2.641	1.325+
Total Depreciation	37.807	35.486	2.321+

Insurance Policies

The Company signed the following policies for 2002 (amounts in EUROS):

Buildings and Building Improvements	1.646.000
Machinery and Equipment	1.850.000
Computers	200.000
Automobiles - Cranes (Lifting-Tackles)	34.885.000
Third Party	5.300.000
TOTAL	43.881.000

The non-depreciated value of METKA's fixed assets (buildings, machinery, equipment) amounts to €14,1 million., of which €7,0 million regard land that cannot be insured. Consequently, the current amount of insurance policies is regarded to be reasonable. The policies referred to above are effective for one year, they have been legitimately drafted and their terms are in line with applicable insurance practice.

1.6.2. Mechanical Equipment - Technical Installations

As of 31.12.2002, METKA's plant is situated on an 78.521 m² plot, of which 25.000 m² are covered production facilities.

- 25x240m room, designed for construction of items of up to 100 tons, equipped with four (4) portal cranes of a lifting capacity of 60, 30, 15 and 10 tons respectively, and a 8-meter-high hook.
 - 20x240m room, equipped with five (5) portal cranes with a lifting capacity of 20, 20, 10, 6, and 5 tons respectively, and a 6-meter-high hook.
 - 20x240m room, equipped with five (5) portal cranes with a lifting capacity of 50, 20, 16, 6 and 5 tons respectively, featuring 7- and 11-meter-high hooks.
 - Fifteen (15) portal cranes with a lifting capacity of 2-16 tons.
 - Seven 5-ton pillar-mounted slewing cranes.
- The plant has a 2.000 m² open-air assembly area, serviced by a 70-ton portal crane.

A. METAL CONSTRUCTION DEPARTMENT EQUIPMENT

The Metal Constructions Department is staffed with skilled technicians with extensive experience in high-technology industrial construction.

All welders are qualified to EN 287-1.

The department equipment comprises current technology know-how and includes:

Automatic welding machines UP 1200A, 1000A and 800A.

Semi-automated welding machines 350A and 600A, rotating welding machines 400A, LINDE, MESSER, GRIENSHEIM, KLOOS, SAF, ELIN, HOBART and ESAB.

Automatic welded «I» and box type beams productions machine, 2000x2500 mm, KASDTENTRAEGER, with two welding power sources.

ESAB arm type welding unit for internal and external pipe welding, up to a diameter of 5m, with two 1250A welding power sources. Maximum horizontal travel 5m, maximum vertical travel 5.5m.

DEUMA automatic welding machine of double T type beams. Maximum beam width 1,600mm, maximum beam height 3,000 mm. The unit has four (4) welding heads, two on each side of the beam, and power sources of 1250A.

B. BASIC MACHINE-WORKS EQUIPMENT

MAUTEFER Vertical Lathe	Two tools. Maximum work diameter 13.00mm, maximum height 4,500mm, maximum weight of item 200 tons. Capacity 300 HP.
KOLOMNA Vertical Lathe	Two tools. Maximum diameter of item 6,300mm. Maximum height of item 3,500mm. Maximum weight of item 125,000 kg. Tool vertical travel 2,000mm. Capacity 200 KW.
WALDRICH Horizontal Lathe	Maximum work diameter 3,000mm, maximum work length 8,000mm, maximum weight of item 50 tons. Capacity 150 HP.
SCHARMAN-DOERRIES	Processing center HEAVYCUT, with CNC SINUMERIK, 5 pivots. Automatic change of tools, 40 positions. Rotating table 360°.
LOMBARMET Vertical Lathe	Two tools. Maximum diameter of item 5,000mm. Maximum height of item 2,600mm. Maximum weight of item 63,000 kg. Both tools vertical travel 2,310mm. Tool horizontal travel 2,850mm. Tool vertical travel 1,600mm. Capacity 106 HP.

Twin BORING SKODA W 160

Pivot diameter 160mm. Work depth 1,600mm. Work length with piles 19,000mm. Head vertical travel 2,500mm. A fitting plate is installed in front of the machines. Capacity 75 HP.

SCHIESS Gear Cutter RF 50/120

Maximum diameter in continuous cutting 6,700mm.

Maximum cutting travel per tooth 12,000mm. Minimum diameter in continuous cutting 1,600mm. Maximum module for steel 36. Maximum module for casting 42. Table maximum load 60 tons. Tooth cutting width 2,000mm.

Blasting-Dye Works

For anti-rust protection of constructions, METKA has the following equipment/ facilities: Blasting system in covered space, width 8m, height 7m, length 16m, with dust abrasive mixture separator and no environmental pollution.

Dye system in covered space, width 8m, height 7m, length 16m, with adjustable hydroscopic parameters, such as pressure, moisture and temperature safeguarding the quality of items.

Both blasting and dyeing are connected with the main facilities of the plant through a 75-ton automatic system for moving/carrying steel items.

C. MOBILE EQUIPMENT

- LIMA 7707 Crawler crane, with a lifting capacity of 273 tons, with a main jib of 94.5m and additional jib of 27.5m
- DERRICK DWD 1800/1500 rail traveling crane, with a lifting capacity of 100 tons, main spanner 92m and additional spanner 40m.
- LIMA 75 C crawler crane capacity 68 tons, main spanner 58m, additional spanner 6m.
- LIMA 700 TC truck crane, capacity 68 tons, main spanner 55m, additional spanner 15m.
- 130-ton All Terrain DEMAG AC 435 telescopic crane.
- 120-ton All Terrain LIEBHERR LTM 1120 telescopic crane.
- 50-ton Rough Terrain LIEBHERR LTL 1050 telescopic crane.
- 55-ton Rough Terrain GROVE RT 755 telescopic crane.
- Two 21-ton truck cranes DAEWOOD DTC-21-3.
- All Terrain telescopic cranes, DEMAG. Lifting capacity 40-120 tons. P&H hydraulic cranes, 18, 35, 40, 60 tons.
- 300-ton portal crane with adjustable span, height and movement in all directions. 120 welding machines. Ten tempering machines AEG/ELOTHERM 60KW and 120 KW.
- Transportation means, air compressors, generators, winches, hydraulic lifting systems from 30 to 60 tons.

1.6.3 DEVELOPMENT OF SHAREHOLDERS' CAPITAL

Year	Date of General Meeting	Nominal shares (GRD)	Increase Amount (GRD)	Price of Share (GRD)	Equity after increase	Increase Type	Govt. Gazette No.
1962	Incorporation	25.000.000	500	500	25.000.000	Cash	352/20.06.1962
1964	27.08.1964	15.000.000	500	500	40.000.000	Cash	
1966	05.02.1966	25.000.000	500	500	65.000.000	Cash	
1971	27.03.1971	(20.000.000)	500	500	45.000.000	Reduction of Shares	
1972	24.02.1972	21.400.000	500	500	66.400.000	Capitalisation of Capital Gains	
1973	30.08.1973	13.280.000	100	100	79.680.000	Nominal Value Reduction	1678/22.09.1973
1974	04.05.1974	23.904.003	100	100	103.584.000	Capitalisation of Reserves	1940/23.10.1974
1977	25.06.1977	22.892.064	111	111	126.476.064	Capital Gains & 1976 Profits	2434/16.07.1977
1977	05.11.1977	18.978.336	111	111	1.454.400	Cash	3328/16.11.1977
1962	22.10.1982	116.625.600	200	200	262.080.000	Capital Gains and Capitalisation of Reserves	4069/18.11.1982
1989	16.02.1989	183.456.000	200	200	445.536.003	Capital Gains and Capitalisation of Reserves	660/30.03.1989
1991	29.08.1991	163.466.000	200	203	609.002.000	Cash	3729/04.04.1991
1992	09.07.1992	121.800.400	240	240	730.802.400	Capital Gains and Capitalisation of Reserves	4354/16.09.1992
1993	17.06.1993	334.951.100	350	350	1.065.753.500	Capital Gains and Capitalisation of Reserves	4314/16.07.1993
1994	02.06.1994	279.121.500	350	350	1.344.875.000	Cash	2799/16.06.1994
1994	08.06.1994	403.462.500	350	350	1.748.337.500	Cash	2799/16.06.1994
1997	05.06.1997	1.498.575.000	500	500	3.246.912.500	Capital Gains and Capitalisation of Reserves / Nominal Value Increase	4213/25.06.1997
1999	01.02.1999	100	100	100	3.246.912.500	Nominal Value Reduction	984/19.02.1999
1999	12.07.1999	1.948.147.500	100	1.100	5.195.060.000	Cash	63261/26.08.1999
2001	29.06.2001	469.633.424	100	109,04	5.664.693.424	Capital Gains and Capitalisation of Reserves	9195281/13.07.01

