



HELLENIC ALUMINIUM INDUSTRY S.A.

ANNUAL BULLETIN 2005

According to decisions 5/204/14.11.2000 and 7/372/15.2.2006 of Hellenic
Capital Market Committee.

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Information on drafting the Annual Bulletin

This Annual Report contains all the information and financial data required for correct evaluation of the assets, financial position, results and prospects of "ELVAL HELLENIC ALUMINIUM INDUSTRY S.A." by investors and their investment consultants.

Investors requiring further information may contact the following during working days and hours:

- Company offices, 57th km. Athens-Lamia National Road, tel. 2262-053632 (contact person, Mr N. Psirakis).

This Annual Report has been drafted and distributed in accordance with the provisions of decisions no. 5/204/14.11.2000 and 7/372/15.2.2006 of the Capital Market Committee. The following person is responsible for drafting the Annual Report and for the accuracy of information contained therein:

Nikolaos Psirakis, Company Financial Director, tel. 2106861111

The authors and the Board of Directors hereby declare that:

- a. All the information and data contained in the Annual Report is complete and true.
- b. There is no other information and no events have taken place, the concealment or omission of which could render misleading all or part of the information and data contained in the Annual Report.
- c. There are no pending judicial disputes or arbitration against the Company or the companies under its control, which could have a significant effect on its financial status.

General Information

The Company's current form is the result of its absorption by VEPAL S.A. and its renaming to "ELVAL HELLENIC ALUMINIUM INDUSTRY S.A.", in November 1996, in accordance with the terms described in the Annual Report published for this purpose and approved by the Board of Directors of the Athens Stock Exchange.

ELVAL S.A. (formerly VEPAL S.A.) was established in 1977 as a Limited Liability Company (GG no. 2965/27.9.1977). It became a Societe Anonyme in 1981 (GG no. 2990/9.7.1981) and has since then been subject to the laws governing joint stock companies. It is registered in the Athens Prefecture Register of Limited Companies, under number 3954/06/B/86/13.

The Company operates legally under operating license numbers 764/28.3.2003 and 4414/14.11.2005, issued by the Viotia Prefecture, Department of Industry.

The Company's registered office is in the Municipality of Athens, and its term expires on 31 December 2050. Its headquarters, and its modern production facilities are located in Oinofyta, Viotia, at the 57th km. of the Athens-Lamia National Road.

According to article 4 of its Articles of Association, the Company's objective includes the production and processing of aluminium and any other type of metal, and the production of all types of goods using these materials.

According to the Hellenic National Statistical Service classification (STAKOD 91), the Company's main activity belongs to sector 274.2 "ALUMINIUM PRODUCTION".

Brief History

The main milestones in Company history are:

- 1973: establishment of (former) ELVAL SA, by breakaway of the aluminium industrial sector of VIOHALCO ALUMINIUM S.A. and contribution of land in Oinofyta, Viotia, by VIOHALCO CABLES S.A. The company becomes involved in the aluminium rolling sector.
- 1977: establishment of VEPAL Ltd, involved in aluminium product processing. The company's production facilities are located in Thebes and Mandra, Attica.
- 1981: VEPAL becomes a Societe Anonyme (GG 2990/9.7.81), due to the extreme rise in demand for aluminium for various uses.
- 1993: VEPAL absorbs a) ETEHA SA, involved in the aluminium processing sector, and particularly in the production of laminated aluminium foil with paper or cardboard for soft cigarette packs, chocolate, food, etc., and other similar packaging materials, and b) EMPORIKI VIOMICHANIKI KRITIS Ltd, with limited commercial activity in the building materials sector.
- June 1996: the Extraordinary General Assembly of shareholders decides to increase the share capital by Public Offering and listing of VEPAL shares on the Main Market of the Athens Stock Exchange.
- October 1996: merger by absorption of (former) ELVAL by VEPAL; the new company is renamed ELVAL-HELLENIC ALUMINIUM INDUSTRY SA S.A.
- 1998: ELVAL detaches the paper and aluminium foil processing industrial sector and contributes it to subsidiary company SYMETAL S.A. At the time of the breakaway, ELVAL's production facilities in Mandra, Attica were also contributed to SYMETAL.
- March 1999: ELVAL detaches the aluminium hardening industrial sector and contributes it to subsidiary company EVIEP S.A. At the time of the breakaway, ELVAL's production facilities at the 5th km of the Thebes - Chalkida National Road were also contributed to EVIEP.

Other milestones in company history include the following:

- 1974: ELVAL commences aluminium rolling activities in Oinofyta. Until then, production took place exclusively in the old facilities in Athens. 18,000 tonnes of end products were produced that year. Maximum width is just over 1.5 metres.
- 1986: Annual production almost doubles - 35,000 tonnes.
- 1993: The new Hot Roller is introduced into the production process. ELVAL can now produce hot rolls with a maximum width of 2.4 metres.
- 1994: Annual production amounts to 87,000 tonnes.
- 1998: The Company's foundries are upgraded by the introduction of a new Constant Smelting unit.
- 1999: The company commissions a new, high-tech foil roller, and gains an important competitive technological advantage. The maximum possible foil rolling width is now 2.1 metres. During the same year, a new hardening line becomes operative (width: 2 metres). Annual tonnage comes to 125,000 tonnes.
- 2001: The most modern Cold Roller in Europe is commissioned. Significant investments in Hot Rolling are completed. The lithography sector of LAWSON MARDON STAR in G. Britain is bought out, by subsidiary company BRIDGNORTH ALUMINIUM Ltd.
- 2002 – 2003: The new fusion-casting unit, for production of long aluminium plates, is completed.

