



Interim Concise Financial Statements

In accordance with International Accounting Standard 34

Period: January – March 2007

S.A. Register No: 6053/06/B/86/105

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Table of Contents

Balance Sheet	3
Income Statement	5
Statement of Changes in Equity	6
Statement of Changes in Equity (cont'd)	8
Cash flow statement	9
Notes to the consolidated financial figures from the transition to the International Financial Reporting Standards	10
1. General Information	10
2. Brief description of significant accounting principles	10
3 Management of financial risks	25
4 Accounting estimates and judgements of the management	26
5 Information per segment	28
6. Available-for-sale Non-current Assets	29
7. Investments in associate companies	29
8. Investments in subsidiary companies	30
9. Derivative financial assets	33
10. Borrowings	35
11 Leasing	36
12 Cash generated from operations	37
13 Assumed liabilities	38
14 Contingent Liabilities – Receivables	39
15 Existing collateralised liens	41
16 Related party transactions	42
17 Earnings per share	43
18 Personnel	43
19 Events that took place after the balance sheet date	44
20 Reclassifications of items	44

Balance Sheet

	Note	CONSOLIDATED FIGURES		COMPANY FIGURES	
		<u>31/03/2007</u>	<u>31/12/2006</u>	<u>31/03/2007</u>	<u>31/12/2006</u>
ASSETS					
Non-current assets					
Property, plant and equipment		1,750,120,968	1,745,889,724	130,477	172,542
Intangible assets		4,595,386	5,295,872	-	-
Investment in properties		39,538,962	33,493,825	110,611,066	108,023,315
Investments in affiliate companies	7	15,917,998	15,254,855	-	-
Investments in subsidiary companies	8	-	-	655,068,512	688,449,988
Available-for-sale financial assets		10,437,000	10,531,668	32,308,433	32,279,887
Deferred tax assets		7,619,119	8,486,293	-	-
Derivative financial instruments	9	3,778,535	2,813,459	-	-
Other receivables		8,863,915	8,740,740	6,074	6,074
		1,840,871,883	1,830,506,436	798,124,562	828,931,805
Current assets					
Inventories		887,011,399	842,309,260	-	-
Trade and other receivables		877,554,418	763,530,205	4,504,284	4,191,531
Non-current assets for sale	6	3,918,560	3,918,560	-	-
Available-for-sale financial assets		3,613,688	3,268,758	-	-
Derivative financial instruments	9	10,528,286	15,873,614	-	-
Financial assets at fair value through profit & loss		243,897	293,897	-	-
Income tax down payment		12,639,943	21,460,451	-	-
Cash and cash equivalents		371,139,109	233,709,108	161,713,194	86,218,290
		2,166,649,300	1,884,363,853	166,217,478	90,409,821
Total assets		4,007,521,183	3,714,870,289	964,342,040	919,341,626
EQUITY					
Capital and reserves attributable to company's equity holders					
Share capital		59,842,227	59,842,227	59,842,227	59,842,227
Share premium account		411,618,152	411,618,152	411,618,152	411,618,153
Treasury stock		-8,005,437	-8,005,437	-	-
Translation reserve		1,626,501	2,076,289	-	-
Other reserves		225,874,091	238,263,789	29,759,547	29,661,368
Profits carried forward		513,308,952	385,315,687	436,054,450	391,555,938

Total		1,204,264,486	1,089,110,707	937,274,376	892,677,684
Minority interest		727,907,437	687,830,425	-	-
Total equity		1,932,171,923	1,776,941,132	937,274,376	892,677,684
LIABILITIES					
Non-current liabilities					
Borrowings	10	828,461,426	840,280,414	-	-
Liabilities from leasing activities	11	102,358	120,022	-	-
Derivative financial instruments	9	243,692	257,283	-	-
Deferred tax liabilities		185,426,963	186,527,865	19,021,562	19,183,009
Retirement and termination benefit obligations		19,035,514	20,542,508	40,063	40,063
Government grants		28,146,296	28,824,858	-	-
Provisions		17,560,303	15,373,630	-	-
Other non-current liabilities		854,545	328,198	-	-
		1,079,831,097	1,092,254,778	19,061,625	19,223,072
Current liabilities					
Trade and other payables		407,599,730	336,137,177	5,996,791	5,692,495
Current tax liabilities		55,572,424	52,570,089	2,009,248	1,748,374
Borrowings	10	513,429,799	445,705,330	-	-
Liabilities from leasing activities	11	1,646,327	2,095,850	-	-
Derivative financial instruments	9	13,789,562	5,072,041	-	-
Provisions		3,480,320	4,093,892	-	-
		995,518,162	845,674,378	8,006,039	7,440,869
Total liabilities		2,075,349,259	1,937,929,157	27,067,664	26,663,941
Total equity and liabilities		4,007,521,182	3,714,870,289	964,342,040	919,341,626

The notes on pages 8 to 38 are an integral part of these financial statements.

Income Statement

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	3 months until 31/03/2007	3 months until 31/03/2006	3 months until 31/03/2007	3 months until 31/03/2006
Sales	958,019,858	704,873,160	6,027	11,018
Cost of sales	-807,796,464	-602,564,083	-4,500	-10,500
Gross profit	150,223,394	102,309,077	1,527	518
Selling expenses	-38,167,075	-30,758,888	-	-
Administrative expenses	-20,394,780	-19,971,336	-539,936	-667,392
Other operating income/(expenses) (net)	4,379,198	6,366,149	44,250,758	1,399,234
Operating profit	96,040,737	57,945,002	43,712,349	732,360
Finance costs - net	-13,080,093	-11,949,887	852,865	67,077
Income from dividends	-	-	-	-
Share of profit of associates	1,236,531	867,619	-	-
Profits before taxation	84,197,175	46,862,734	44,565,214	799,437
Income tax expense	-15,854,295	-12,190,399	-66,700	-502,641
Net profits of the period from ongoing activities	68,342,880	34,672,335	44,498,514	296,796
Attributable to:				
Equity holders of the parent company	37,304,754	22,305,681	44,498,514	296,796
Minority interest	31,038,126	12,366,654	-	-
	68,342,880	34,672,335	44,498,514	296,796
Earnings per share that are attributable to the equity holders of the parent company for the period (expressed in Euros per share)				
Basic and diluted	17	0.188	0.112	0.223
		0.001		

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Statement of Changes in Equity

Consolidated

	Attributable to the equity holders of the parent company					Total	Minority Interest	Total Equity
	Share capital	Fair value reserves	Other reserves	Accumulated profits	Translation reserve			
Balance at 1 January 2006	463,549,092	6,240,043	244,734,711	258,938,793	100,347	973,562,986	508,473,719	1,482,036,705
Currency translation differences	-	-	-	-	660,842	660,842	890,279	1,551,121
Profit/(loss) recognised directly in equity	-	28,842,399	-	-29,681,368	-	-838,969	3,814,925	2,975,956
Net profit for the period	-	-	-	22,305,682	-	22,305,682	12,366,653	34,672,335
Total recognised net profit for the year	-	28,842,399	-	-7,375,686	660,842	22,127,555	17,071,857	39,199,412
Affect of change in holdings percentage	-	306,826	-	3,149,262	-	3,456,088	-1,778,547	1,677,541
Purchase of treasury stock	-68,000	-	-	-	-	-68,000	-	-68,000
Transfer to reserves	-	181,589	-	-181,589	-	-	-	-
Dividend	-	-	-	-	-	-	-	-
	-68,000	488,415	-	2,967,673	-	3,388,088	-1,778,547	1,609,541
Balance at 31 March 2006	463,481,092	35,570,857	244,734,711	254,530,780	761,189	999,078,629	523,767,029	1,522,845,658

	Attributable to the equity holders of the parent company					Total	Minority Interest	Total Equity
	Share capital	Fair value reserves	Other reserves	Accumulated profits	Translation reserve			
Balance at 1 April 2006	463,481,092	35,570,857	244,734,711	254,530,780	761,189	999,078,629	523,767,029	1,522,845,658
Currency translation differences	-	-	-	-	1,564,643	1,564,643	417,412	1,982,055
Profit recognised directly in equity	-	-23,413,363	-	29,681,368	-	6,268,005	-955,844	5,312,161
Net profit for the period	-	-	-	90,847,657	-	90,847,657	71,207,896	162,055,553
Total recognised net profit for the year	-	-23,413,363	-	120,529,025	1,564,643	98,680,305	70,669,464	169,349,769
Affect of change in holdings percentage	-	-174,555	-24,802,042	31,564,620	-249,543	6,338,480	102,961,372	109,299,852
Purchase of treasury stock	-26,150	-	-	-	-	-26,150	-	-26,150
Transfer to reserves	-	-181,589	6,529,770	-6,348,181	-	-	-	-
Dividend	-	-	-	-14,960,557	-	-14,960,557	-9,567,440	-24,527,997
	-26,150	-356,144	-18,272,272	10,255,882	-249,543	-8,648,227	93,393,932	84,745,705
Balance at 31 December 2006	463,454,942	11,801,350	226,462,439	385,315,687	2,076,289	1,089,110,707	687,830,425	1,776,941,132

	Attributable to the equity holders of the parent company					Total	Minority Interest	Total Equity
	Share capital	Fair value reserves	Other reserves	Accumulated profits	Translation reserve			
Balance at 1 January 2007	463,454,942	11,801,350	226,462,439	385,315,687	2,076,289	1,089,110,707	687,830,425	1,776,941,132
Currency translation differences	-	-	-	-	-449,788	-449,788	392,180	-57,608
Profit/(loss) recognised directly in equity	-	-7,913,833	-	-	-	-7,913,833	-5,399,977	-13,313,810
Net profit for the period	-	-	-	37,304,754	-	37,304,754	31,038,126	68,342,880
Total recognised net profit for the year	-	-7,913,833	-	37,304,754	-449,788	28,941,133	26,030,329	54,971,462
Affect of change in holdings percentage	-	-	-4,475,865	90,688,511	-	86,212,646	14,046,683	100,259,329
Purchase of treasury stock	-	-	-	-	-	-	-	-
Transfer to reserves	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-
	-	-	-4,475,865	90,688,511	-	86,212,646	14,046,683	100,259,329
Balance at 31 March 2007	463,454,942	3,887,517	221,986,574	513,308,952	1,626,501	1,204,264,486	727,907,437	1,932,171,923

The notes on pages 8 to 38 are an integral part of these financial statements.