1.6.4 EQUITY - BOOK VALUE OF STOCK

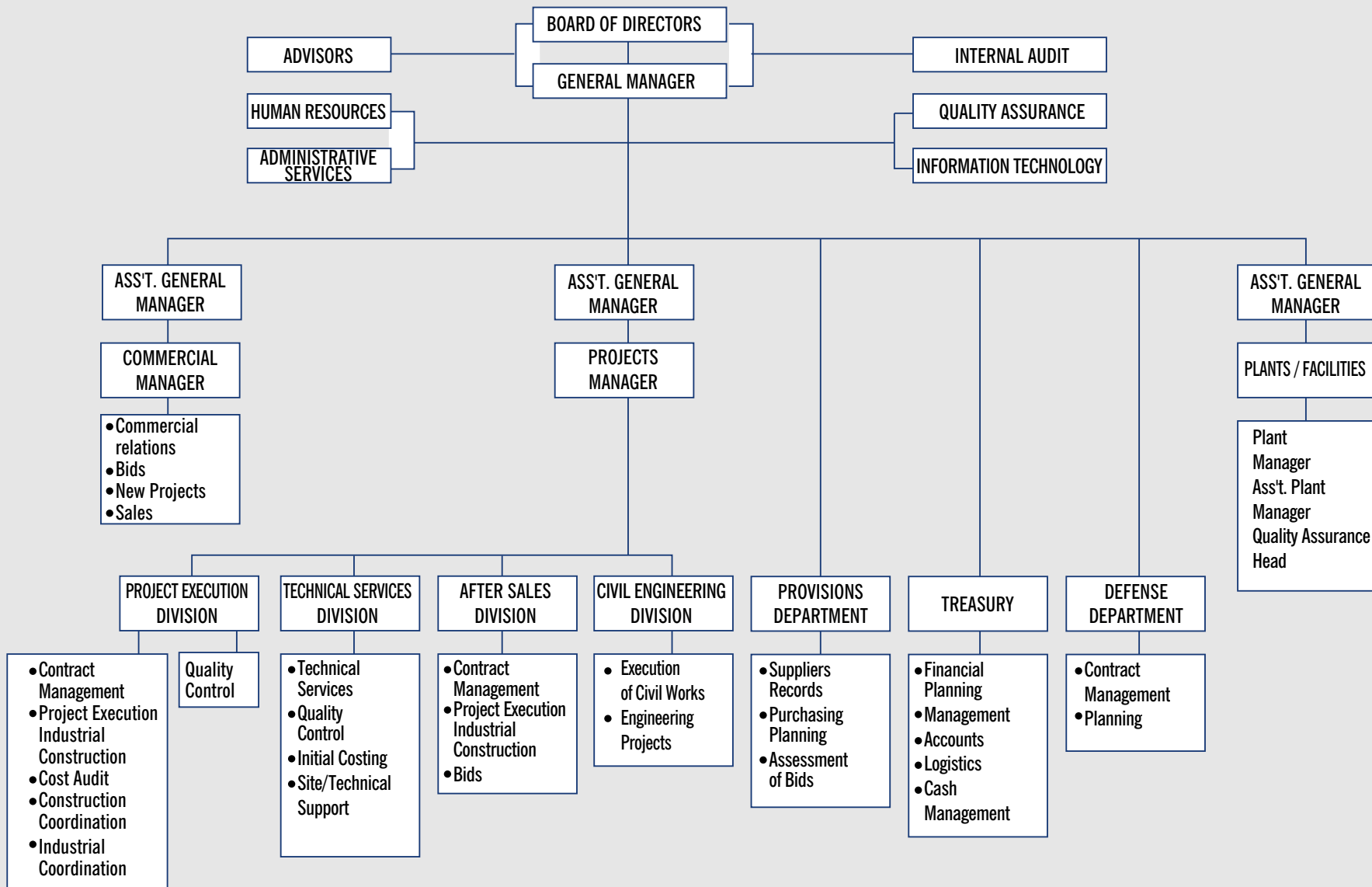
Equity and Reserves	Balance 31.12.02	Balance 31.12.01	Change (+/-) 2002/2001
Equity (51.950.600 shares)	16.624	16.624	0+
Reserves for Share Issues	63.431	63.431	0+
Adjustment Differences	-5.129	2.047	7.176-
Legal Reserves	2.348	1.852	496+
Extraordinary Reserves	5.427	4.321	1.106+
Tax-free Reserves	11.451	10.530	921+
Total Equity	94.152	98.805	4.653-
Book Value of Stock	1,81	1,90	0,09-

1.6.5 SHAREHOLDERS

Based on data of 31/12/2002, the main shareholders of METKA are:

Shareholders	Number of Shares	%
MYTILINEOS HOLDING S.A.	34.063.300	65,57
MISCELLANEOUS	17.887.300	34,43
TOTAL	51.950.600	100,0

The Company's shares are nominal and have a large spread. None of the shareholders not shown in the above table hold an interest of over 1,5%.



1.6.6 COMPANY STRUCTURE TABLE

1.6.7 HUMAN RESOURCES

METKA S.A. comprises carefully selected administrative personnel and technical staff.

The table below illustrates the allocation of personnel in the past three years.

PERSONNEL	1999	2000	2001	2002
Administrative Staff	201	229	249	250
Manual Workers	232	254	277	272
TOTAL	433	483	526	522

EDUCATION LEVEL

Higher Education-University	40	45	49	50
Higher Education-Technology Institutes	20	25	31	36
Secondary Education	114	142	160	164
Compulsory Education	259	271	286	272
TOTAL	433	483	526	522

METKA S.A. supports continuous personnel training, while it provides additional insurance to all of its staff. Specifically, all employees are covered by a group insurance policy for life, accidents and health care. Insurance policies up to €35 th. per employee are signed with the Insurance Company ALICO. Relations between METKA's administration and employees are excellent.

The METKA Group employs a total staff of 841.

1.6.8 INVESTMENTS

The following list shows the Company's largest investments:

2000

- Acquisition of a 12,94% equity stake in the Hellenic Vehicle Industry S.A. (ELVO), valued at GRD 1,29 billion
- Acquisition of a 40% equity stake in TCB, valued at GRD 3,2 billion
- Acquisition of a 40% equity stake in 3KP S.A., valued at GRD 1,2 billion
- Participation by 40% in EKME S.A.'s equity increase, against GRD 940- million
- Acquisition of an 80% equity stake in RODAX S.A., valued at GRD 2,2 billion

2001

- Participation in Hellenic Vehicle Industry's (ELVO S.A.) equity increase, against GRD 725 million

2002

- Acquisition of a 60% equity stake in TCB, valued at €1.350 th.
- Acquisition of a 20% equity stake in RODAX A.T.E.E., valued at €2.112 th.

ACTIVITIES REPORT

of the Board of Directors

OF METKA S.A. REGARDING THE CONSOLIDATED FINANCIAL DATA OF METKA S.A. GROUP OF COMPANIES FOR THE YEAR 2002:

- SERVISTEEL S.A. - EKME S.A. - 3KP A.T.E.E. - RODAX A.T.E.E. - TCB S.A.

Pursuant to the applicable legislation, the Company must report the consolidated financial data of the Group's companies, listed below:

METKA S.A., SERVISTEEL S.A., EKME S.A., 3KP A.T.E.E., RODAX A.T.E.E., TCB S.A.

As far as METKA is concerned, all relevant details have been included in the corresponding Report of Activities of the Company's Board of Directors.

With regard to SERVISTEEL S.A., the company continues to be involved in the first phase processing (cutting, boring, blasting, dying) of materials to be mainly supplied to METKA for further processing, as well as in the area of welding and assembly of metal constructions.

The development of the major consolidated indicators is shown both in detail and in summary in the following pages. The "aggregate consolidation" method was used for the consolidation.