Board of Directors

Executive Members

Name	Property
John Panayiotopoulos	Chairman
Gregorios Konstantakopoulos	Vice-Chairman
Konstantinos Katsaros	Member
Nicholas Koudounis	Member

Non Executive Members

Name	Property
Konstantinos Bakouris	Member
Christos - Emmanouel Dimitrakopoulos	Member
Dimitrios Pavlakis	Member
Konstantinos Kouklelis	Member
Reinhold Wagner	Member

Independent Members

Name	Property
Andreas Kyriazis	Member
Gerard Decoster	Member

Balance Sheet

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<i>Amounts in Euros</i>	Note	CONSOLIDATED		COMPANY	
		31/12/2005	31/12/2004	31/12/2005	31/12/2004
ASSETS					
Non-current assets					
Tangible fixed assets	7	504,616,510	520,030,506	334,809,080	348,167,693
Intangible assets	9	3,194,292	3,485,870	1,807,645	1,682,638
Investments in real estate	8	5,637,258	2,200,000	-	-
Investments in companies that are consolidated based on the net worth method	11	6,827,361	6,597,748	4,361,423	4,361,423
Investments in companies that are consolidated based on the integrated consolidation method	10	-	-	81,362,181	81,129,081
Financial assets available for sale	12	1,029,477	-	404,082	-
Other investments		-	985,755	-	404,082
Deferred tax claims	13	37,250	87,079	-	-
Derivatives	16	540,236	-	-	-
Other receivables	15	3,861,881	5,028,346	2,258,761	2,285,017
		525,744,265	538,415,304	425,003,172	438,029,934
Current assets					
Stocks	14	207,953,688	179,702,174	135,394,702	117,158,735
Commercial and other receivables	15	191,584,861	190,810,858	126,484,863	122,698,105
Derivatives	16	19,839,519	-	11,953,814	-
Cash on hand and equivalent cash accounts	17	13,712,643	11,729,864	1,291,962	1,075,069
		433,090,711	382,242,896	275,125,341	240,931,909
Total assets		958,834,976	920,658,200	700,128,513	678,961,843
OWNER'S EQUITY					
Capital and reserves attributable to the company's equity holders					
Share capital	18	37,218,245	37,218,245	37,218,245	37,218,245
Above par reserve	18	158,654,004	158,654,004	158,654,004	158,654,004
Foreign exchange differences due to the consolidation of foreign subsidiaries	19	759,488	-15,313	-	-
Other reserves	19	154,056,497	138,100,755	126,112,078	117,457,874
Profits/(losses) carried forward	19	155,554,709	153,601,261	139,448,237	137,190,233
Total		506,242,943	487,558,952	461,432,564	450,520,356
Minority interest		44,553,398	43,463,675	-	-
Total owner's equity		550,796,341	531,022,627	461,432,564	450,520,356
LIABILITIES					
Long-term liabilities					
Loans	20	136,762,780	164,302,089	73,250,108	100,513,386
Liabilities from leasing activities	20	34,836	15,233	-	-
Derivatives	16	323,904	-	45,377	-
Deferred tax liabilities	13	61,140,083	56,662,054	45,666,145	43,435,666
Liabilities for personnel compensation due to retirement	21	7,544,136	7,047,878	5,782,021	5,539,886
Government grants	22	11,388,927	12,362,284	10,190,374	10,853,967
Provisions	24	174,396	9,385	-	-
		217,369,062	240,398,923	134,934,025	160,342,905
Short-term liabilities					
Suppliers and other liabilities	23	72,512,363	64,610,944	46,350,160	34,748,723
Current tax liabilities	28	1,746,171	1,964,860	1,273,215	1,233,325
Loans	20	110,673,989	81,860,846	51,825,329	31,316,534
Liabilities from leasing activities	20	69,457	-	-	-
Derivatives	16	5,499,694	-	4,160,321	-
Provisions	24	167,899	800,000	152,899	800,000
		190,669,573	149,236,650	103,761,924	68,098,582
Total liabilities		408,038,635	389,635,573	238,695,949	228,441,487
Total owner's equity and liabilities		958,834,976	920,658,200	700,128,513	678,961,843