Statement of Changes in Equity (cont'd)

Company

	Share capital	Fair value reserves	Other reserves	Accumulated profits	Total
Balance at 1 January 2006	471,460,380	1,101,644	28,561,805	368,644,328	869,768,158
Profit recognised directly in equity	-	542,572	-	-	542,572
Net profit for the period	-	-	-	296,796	296,796
Total recognised net profit for the period	-	542,572	-	296,796	839,368
Transfer to reserves	-	-	-	-	-
Dividend	-	-	-	-	-
	-	-	-	-	-
Balance at 31 March 2006	471,460,380	1,644,216	28,561,805	368,941,124	870,607,526

	Share capital	Fair value reserves	Other reserves	Accumulated profits	Total
Balance at 1 April 2006	471,460,380	1,644,216	28,561,805	368,941,124	870,607,526
Profit recognised directly in equity	-	-197,654	-	-	-197,654
Net profit for the period	-	-	-	37,228,370	37,228,370
Total recognised net profit for the period	-	-197,654	-	37,228,370	37,030,716
Transfer to reserves	-	-	-347,000	347,000	-
Dividend	-	-	-	-14,960,557	-14,960,557
	-	-	-347,000	-14,613,557	-14,960,557
Balance at 31 December 2006	471,460,380	1,446,562	28,214,805	391,555,938	892,677,685

	Share capital	Fair value reserves	Other reserves	Accumulated profits	Total
Balance at 1 January 2007	471,460,380	1,446,562	28,214,805	391,555,938	892,677,685
Profit recognised directly in equity	-	98,179	-	-	98,179
Net profit for the period	-	-	-	44,498,513	44,498,513
Total recognised net profit for the period	-	98,179	-	44,498,513	44,596,692
Transfer to reserves	-	-	-	-	-
Dividend	-	-	-	-	-
	-	-	-	-	-
Balance at 31 March 2007	471,460,380	1,544,741	28,214,805	436,054,451	937,274,377

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Cash flow statement

	Note	CONSOLIDATED FIGURES		COMPANY FIGURES	
		1/1 to 31/12/2006	1/1 to 31/12/20054	1/1 to 31/12/2006	1/1 to 31/12/20054
Cash flows from operating activities					
Cash flows from operating activities	12	35,938,062	-48,100,571	228,993	-1,640,934
Interest paid		-14,272,506	-10,075,304	-	-
Income tax paid		-2,268,255	-437,438	-	-
Net cash from operating activities		19,397,301	-58,613,313	228,993	-1,640,934
Cash flows from investing activities					
Additions to property, plant equipment, investment in property and intangible assets		-40,658,370	-21,305,081	-2,610,777	-142,344
Change of available-for-sale financial assets		244,361	310,389	77,023,823	1,749,714
Interest received		2,975,889	2,000,845	852,865	67,077
Changes in holdings in companies		100,259,330	1,677,541	-	-1,186,800
Net cash from investing activities		62,821,210	-17,316,306	75,265,911	487,647
Cash flows from financing activities					
Loans received		55,905,480	70,931,082	-	-
Changes in leasing capital		-467,186	-404,026	-	-
Dividends paid to minority interest		-226,804	-	-	-
Net cash from financing activities		55,211,490	70,527,056	-	-
Net (decrease)/increase in cash and cash equivalents		137,430,001	-5,402,563	75,494,904	-1,153,287
Cash and cash equivalents at beginning of period		233,709,108	83,313,042	86,218,290	14,191,249
Cash and cash equivalents at end of period		371,139,109	77,910,479	161,713,194	13,037,962

Athens, 21 May 2007

THE CHAIRMAN OF THE
BOARD OF DIRECTORS
Nikolaos M. Stasinopoulos
Id. Card No. A050486

THE AUTHORISED
DIRECTOR
Evaggelos D. Moustakas
Id. Card No. AB343787

THE FINANCIAL DIRECTOR
Pantelis St. Mavrakis
Id. Card No. K259513

The notes on pages 8 to 38 are an integral part of these financial statements.

Notes to the consolidated financial figures from the transition to the International Financial Reporting Standards

1. General Information

- 1.1** The present financial statements include the annual corporate financial statements of VIOHALCO S.A. (the “Company”) and the annual consolidated financial statements of the Company and its subsidiaries (together the “Group”).
- 1.2** The present financial statements were approved by the Company’s Board of Directors on 21 May 2007.
- 1.3** VIOHALCO S.A. “Hellenic Copper and Aluminium Industry S.A. (“the Company”) and its subsidiary companies (together “the Group”) are active primarily in the process, production and sale of iron, steel, aluminium, copper and zinc products. The Group is active in Greece, Germany, England and Bulgaria, as well as in other countries and its shares are traded on the Athens Securities Exchange.
- 1.4** The Company is domiciled in Greece, in the Prefecture of Attiki, 2-4 Mesogheion Avenue, 15127 Athens. The Company’s electronic address is www.viohalco.gr.

2. Brief description of significant accounting principles

The main accounting principles that the Group applied during the preparation of these annual financial statements are described below. These principles have been consistently applied through the years.

2.1 New standards, interpretations and amendment of existing International Accounting Standards

Specific new IFRS, amendments and interpretations have been issued that are mandatory for accounting years that begin during the present year or thereafter. The estimation of the Group’s Management regarding the effect of the application of these new standards and interpretations are presented below.

Standards applied by the Group after 31 December 2006

IFRS 7 Financial Instruments: Disclosures and supplementary amendment of IAS 1 Presentation of Financial Statements: Disclosures relating to capital

The present standard and amendment entered into effect on 1 January 2007 and introduce additional disclosures with the purpose of improving the information that is provided relative to financial

instruments. The Group assessed the affect of IFRS 7 and concluded that the additional disclosures that are required from their application is a sensitivity analysis with regard to the market risk and disclosures relating to capital. The Group applies IFRS 7 and the amendment of IAS 1 from 1 January 2007.

IFRS 8 Operating Segments (the presented standard has not yet been adopted by the European Union)

The present standard shall enter into effect on 1 January 2009 and replaces IAS 14, according to which segments are recognised and presented on the basis of a performance and risk analysis. According to IFRS 8, segments constitute components of an entity that are reviewed on an ordinary basis by the entity's Managing Director / Board of Directors and are presented in the financial statements based on this internal categorisation.

Interpretations applied by the Group after 1 January 2007

IFRIC 7 Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies

The present interpretation entered into effect on 1 March 2006 and provides guidance on the application of IAS 29 in a presentation period in which an entity recognises that the economy of its functional currency is hyperinflationary, provided the economy was not hyperinflationary in the previous period. Given that none of the Group's companies operate in a hyperinflationary economy, the present interpretation does not apply to the Group's financial statements.

IFRIC 8 Scope of IFRS 2

The present interpretation entered into effect on 1 May 2006 and examines transactions that include the issue of equity instruments –in which the identifiable consideration given appears to be less than fair value of the equity instruments issued– so as to determine whether or not these come under the scope of IFRS 2. The present interpretation does not apply to the Group's financial statements.

IFRIC 9 Reassessment of Embedded Derivatives

The present interpretation entered into effect on 1 June 2006 and requires an entity to assess whether an embedded derivative is required to be separated from the contract with which it was acquired and to be assessed as an isolated derivative when the entity first becomes a party to the contract. The present interpretation does not apply to the Group's financial statements.

IFRIC 10 Interim Financial Reporting and Impairment

The present interpretation entered into effect on 1 November 2006 and prohibits impairment losses recognised in an interim period in respect of goodwill, investments in equity instruments and investments in financial assets carried at cost to be reversed in balance sheets prepared at future dates. The present interpretation does not apply to the Group's financial statements.

IFRIC 11 – IFRS 2 Group and Treasury Share Transactions

The present interpretation entered into effect on 1 March 2007 and clarifies the accounting treatment of transactions in which a subsidiary's employees are granted rights to equity instruments of its parent. In addition, it clarifies whether certain types of transactions must be considered equity-settled transactions or cash-settled transactions. The present interpretation does not apply to the Group's financial statements.

IFRIC 12 Service Concession Arrangements (the presented interpretation has not yet been adopted by the European Union)

The present interpretation shall enter into effect on 1 January 2008 and refers to companies that participate in service concession agreements. The present interpretation does not apply to the Group.

2.2 Framework in which the financial statements have been prepared

These interim concise financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale investments and financial assets and liabilities at reasonable value through profit and loss.