2. Sources and Uses of Capital of the METKA Group

2.1 Sources and Uses of Capital

Balance Sheet analysis for the year ended 31.12.2002

Total assets of the METKA Group (and the corresponding total liabilities through which assets are funded) decreased from €149.3 million to €125.5 million between 31.12.2001 and 31.12.2002, a decrease of €23.8 million in 2002 from 2001 (-15.94%).

2.1.1 Changes in Assets

Current assets showed the following movement between 31.12.2002 and 31.12.2001 (€ th):

Fixed Assets before depreciation and installation expenses	Balance 31.12.02	Balance 31.12.01	Change (+/-) 2002/2001
Buildings and Building Infrastructure	16.880	16.463	417+
Machinery, Installations and Other Equipment	31.982	31.277	705+
Transportation Equipment, Furniture, and Fixtures	5.672	5.548	124+
Payments on Account and Tangible Assets in Course of Construction	242	134	108+
Other Installation Expenses	7.794	7.216	578+
Total Fixed Assets to be Depreciated	62.570	60.638	1.932+
Land	10.030	10.030	0+
Equity Participation	6.481	6.395	86+
Other Long-Term Financial Assets	120	100	20+
Total Fixed Assets before Depreciation	79.201	77.163	2.038+

Total fixed assets before depreciation increased between 2002 and 2001 by €1.930 th. (2,5 %)

The increase in total fixed assets (before depreciation) results from:

- New asset investments realized in 2002 from various subsidiaries included in the above consolidated financial statements. Total increase equals €2,5 th.
- The disposal or write-off of various fixed assets during 2002. Total decrease equals €1,22 th.
- The increase in the annual depreciation expense of €578.000
- The increase in equity participation, resulting from METKA's participation in the increase in share capital of Mytilineos Power Generation and Supplies S.A. of €85.000, and in the increase of the Company's participation in EKME, amounting to €1.000.
- The increase of other long-term receivables during 2002 amounting to €20 th.

Current Assets	Balance 31.12.02	Balance 31.12.01	Change (+/-) 2002/2001
Raw Materials, Spare Parts, and Advances	10.805	23.703	12.898-
Products (Finished, Semi-Finished) and Works in Progress	12.052	9.674	2.378+
Total Inventory	22.857	33.377	10.520+
Accounts Receivable	31.132	46.363	15.231-
Other Receivables, Financial Assets, Cash on Hand, Accruals and Deferrals	39.315	36.318	2.997+
Total Current Assets (including Transitional Asset Accounts)	93.304	116.058	22.754-

Total current assets (and transitional asset accounts) decreased by €22.754 th. (19,61%) in 2002 compared with 2001.

2.1.2 Changes in Liabilities

Liabilities (including depreciation subtracted from Balance Sheet fixed asset accounts) between 31.12.2002 and 31.12.2001 showed the following changes (in € th):

Depreciation of Reserves (legal and additional)	Balance 31.12.02	Balance 31.12.01	Change (+/-) 2002/2001
Buildings and Building Infrastructure	12.221	11.615	606+
Machinery, Installations, and Other Equipment	25.949	25.172	777+
Transportation Equipment, Furniture, and Fixtures	4.425	4.171	254+
Other Installation Expenses	4.352	2.894	1.458+
Total Depreciation	46.947	43.852	3.095+

Total depreciation of reserves increased by €3,09 th. (7.06%) between 2002 and 2001.

The above increase in depreciation of reserves results from:

- Depreciation of fixed assets for 2002 amounting to €2,76 m., and the annual depreciation of installation expenses amounting to €1,45 million.
- Corresponding changes in the depreciation of assets amounting to €1,12 m. (purchases, disposals and others)

Share Capital and other Reserves (own equity)	Balance 31.12.02	Balance 31.12.01	Change (+/-) 2002/2001
Share Capital (51.950.600 shares)	16.624	16.624	0+
Reserves from Share Premium Account	63.420	63.420	0+
Revaluation Reserves and Investment Grants	(5.094)	2.201	7.295-
Legal Reserves	2.736	2.178	558+
Extraordinary and Special Reserves	9.329	6.942	2.387+
Tax-Free Reserves	11.293	11.096	197+
Consolidation Differences	(20.743)	(20.626)	117-
Retained Earnings Carried Forward	333	2.474	2.141-
Minority Interest	12.175	15.943	3.768-
Total Capital and Reserves	90.073	100.252	-10.179

Total share capital and reserves decreased in 2002 compared with 2001 by €10,17 million (-10,15%).

The above total decrease of share capital and reserves results from:

- The total decrease in the reserve "grants received for investment in fixed assets," corresponds to a decrease of 48.000 EUROS from the depreciation of investment assets, and an increase of €13.000 from the receipt of new investment grants during the year.
- The decrease of €7,23 million in the "revaluation reserve due to market adjustments in investments and equity participation" is due to the devaluation of METKA's portfolio, presented in the financial statements in the line "Investments," in the total fluctuation of the above reserve, and in the "revaluation reserve from other assets" amounting to €27.000 due to the capitalization of the reserves of the companies EKME, 3KP, and TCB.
- The increase in the legal reserve of €558.000
- The increase in the extraordinary and special reserves of €2,39 million
- The increase in tax-free reserves of €197.000
- The change in consolidation differences of €117.000
- The decrease in retained earnings of €2,14 million
- The decrease in minority interest of €3,76 million

Provisions for liabilities and expenses	Balance 31.12.02	Balance 31.12.01	Change (+/-) 2002/2001
Provision for Compensation to Staff	231	227	4+
Other Provisions	205	241	36-
Total Provisions	436	468	32-

Total provisions for liabilities and expenses decreased by €32.000 due to an increase in the provision for staff-departure compensation amounting to €4.000 that was made by 3KP and the offsetting of prior-year foreign exchange differences amounting to €36.000 when revaluing short-term receivables and payables.

Liabilities (Third-party capital)	Balance 31.12.02	Balance 31.12.01	Change (+/-) 2002/2001
Other Long-Term Liabilities	87	1.133	1.046-
Total Long-Term Liabilities	87	1.133	1.046-
Promissory Notes	142	150	8-
Creditors	9.329	12.478	3.149-
Advances from Accounts Receivable	6.361	13.966	7.605-
Other Short-Term Liabilities and Transitional Accounts	19.131	20.923	1.792-
Total Short-Term Liabilities	34.963	47.517	12.554-
Total Liabilities	35.050	48.650	13.600-

The total of the above liabilities decreased from 2002 compared with 2001 by €13,6 million (-27,95%).

Total Capital Employed	Balance 31.12.02	Balance 31.12.01	Change (+/-) 2002/2001
Capital and Depreciation Reserves	137.020 (79,43)	144.104 (74,57)	7.084-
Provision for Risks and Expenses	436 (0,25)	468 (0,24)	32-
Short-Term Third Party Debt	34.963	47.517 (24,59)	12.554-
Long-Term Third Party Debt	87 (0,05)	1.133 (0,59)	1.046-
Total Capital Employed	172.506 (100)	193.222 (100)	20.716-

Total capital employed decreased in 2002 compared with 2001 by €20,7 million (or -10,72%).

2.1.3 Asset Financing

The financing of total assets at 31.12.2002 and the change compared with 31.12.2001 to the total of employed capital was as follows:

Total Capital Employed	Balance 31.12.02 th.€	%	Balance 31.12.01 th.€	%	Change (+/-) 2002/2001 th.€
Installation Expenses (before Depreciation) Partly by Own Equity, Depreciation Reserves, and Provisions	7.794	100	7.217	100	577+
Fixed Assets Partly by Own Equity, Depreciation Reserves, and Provisions	71.407	100	69.948	100	1.459+
TOTAL (1)	79.201		77.165		2.036+
Reserves Partly by Own Equity, Depreciation Reserves, and Provisions	22.857	100	33.377	100	10.520-
TOTAL (2)	22.857		33.377		10.520-
Balance of Current Assets From the Balance of Own Equity, Depreciation Reserves, and Provisions	35.398	50,25	34.030	41,16	1.368+
From the Total of Third-Party Long-Term Debt	87	0,12	1.133	1,37	1.046-
From the Total of Third-Party Short-Term Debt	34.963	49,63	47.517	57,47	12.554-
TOTAL (3)	70.448	100	82.680	100	12.232-

As shown in the table above, METKA Group's debt (rate of third-party debt to total capital employed) decreased by 4,86% from 25,18% (on 31.12.2001) to 20,32% (on 31.12.2002). In addition, the Group's liquidity rate (rate of current assets to short-term third-party debt) increased from 2,43% (on 31.12.2001) to 2,66% (on 31.12.2002).