Income Statement

<i>Amounts in Euros</i>	Note	CONSOLIDATED		COMPANY	
		12 months until 31/12/2005	12 months until 31/12/2004	12 month until 31/12/2005	12 months until 31/12/2004
Sales		706,067,800	667,859,865	466,740,272	437,419,312
Cost of sales	25	-641,309,683	-597,991,247	-444,016,745	-412,061,878
Gross profit		64,758,117	69,868,618	22,723,527	25,357,434
Distribution expenses	25	-25,969,654	-22,115,473	-6,469,701	-5,875,722
Administrative expenses	25	-18,527,850	-16,379,840	-9,426,913	-8,361,615
Other operating income/(expenses) (net)	29	3,298,475	4,011,343	1,316,613	1,113,636
Operating results		23,559,088	35,384,648	8,143,525	12,233,733
Financial expenses - net	27	-8,042,469	-9,470,788	-3,759,783	-5,010,345
Income from dividends		506,617	54,136	4,136,598	2,999,732
Profits/losses from related companies		-34,173	169,496	-	-
Profits before taxes		15,989,063	26,137,492	8,520,340	10,223,120
Income tax	13-28	-3,975,308	17,114,378	-938,003	17,696,798
Net profits of the period from ongoing activities		12,013,755	43,251,870	7,582,337	27,919,918
Distributed to:					
Shareholders of the parent company		9,936,883	38,022,179	7,582,337	27,919,918
Minority interest		2,076,872	5,229,691		
		12,013,755	43,251,870	7,582,337	27,919,918
Profits per share attributable to the shareholders of the parent company for the period (expressed in Euros per share)					
Basic and diluted	34	0.080	0.306	0.061	0.225
Depreciation of the period	7-9	42,844,395	41,853,680	26,819,638	26,490,633

Statement of changes in equity

<i>Amounts in Euros</i>	Attributable to the shareholders of the parent company					Total	Minority interest	Total Equity
	Share capital	Reserves at reasonable value	Other reserves	Results carried forward	Foreign exchange differences due to consolidation			
CONSOLIDATED								
Balance as of 1 January 2004	195,872,248	-	132,406,590	122,312,182	-	450,591,020	42,730,480	493,321,500
Foreign exchange differences				-12,935	-15,313	-28,248	23,175	-5,073
Net profit of the period				38,022,182		38,022,182	5,229,688	43,251,870
Total recognised net profit of the period	-	-	-	38,009,247	-15,313	37,993,934	5,252,863	43,246,797
Increase - decrease in subsidiary company holdings			-32,127	494,855		462,728	-3,143,938	-2,681,211
Transfer of reserves			5,726,292	-5,726,292		-		-
Dividends				-1,488,730		-1,488,730	-1,375,729	-2,864,459
	-	-	5,694,165	-6,720,167	-	-1,026,002	-4,519,667	-5,545,669
Balance as of 31 December 2004	195,872,248	-	138,100,755	153,601,261	-15,313	487,558,952	43,463,675	531,022,627
Application of I.A.S. 32 & 39		4,812,000				4,812,000		4,812,000
Balance as of 1 January 2005	195,872,248	4,812,000	138,100,755	153,601,261	-15,313	492,370,951	43,463,675	535,834,626
Foreign exchange differences			92	18,304	774,802	793,197	80,758	873,955
Profit/(loss) recognised directly in equity	-	5,623,127	-	-	-	5,623,127	156,152	5,779,279
Net profit of the period				9,936,883	-	9,936,883	2,076,872	12,013,755
Total recognised net profit of the period	-	5,623,127	92	9,955,186	774,802	16,353,208	2,313,782	18,666,990
Increase in subsidiary company holdings						-	12,362	12,362
Transfer of reserves			5,520,523	-5,520,523		-		-
Dividends				-2,481,216		-2,481,216	-1,236,421	-3,717,637
	-	-	5,520,523	-8,001,740	-	-2,481,216	-1,224,059	-3,705,276
Balance as of 31 December 2005	195,872,248	10,435,127	143,621,370	155,554,708	759,489	506,242,943	44,553,398	550,796,340

<i>Amounts in Euros</i>	Attributable to the shareholders of the parent company						
	Share capital	Reserves at reasonable value	Other reserves	Results carried forward	Total	Minority interest	Total Equity
COMPANY							
Balance Sheet as of 1 January 2004	195,872,248	-	115,312,469	112,904,451	424,089,168	-	424,089,168
Net profit of the period				27,919,918	27,919,918		27,919,918
Total recognised net profit of the period	-	-	-	27,919,918	27,919,918	-	27,919,918
Transfer of reserves (from distribution)			2,145,406	-2,145,406	-	-	-
Dividends				-1,488,730	-1,488,730	-	-1,488,730
	-	-	2,145,406	-3,634,136	-1,488,730		-1,488,730
Balance as of 31 December 2004	195,872,248	-	117,457,875	137,190,233	450,520,356	-	450,520,356
Application of I.A.S. 32 & 39		4,625,250			4,625,250		4,625,250
Balance as of 1 January 2005	195,872,248	4,625,250	117,457,875	137,190,233	455,145,606	-	455,145,606
Profit/(loss) recognised directly in equity	-	1,185,837	-	-	1,185,837		1,185,837
Net profit of the period				7,582,337	7,582,337		7,582,337
Total recognised net profit of the period	-	1,185,837	-	7,582,337	8,768,174	-	8,768,174
Transfer of reserves			2,843,118	-2,843,118	-		
Dividends				-2,481,216	-2,481,216		-2,481,216
	-	-	2,843,118	-5,324,334	-2,481,216	-	-2,481,216
Balance as of 31 December 2005	195,872,248	5,811,087	120,300,993	139,448,237	461,432,564	-	461,432,564