The preparation of the interim concise financial statements according to the International Financial Reporting Standards requires the use of certain critical accounting estimates and also requires management to exercise judgment in the process of applying accounting policies. In addition, it requires the use of estimates and assumptions that affect asset and liability amounts, the notification of potential receivables and liabilities on the date the financial statements are prepared and income and expense figures during the said year. Despite the fact that these estimates are based on management's best possible knowledge of current conditions and actions, actual results may differ from these estimates. Areas that require a significant degree of judgement or complexity or in which assumptions and estimations significantly affect the financial statements are set forth in Note 4.

These interim concise financial statements have been prepared by the management in accordance with the International Financial Reporting Standards ("IFRS"), which have been issued by the International Accounting Standards Board (IASB), including the International Accounting Standards ("IAS") and interpretations that have been issued by the International Financial Reporting Interpretations Committee, as these have been adopted by the European Union.

All IFRS that have been issued by the IASB and that were in effect during the preparation of these financial statements have been adopted by the European Commission through the procedure of their ratification by the European Union ("EU"), with the exception of specific provisions of International Accounting Standards (IAS) 39 "Financial Instruments: Recognition and Measurement" that concern deposit portfolio hedging.

Whereas the Group is not affected by the provisions concerning deposit portfolio hedging, which are not required by the issuance of IAS 39, as this has been ratified by the EU, the present financial statements have been prepared in accordance with the IFRS as these have been adopted by the EU and the IFRS that have been issued by the IASB.

2.3 Consolidation

(a) Subsidiary companies

Subsidiary companies are companies that are controlled by a parent company. The existence of possible voting rights that may be exercised on the date on which financial statements are prepared is taken into consideration in determining whether or not a parent company exercises control over its subsidiaries. Subsidiaries are fully consolidated (total consolidation) from the date control over them is acquired and cease to be consolidated from the date this control is no longer exercised.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The acquisition cost of a subsidiary is the fair value of its assets that were transferred, of its shares that were issued and of its liabilities that were undertaken on the day the acquisition was effected, plus any cost that is directly associated with the acquisition. Identifiable assets, liabilities and contingent liabilities that are acquired through a business combination are estimated at the time of the acquisition at their fair values regardless of the percentage holding. The excess of the cost of acquisition over the fair value of the Group's share of identifiable net assets that were acquired is recorded as goodwill. If the acquisition cost is less than the fair value of the Group's share of the identifiable net assets that were acquired, the difference is recognised in the results.

Inter-company transactions, balances and non-realised profits from transactions between Group companies are eliminated. The same applies to non-realised losses, but are taken into consideration as an indication that the value of the asset transferred has been impaired. The accounting policies that are applied by the Group's subsidiary companies have been amended so that they may be consistent with those that have been adopted by the Group.

In the cases of transactions that concern increases in the Group's holding percentage in subsidiary companies, which do not come under the scope of IFRS 3, the Group recognises any affect that arises due to the difference between the fair value of the consideration paid and the book value of third-party

rights purchased directly in owner's equity.

In its individual financial statements, the Company records its investments in subsidiaries at their acquisition cost less impairment.

(b) Associate companies

Associate companies are companies over which the Group exercises significant influence, but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associate companies are accounted for by the equity method and are initially recognised at their acquisition cost. The account in which investments in associate companies are recognised includes the goodwill that arises on acquisition (net of any impairment losses).

The Group's share in the post-acquisition profits or losses of its associate companies is recognised in the results, while its share of post-acquisition movements in reserves is recognised in reserves. Cumulative changes affect the book value of the Group's investments in associate companies. If the Group's share in the losses in an associate company is greater than the value of its investment therein, these additional losses are not recognised, unless payments have been made or obligations have been incurred on behalf of the associate company.

Unrealised profits that arise from transactions between the Group and its associate companies are eliminated to the extent of the Group's interest therein. The same applies to unrealised losses, unless the transaction contains indications that the value of the asset that was transferred has been impaired. The accounting principles that are applied by the Group's associate companies have been amended so that they may be consistent with those that have been adopted by the Group.

(c) Joint Ventures

The Group's investments in joint ventures are accounted for based on the method of proportionate consolidation. The Group merges its share from the revenues, expenses, assets, liabilities and cash flows of each joint venture.

The Group recognises the share from the profits or losses that arise from the sales that it makes to joint ventures that corresponds to the joint venture's partners. The Group does not recognise its share from the profits or losses of the joint ventures that arose from the purchases that it made from the joint ventures up to the items that were purchased in order to be sold to third parties. Losses from such a transaction are recognised immediately if a reduction of the liquid value of current assets or impairment is established. The accounting principles of the joint ventures have been amended so that they may be consistent with those that have been adopted.

2.4 Segment reporting

A business segment is defined as a group of assets and operations that provide products and services that are subject to risks and returns different to those that other business segments are subject to. A geographical segment is defined as a geographic region in which products and services are provided and which is subject to risks and returns different to those that other regions are subject to.

2.5 Foreign currency translations

(a) Functional currency and presentation currency (the currency in which financial statements are expressed)

The figures recorded in the financial statements of the Group's companies are measured in the currency of the primary economic environment in which each company operates ("functional currency"). The consolidated financial statements are expressed in Euros, which constitutes both the parent company's functional currency and its presentation currency.

(b) Transactions and balances

Transactions that are carried out in foreign currency are converted to the functional currency based on the exchange rates that are applicable on the date each transaction is carried out. Foreign currency gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except of the case in which they are directly transferred to net worth due to the fact that they refer to cash flow risk hedging acts and net investment risk hedging acts.

Changes to the fair value of securities denominated in foreign currency that have been characterised as available-for-sale are analysed in currency translations arising from the differentiation of the security's net value and other changes arising from the book value. Currency translations are recorded in the results while other translations are transferred directly to net worth.

Currency translations in non-financial assets and liabilities are included in profits or losses from the change in fair value. Currency translations in non-financial assets and liabilities such as shares at fair value through profit and loss are recorded in the results as part of the profit or loss arising from the change in fair value. Currency translations from non-financial items such as shares that are characterised as available-for-sale are recorded in a reserve account from the fair value to the net worth.

(c) The Group's Companies

Amounts recorded in the interim concise financial statements of the Group's companies (none of which operate in a hyperinflation economy) that are expressed in a different functional currency from the

Group's presentation currency, are converted as follows:

- (1) Assets and liabilities are translated at the closing rate at the balance sheet date,
- (2) Income and expenses are translated at the average exchange rates of the year (unless the average exchange rate is not a reasonable estimation of the cumulative effect of the exchange rates prevailing on the days the transactions were carried out, in which case income and expenses are translated using the actual exchange rates that were applicable on the days the transactions were carried out), and all resulting currency translations that may arise are recorded in a separate equity reserve account and transferred to the results when these companies are sold as part of the profit or loss of the sale.

Goodwill and adjustments to fair values that arise from the acquisition of foreign companies are regarded as assets and liabilities of the foreign company and are translated at the closing exchange rate.

2.6 Property, plant and equipment

Property, plant and equipment include primarily land for buildings and mechanical equipment.

Property, plant and equipment are recorded at their acquisition cost less accumulated depreciation and Impairment. The acquisition cost includes all expenses that are directly associated with the asset's acquisition.

Expenses that are incurred after the purchase of an asset are recorded as an increase in the asset's carrying amount book value or as a separate asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Repair and maintenance costs are recorded in the income statement when these are incurred.

Land is not depreciated. Other assets are depreciated on the straight line method with equal burdens during their expected useful lives, so that their cost may be deleted at their residual value. The expected useful lives of fixed assets are presented below.

Buildings	10-33 years
Factories	20 years
Mechanical equipment	5-20 years
Motor vehicles	5-7 years
Other equipment	3-8 years

Computers are included in the category of furniture and other fixtures.

The residual values and useful lives of these assets may be reviewed and adjusted if appropriate, at each balance sheet date.

When the carrying amount of an asset exceeds its recoverable amount, the difference (impairment) is immediately recorded in the results as an expense and the asset is recorded at its recoverable value (Note 2.11).

On the sale of an asset, any difference that may arise between the price that is received and the carrying amount thereof is recorded in the results as a profit or loss.

Borrowing costs incurred for the construction of an asset are capitalised during the period of the asset's construction. All other borrowing costs are recognised in the results.

2.7 Leases

The Group leases certain fixed assets. Leases of fixed assets, in which the Group substantially maintains all the risks and rewards of ownership, are classified as financial leases. Financial leases are capitalised at the lease's inception at the lower of the asset's fair value and the present value of the minimum lease payments. The corresponding obligations that arise from the leases, net of finance charges, are recorded as liabilities. The interest element of the finance cost that concerns the finance lease is charged to the results over the period of the lease. Fixed assets that were acquired through leasing are depreciated at the shorter period between the useful lives of the fixed assets and the term of their lease.

Leases, in which the lessor retains substantially all the risks and rewards of ownership, are classified as operating leases. Payments made under operating leases are charged to the results on a straight-line basis over the period of the lease.

2.8 Available-for-sale non-current assets

Non-current assets are classified for sale and are assessed at the lesser value between their present book value and fair value less cost of sale, provided it is assessed that this value shall be recovered by the Group through the sale thereof and not from the use thereof.

2.9 Intangible assets

(a) Software programs

Software licenses are recorded at their acquisition cost, less amortisation. These assets are amortised on the straight line method over their estimated useful lives, which ranges between 3 to 5 years.

Expenses that are associated with the software's maintenance are recognised as expenses in the year in which they are incurred.

(b) Trademarks and licenses

Licenses and trademarks that are acquired are presented at their historic cost and are estimated at their acquisition cost less amortisation. Trademarks and licenses are amortised with the straight-line method during their useful lives.

Trademarks and licenses are reviewed on an annual basis for impairment according to note 2.11.