As of 31.12.2002, own equity, depreciation reserves, and provisions provided 100% of finance to fixed assets, 100% to reserves, and 50,25% to the balance of current assets.

Analysis of 2002 Results and Distribution of Profits

2.2 Financial Results

The Company's turnover decreased by €15 million from €121 million in 2002 to €106 million in 2001. The comparison indices between 2002 and 2001 are presented in the table below:

Profit and Loss Accounts

	1.1.2002-31.12.2002		1.1.2001-31.12.2001		Change 2002/2001 (+/-)	
	Th. €	%	Th. €	%	Th. €	%
Gross Operating Sales	26.455	100	27.853	100	1.398-	5-
Regular Depreciation	3.022	11	2.882	10	140+	5+
Gross sales before Depreciation	29.477	111	30.735	110	1.258-	4-
Less Administrative Expenses	(6.847)	-26	(6.296)	-23	551-	9+
Less Cost of Sales	(1.653)	-6	(2.036)	-7	383	19-
Plus Finance Expenses	706	3	788	3	82-	10-
Net Operating Results before Depreciation	21.683	82	23.191	83	1.508-	7-
Total Other Extraordinary and Non-Operating Profit-Loss	(2.224)	-8	(358)	-1	1.866-	521-
Net Profit before Depreciation	19.459	74	22.833	82	3.374-	15-
Less Regular and Additional Depreciation	(3.022)	-11	(2.882)	-10	140-	5-
Net Profit for the Year (before Tax)	16.437	63	19.951	72	3.514-	18-

2.2.1 Appropriation of Funds Statement

	Th. €	
Net Results (profit) for the Year		16.437
- Plus: Profit balance of previous years		2.473
- Less: Prior year's tax differences		141
- Plus: Taxed reserves for distribution		966
		19.735
Less: - Income tax	5.885	
- Tax reserves carried forward	298	
- Other tax not charged to the operating cost taxes		25
- Minority shares on profits	1.206	7.414
Profit for appropriation		12.321
Appropriated as under :		
- Legal reserve		558
- Dividends		8.312
- Extraordinary reserve		1.332
- Tax-free reserve, Act 2601/1998		926
- Reserve from tax-free income		562
- Reserve from construction companies profit		298
- Profit carried forward		333
TOTAL		12.321

2.2.2 Financial Ratios

(million €)	1996	1997	1998	1999	2000	2001	2002
Total Shareholders Equity	25,83	27,20	28,58	92,59	95,47	100,25	90,07
(1996 = 100)	(100)	(105)	(111)	(358)	(370)	(388)	(349)
Total Capital Employed	40,31	38,96	46,47	124,54	135,82	149,37	125,56
(1996 = 100)	(100)	(97)	(115)	(309)	(337)	(371)	(311)
Fixed Assets (before depreciation)	42,43	43,72	43,09	50,68	63,69	69,95	71,41
(1996 = 100)	(100)	(103)	(102)	(119)	(150)	(165)	(168)
Fixed Assets Depreciation	29,69	32,53	32,89	34,14	38,60	40,96	42,59
(1996 = 100)	(100)	(110)	(111)	(115)	(130)	(138)	(143)
Gross Profit	8,48	7,86	4,95	9,70	19,85	27,85	26,45
(1996 = 100)	(100)	(93)	(58)	(114)	(234)	(328)	(312)
Net Profit (for distribution)	3,84	3,21	2,18	4,18	9,83	11,47	12,32
(1996 = 100)	(100)	(84)	(57)	(109)	(256)	(299)	(321)
Dividends	1,47	1,53	0,76	3,05	4,57	5,19	8,31
(1996 = 100)	(100)	(104)	(52)	(207)	(311)	(353)	(565)
Consolidation Rate of Equity (Non-Depreciated Fixed Assets/Equity)	49%	41%	36%	18%	26%	29%	32%
Equity/Debt Ratio	178%	231%	160%	290%	237%	204%	254%
Current Ratio (Current Assets/Short-Term Debt)	2,00	2,44	2,05	3,45	2,61	2,43	2,66
Return on Equity (Net Profit/Equity)	21%	18%	11%	7%	19%	20%	18%
Return on Total Capital Employed (Net Profit and Finance Expenses / Total Capital Employed)	9,40%	7,44%	4,62%	3,09%	3,90%	7,15%	9,25%

2.2.3 Consolidated Cash Flows

A/A ANALYSIS	2002 (€)	2001 (€)
A Cash Flows from Operating Activities		
A 100 Cash Inflows		
101 Sales	106.340.542,04	120.761.625,34
102 Other Operating Income	363.950,97	348.005,27
103 Extraordinary and Non-Operating Income	2.520.752,01	3.096.771,17
104 Income brought Forward	5.010,85	3.632,52
105 Credit Interest (deposits, etc.)	799.791,55	966.284,11
106 Income from Securities	325.316,57	291.249,90
107 Sales of Securities		
108 Reduction of Financial Claims	6.831.864,40	
Less:		
109 Purchase of Securities	(1.998.942,79)	(1.822.421,13)
110 Increase of Financial Claims		(7.266.772,66)
Total Cash Inflows (A100)	115.188.285,60	116.378.374,52
A 200 Cash Outflows		
201 Cost of Sales (Less Depreciation & Provisions)	(77.872.583,27)	(91.031.389,37)
202 Management Operation Expenses (Less Depreciation & Provisions)	(6.262.505,22)	(5.817.160,61)
203 Research-Development Operation Expenses (Less Depreciation & Provisions)		
204 Distribution Operation Expenses (Less Depreciation & Provisions)	(1.592.713,43)	(1.858.193,96)
205 Part-Time/Idleness Expenses (Less Depreciation & Provisions)		
206 Other Expenses	(3.598.756,00)	(2.284.780,43)
207 Increase of Reserves		(13.278.341,98)
208 Increase of Prepayments and Accrued income	(255.182,22)	(37.636,28)
209 Increase of Accruals and Deferred Income		
210 Decrease of Short-Term Debt (excluding Banks)	(10.670.323,83)	(306.120,05)
Less:		
211 Reduction of Reserves	10.520.087,40	
212 Reduction of Prepayments and Accrued Income		
213 Increase of Accruals and Deferred Income	71.772,73	36.858,35
214 Increase of Short-Term Debt (excluding Banks)		
Total Cash Outflows (A200)	(89.660.203,84)	114.576.764,33)
A 300 Taxation Cash Outflows		
301 Income Tax	(6.186.480,23)	(7.093.656,62)
302 Taxes Non-Integrated into Operation Cost	(25.414,15)	(18.547,81)
303 Tax Audit Differences	(140.792,00)	(3.203.215,14)
304 Reduction of Financial Claims from Taxes-Duties	(2.692.985,07)	
Less:		
305 Increase of Financial Claims from Taxes Duties		4.242.662,07
Total Taxation Cash Outflows (A300)	(9.045.671,45)	(6.072.757,50)
Cash Flows from Operating Activities		
Algebraic Summation: A100-A200-A300=A	16.482.410,31	(4.271.147,31)