Cash Flow Statements

	Note	CONSOLIDATED		COMPANY	
		1/1 to 31/12/2005	1/1 to 31/12/2004	1/1 to 31/12/2005	1/1 to 31/12/2004
<i>Amounts in Euros</i>					
Cash flows from operating activities					
Cash flows from operating activities	30	46,653,112	55,957,386	23,723,284	27,173,423
Interest paid		-10,910,867	-10,898,527	-6,433,189	-6,243,885
Income tax paid	28	-2,439,560	-3,135,522	-260,569	-
Net cash flows from operating activities		33,302,685	41,923,338	17,029,526	20,929,538
Cash flows from investment activities					
Purchase of tangible assets	7	-25,809,945	-30,827,910	-13,882,519	-15,263,181
Purchase of intangible assets	9	-452,616	-1,495,641	-70,435	-218,602
Investments in real estate	8	-3,539,404	-2,200,000	-	-
Sale of tangible fixed assets	30	778,904	343,072	417,147	214,363
Sale of holdings	30	38,858	62,188	-	65,997
Dividends received	30	238,758	54,136	4,442,739	2,999,732
Purchase of financial assets available for sale	12	-6,000	-258,705	-	-246,805
Interest received	30	3,199,965	1,877,952	2,737,286	1,457,356
Increase in related company holdings	11	-428,229	-1,862,059	-	-1,067,217
Increase in subsidiary company holdings	10	-	-2,681,211	-233,100	-5,188,338
Increase in other company holdings		-	-	-	-10,000
Other		-	11,043	26,257	-
Net cash flows from investment activities		-25,979,709	-36,977,135	-6,562,625	-17,256,694
Cash flows from financing activities					
Dividends paid to the shareholders of the parent company		-	-	-2,479,272	-1,488,730
Loans received		8,750,000	105,000,000	-	80,000,000
Settlement of loans		-8,952,933	-100,411,660	-6,754,482	-82,195,195
Changes in leasing principle		89,061	15,233	-	-
Dividends paid to minority interest		-3,711,977	-2,864,459	-	-
Collections from share capital increase (proportion of minority)		12,362	-	-	-
Fees to executives and Board of Directors		-1,679,651	-1,715,565	-1,016,254	-454,870
Net cash flows from financing activities		-5,493,139	23,549	-10,250,008	-4,138,795
Net (decrease)/increase in cash on hand and cash equivalent accounts		1,829,837	4,969,752	216,893	-465,951
Cash on hand at beginning of period		11,729,864	6,756,776	1,075,069	1,541,020
Foreign exchange differences in cash on hand		152,942	3,336	-	-
Cash on hand at end of period	17	13,712,643	11,729,864	1,291,962	1,075,069

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NOTES TO FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The financial statements included herein include the corporate financial statement of ELVAL S.A. HELLENIC ALUMINIUM INDUSTRY (hereinafter “ELVAL” or the “Company”) and the consolidated financial statement of the Company and of its subsidiaries (together the “Group”). The corporate names of the Company’s subsidiaries are presented in Note 10 of the financial statements.

The present financial statements are subject to the approval of the Company’s Ordinary General Meeting that is expected to convene on 14 June 2006.

The Group is active, in terms of production, in Greece, Great Britain and Bulgaria (through ETEM S.A.) and promotes its products internationally, primarily to the European Union, the United States of America and the Far East.

The Company is seated in Greece, 2-4 Mesogheion Ave., Athens, and its main facilities are located at the 57th kilometre of the Athens-Lamia National Road, Oinofyta, Voiotia. The Company’s electronic address is www.elval.gr.

The Company’s shares are listed on the Athens Stock Exchange. The Company is a member of the VIOCHALCO S.A. Group of companies.

2. BRIEF PRESENTATION OF THE SIGNIFICANT ACCOUNTING PRINCIPLES

2.1 FRAMEWORK IN WHICH THE FINANCIAL STATEMENTS ARE PREPARED

The financial statements of ELVAL included herein of the fiscal year that ended on 31 December 2005 have been prepared according to the International Financial Reporting Standard (IFRS).

Until 31 December 2004 all financial statements had been prepared according to the Greek General Accepted Accounting Principles (G.A.A.P.). The G.A.A.P. differ from the I.F.R.S. at certain points. During the preparation of these statements, the Administration amended some of the accounting, presentation, valuation and consolidation methods that it applied in the past according to the Greek General Accepted Accounting Principles so that these may be consistent with the I.F.R.S. The figures of 2004 have been adjusted based on these amendments.

Pursuant to European Legislation 1606/2002 and pursuant to Law 3229/04 (as this has been amended by Law 3301/04), Greek companies that are listed on any stock exchange (domestic or international) are obligated to prepare their institutional financial statements for fiscal years that begin from 1 January 2005 and thereafter according to the I.F.R.S. According to I.F.R.S. 1 and the aforementioned Hellenic legislation, the above companies are obligated to present comparative financial statements according to the I.F.R.S., at least for one fiscal year (31 December 2004).