2.10 Investments in properties

Properties, which primarily includes land and a hotel, are held by the Group for long-term rent and are not used by the Group. Investments in properties are presented at cost less depreciation. When the book values of investments in properties exceed their recoverable value, the difference (impairment) is directly recorded as an expense in the results (Note 2.11).

The Company classifies property that is leased to subsidiary companies in its corporate financial statements as Investments in Properties.

2.11 Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to amortisation are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount is the higher amount between an asset's fair value, less the costs to sell, and the value in use. In order to assess impairment losses assets, are grouped into smaller cash-generating units. Losses due to an asset's impairment are recorded in the results as an expense in the year in which they are incurred.

2.12 Financial assets

The Group's financial assets are classified into the categories noted below based on the purpose for which they were acquired. The Group's management decides on the investment's classification at the time the investment was initially recognised and re-examines its designation at every publication date.

(a) Financial assets recorded at fair value through profit and loss

This category includes financial assets that were acquired in order to be resold in the short-term. It also includes derivative financial instruments unless they are defined as risk hedging tools. Financial assets in this category are recorded as current assets if they are held for commercial purposes or if they are expected to be sold within 12 months of the balance sheet date.

(b) Loans and Receivables

This category includes non-derivates with fixed or designated payments that are neither traded in active markets nor intended to be sold. These financial assets are recorded in current assets, with the exception of those financial assets that have a term greater than 12 months after the balance sheet date. These latter assets are recorded in a non-current asset account.

(c) Held-to-maturity investments

This category includes non-derivates with fixed or designated payments and with fixed maturities, and which the Group intends and has the capacity to hold onto until they mature.

(d) Available-for-sale financial assets

This category includes non-derivatives that are either designated in this category or cannot be classified in any of the abovementioned categories. These assets are recorded as non-current assets provided management does not intend to dispose of them within 12 months of the balance sheet date.

The purchase and sale of an investment is recognised on the trade-date, which is also the date on which the Group commits to purchase or sell the asset. Available-for-sale investments are initially recognised at their fair value plus transaction costs. Financial assets at fair value through profit and loss are initially recognised at fair value and transaction expenses are recorded as an expense in the results of the year. Investments are derecognised when the right to collect the cash flows arising therefrom expires or have been transferred and the Group has substantially transferred all the risks and rewards of ownership.

Available-for-sale financial assets are subsequently carried at fair value and unrealised gains or losses are recognised in shareholders' equity until they are sold or impaired. When these assets are sold or impaired, the profit or loss is transferred to the results. Impairment losses that have been recognised in the results may not be reversed through profit and loss.

Realised and unrealised gains or losses that arise from changes in the fair value of financial assets through profit or loss are recognised in the results in the year in which they arise.

The fair values of financial assets that are traded on stock markets are determined by current bid prices. The fair values of financial assets that are not traded on stock markets are determined by using valuation techniques, such as recent arms length transactions, comparable assets that are traded and discounted cash flow analysis.

At each balance sheet date, the Group assess whether there is any objective evidence that leads to the conclusion that the values of its financial assets have decreased. With regard to shares that have been classified as "available-for-sale financial assets", such an indication would be a significant or prolonged decrease in their fair value in relation to their acquisition cost. If the asset's value has indeed

decreased, the loss that has accumulated in the owner's equity account, which constitutes the difference between the acquisition cost and the fair value, is transferred to the results. Devaluation losses regarding shares that are recorded in the results may not be reversed through profit and loss.

2.13 Derivatives

Derivatives are initially and subsequently recognised at their fair value. The method by which profits and losses are recognised depends on whether derivatives are designated as a hedging instrument or are held for commercial purposes. Derivatives are designated by the Group, on the day the relative transaction is concluded, as a hedge to the fair value of a receivable, liability or commitment (fair value hedge) or as a hedge of highly probable forecasted transactions (cash flow hedge) or as a hedge of net investments in a foreign company (net investment hedge).

During the conclusion of a transaction the Group records the relation between hedging instruments and hedged items, as well as the strategic management of the relative risk. During a contract's conclusion and on a continuous basis thereafter the Group records the probability regarding the high effectiveness of the hedge for both fair value hedges and cash flow hedges.

(a) Fair value hedge

Changes in the fair value of derivatives that are designated as hedges to changes in hedged items are recorded in the results as are changes in the fair value of hedged items that are attributed to the risk that is being hedged.

(b) Cash flow hedge

The effective proportion of the change in the fair value of derivatives that are designated as means for hedging changes in cash flows is recorded in an equity reserve account. The gain or loss of the non-effective proportion is recognised directly in the results. Amounts that have accumulated as a reserve in equity are transferred to the income statement in the period in which the hedged item affects the profit or loss (e.g. when the forecasted sale of the item that is hedged is carried out). In the situations where forecasted future transactions that result to the recognition of a non-monetary asset (e.g. inventory) or liability, the gains or losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

When a hedging instrument expires or is sold, or when a hedging relation does not currently fulfil the criteria of hedge accounting, the profits or losses accumulated in equity remain as a reserve and are recognised in the results when the transaction that concerns it is recognised in the results. When a forecasted future transaction is no longer expected to be carried out, the profits or losses accumulated in equity are transferred to the results.

(c) Net investment hedge

A hedge of a net investment in a foreign company is managed in the same manner as cash flow hedges. Profits or losses of hedging instruments that are associated with the effective part of the hedge are recognised in an equity reserve account. Profits or losses that are associated with the non-effective part of the hedge are recognised in the results.

Profits or losses that have accumulated in owner's equity are transferred to the results when the foreign company is sold.

(d) Derivatives that are not considered as hedging instruments

Changes in the fair value of these derivatives are recorded in the results.

2.14 Inventories

Inventories are stated at the lower cost and net realisable value. The acquisition cost is determined based on the average monthly weighted cost method. The cost of finished products and semi-finished stocks includes the cost of materials, the direct labour cost and a proportion of the general production overhead. Borrowing costs are not included in the acquisition cost. The net realisable value is estimated based on the inventory's current sales price, in the ordinary course of business activities, less any possible selling expenses, whenever such a case occurs.

Impairments are recognised in the results of the financial year in which they arise.

2.15 Trade and other short-term receivables

Receivables from clients are initially recorded at their fair value and are subsequently estimated at using the effective interest method, less any impairment loss. Impairment losses are recognised when there is an objective indication that the Group is not in a position to collect all the amounts that are due pursuant to the relative contractual terms. The amount of the allowance is equal to the difference between the book value of the receivables and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the allowance is recorded as an expense in the income statement.

2.16 Cash and cash equivalents

Cash and cash equivalents include cash on hand, sight deposits, short-term (up to 3 months) highly-liquid and low-risk investments and overdraft bank accounts.

2.17 Share capital

Ordinary shares are included in owner's equity.

Direct expenses that are associated with the issue of shares are recorded, after the relative income tax has been deducted, as a reduction to the proceeds. Direct expenses relating to shares that have been issued for the acquisition of a company are included in the acquisition cost thereof.

The acquisition cost of treasury shares is recorded as a reduction to equity attributable to the Company's equity until these shares are sold, cancelled or re-issued. Any profit or loss that arises from the sale of treasury, net of other direct expenses that are associated with the transaction and taxes, is recorded as a reserve in equity attributable to the Company's equity holders.

2.18 Borrowings

Loans are initially recorded at their fair value, net of any direct expenses that are required in order to complete the transaction. They are subsequently stated at their unamortised cost based on the effective interest rate method. Any difference between the amount that has been collected (net of relative expenses) and the settlement value is recognised in the results during the term of the loan based on the effective interest rate method.

Loans are classified as current liabilities unless the Group has the right to defer the settlement thereof for at least 12 months from the balance sheet date. In this case, loans are classified as non-current liabilities.

2.19 Deferred income tax

Deferred income tax is determined using the liability method on temporary differences that arise between the tax base and the book value of assets and liabilities. Deferred income tax is not accounted for if it arises from an asset's or liability's initial recognition in a transaction, with the exception of a business combination, which, when the transaction was effected, did not affect the accounting or tax profit or loss.

Deferred tax assets are recognised to the extent that it is probable that a future taxable profit will arise from the use of the temporary difference that created the deferred tax asset.

Deferred income tax is recognised for the temporary differences that arise from investments in subsidiary and affiliated companies, with the exception of the case in which reversals of temporary differences are controlled by the Group and it is possible that the temporary differences will not reverse in the foreseeable future.

Deferred income tax is determined based on the tax rates that are applicable at the balance sheet date.

2.20 Taxation

Income tax is estimated based on the tax legislation and tax rates that are in force in the countries where the Group is active and is recorded as an expense in the period in which income is earned.

2.21 Employee benefits

(a) Short-term benefits

Short-term benefits to employees in cash or in kind are recorded as an expense when these accrue.

(b) Benefits following withdrawal from the Service

Benefits following withdrawal from the service include both defined contribution programs and defined benefit programs.

The accrued cost of defined contribution programs is recorded as an expense in the period that it concerns.

The liability that is recorded in the balance sheet for defined benefit programs is the present value of the commitment for the fixed benefit less the fair value of the program's assets, the changes that arise from the unrecognised actuarial gains and losses and the cost of past service. The commitment of the defined benefit is calculated by an independent actuary using the projected unit credit method. The present value of the commitment for the defined benefit is determined on the basis of future cash flows that have been estimated through the use of the interest rates that would have applied to high quality corporate bonds or State instruments, the dates of maturity of which approach the time limits of the relative liability.