A/A ANALYSIS	2002 (€)	2001 (€)
A Cash Flows from Investment Activities		
A 100 Cash Inflows		
101 Sale of Intangible Assets		
102 Sale of Tangible Assets	100.128,53	1.590,72
103 Sale of Holdings & Intangible Assets Titles		
104 Reduction of Long-Term Financial Assets (amounts owed)		
105 Revenues form Holdings & Intangible Assets Titles	141.215,33	324.333,77
106 Credit Interest (Long-Term Financial Assets)		
Total Cash Inflows (B 100)	241.343,86	325.924,49
B 200 Cash Outflows		
201 Purchase of Intangible Assets		
202 Purchase of Tangible Assets	(2.580.039,41)	(4.024.242,28)
203 Purchase of Holdings & Intangible Assets Titles	(3.547.869,97)	(2.058.100,35)
204 Increase in Long-Term Financial Assets	(19.855,85)	
205 Increase in Installation Expenses	(577.658,46)	(453,23)
Total Cash Outflows (B 200)	(6.725.423,69)	(6.082.795,86)
Cash Flows from Investment Activities (B100-B200) = B	(6.484.079,83)	(5.756.871,37)
C Cash Flows from Financing Activities		
C 100 Cash Inflows		
101 Collection of Share Capital Increase and Issue of Shares		
102 Collection of Assets Subsidiaries	12.612,31	
103 Increase in Long-Term Debt		
104 Increase in Short-Term Debt (bank accounts)		4.016.405,41
Total Cash Inflows (C 100)	12.612,31	4.016.405,41
C 200 Cash Outflows		
201 Reduction of Share Capital		
202 Pay Back of Assets Subsidiaries		
203 Reduction of Long-Term Debt		(692.654,98)
204 Reduction of Short-Term Debt (Bank Accounts)	(4.025.807,46)	
205 Interest Paid	(560.333,38)	(794.150,65)
206 Dividends Paid	(5.154.883,54)	(4.490.024,35)
207 Profit from Staff		
208 Board of Directors Fees		
Total Cash Outflows (C 200)	(10.433.679,36)	(5.284.175,00)
Cash Flows from Financial Activities (C100-C200) = C	(10.421.067,05)	(1.267.769,59)
COMPANY CASH FLOWS (Algebraic summation: A + B + C)	(422.736,57)	(11.295.788,27)
PLUS AVAILABLE CASH AT START OF YEAR	15.210.276,55	26.506.064,82
CASH AT END OF YEAR	14.787.539,98	15.210.276,55

AUDIT CERTIFICATE BY AUDITOR - CHARTERED ACCOUNT

We have audited the accompanying Consolidated Cash Flow Statement of «Metal Contructions of Greece S.A.» (METKA S.A.) and subsidiaries for the fiscal year ending 31 December 2002, which has been drafted on the basis of the company's audited Consolidated Financial Statements, for which we issued an audit certificate dated 26 February 2003. In our opinion, the Consolidated Cash Flow Statement referred to above presents fairly the cash flows resulting from the activities of all the companies included in the consolidation as of 31 December 2002.

Athens, 26 February 2003

THE AUDITOR - CHARTERED ACCOUNTANT

Kyriakos Riris

SOEL Reg. No. 12111

3. Share Price Movement and Dividend Policy

3.1 Dividend Policy

The dividend policy followed by the company in the last three years is presented in the following table:

DIVIDEND POLICY (in ths €)	2000	2001	2002
Profit After Taxes	6.220,65	8.076,95	10.837,67
Total Dividend	4.573,79	5.196,46	8.312,10
% on Profit	73,5%	64,3%	76,7%

In the fiscal year 2002, the total dividend distributed was 60% up as compared with the previous year (2001: €5.196,46 ths - 2002: € 8.312,10 ths). The Company's policy is to pay a dividend that corresponds to at least 35% of distributable profits.

Taxation on Dividends

Greek law (2238/1994 art.109) states that companies whose shares are listed on the Athens Stock Exchange, with the exception of banks, are subject to income tax amounting to 35% of their taxable profits before any earnings distribution.

Hence, METKA's dividends are distributed after the deduction of income taxes from the company's profits. There is no tax obligation pending for shareholders from the respective total amount of earnings arising from dividend payments. The date for the acquisition of income from dividend payments is the date of the acceptance of the company's financial statements at its shareholders' annual general meeting. According to Greek law, the dividend arising from subsidiary companies' earnings that is to be paid to their parent company will be paid during the following fiscal period and hence will be included in the parent company's earnings of the following fiscal period, with the exception of pre-dividends payments in the actual fiscal period.

Dividends arising from the parent company's earnings, which are partly formed from the distributed earnings of companies in which the parent company has an interest, are paid during the fiscal period following the period of receipt.

Earnings of the parent company arising from dividend payments are subject to tax of up to 5%, which are taxed at a rate of 35% since they were already taxed.

3.2 Profits per Share

Profits per share for the period 1997-2002 are presented in the following table:

PARENT COMPANY YEAR (in ths €)	NET PROFIT			PROFIT PER SHARE	
	BEFORE TAXES	AFTER TAXES	WEIGHTED NUMBER OF SHARES	BEFORE TAXES	AFTER TAXES
1997	5.096,30	3.055,52	32.469.125	0,16	0,09
1998	3.152,10	2.067,04	32.469.125	0,10	0,06
1999	5.977,19	3.935,63	51.950.600	0,12	0,08
2000	9.150,74	6.220,65	51.950.600	0,18	0,12
2001	13.986,04	8.076,95	51.950.600	0,27	0,16
2002	15.271,63	10.837,67	51.950.600	0,29	0,21

CONSOLIDATED FIGURES (in ths €)
YEAR

	NET PROFIT			PROFIT PER SHARE	
	BEFORE TAXES	AFTER TAXES & MINORITY RIGHTS	WEIGHTED NUMBER OF SHARES	BEFORE TAXES	AFTER TAXES & MINORITY RIGHTS
1997	5.308,78	3.155,26	32.469.125	0,16	0,10
1998	3.281,18	2.176,55	32.469.125	0,10	0,07
1999	6.455,37	4.182,18	51.950.600	0,12	0,08
2000	17.946,46	9.831,10	51.950.600	0,35	0,19
2001	19.951,26	11.466,59	51.950.600	0,38	0,22
2002	16.436,62	12.320,85	51.950.600	0,32	0,24

Note: Profits per share have been calculated on the basis of the weighted number of shares. In determining the weighted number of shares, the share capital increases paid in cash and the capitalization of capital gains are taken into account.

3.3 Stock Price Movement

The summarized statistical data regarding the share price movement during 01.01.2002-31.12.2002 are shown in the following tables and charts.

METKA S.A. STOCK MARKET DATA**1999**

Average Price	4.331	GRD
Minimum Price	2.065	GRD
Maximum Price	7.738	GRD
Average Daily Trading Volume	296.118	shares
Net Dividend per Share (1999)	20	GRD
% on Average Price	0,46%	

2000

Average Price	3.782	GRD
Minimum Price	1.915	GRD
Maximum Price	6.805	GRD
Average Daily Trading Volume	164.747	shares
Net dividend per Share (2000)	30	GRD
% on Average Price	0,79%	

2001

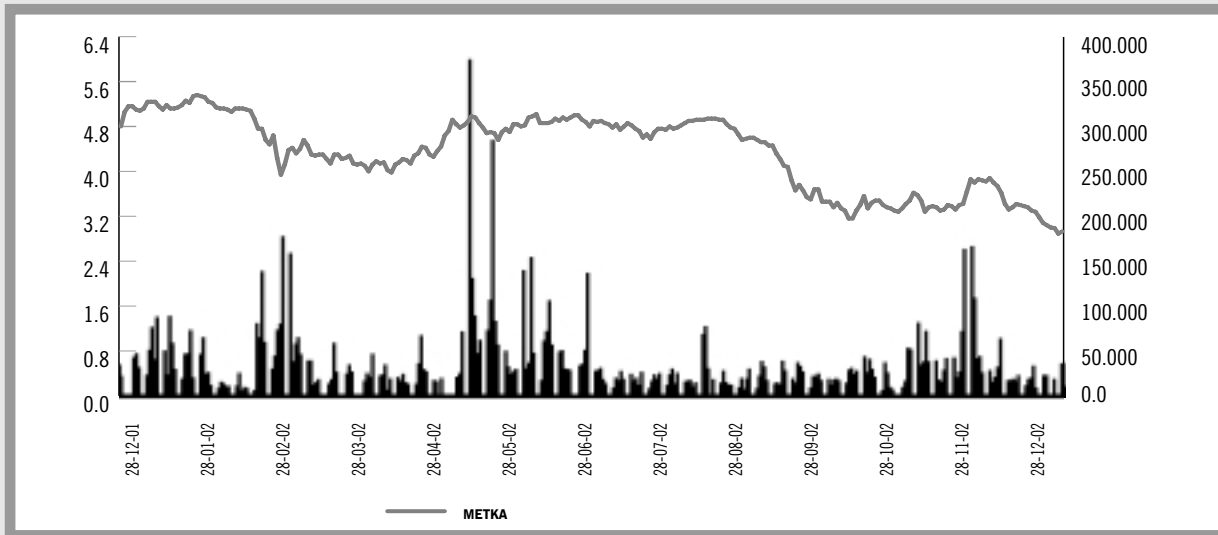
Average Price	6,71	€
Minimum Price	3,98	€
Maximum Price	9,92	€
Average Daily Trading Volume	137.769	shares
Net Dividend per Share (2001)	0,10	€
% on Average Price	1,49%	