The Company applied I.F.R.S. 1 “First-time Adoption of International Financial Reporting Standards” during the preparation of the financial statements included herein. Pursuant to the relative provisions of I.F.R.S. 1, the following exceptions have been adopted:

The Company applied I.F.R.S. 1 “First adoption of the I.F.R.S.” during the preparation of the financial statements attached hereto. Pursuant to the relative provisions of I.F.R.S. 1, the following exceptions have been adopted:

The Company decided not to retroactively apply I.F.R.S. 3 “Business combinations” in business combinations that arose prior to the date of transition to the I.F.R.S (1 January 2004). Consequently and pursuant to the provisions of I.F.R.S. 1 “First adoption of the I.F.R.S.” the Group, with regard to previous business combinations:

- 1) maintained the same classifications that it applied in the financial statements that it drafted according to the G.A.A.P.
- 2) recognised all of the assets and liabilities on the date of transition to the I.F.R.S. that were acquired or undertaken in business combinations, with the exception of:
 - specific financial receivables and financial liabilities that had not been recognised according to the previous accounting standards and
 - assets and liabilities that had not been recognised in the Group’s consolidated balance sheet according to the previous accounting standards and that, in addition, do not fulfil the recognition criteria pursuant to the I.F.R.S. in the bought-out company’s corporate balance sheet.
- 3) excluded/deleted from the opening consolidated balance sheet all elements that were recognised according to the previous accounting standards and that do not fulfil the recognition criteria as an asset or liability element according to the I.F.R.S.

The Company decided to estimate fields, buildings and machinery on the date of transition to the I.F.R.S. at their reasonable values and used these reasonable values as a deemed cost on the aforementioned date.

With regard to the provision for personnel compensation due to retirement, all accumulated actuarial losses and profits were recognised on the date of transition to the I.F.R.S., while with regard to actuarial losses and profits that arose in 2004 the corridor approach method was used.

Accumulated foreign exchange differences that arose from currency conversion of the balance sheets of foreign subsidiary companies were zero on the date of transition to the I.F.R.S. (they were included in the balance of profits carried forward) and the profit or loss that will arise from a future sale of any foreign subsidiary company will not include valuation differences that arose prior to the date of transition to the I.F.R.S. and will include every future valuation difference.

The estimations that the Company made based on the I.F.R.S. on the date of transition to the I.F.R.S. were consistent with the estimations that were made on the same date based on the G.A.A.P. (after any readjustments

for recording differences in accounting principles), unless there were clear indications that these estimations were erroneous.

The Group used the exception stipulated by I.F.R.S. 1 and applied I.A.S. 32 and I.A.S. 39 from 1 January 2005, maintaining the same classifications for elements that fall under this standard in the financial statements that were drafted based on the G.A.A.P., in the comparative financial statements of the fiscal year that ended on 31 December 2004.

Note 5 provides the reconciliation and description of the effect of the transition from the G.A.A.P. to the I.F.R.S in the Company' sand Group's owner's equity and income statement.

The financial statements have been prepared according to the principle of historical cost, with the exception of fields, buildings and machinery, which on the date of transition to the I.F.R.S. (1 January 2004) were valued at their reasonable value and this reasonable value was used as a deemed cost on the aforementioned date.

Preparation of financial statements based on the I.F.R.S requires the use of certain important accounting estimations and the exercise of judgment on behalf of the Management during the application of accounting policies. In addition, it requires the use of calculations and assumptions that affect the aforementioned asset and liability figures, the disclosure of potential receivables and liabilities on the day the financial statements are prepared and the aforementioned income and expense figures during the said year. In spite of the fact that these calculations are based on the Management's best possible knowledge of current conditions and actions, actual results may differ from these calculations. Areas that contain a great degree of subjectivity and are composite or the assumptions and estimations that are important for the financial statements are noted in Note 4.

New I.F.R.S, amendments and interpretations have been issued that are mandatory for accounting years that begin from 1 January 2006 or thereafter. The estimation of the Group's and Company' Management regarding the effect of the application of these new standards and interpretations are presented below:

I.A.S. 19 (amendment) Employee Benefits (in effect as of 1 January 2006)

This amendment provides companies with an alternative method for recognising actuarial profits and losses. It may impose new recognition conditions for cases in which multi-employer plans have been adopted for which companies do not have sufficient information to apply the pre-determined benefit accounting policy. In addition, it adds new disclosure requirements. The specific amendment does not apply to the Group.

I.A.S. 39 (amendment) Financial Instruments: Recognition and Measurement (Hedging cash flows for anticipated inter-group transactions) (in effect as of 1 January 2006)

The specific amendment allows the foreign exchange risk that may arise from a highly likely anticipated inter-group transaction to be characterised as an *element to be hedged* in the consolidated financial statements, under the condition that (a) the transaction is expressed in a currency other than the functional currency of the company that participates in the transaction and (b) the foreign exchange risk will affect the consolidated income statement. This amendment is not relative to the Group's operations, since the Group has not concluded any inter-group transaction that could be characterised as an *element to be hedged*.