Actuarial gains and losses that arise from adjustments on the basis of experience adjustments and are above or below the margin of 10% of the accumulated liability are recorded in the results spread over the employees' expected average remaining working lives. The cost of past service is recorded directly in the results, with the exception of the case in which changes to the program depend on the remaining term of the employees remaining in service for a specific period of time (the vesting period). In this case, the cost of past service is recorded in the results based on the straight-line basis over the vesting period.

(c) Employment termination benefits

Employment termination benefits are paid when employees decide to retire prior to their normal date of retirement. The Group records these benefits when it is bound, or when it terminates the employment of existing employees based on a detailed schedule for which there is no possibility of withdrawal or when it offers these benefits as an incentive for voluntary retirement. Employment termination benefits that are due in 12 months after the balance sheet date are discounted to their present value.

In the case of employment termination in which the Group is not able to determine the number of employees who will take advantage of this incentive, these benefits are not accounted for but are recorded as a contingent liability.

2.22 Grants

Government grants are recognised at their fair value when it is certain that the subsidy will be received and that the Group will comply with all stipulated terms.

Government grants that relate to expenses are recorded in transit accounts and are recognised in the results so that these will match the expenses that they will cover.

Government grants that have been granted for the purchase of property, plant and equipment are recorded as non-current liabilities as government grants of subsequent financial years and are transferred as income to the income statement on the straight-line method over the expected service life of these assets.

2.23 Provisions

Provisions are recognised when:

- There is a present legal or inferred commitment as a result of past events.
- Outflow of funds may be demanded for the commitment's settlement.
- The amount in question may be reasonably estimated.

Wherever there are various similar liabilities, the possibility that an outflow shall be required for the settlement thereof is determined by examining the liability category overall. A provision is recognised even when the possibility of an outflow regarding any asset included in the same liability category may be small.

2.24 Revenue recognition

(a) Sale of goods

Sales of goods are recognised when the Group delivers the goods to its customers, when the goods are received by the latter and when collection of the claim is reasonably guaranteed. In the case in which cash refunds regarding sales of goods is guaranteed, refunds are accounted for on each balance sheet date as a reduction to income, based on statistical data.

(b) Provision of services

Income from the provision of services is accounted for in the period in which the services are rendered, based on their stage of completion in relation to all the services that shall be rendered.

(c) Income from interest

Income from interest is recognised on the time proportion basis using the effective interest rate method. When receivables are impaired, the book value thereof is reduced to their recoverable amount, which is

the present value of the expected future cash flows discounted with the original effective interest rate. Subsequently, interest is accounted for based on the same interest rate that is applied on the impaired (new book) value.

(d) Dividends

Dividends are accounted for as income when a right to collect has been established.

2.25 Distribution of dividends

The distribution of dividends is recognised when the distribution thereof is approved by the General Meeting of the shareholders.

2.26 Comparative information and Rounding

Certain comparative figures have been reclassified so that they may be comparable with the corresponding figures of the current year.

The amounts that are contained in these financial statements have been rounded off to Euros. Due to this fact, differences that may arise are due to the aforementioned rounding off.

3 Management of financial risks

3.1 Financial risk factors

The Group is exposed to financial risks, such as market risks (changes to foreign exchange rates, interest rates, market prices), credit risks and liquidity risks. The Group's general risk management program focuses on the fact that financial-credit markets cannot be forecasted and seeks to minimise the potential negative affect thereof on the Group's financial performance.

Risk management is carried out by the Group's central finance department, which operates with specific rules that have been approved by the Board of Directors. The Board of Directors provides instructions and guidelines on the general management of risks, as well as special instructions on the management of specific risks, such as foreign exchange risks, interest rate risks and credit risks.

(a) Foreign exchange rate risk

The Group is active in Europe, and consequently the greater part of the Group's transactions are carried out in Euros. However, part of the Group's merchandise purchases is denominated in US Dollars. Immediate payment of these suppliers significantly reduces the foreign exchange risk.

(b) Credit risk

The Group has adopted and applies credit control procedures with the purpose of minimising doubtful claims and immediately covering claims with commercial paper. No client exceeds 10% of sales and, consequently, commercial risk is spread over a large number of clients. Goods and services are provided on a wholesale basis primarily to clients with a creditable credit history. The credit control department sets the credit limits of each client and applies specific sales and collections terms. According to the Group's policy, receivables from clients are secured.

(c) Liquidity risk

Liquidity risk is kept at a low level by having sufficient cash on hand, liquid securities and sufficient open credit limits.

(d) Interest rate fluctuation risk

The Group's loan obligations are associated with floating interest rates that, depending on market conditions, may either remain floated or may become fixed. The Group uses derivatives in order to offset interest rate risks (SWAPS).

(e) Raw material price fluctuating risk

The Group's activities are affected by the stock market prices of metals. In order to cover part of this risk the Group uses derivative financial instruments to hedge the risk of changes in the prices of metals.

3.2 Determining fair values

The fair values of financial assets that are traded in active markets (stock markets) (e.g. derivatives, shares, bonds, mutual funds) are set according to the published prices that are valid on the balance sheet date. The fair value of financial assets is determined by their offer price, while the fair value of financial liabilities is determined by their demand price.

The fair values of financial assets that are not traded in active markets are set through the use of valuation techniques and standards that are based on market data on the balance sheet date.

The nominal value less allowances for doubtful commercial claims is deemed to approximate their actual value. The actual values of financial liabilities, for the purpose of being recorded in financial statements, are estimated based on the present value of the future cash flows that arise from specific contracts using the current interest rate that is available for the Group for the use of similar financial-credit means.

4 Accounting estimates and judgements of the management

The management's estimates and judgements are re-examined on a continuous basis and are based

on historical figures and expectations of future events, which are deemed reasonable pursuant to that which is in force.

4.1 Critical accounting estimates and acknowledgments

The Group makes estimates and assumptions regarding the development of future events. Estimates and assumptions that most likely will cause substantial adjustments to the carrying amounts of assets and liabilities in the following 12 months are:

a) The Group's judgement is required in order to raise an income tax provision. The provision is an area that management believes involves a significant risk that there will be substantial differentiations in the future due to the tax legislation that is in force in Greece, where the company's tax liabilities are deemed final only after the competent tax authorities conduct a tax audit. In order to determine the income tax provision the Group's judgment is necessary whereas there are many transactions and calculations for which the ultimate tax determination is uncertain. If the final tax that shall be determined differs from the initially recognised tax, the difference shall affect the income tax and the provision for deferred taxation for the period.

The subsidiary company of SIDENOR S.A., Corinth Pipeworks S.A., re-evaluated its capacity to offset transferred losses with future taxable profits and recognised a deferred tax claim for the transfer of part of the tax losses of an amount of 69,3 million Euros for which a relative financial gain may arise due to future taxable profits.

b) The Group raises a provision for disputed cases based on evidence provided by the Group's legal department. In addition, the Group raises provisions for the impairment of receivables when there is an objective indication that it is not in a position to collect all of the amounts that are due pursuant to the contractual terms.

c) The Group raises provisions for contractual obligations to its clients, which are estimated based on historical and statistical data that arose from the resolution of corresponding past cases.

d) The Group raises provisions for impairment of holdings by taking into consideration the future benefits that shall arise therefrom.

e) The Group estimates inventories at the lesser value between their current and net liquid value. The liquid value may differ in relation to that which was estimated at the time the financial statements were prepared.

f) The Group estimates tangible and intangible assets and investment property at the lesser value between their current and recoverable value. Actual amounts may differ in relation to that which was estimated at the time the financial statements were prepared.

4.2 Crucial judgements of the Management regarding the application of accounting principles

No field whatsoever required the use of the Management's crucial judgments with regard to the application of accounting principles.

5 Information per segment

Primary type of information – business segments

The Group is divided into six primary business segments:

- Steel products used in construction activities
- Pipework products
- Copper products
- Cables
- Aluminium products
- Services

Sales and operating profits per segment for the period until 31 March 2006 were as follows:

	Steel	Pipeworks	Copper products	Cable products	Aluminum	Services	Non-allocated	Total
Total gross sales per segment								
Inter-company sales	212,326,429	84,459,932	171,613,477	62,096,961	203,324,040	28,634,913	8,921,951	771,377,703
Net sales	<u>-25,456,412</u>	<u>-</u>	<u>-21,452,667</u>	<u>-</u>	<u>-13,022,969</u>	<u>-1,936,010</u>	<u>-4,636,485</u>	<u>-66,504,543</u>
	186,870,017	84,459,932	150,160,810	62,096,961	190,301,071	26,698,903	4,285,466	704,873,160
Operating profits	21,826,748	6,295,154	15,258,166	5,178,101	8,248,901	1,010,647	127,285	57,945,002

Sales and operating profits per segment for the period until 31 March 2007 were as follows:

	Steel	Pipeworks	Copper products	Cable products	Aluminum	Services	Non-allocated	Total
Total gross sales per segment								
Inter-company sales	378,743,946	98,401,528	303,656,912	95,435,143	296,514,518	36,065,879	4,737,806	1,213,555,732
Net sales	<u>-96,597,839</u>	<u>-4,080,158</u>	<u>-102,261,640</u>	<u>-5,916,672</u>	<u>-36,454,177</u>	<u>-8,752,802</u>	<u>-1,472,586</u>	<u>-255,535,874</u>
	282,146,107	94,321,370	201,395,272	89,518,471	260,060,341	27,313,077	3,265,220	958,019,858
Operating profits	46,652,747	14,040,131	17,045,739	4,809,279	16,756,657	-1,609,028	-1,654,788	96,040,737

6. Available-for-sale Non-current Assets

Available-for-sale non-current assets concern machinery of "STOMANA INDUSTRY S.A.", a subsidiary company of SIDENOR S.A., of a total value of 3,919 thousand Euros, which, according to a relative decision of the Board of Directors of the said subsidiary company, shall be sold in 2007.