2002

Average Price	4,33	€
Minimum Price	2,86	€
Maximum Price	5,40	€
Average Daily Trading Volume	36.122	shares
Net dividend per Share (2002)	0,16	€
% on Average Price	3,70%	

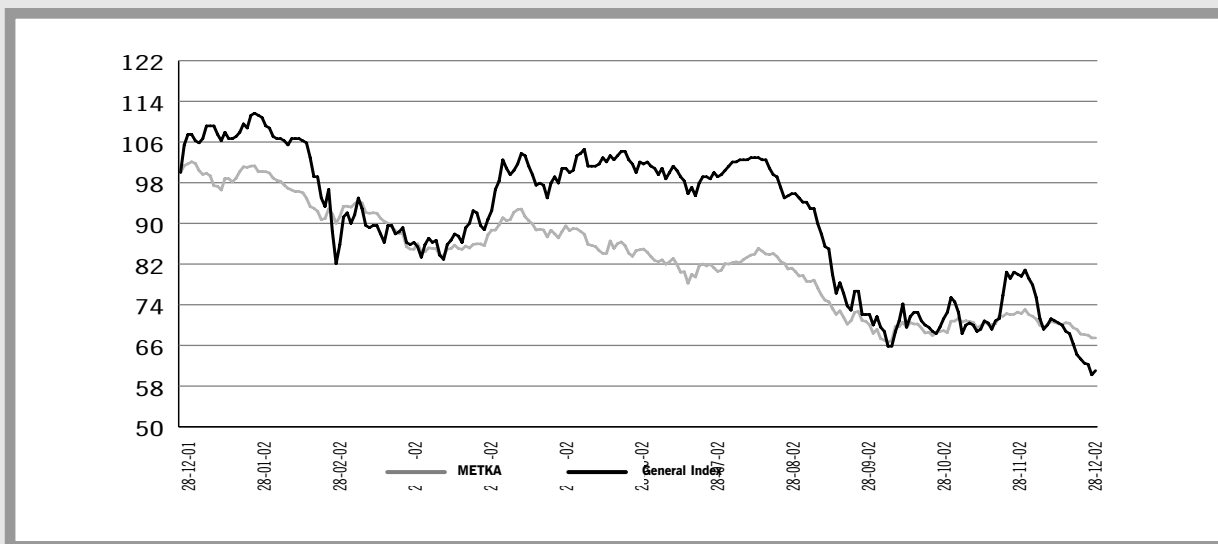
SHARE PRICE MOVEMENT AND TRADING VOLUME DEVELOPMENT

01.01.2002 – 31.12.2002



ASE GENERAL STOCK INDEX DEVELOPMENT

01.01.2002 – 31.12.2002



4. Appendi x

BALANCE SHEET of 31/12/2002 (40th fiscal year from 1/1/02-31/12/02) FIGURES IN EURO

ASSETS	CLOSING YEAR 2002			PREVIOUS YEAR 2001			LIABILITIES	CLOSING YEAR 2002	PREVIOUS YEAR 2001
	Cost Value	EURO Depreciation.	Undepr. Value	Cost Value	EURO Depreciation.	Undepr. Value			
B. FORMATION EXPENSES							A. SHAREHOLDERS EQUITY		
4. Other formation expenses	6.591.303,17	3.965.510,30	2.625.792,87	6.591.303,17	2.640.419,64	3.950.883,53	I. Share Capital		
	<u>6.591.303,17</u>	<u>3.965.510,30</u>	<u>2.625.792,87</u>	<u>6.591.303,17</u>	<u>2.640.419,64</u>	<u>3.950.883,53</u>	1. Share Capital		
							(51.950.600 shares of 0,32 EUR ordinary registered)		
							1. Paid up capital	16.624.192,00	16.624.192,00
							II. Share issue Above par	63.430.696,45	63.430.696,45
C. FIXED ASSETS							III Readjustment differences		
II. Tangible assets							Investment Subsidies		
1. Land - Plots	7.033.112,59		7.033.112,59	7.033.112,59		7.033.112,59	1. Differences from assets revaluation		
3. Buildings and construction works	9.764.991,06	8.381.439,46	1.383.551,60	9.694.851,31	8.103.343,72	1.591.507,59	Participations and securities		
4. Machinery - technical installations							2. Differences from revaluation		
and other mechanical equipment	27.158.448,64	22.227.970,09	4.930.478,55	26.750.488,79	21.671.725,10	5.078.763,69	3. Fixed Assets Investment Subsidies		
5. Transport Equipment	1.229.387,79	1.032.201,68	197.186,11	1.193.283,48	1.000.203,21	193.080,27			
6. Furniture and other equipment	2.769.946,50	2.199.632,58	570.313,92	2.781.530,23	2.069.964,64	711.565,59			
7. Tangible assets under construction and advance payments	47.955.886,58	33.841.243,81	14.114.642,77	47.453.266,40	32.845.236,67	14.608.029,73			
Total of Tangible Assets (CI + CII)	<u>47.955.886,58</u>	<u>33.841.243,81</u>	<u>14.114.642,77</u>	<u>47.453.266,40</u>	<u>32.845.236,67</u>	<u>14.608.029,73</u>			
III. Participations and other long-term assets							IV. Reserves		
1. Participations in associated and subsidiary companies			42.064.298,75			38.425.076,61	1. Ordinary reserves	2.348.205,98	1.851.878,17
7. Other long-term receivables			42.376,79			24.411,35	2. Special reserves	826.574,50	826.574,50
			<u>42.106.675,54</u>			<u>38.449.487,96</u>	4. Extraordinary reserves	5.426.612,31	4.321.202,58
							5. Tax exempt reserves under special law provisions	10.624.256,62	9.703.750,29
Total Fixed Assets (CI + CII + CIII)			<u>56.221.318,31</u>			<u>53.057.517,69</u>		<u>19.225.649,41</u>	<u>16.703.405,54</u>
D. CURRENT ASSETS							Total Equity (AI + AII + AIII + AIV)	<u>94.151.754,89</u>	<u>98.805.404,55</u>
I. Inventories							B. PROVISIONS FOR RISKS AND EXPENSES		
2. Finished and semi-finished products-By-products and residues			35.196,50			35.923,74	1. Provisions for retirement benefits	115.027,94	115.027,94
3. Work in progress			10.866.304,79			8.483.628,66	2. Other provisions	0,00	33.437,83
4. Raw and ancillary materials - Consumable materials								<u>115.027,94</u>	<u>148.465,77</u>
Spare parts and Packing materials			9.607.666,56			10.987.821,49			
5. Advance payments for inventory			777.377,68			12.430.537,15			
			<u>21.286.545,53</u>			<u>31.937.911,04</u>			
II. Receivables							C. LIABILITIES		
1. Customers			22.653.118,03			35.912.968,44	I. Long-term liabilities		
3a. Checks Receivable (postdated)							8. Other long-term liabilities	86.625,79	1.133.417,44
10. Insolvent-sub judicious customers			63.916,93			63.916,93			
Less: provisions		3.065,72	60.851,21		3.065,72	60.851,21	II. Short-term liabilities		
11. Sundry debtors			9.240.943,03			305.159,68	1. Suppliers	14.017.608,04	15.633.230,93
12. Advance payments & debit management accounts			5.607,62			1.896,41	2. Promissory notes	141.969,79	149.003,64
			<u>31.960.519,89</u>			<u>36.280.875,74</u>	3. Banks - Short term loans	4.026,52	4.029.833,98
III. Securities							4. Customer advance payments	6.167.131,00	13.537.725,29
1. Shares			4.685.980,96			11.923.384,06	5. Taxes and duties payable	4.605.948,53	5.092.597,58
3. Other securities			5.520,68			891,16	6. Pension Funds	727.240,69	683.187,23
			<u>4.691.501,64</u>			<u>11.924.275,22</u>	10. Dividends payable	8.660.136,98	5.502.924,38
IV. Available funds							11. Sundry creditors	1.007.955,65	638.830,28
1. Cash			40.136,51			51.552,31		<u>35.332.017,20</u>	<u>45.267.333,31</u>
3. Current and Fixed Deposit a/cs			12.943.257,89			8.213.250,21	Total Liabilities (CI + CII)	<u>35.418.642,99</u>	<u>46.400.750,75</u>
			<u>12.983.394,40</u>			<u>8.266.802,52</u>	D. LIABILITIES TRANSITIONAL ACCOUNTS		
Total Current Assets (DI + DII + DIII + DIV)			<u>70.921.961,46</u>			<u>88.409.864,52</u>	1. Deferred Income	135.136,68	108.623,01
							2. Accrued expenses		
							3. Other transitional accounts	135.136,68	108.623,01
E. TRANSITIONAL ASSET ACCOUNTS									
1. Deferred expenses			51.405,52			44.029,36			
2. Deferred income			84,34			948,98			
			<u>51.489,86</u>			<u>44.978,34</u>			
GRANT TOTAL OF ASSETS (B + C + D + E)			<u>129.820.562,50</u>			<u>145.463.244,08</u>			
OFF-BALANCE SHEET DEBIT ACCOUNTS							GRAND TOTAL LIABILITIES (A + B + C + D)	<u>129.820.562,50</u>	<u>145.463.244,08</u>
1. Third party assets			934.747,00			1.158.643,00	OFF-BALANCE SHEET CREDIT ACCOUNTS		
2. Letters of guarantee and real surety accounts			53.495.038,45			123.810.831,71	1. Beneficiaries of third party assets	934.747,00	1.158.643,00
3. Receivables from bilateral contracts			0,00			10.000.000,00	2. Letters of guarantee & real surety accounts	53.495.038,45	123.810.831,71
4. Other off-balance sheet accounts			19.826.627,22			241.981,78	3. Liabilities from bilateral contracts	0,00	10.000.000,00
TOTAL			<u>74.256.412,67</u>			<u>135.211.456,49</u>	4. Other off-balance sheet accounts	19.826.627,22	241.981,78
								<u>74.256.412,67</u>	<u>135.211.456,49</u>