I.A.S. 39 (amendment) Financial Instruments: Recognition and Measurement (Selection of reasonable value) (in effect as of 1 January 2006)

This amendment changes the definition of financial tools that have been classified at their reasonable values through results and restricts the capacity of classifying financial tools in this category. The Group deems that the specific amendment will not have a significant effect on the classification of financial tools, since both the Group and the Company will be in a position to harmonise with the amended criteria for determining financial tools to their current value through the income statement. Both the Group and the Company will apply this amendment from 1 January 2006.

I.A.S. 39 and I.F.R.S. 4 (amendment) Financial Instruments: Recognition and Measurement and Insurance Contracts (Financial guarantee contracts) (in effect as of 1 January 2006)

This amendment requires that the financial guarantees that have been issued, with the exception of those that have been accepted by the Company as insurance contracts, be recognised initially at their reasonable value and subsequently be valued at the greater value between (a) the undepreciated balance of the relative fees that have been collected and postponed and (b) the expenditure that is required to regulate the commitment on the balance sheet date. The Management has reached the conclusion that this amendment does not apply to the Group and Company.

I.F.R.S. 1 (amendment) First-time adoption of the International Financial Reporting Standards and I.F.R.S. 6 Exploration for and Evaluation of Mineral Resources (in effect as of 1 January 2006)

These amendments are not relative to the Group's operations.

I.F.R.S. 6 Exploration for and Evaluation of Mineral Resources

It does not apply to the Group and will not affect its financial statements.

I.F.R.S. 7 Financial instruments: Disclosures and supplementary adaptation to I.A.S. 1 Presentation of Financial Statements (Capital disclosures) (in effect as of 1 January 2006)

I.F.R.S. 7 introduces additional disclosures with the purpose of improving the information that is provided with regard to financial tools. It requires the disclosure of qualitative and quantitative information regarding the exposure to the risk that arises from financial tools. Specifically, it predetermines minimum required disclosures that are relative to the credit risk, liquid risk and market risk (it imposes a sensitivity analysis with regard to the market risk). I.F.R.S. 7 replaces I.A.S. 30 (Disclosures in the Financial Statements of Bank and Similar Financial Institutions) and the disclosure requirements of I.A.S. 32 (Financial Instruments: Disclosure and Presentation). It applies to all companies that prepare financial statements according to the I.F.R.S. Adjustment to I.A.S. 1 introduces disclosures relative to a company's capital and to the manner by which this capital is managed. The Group and the Company estimated the effect of I.F.R.S. 7 and the adjustment to I.A.S. 1 and concluded that the additional disclosures that are required from their application is a sensitivity analysis regarding the market risk and capital disclosures. The Group will apply I.F.R.S. 7 and the amendment of I.A.S. 1 from 1 January 2007.

Interpretation 3, Emission Rights

Interpretation 3, Emission Rights, was withdrawn by the International Accounting Standards Board in June 2005. The company, in the absence of specific instructions regarding monitoring, from an accounting point of view, Emission Rights has alternatively applied the "net liability" method in order to estimate the cost from emission rights, as noted in Note 32.

Interpretation 4, Determining Whether an Arrangement Contains a Lease (in effect as of 1 January 2006)

Interpretation 4 requires companies to determine whether or not an arrangement is or contains a lease. Specifically, it requires companies to estimate the following information: (a) if fulfilment of the arrangement depends on the use of a specific fixed asset(s) and (b) if the arrangement gives the lessee only the right to use the fixed asset. The Management deems that Interpretation 4 is not expected to affect the accounting presentation of existing arrangements.

Interpretation 5, Decommissioning, Restoration and Environmental Rehabilitation Funds (in effect as of 1 December 2006)

Interpretation 5 does not apply to the Group and Company.

Interpretation 6, Liabilities Arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment (in effect as of 1 December 2005)

Interpretation 6 does not apply to the Group and Company.

Interpretation 8, Scope of I.F.R.S. 2

It does not apply to the Group and will not affect its financial statements.

2.2 PRINCIPLES OF CONSOLIDATION AND HOLDINGS

(a) Subsidiary companies

Subsidiary companies are companies over which the Group, directly or indirectly, controls their financial policies. Subsidiary companies are fully consolidated (integrated consolidation) from the day control over them is acquired and cease to be consolidated from the day this control is no longer exercised.

Buy-outs of subsidiary companies are accounted for based on the buy-out method. The acquisition cost of a subsidiary company is estimated as the reasonable value of the assets that were acquired, of the shares that were issued and of the liabilities that were undertaken on the day the buy-out was effected, plus any cost that is directly associated with the buy-out. Assets, liabilities and potential liabilities that are recognised in a business combination are estimated at the time of the buy-out at their reasonable values regardless of the holding percentage. The buy-out cost that exceeds the reasonable value of the individual assets that were acquired is recorded as goodwill. If the total buy-out cost is less than the reasonable value of the individual assets that were acquired, the difference is recorded in the results.

Inter-company transactions, balances and non-realised profits from transactions between the Group's companies are not recorded. The same applies to non-realised losses, unless there are indications that the value of the fixed asset that was transferred has been decreased. The accounting principles 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.