These fixed assets were assessed at the lesser value between their current book value and their fair value less cost of sale. These fixed assets have not been depreciated according to IFRS 5.

7. Investments in associate companies

Companies that are consolidated based on the net worth method are as follows:

Name of Company	Country of incorporation	Assets	Liabilities	Income (turnover)	Profits/(losses) after taxes	Holding percentage
		31/12/2006	31/12/2006	31/3/2006	3/13/2006	31/12/2006
2006						
SIDMA S.A.	GREECE	161,931,545	104,858,234	33,246,229	1,083,908	21.97%
V.EPE.M. A.B.E.E	GREECE	36,200	-	-	120	60.39%
ENERGY SOLUTIONS S.A.	BULGARIA	3,582,000	2,505,000	927,480	57,824	40.67%
THISVIS POWER PLANT S.A.	GREECE	73,710	72	-	-21,400	13.62%
DE LAIRE LTD	CYPRUS	184,670	32,124	82,838	-12,318	53.94%
EDE S.A.	GREECE	108,066	6,020	-	-	53.94%
		165,916,191	107,401,450	34,256,547	1,108,134	

Name of Company	Country of incorporation	Assets	Liabilities	Income (turnover)	Profits/(losses) after taxes	Holding percentage
		31/12/2006	31/12/2006	31/3/2006	3/13/2006	31/12/2006
2007						
SIDMA S.A.	GREECE	200,466,580	137,144,960	44,742,379	3,046,901	22.01%
V.EPE.M. A.B.E.E	GREECE	35,780	-	-	-210	60.45%
ENERGY SOLUTIONS S.A.	BULGARIA	4,470,208	3,407,747	260,246	-15,338	33.85%
DE LAIRE LTD	CYPRUS	156,650	43,898	191,700	81,684	39.97%
EDE S.A.	GREECE	108,066	6,020	-	-	39.97%
		205,237,284	140,602,625	45,194,325	3,113,037	

DE LAIRE LTD, V.EPE.M. A.B.E.E. and EDE S.A. have been consolidated based on the net worth

method and not on the total conciliation method due to the fact their figures were deemed negligible.

8. Investments in subsidiary companies

COMPANY INFORMATION

<i>Amounts in Euro</i>	31/3/2007	31/12/2006
Beginning of period	688,499,988	728,801,964
Translation differences	-	-
Additions	-	4,591,605
Sales / Reductions	-33,381,476	-45,316,703
Other changes	-	373,123
Balance at end of period	655,068,512	688,449,988

The companies that are consolidated based on the total consolidation method within the Group are as follows:

Interim Financial Statements

31 March 2007

(All amounts in Euros)

Subsidiary Company	Unaudited Fiscal Years	Country	Indirect Holding %	Subsidiary Company	Unaudited Fiscal Years	Country	Indirect Holding %
AEIFOROS BULGARIA SA	2005 - 2006	BULGARIA	51.14%	AEIFOROS S.A.	2003 -2006	GREECE	51.14%
ALCOMET AE	2003 - 2006	GREECE	88.73%	AKRO A.E.B.E.	2003 - 2006	GREECE	42.61%
ALUBUILD SRL	2005 - 2006	ITALY	37.26%	ANAMET S.A.	2000 - 2006	GREECE	83.24%
ALURAME SRL	2005 - 2006	ITALY	53.94%	ANTIMET S.A.	2001 - 2006	GREECE	100.00%
ANAMET DOO	-	SERBIA	83.24%	ARGOS A.E.B.E.X.	2005 - 2006	GREECE	41.94%
ANAMET EOOD	2004 - 2006	BULGARIA	83.24%	ATTIKI S.A.	2003 - 2006	GREECE	50.00%
BELANTEL HOLDINGS LTD	1999 - 2006	CYPRUS	50.43%	BEMET S.A.	2003 - 2006	GREECE	56.82%
BLYTHE LTD	-	CYPRUS	64.08%	BEAT S.A.	2003 - 2006	GREECE	41.52%
BOZETTI LTD	2003 - 2006	CYPRUS	56.82%	BET S.A.	2003 - 2006	GREECE	62.92%
BRIDGNORTH LTD	-	GREAT. BRITAIN	64.08%	VIEXAL Ltd	2003 - 2006	GREECE	60.43%
COPPERPROM ΕΠΕ	2003 - 2006	GREECE	43.61%	VIOMAL S.A.	2002 - 2006	GREECE	32.06%
CPW America Co	2005 - 2006	U.S.A.	45.38%	VITROUVIT S.A.	2001 - 2006	GREECE	100.00%
CPW European Gmbh	2000 - 2006	GERMANY	45.38%	DEPAL S.A.	2002 - 2006	GREECE	60.74%
DOIRAN STEEL LLCOP	2006	BULGARIA	56.82%	DIVIPETHIV S.A.	2002 - 2006	GREECE	49.80%
ELMONTE HOLDINGS LTD	2001 - 2006	CYPRUS	56.82%	DIAPEM COMMERCIAL S.A.	2003 - 2006	GREECE	57.11%
ELVAL AUTOMOTIVE GMBH	-	GERMANY	55.19%	DIATOUR S.A.	2003 - 2006	GREECE	97.19%
ELVAL COLOUR AE	2005 - 2006	GREECE	63.53%	ETEM S.A	2005 - 2006	GREECE	37.26%
ETEM SCG DOO	2004 - 2006	SERBIA	37.26%	EVITE S.A.	2003 - 2006	GREECE	50.43%
ETEM SYSTEMS SRL	2005 - 2006	ROMANIA	19.01%	ELVAL S.A.	2003 - 2006	GREECE	64.08%
GENECOS SA	2005 - 2006	FRANCE	36.60%	ELKEME S.A.	2003 - 2006	GREECE	55.39%
HUMBEL LTD	2004 - 2006	CYPRUS	45.38%	HELLENIC CABLES S.A.	2003 - 2006	GREECE	39.97%
ICME ECAB SA	2003 - 2006	ROMANIA	39.41%	ERGOSTEEL S.A.	2004 - 2006	GREECE	30.87%
INOS BALKAN S.A.	-	SERBIA	83.24%	ERLIKON S.A.	2001 -2006	GREECE	57.18%

Interim Financial Statements
31 March 2007
(All amounts in Euros)

LESCO ROMANIA SA	2003 - 2006	ROMANIA	26.00%	ETAL S.A.	1999 - 2006	GREECE	58.00%
LESCO OOD	2003 - 2006	BULGARIA	39.64%	ETIL S.A.	2001 - 2006	GREECE	42.36%
LLC ETEM SYSTEMS (UKR)	2005 - 2006	UKRAINE	37.26%	KANAL S.A.	2005 - 2006	GREECE	57.38%
METAL AGENCIES LTD	2005 - 2006	GREAT BRITAIN	46.98%	KERAMEIA AXIOU S.A.	2006	GREECE	100.00%
METAL GLOBE DOO	2002 - 2006	SERBIA	52.76%	ATTIKIS STEELWORKS S.A.	2002 - 2006	GREECE	28.42%
MKC GmbH	-	GERMANY	55.19%	CORINTH STEELWORKS S.A.	2002 - 2006	GREECE	45.38%
MOPPETS LTD	2003 - 2006	CYPRUS	37.26%	NOVAL S.A.	2003 - 2006	GREECE	100.00%
OGWELL LIMITED	2005 - 2006	CYPRUS	50.43%	XENKA S.A.	2003 - 2006	GREECE	100.00%
PROSAL TUBES SA	2006	BULGARIA	39.78%	PRAKSIS S.A.	2005 - 2006	GREECE	28.98%
SANIPARK SA	2006	GREECE	100.00%	PROSAL S.A.	2004 - 2006	GREECE	39.78%
SIGMA AE	2002 - 2006	BULGARIA	41.94%	SANITAS S.A.	2003 - 2006	GREECE	100.00%
SOFIA MED AD	2005 - 2006	BULGARIA	50.43%	SANITAS AGENCIES S.A.	2005 - 2006	GREECE	100.00%
SOVEL AE	2006	GREECE	63.87%	SIDENOR S.A.	2005 - 2006	GREECE	56.82%
STEELMET (1) BULGARIA	1998 - 2006	BULGARIA	37.26%	STEELMET S.A.	2006	GREECE	51.39%
STEELMET (2) BULGARIA	2004 - 2006	BULGARIA	37.26%	SYLLAN S.A.	2005 - 2006	GREECE	50.43%
STEELMET CYPRUS LTD	2005 - 2006	CYPRUS	51.39%	SYMETAL S.A.	2003 - 2006	GREECE	64.08%
STEELMET EXPORTS S.A.	2006	GREECE	52.65%	CORINTH PIPEWRTOKS S.A.	2003 - 2006	GREECE	45.38%
STEELMET ROMANIA SA	2002 - 2006	ROMANIA	53.25%	TEKA SYSTEMS S.A.	2003 - 2006	GREECE	50.01%
STOMANA IDUSTRY SA	2005 - 2006	BULGARIA	48.85%	TELECABLES S.A.	2004 - 2006	GREECE	39.97%
TEPRO METAL AG	1992 - 2006	GERMANY	55.19%	HALCOR S.A.	2005 - 2006	GREECE	50.43%
TEPRO METAL SA	2006	BULGARIA	100.00%	CHABAKIS LTD	2003 - 2006	GREECE	50.43%
TEPRO METAL VERTRIEBS GMBH	-	GERMANY	55.19%				
TEPROSTEEL EAD	2002 - 2006	GREECE	56.82%				

During March 100%, Elmonte Holdings Ltd., a 100% subsidiary company of SIDENOR S.A., sold 2,900,000 shares of Corinth Pipeworks SA. By way of this sale, Elmonte Holdings Ltd decreased its holding percentage in CORINTH PIPEWORKS S.A. from 82.21% to 79.87%, namely a 2.34% change.