ADDITIONAL INFORMATION

1. The real sureties towards the banks for the fixed assets are 1.432.135 thousand euros, while the corresponding loans have been paid in full. 2. The last readjustment of land and buildings of the company occurred within the year 2000, according to the provision of the Law 2065/92 and the Treasury decision 1105256/11260/B0012/ΠΟΑ1269/15.11.2000 3. There are no substantial disputes in courts or in arbitration procedure that can influence the operation and the financial results of the Company 4. The Investments of fixed assets for the year 2002 were 1.445 thousand euros, and that of 2001 were 3.648 thousand euros. 5. The number of people employed (in average) is 522 people 6. The revenue analysis (ΣΤΑΚΟΔ91) of the period is the following: (code 281.1) Metal Frame construction 66.897 thousand euros, (code 296.0) Weapon construction 14.715 thousand euros, (code 285.2) General mechanical works 945 thousand euros (code 351.1) Shipbuilding of boats of any kind, except for private yachts and athletic boats (shipbuilding of warship) 2.405 thousands euros (code 515.2). Wholesale trading of metal and metal commodities 5.751 thousand euros 7. The company, according to the article 2 of the Law 2392/2002, evaluated the shares of the listed companies at their current price, which are included in the "Securities" part of the assets, therefore reducing the Shareholder's Equity by the amount of the resulting damage of 7.233.359 euros

**STATEMENT OF PROFIT & LOSS ACCOUNT
of the 31st DECEMBER 2002 (1 JANUARY - 31 DECEMBER 2002)**

	CLOSING YEAR 2002 EURO	PREVIOUS YEAR 2001 EURO	CLOSING YEAR 2002 EURO	PREVIOUS YEAR 2001 EURO
I. Operating results				
Turnover (Sales)	90.714.020,81	92.141.296,75	15.271.625,03	13.986.044,44
Less: Cost of Goods Sold	<u>69.550.564,46</u>	<u>73.117.544,24</u>	0,00	2.044.380,00
Gross Operating Profits	21.163.456,35	19.023.752,51	<u>4.433.955,87</u>	<u>3.864.718,27</u>
Plus: 1. Other operating income	<u>334.379,27</u>	<u>253.149,71</u>	<u>10.837.669,16</u>	<u>8.076.946,17</u>
TOTAL	21.497.835,62	19.276.902,22		
LESS: 1. Administrative expenses	4.737.384,55	4.170.731,57		
3. Distribution expenses	<u>1.404.217,16</u>	<u>1.787.456,39</u>		
Sub total of Operating profits	15.356.233,91	5.958.187,96		
Plus: 1. Income from affiliated & subsidiaries	2.014.436,04	1.161.907,93		
2. Income from Securities	643.870,55	644.812,66		
4. Income from interest & related revenue	<u>2.658.306,59</u>	<u>1.806.720,59</u>		
Less: 3. Debit interest & relevant expenses	483.267,05	2.175.039,54	723.102,36	1.083.618,23
Total Operating Profits	17.531.273,45	14.402.332,49		
II. PLUS: Extraordinary results				
1. Extraordinary and non-operating income	2.438.406,05	2.687.314,67		
2. Extraordinary profit	<u>7.170,15</u>	<u>13,25</u>		
	2.445.576,20	2.687.327,92		
Less: 1. Extraordinary and non-operating expenses	3.463.040,37	1.571.657,11		
2. Extraordinary loss	23.257,45	17.057,09		
3. Previous fiscal years expenses	<u>4.705.224,62</u>	<u>2.259.648,42</u>	3.103.615,97	-416.288,05
	15.271.625,03	1.514.901,77	13.986.044,44	
LESS: Total fixed assets depreciation	2.044.198,29	1.851.454,92		
Less : Depreciation incorporated in cost of sales	<u>2.044.198,29</u>	<u>1.851.454,92</u>		
NET OPERATING RESULTS - PROFIT BEFORE TAX	15.271.625,03	13.986.044,44		

NEA IONIA, VOLOS, 12 FEBRUARY 2003

THE PRESIDENT
OF THE BOARD

THE VICE-PRESIDENT OF THE BOARD
& MANAGING DIRECTOR

THE FINANCIAL
DIRECTOR

THE CHIEF
ACCOUNTANT

EVANGELOS MYTILINEOS
I.D. No: I 082392 / 1972

IOANNIS MYTILINEOS
I.D. No: Z 683930 / 1998

GEORGE MAMMAS
I.D. No: M 164917/1982

ELEFTH-STEPHAN K. KOSTAKIS
I.D. No: Π 206739 / 1989

STATUTORY AUDITORS' REPORT
To the Shareholders of Metal Construction, ol Greece S.A. (METKA)

We have audited the above Financial Statements and the related Attachment of "METALLIC CONSTRUCTIONS OF GREECE S.A" (METKA) for the year ended 31 December 2002. Our audit was conducted in accordance with the provisions of article 37 of Company Law 2190/1920 and those auditing standards which we considered necessary, based on the auditing standards and principles followed by the Institute of Certified Public Accountants in Greece. The books and records maintained by the Company were made available to us and we obtained the relevant information and explanations, which we required for the purposes of our audit. The Company has properly applied the Greek Chart of Accounts. There were no changes in the valuation methods used by the Company compared to those used in the preceding year and the cost of production, which was derived from the accounting records, have been determined in accordance with generally accepted costing principles. We have agreed the contents of the Directors Report to the Annual General Meeting of the shareholders and the Financial Statements. The Attachment contains the information stipulated by paragraph 1 of article 43a of Company Law 2190/1920. We identified the following matters during our audit:

- The Company based on decision No 205/1988 of the State Legal Council has made a partial provision of o 115,000 approximately for staff retirement indemnities which is undervalued by o 1,750,000 approximately of the total required provision, amount which should have been charged to prior years' results.
- In accordance with the provisions of art. 37 of Law 2874/2000, during the previous year the Company has capitalised losses arising from valuation of investments publicly traded in the Athens Stock Exchange and amortised these losses over 5 years commencing in the year 2000. As a result of this accounting treatment, the net book value of these losses and the Shareholders' Equity at the end of the year are overstated by o 2,396,768 and the results of the current year are understated by this year's amortisation amounting to o. 1,198,384, which is included in the profit and loss statements in "Prior year expenses".
- Included in "Investment in related companies" is an amount of o 41,554,220 representing investments in subsidiary companies valued at cost in accordance with the provisions of the Books and Records Code. However, in accordance with art. 43 Company Law 2190/1920, these investments should have been valued at the lower of cost and net book value which amounts to o 17,608,809. Of the resulting difference, the amount of o 23,593,898 should have been charged to prior years' results and the amount of o 341,513 to the results for the current year ended.