(b) Associated companies

Associated companies are companies over which the Group exercises significant influence, but not control, which, in general, applies when the holding percentage in the voting rights of an associated company ranges between 20% and 50%. Investments in associated companies are accounted for according to the net worth method and are initially recognised at their acquisition cost. The account in which investments in associated

companies are recorded also includes the goodwill that arises during the buy-out (decreased by possible devaluation losses).

In its corporate statements, the Company records its holdings in subsidiary and associated companies at their acquisition cost, less any possible devaluation of the value thereof.

The Group's share in the profits or losses of its related companies after the relative buy-out has been completed is recorded in the results. Accumulated changes affect the book value of the Group's investments in related companies. If the Group's share in the losses of an associated company is greater than the value of its investment therein, additional losses are not recognised, unless payments have been made or liabilities have been undertaken on the related company's behalf.

Non-realised profits that arise from transactions between the Group and its related companies are not taken into consideration to the extent of the Group's holding therein. The same applies to non-realised losses, unless there are indications that the value of the fixed asset that was transferred has been decreased. The accounting principles that are applied by the Group's related companies have been amended so that they may be consistent with those that have been adopted by the Group.

2.3 INFORMATION PER SECTOR

A business sector is defined as a group of assets and activities that provide products and services that are subject to risks and performances different to those that other business sectors are subject to. A geographic sector is defined as a geographic region in which products and services are provided and which is subject to risks and performances different to those that other regions are subject to.

2.4 FOREIGN EXCHANGE CONVERSIONS

(a) Functional currency and presentation currency

The figures recorded in the financial statements of the Group's companies are expressed in the currency of the 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 a foreign currency are converted to the functional currency based on the exchange rate that is applicable on the day the transaction is carried out. Profits and losses from foreign exchange differences that arise from the settlement of such transactions during the period and from the conversion of monetary assets that are expressed in a foreign currency based on the exchange rate that is applicable on the balance sheet date are recorded in the results. Foreign exchange differences from non-monetary assets that are estimated at reasonable value are considered as part of the reasonable value and are, consequently, recorded in the same account as the differences in the reasonable value.

(c) The Group's Companies

The figures recorded in the financial statements of the Group's companies (none of which as of 31 December 2005 operate in a hyperinflation economy) that are expressed in a different functional currency from the Group's presentation currency, are converted as follows:

- i. Assets and liabilities are converted based on the exchange rates that are applicable on the balance sheet date,
- ii. Income and expenses are converted based on the period's average exchange rates unless the average exchange rate is not a reasonable estimation of the accumulated affect of the exchange rates that were applicable on the day on which the transactions were carried out, in which case income and expenses are converted based on the actual exchange rates that were applicable on the day on which the transactions were carried out, and
- iii. Any foreign exchange difference that may arise is recorded in an owner's equity reserve account and transferred to the results when these companies are sold.

In the consolidated financial statements, foreign exchange differences that may arise due to the conversion of the Group's net investment in a foreign company are recorded in owner's equity. Upon the sale of a foreign company, any accumulated foreign exchange difference is transferred to the income statement as part of the sale's profit or loss.

Goodwill and adjustments of reasonable values that arise from the buy-out of foreign companies are regarded as the latter's assets and liabilities and are converted based on the exchange rate that is applicable on the balance sheet date.

2.5 TANGIBLE FIXED ASSETS

Tangible fixed assets are recorded at their acquisition cost less accumulated depreciation and devaluation. The acquisition cost includes all the expenses that are directly attributable to the asset's acquisition. As noted in Note 2.1, the Company valued fields, buildings and machinery at their reasonable values on 1 January 2004, which were used as a deemed cost on the date of transition to the I.F.R.S.

Expenses that are incurred after the purchase of a tangible fixed asset are recorded as an increase of the tangible fixed asset's book value or as a separate fixed asset only if the Group acquires future financial gains therefrom and the cost thereof may be estimated with a certain degree of reliability. Repair and maintenance costs are recorded in the results when these are incurred.

Lots are not depreciated. Other tangible fixed assets are depreciated based on the straight line method during their remaining useful lives, which are set as follows:

-	Buildings	10-20	years
-	Machinery	2-25	years
-	Motor vehicles	4-6	years
-	Other equipment	5-7	years

The residual values and useful lives of tangible fixed assets may be revaluated in any balance sheet.

When the book value of a tangible fixed asset exceeds its recoverable value, the difference (devaluation) is immediately recorded in the results as an expense.

During the sale of a tangible fixed asset, any difference that may arise between the price that is received and the book value thereof is recorded in the results as a profit or loss.

Investments in real estate are recorded at their acquisition value and are estimated at cost less the relative depreciation and any possible devaluation. During the periods noted herein no devaluation was necessary. The reasonable value of these real estates as of 31 December 2005 does not differ significantly from the value that is noted in the balance sheet based on the Management's estimations.

2.6 INTANGIBLE ASSETS

(a) **Concessions and industrial property rights**

Concessions and industrial property rights include trade marks and licenses and are estimated at their acquisition cost less depreciation. These assets are depreciated base don the straight line method during their useful life, which ranges between 10-15 years.

(b) Software

Software licenses are estimated at their acquisition cost, less depreciation. These assets are depreciated based on the straight line method during their useful life, which ranges between 3 to 4 years.