9. Derivative financial assets

	CONSOLIDATED FIGURES	
	31/03/2007	31/12/2006
Non-current assets		
Interest rate swaps	2,422,796	2,075,115
Fx future contracts	733,666	82,481
Future contracts	622,072	655,863
Total	3,778,534	2,813,459
Current assets		
Interest rate swaps	0	20,216
Foreign exchange swaps	0	42,899
Forwards for hedging cash flows	3,354,818	2,821,661
Fx future contracts	458,095	964,820
Future contracts	6,715,372	12,024,018
Total	10,528,285	15,873,614
Non-current liabilities		
Interest rate swaps	243,692	109,344
Foreign exchange swaps	-	147,346
Future contracts	-	593
Total	243,692	257,283
Current liabilities		
Interest rate swaps	-	92,113
Foreign exchange swaps	-	33,394
Fx future contracts	1,132,271	979,920
Forwards for hedging cash flows	321,419	223,088

Future contracts	12,335,872	3,743,526
Total	13,789,562	5,072,041
Amounts recorded in the results as income or (expense)	12,308,278	-13,463,635
Nominal value of contracts	722,489,029	753,875,519

The above valuation of open positions of derivative financial instruments was effected according to the requirements of IAS 39 "Financial Instruments: Recognition and Measurement".

The Group's accounting principle regarding risk hedging is described in note 2.13.

The abovementioned derivative financial instruments cover risks from:

- Market currency translations (US Dollar)
- Changes in loan interest rates
- Changes in the prices of metals
- Changes in the prices of other currencies

The term of the above derivative financial instruments and the nominal value thereof corresponds to those of underlined assets/liabilities.

10. Borrowings

	CONSOLIDATED FIGURES	
	31/03/2007	31/12/2006
Non-current borrowings		
Bank loans	189,544,758	201,363,746
Liabilities from leasing activities (Note 11)	102,358	120,022
Debenture loans	638,916,668	638,916,668
Total non-current borrowings	828,563,784	840,400,436
Current borrowings		
Open bank accounts	8,382,376	1,024,322
Bank loans	505,047,423	444,681,008
Liabilities from leasing activities (Note 11)	1,646,327	2,095,850
Total current loans	515,076,126	447,801,180
Total loans	1,343,639,910	1,288,201,616
The maturity dates of non-current loans are as follows:		
Between 1 and 2 years	300,909,310	296,115,977
Between 2 and 5 years	498,985,968	515,898,297
Over 5 years	28,566,148	28,266,139
	828,461,426	840,280,413

The true weighted average interest rates as at the balance sheet date are as follows:

	CONSOLIDATED FIGURES	
	31/03/2007	31/12/2006
Bank loans (non-current)	4.66%	4.91%
Bank loans (current)	5.31%	4.52%
Debenture loans	4.47%	4.10%
Liabilities from leasing activities	3.68%	3.28%

The reasonable values of loans are approximately equal to their book values.

As noted in Note 15, a mortgage has been filed against the property of ICME ECAB (Romania), a subsidiary company of HELLENIC CABLES S.A., including the equipment

thereof, while a lien has been obtained on the company's movable property (with the exception of receivables and stocks) for the acquisition of a non-current loan, the amount of which, as of 31 March 2007, amounted to 4.6 million Euros.

The Company does not have any borrowings.

11 Leasing

	CONSOLIDATED FIGURES	
	31/03/2007	31/12/2006
Liabilities from leasing activities – minimum rents		
Up to 1 year	1,701,706	2,185,309
From 1 to 5 years	93,539	111,222
Over 5 years	14,180	15,066
Total	1,809,425	2,311,596
Less: Future leasing financial charges	-60,740	-95,724
Current value of liabilities from leasing activities	1,748,685	2,215,872

The current value of liabilities from leasing activities is analysed as follows:

Up to 1 year	1,646,327	2,095,850
From 1 to 5 years	89,514	106,554
Over 5 years	12,844	13,468
Current value of liabilities from leasing activities	1,748,685	2,215,872

The Company does not have any liabilities from leasing activities.

12 Cash generated from operations

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	1/1 to 31/03/2007	1/1 to 31/12/2005	1/1 to 31/03/2007	1/1 to 31/12/2005
Profits for the period	68,342,880	34,672,335	44,498,514	296,796
Adjustments for:				
Tax	15,854,295	12,190,399	66,700	502,641
Depreciation of property, plant equipment & intangible assets and investments in property	31,542,589	30,510,934	108,409	125,902
(Profits)/losses from the sale of property, plant equipment	-460,117	-538,684	-43,319	-1,278
(Profits)/losses from the sale of holdings	-	-	-43,539,988	-475,582
Profit from the sale of financial assets	-	-	-	-100,185
(Profits)/losses from the fair value of investments and derivative financial assets	-11,950,889	-	-	-
Interest income	-3,785,073	-1,995,031	-852,865	-67,077
Interest expenses	16,865,166	13,944,918	-	-
Amortisation of government grants	-678,561	-734,816	-	-
(Profits)/losses from associate companies	-1,107,771	-867,618	-	-
	<u>114,622,519</u>	<u>87,182,437</u>	<u>237,451</u>	<u>281,217</u>
Changes in working capital				
(Increase)/decrease in derivative financial assets	11,458,293	-2,002,011	-	-
(Increase)/decrease in inventories	-44,702,139	-80,784,788	-	-
(Increase)/decrease in trade and other receivables	-100,059,602	-89,574,714	-312,754	-1,959,940
Increase/(decrease) in trade and other payables	52,196,799	35,463,780	304,296	37,789
Increase/(decrease) in provisions	3,713,271	2,293,279	-	-
Increase/(decrease) in retirement and termination benefit obligations	-1,291,079	-678,554	-	-
	<u>-78,684,457</u>	<u>-135,283,008</u>	<u>-8,458</u>	<u>-1,922,151</u>
Net cash generated from operations	<u>35,938,062</u>	<u>-48,100,571</u>	<u>228,993</u>	<u>-1,640,934</u>

13 Assumed liabilities

1. Contractual commitments

	CONSOLIDATED FIGURES	
	31/03/2007	31/12/2006
Plant, property and equipment	18,210,588	21,160,026
Others	577,578	1,360,764
	18,788,166	22,520,790

2. Liabilities from operating leases

	CONSOLIDATED FIGURES	
	31/03/2007	31/12/2006
Up to 1 year	2,405,877	2,220,461
From 1 to 5 years	5,428,596	5,348,674
More than 5 years	1,036,097	1,396,910
	8,870,570	8,966,045

The company does not have any significant commitments and liabilities from Operating Leases as at the date of the balance sheet.

There are no contractual liabilities for future repairs and maintenance of investment properties.

14 Contingent Liabilities – Receivables

The Group has contingent liabilities and receivables in relation to banks, other guarantees and other issues arising in the course of its ordinary activity as follows:

Consolidated

Liabilities	31/03/2007	31/12/2006
Guarantees for securing liabilities to suppliers	77,303,149	112,297,157
Guarantees for securing the good performance of contracts with customers	79,622,162	69,124,635
Counter-guarantees for loan of the European Investment Bank	40,519,356	40,519,356
Other liabilities	78,767,479	78,390,943
Lawsuits filed by employees due to a work-related accident in Corinth	3,386,441	3,386,830
Other lawsuits	2,080,856	3,343,805
Contractual liabilities	1,882,318	1,882,318
Letters of guarantee issued by Banks	2,665,102	9,454,373
Tax liabilities	5,578,619	5,572,415
Total	291,805,482	323,971,832

No significant burdens are expected to arise from the contingent liabilities that are presented in the table above. The Company does not have any contingent liabilities in relation to banks, other guarantees and other matters that arise within the framework of its ordinary business activities.

Pursuant to Hellenic Legislation, the Company's tax obligations and the tax obligations of its subsidiary companies, for certain years, have not been finalised as it is noted in detail in Note 11. The additional burden that may arise in the case of a tax audit for the Group's companies may not be estimated at the present stage.

SIDENOR S.A. and 'International Finance Corporation', an international organisation, have signed a contract pursuant to which the company guarantees that its holding in subsidiary company STOMANA Industry S.A., a company seated in Bulgaria, shall not change so that it may receive a non-current loan of an amount of 55 million Euros, while the current balance of the relative loan is 48 million Euros.

In the event that the pending lawsuits are not decided in the favour of Corinth Pipeworks S.A., a subsidiary company of SIDENOR S.A., the company raised a provision until and

including fiscal year 2005 amounting to 913,998 Euros. During the current fiscal year, an additional provision amounting to 950,000 Euros was set up.

Moreover, the subsidiary company until and including fiscal year 2006 raised a provision for losses that may arise as result of its contractual liabilities against customers amounting to 4,763,569 Euros. During the current period the company used an amount of 163,147 Euros to cover liabilities and raised an additional provision amounting to 406,454 Euros.