In our opinion, the above financial statements are in agreement with the books and records of the Company and together with the Attachment, present, subject to the matters mentioned above and the Company's note 7 following the Balance Sheet, the company's assets, liabilities and the financial position as at 31 December 2002 and the results of the financial period then ended, in accordance with current legislation and generally accepted accounting principles and are consistent with those of the prior year.

Athens, 26 February 2003
The Certified Public Accountant

Kyriakos Riris
SOEL Reg. No. 12111

**STATEMENT OF PROFIT & LOSS ACCOUNT
of the DECEMBER 2002 (1 January - 31 December 2002)**

	CLOSING YEAR 2002		PREVIOUS YEAR 2001	
	EURO		EURO	
I. Operating results				
Turnover (Sales)		106.340.542,04		120.761.625,34
Less: Cost of Goods Sold		<u>80.250.027,38</u>		<u>93.256.974,12</u>
Gross Operating Profits		26.090.514,66		27.504.651,22
Plus: 1. Other operating income		363.950,97		348.005,27
TOTAL		<u>26.454.465,63</u>		<u>27.852.656,49</u>
LESS: 1. Administrative expenses	6.846.614,76		6.295.645,30	
3. Distribution expenses	<u>1.653.484,12</u>		<u>2.036.035,24</u>	
		17.954.366,75		19.520.975,95
Sub total of Operating profits		141.215,33		324.333,77
Plus: 1. Income from affiliated & subsidiaries		325.316,57		291.249,90
2. Income from Securities				
3. Gains from sale of participation interests and other investments				
4. Income from Interest & related revenue		<u>799.791,55</u>		<u>966.284,11</u>
		1.266.323,45		1.581.867,78
Less: 1. Provisions of undervalued Shares and other Securities				
3. Debit interest & relevant expenses	560.333,38	<u>705.990,07</u>	794.150,65	<u>794.150,65</u>
		18.660.356,82		20.308.693,08
Total Operating Profits				
II. PLUS : Extraordinary results				
1. Extraordinary and non-operating income		2.561.140,82		3.159.960,30
2. Extraordinary profit		7.605,59		11.352,28
3. Previous fiscal years expenses		5.010,85		1.055,28
4. Income from past years' provisions		<u>0,00</u>		<u>2.577,24</u>
		2.573.757,26		3.174.945,10
Less: 1. Extraordinary and non-operating expenses	3.480.951,52		1.908.156,13	
2. Extraordinary loss	23.706,62		17.158,89	
3. Previous fiscal years expenses	1.269.016,53		1.579.495,66	
4. Provisions for extra-ordinary liabilities	<u>23.817,01</u>	<u>4.797.491,68</u>	<u>-2.223.734,42</u>	<u>27.569,44</u>
		16.436.622,40		3.532.380,12
Operating and extraordinary results(profit)		<u>19.951.258,06</u>		<u>-357.435,02</u>
LESS: Total fixed assets depreciation	3.022.324,34		2.881.910,72	
Less : Depreciation incorporated in cost of sales	<u>3.022.324,34</u>	<u>0,00</u>	<u>2.881.910,72</u>	<u>0,00</u>
PROFIT BEFORE TAX		<u>16.436.622,40</u>		<u>19.951.258,06</u>

APPROPRIATION OF FUNDS STATEMENT

	CLOSING YEAR 2002	PREVIOUS YEAR 2001
	EYRO	EYRO
Profit for the fiscal year	16.436.622,40	19.951.258,06
(+) Profit from previous fiscal years	2.473.582,92	1.656.061,56
LESS: (-) Internal Revenue tax differences from previous fiscal years	140.792,00	3.203.215,14
(+) Reserves for appropriation	<u>965.532,28</u>	<u>1.363.658,25</u>
	19.734.945,60	19.767.762,73
LESS: 1. Income tax	5.885.476,11	5.823.132,10
Taxes of Reserves for appropriation	<u>297.674,82</u>	<u>1.262.804,11</u>
2. Other taxes not incorporated in the operating cost	25.414,15	18.547,81
Minority interests on profit	<u>1.205.530,53</u>	<u>1.196.681,77</u>
Profits to appropriation	<u>12.320.849,99</u>	<u>11.466.596,94</u>
Appropriation of profits effected as follows :		
1. Ordinary reserve	557.845,01	508.170,47
2. Dividends	8.312.096,00	5.195.060,00
5. Extraordinary reserves	1.331.427,34	75.165,51
6. Tax exempt reserves of Law 2601/98	926.038,34	2.138.273,28
6a. Reserves out of tax exempt income	562.146,04	304.201,75
6b. Reserves out of specially taxed income		41.011,33
6c. Reserves from manufacturing company's profits	297.943,10	731.131,68
Profit carried forward	<u>333.354,16</u>	<u>2.473.582,92</u>
	<u>12.320.849,99</u>	<u>11.466.596,94</u>

NEA IONIA, VOLOS, 21 FEBRUARY 2003

THE PRESIDENT
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ELEFTH.-STEPHAN K. KOSTAKIS
I.D. No: Π 206739 / 1989

AUDITORS' REPORT
To the Shareholders of Metal Construction, of Greece S.A. (METKA)

We have audited, in accordance with the provisions of art. 108 of Company Law 2190/1920 the twelfth consolidated Balance Sheet and Income Statement, as well as the Attachment and the Directors' Report of the societe anonyme "METALLIC CONSTRUCTIONS OF GREECE S.A" (METKA) and its subsidiaries for the year ended 31 December 2002. Our audit was carried out in accordance with auditing procedures, which we considered appropriate, based on the principles and auditing standards followed by the Institute of Certified Public Accountants in Greece and we have agreed the contents of the Directors' Report to the above mentioned consolidated Financial Statements. 1. The group Company based on decision No 205/1988 of the State Legal Council have made a partial provision for staff retirement indemnities which is undervalued by o 2,230,850 approximately of the total required provision, amount which should have been charged to prior years' consolidated results. 2. In accordance with the provisions of art. 37 of Law 2874/2000, during the previous year the parent Company has capitalised losses arising from valuation of investments publicly traded in the Athens Stock Exchange and amortised these losses over 5 years commencing in the year 2000. As a result of this accounting treatment, the net book value of these losses and the Shareholders' Equity at the end of the year are overstated by o 2,396,767 and the consolidated results of the current year are understated by this year's amortisation amounting to o 1,198,384 which is included in the profit and loss statement in "Prior year expenses". 3. The group Companies have not fully provided for doubtful debts which amount to o 755,318 approximately, and which should have been charged to prior years' consolidated results. 4. Included in "Investment in related companies" is an amount of o 5,793,632 representing investments in non-listed subsidiary companies valued at cost in accordance with the provisions of the Books and Records Code. However, in accordance with art. 43 Company Law 2190/1920, these investments should have been valued at the lower of cost and net book value, resulting in a difference of o 5,088,718 which should have been charged to prior years' consolidated results. 5. As disclosed in the Consolidated Attachment, the books and records of the group Companies have not been audited by the tax authorities for various periods which cover one (1) to five (5) accounting periods. Consequently, the tax liabilities of the companies for these years have not been finalized. In our opinion, and subject to the matters mentioned above and the Company's note 8 following the Consolidated Balance Sheet, the consolidated financial statements have been prepared in accordance with the provisions of Company Law 2190/1920 and present the consolidated assets, liabilities and financial position as at 31 December 2002 and the consolidated results of the financial period then ended, in accordance with current legislation and generally accepted accounting principles which have been implemented by the parent company and are consistent with those of the prior year.

Athens, 26 February 2003
The Certified Public Accountant

Kyriakos Riris
SOEL Reg. No. 12111