In 2005, the competent tax authorities issued final audit certificates to ETIL S.A., a subsidiary company of SIDENOR S.A., concerning fiscal years 1999 & 2000. According to these certificates additional taxes in the total amount of 2,728 thousand Euros arose, 938 thousand Euros of which constitutes the principle income tax while the remaining 1,790 thousand Euros constitute surcharges. Whereas ETIL S.A. did not accept this liability, it filed an appeal before the Administrative Courts on 15 February 2006. It concurrently filed a request before the committee of article 70 of Law 2238/94 with the purpose of requesting that the service sector be excluded from non-accounting computation. The company's management bases its opinion on the fact that the final decisions will significantly reduce the company's liability. The Company has raised a relative provision amounting to 371 thousand Euros that corresponds to the Income Tax that it will be called to pay if its request for the segregation of sectors is accepted.

Employees of STOMANA Industry S.A., a subsidiary company of SIDENOR S.A., have filed lawsuits against the company due to their discharge and work-related accidents in the amount of 649 thousand Euros. The company has, in turn, appealed to the local courts, which it believes will significantly reduce this liability. The company has burdened its results by 358 thousand Euros.

The companies of SIDENOR Group, pursuant to Article 2 of Law 3220/2004, as regards the fiscal years 2003 & 2004 have set up untaxed reserves amounting to 8,490 thousand Euros (7,489 thousand Euros for the parent company and 1,001 thousand Euros for the subsidiaries). The European Commission has issued notification No 2006/C20/05, pursuant to which the European Commission believes that the specific untaxed reserves are a form of government grant and has asked the Greek Government to take a formal stance on this notification. Due to the adverse development of the issue concerned, during the fiscal year 2006 the companies charged their results with 2,844 thousand Euros and set up the relevant provision with respect to the income tax corresponding to the above untaxed reserves.

In a research study that the Competition Director General of the European Commission conducted regarding the European copper pipe manufacturers, it established that certain

companies violated the rules of competition in the copper water pipes market and imposed fines on seven companies, one of which was the subsidiary HALCOR S.A. HALCOR's fine amounted to 9,16 million Euros for which the Company has issued a letter of guarantee of a corresponding value. The company deems that the abovementioned fine is unjustified and unfair and that the amount of the fine imposed was exorbitantly high. It has filed an appeal before the Tribunal of the European Communities against the Commission's decision. The Company's management, based on the opinion of its legal department as to the validity of its appeal, deems that the final amount of the abovementioned fine (if the validity of the fine is judicially justified and confirmed) will not exceed 5 million Euros, a provision has been raised which has burdened the 2004 operating results. In December 2006, a supplementary provision was raised in the amount of 0,4 million Euros for corresponding interest charges.

Pursuant to Directive 2003/87/EC (which has already been incorporated into Greek Legislation pursuant to Joint Ministerial Decision Η.Π. 54409/2632/27-12-2004) of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community, a National Allocation Plan for the three-year period 2005-2007 has been submitted. This Plan, the finalisation of which is pending, establishes the total amount of allowance, the allocation among liable installations, and the basic rules that govern allowance allocation and the operation of the relative system.

The subsidiary ELVAL S.A., based on the initial allocation that corresponds thereto from 1 January 2005 according to the National CO₂ Emission Allocation Plan, has estimated deficiencies that concern fiscal years 2005, 2006 and 2007.

The existing collateralised liens that have been obtained against the property of the Group's companies are set forth in Note 15.

15 Existing collateralised liens

Mortgages and statutory notices of mortgage in favour of banks in the amount of 73.2 million Euros have been filed against the property of Corinth Pipeworks S.A., a subsidiary company of SIDENOR S.A., for loans of a current balance of 40,5 million Euros and mortgages amounting to 46.7 million Euros have been filed against the property of STOMANA AD, another subsidiary. Mortgages totalling 9 million Euros have been filed against the property of the subsidiaries HALCOR S.A., ICME ECAB S.A. and SOFIA MED SA.

16 Related party transactions

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/03/2007	31/32/2006	31/03/2007	31/32/2006
Sale of goods/services				
Subsidiary companies	-	-	558,571	-
Other associate entities	5,057,401	4,380,595	-	-
	5,057,401	4,380,595	558,571	-
Sale of fixed assets				
Subsidiary companies	-	-	75,000	423,615
Other associate entities	-	-	-	153,236
	-	-	75,000	576,851
Purchase of goods/services				
Subsidiary companies	-	-	9,304	11,552
Other associate entities	2,343,588	1,497,763	-	-
	2,343,588	1,497,763	9,304	11,552
Purchase of fixed assets				
Subsidiary companies	-	-	9,025	-
Other associate entities	50,043	-	-	-
	50,043	-	9,025	-
Benefits to Management				
	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/03/2007	31/32/2006	31/03/2007	31/32/2006
Fees-remuneration to Directors and Executives	2,566,064	-	-	-
Fees to Directors and Managing Directors through distribution	-	-	-	-
Benifits following termination of employment	72,545	-	-	-
	2,638,609	0	0	0

Year-end balances that arise from the sale-purchase of goods, services, fixed assets,

etc.

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/03/2007	31/12/2006	31/03/2007	31/12/2006
Receivables from associate entities:				
Subsidiary companies	-	-	396,649	860,412
Other associate entities	27,877,892	24,411,989	-	-
	27,877,892	24,411,989	396,649	860,412
Liabilities to associate companies:				
Subsidiary companies	-	-	181,032	341,454
Other associate entities	2,283,949	3,287,194	-	-
	2,283,949	3,287,194	181,032	341,454

17 Earnings per share

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/03/2007	31/03/2006	31/03/2007	31/03/2006
Profits that correspond to the shareholders of the parent company	37,304,754	22,305,681	44,498,514	296,796
Weighted average number of shares	198,679,701	198,689,701	199,474,091	199,474,091
Basic and diluted earnings per share (Euros per share)	0.188	0.112	0.223	0.001

18 Personnel

The number of persons employed by the Group and Company at the end of the current year amounted to 8,811 and 3 persons respectively.

19 Events that took place after the balance sheet date

The General Meeting held on 15 June 2006 of the shareholders of Hellenic Cables S.A., a subsidiary of HALCOR S.A., approved the receipt of a debenture loan up to 50 million Euros that will replace existing current loan liabilities and will finance the company's investment programmes. By virtue of this decision, on 30 April 2007, the sum of 10 million Euros was disbursed, which corresponds to four (4) debentures with a value of 2.5 million Euros each according to an agreement with a credit institution whose repayment horizon is set at four equal annual instalments, starting from the second anniversary of loan receipt. The loan is at Euribor rate plus margin. By way of this disbursement, the receipt of 50 million Euros was completed.

During April 2007, the subsidiary company ELVAL S.A. paid the due share capital of the newly-established AFSEL S.A. which amounted to 90,000 Euros. AFSEL SA belongs by 50% to ELVAL and by 50% the Japanese Furukawa-Sky .

ETEM S.A., a subsidiary of ELVAL S.A., during the Ordinary General Meeting of its shareholders held on 14 June 2006, approved the receipt of a debenture loan up to 25 million Euros that will replace existing current loan liabilities and will finance the company's investment programs. By virtue of this decision, on 30 April 2007, the sum of 5 million Euros was disbursed, which corresponds to four (4) debentures with a value of 1.25 million Euros each according to an agreement with a credit institution whose repayment horizon is set at four equal annual instalments, starting from the second anniversary of loan receipt. The loan is at Euribor rate plus margin.

20 Reclassifications of items

- In the consolidated data of the published concise financial statements regarding the interim period from January to March 2006, the reclassifications made for comparability purposes are the following:

(a) Under cash flow reclassification of an item of € 18,923,834 from the heading "(Increase)/ Decrease in receivables" to the heading "(Increase)/ Decrease in Inventories" which concerns down payments for stock purchases.

(b) Under cash flow reclassification of an item of € 1,541,175, from the heading "(Increase)/ Decrease in Receivables" to the heading "Additions of property, plant and equipment, investment in properties and intangible assets", which concerns down payments

for purchases of fixed assets and has the proportionate effect on cash flow generated from investing and financing activities.

(c) Under cash flow reclassification of an item of € 1,987,930, from the heading “Additions of property, plant and equipment; investment in properties and intangible assets” to the heading “Net change of available-for-sale financial assets (amount: € 310,389) and to the heading “Change of holding in enterprises” (amount: € 1,677,541). In essence, it concerns a breakdown of items that were presented concisely during that period. For the same reason, an item of € 3,118,003 was reclassified from the heading “Increase/ Decrease in liabilities” to the heading “(Increase)/ Decrease in derivative financial instruments (amount: € 2,002,011), to the heading “Increase/ (decrease) in retirement benefit obligations (amount: € 678,554) and to the heading “Income tax paid” (amount: € 437,438).

(d) Under income statement reclassification of an item of € 439,702 from “Profits attributable to minority interests” to “Profits attributable to equity holders of the parent company”. It refers to the reclassification of minority interests of the subsidiary “HALCOR SA”, which took place on the basis of the percentages established once the absorption of the subsidiary FITCO SA by HALCOR SA was completed (according to Law 2166/93 and transformation balance sheet as at 31/01/2006), given that absorption was in progress when the statements of the period from 01/01 to 31/03/2006 were published.

- In the company data of the published concise financial statements regarding the interim period from January to March 2006, the reclassifications made for comparability purposes are the following:

(a) Under income statement reclassification of an item of € 705,908 to “Other income / expenses (net)” from “Financial expenses - net” (amount: € 230,326) and from “Profit – loss from associate companies” (amount: € 475,582).