Expenditures that are required for the development and maintenance of software programs are recognised as an expense when these programs are developed. Expenditures that are undertaken for the development of specific software programs that are controlled by the Group are recognised as intangible assets. Such expenditures include personnel fees and a proportion of general expenses. Software programs that are developed by the Company are depreciated during their useful lives, which range between 3-4 years.

(c) Research and development expenses

Research expenses are recognised as expenses in the year in which they are incurred. Expenses that are incurred due to development programs (and are associated with the design and testing of new or improved products) are recognised as intangible assets if these are expected to provide the company with future financial gains. All other development expenses are recorded in expense accounts when these are incurred. Development expenses that in previous fiscal years had been recorded as expenses are not recorded as intangible assets in a subsequent fiscal year. Development expenses that have been capitalised are depreciated from the day the product's commercial production begins based on the straight line method over the period the product is expected to generate gains. The depreciation period that has been adopted by the Group does not exceed 5 years.

2.7 DEVALUATION OF ASSETS

Assets that have an indefinite useful life are not depreciated, but are subject to a devaluation control on an annual basis and when certain facts indicate that their book value may not be recovered. Assets that are depreciated are subject to control regarding their devaluation when there are indications that their book value will not be recovered. The recoverable value is the greater amount between an asset's reasonable value, less the cost that is required for the sale thereof and the value due to usage. Losses due to an asset's devaluation are recorded in the income statement as an expense in the year in which they are incurred.

2.8 FINANCIAL ASSETS**Accounting principles 1 January 2004 until 31 December 2004**

Investments, with the exception of subsidiary companies, related companies and joint ventures, over which the Group does not exercise significant influence, are recorded at cost, less any provision for devaluation. Derivatives have not been recorded in the balance sheet of 31 December 2004.

Accounting Principles from 1 January 2005

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 asset was initially recognised and re-examines its classification on every publication date.

(a) Financial assets estimated at their reasonable value with changes to results

This category includes financial assets that were acquired in order to be resold in a short period of time. Financial assets of this category are recorded in a current asset account 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-derivatives with fixed or designated payments, which are neither traded in active markets nor intended to be sold. These financial assets are recorded in a current asset account, with the exception of those financial assets that have a term greater than 12 months from the balance sheet date. These latter assets are recorded in a non-current asset account.

(c) Investments held until maturity

This category includes non-derivatives with fixed or designated payments and with a specific maturity, and which the Group intends and has the capacity to hold onto until they mature. During the year the Group did not have any investments in this category.

(d) Financial assets available for sale

This category includes non-derivatives that are either classified in this category or cannot be classified in any of the aforementioned categories. These assets are recorded in non-current asset accounts provided the Management does not intend to liquidate them within 12 months of the balance sheet date.

The purchase and sale of an investment is recognised on the day the transaction is carried out, which is also the day on which the Group is bound to purchase or sell the asset. Investments are initially recorded at their reasonable value plus any expense associated with the transaction. Investments are written off when the right to collect the cash flows that arise therefrom expires or is transferred and the Group has substantially transferred all the risks and benefits that ownership thereof entails.

Subsequently, assets that are available for sale are valued at their reasonable value and the relative profit or loss is recorded in an owner's equity reserve account until they are sold or sustain a devaluation. Upon the sale or devaluation of these assets the profit or loss is transferred to the results. Devaluation losses that have been recognised in the results may not be reversed through the results.

Loans and receivables are recognised at their undepreciated cost based on the true interest rate method.

2.9 STOCKS

Stocks are estimated at the lesser value between their acquisition cost and their net liquid value. The acquisition cost is determined based on the annual average weighted cost method. The cost of finished products and semi-finished stocks includes design expenses, cost of materials, direct labour cost, depreciation and a proportion of the general production expenses. The net liquid value is estimated based on the stock's current sales price within the framework of usual business activities, less any possible selling expenses, wherever such a case concurs.

2.10 COMMERCIAL RECEIVABLES

Receivables from customers are initially recorded at their reasonable value and are subsequently estimated at their undepreciated cost with the use of the true interest rate, less any devaluation loss. Devaluation 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 relative contractual terms. The amount of the devaluation loss is equal to the difference between the book value of the receivables and the present value of the estimated future cash flows, discounted with the true interest rate. The amount of the devaluation loss is recorded as an expense in the results.

2.11 CASH ON HAND AND EQUIVALENT CASH ACCOUNTS

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

2.12 SHARE CAPITAL

Share capital includes the Company's common shares. Common shares are included in owner's equity.

Expenses that are directly associated with the issuance of shares appear as a reduction of the issuance's product.

2.13 LOANS

Loans are initially recorded at their reasonable value, decreased by any possible direct expenses that are required in order to complete the transaction. They are subsequently valued at their undepreciated cost based on the true interest rate method. Any difference between the amount that has been collected (net of relative expenses) and the settlement value is recorded in the results during the term of the loan based on the true interest rate method.

Loans are classified as short-term obligations unless the Group has the right to defer the settlement thereof for at least 12 months from the balance sheet date.

2.14 DEFERRED INCOME TAX

Deferred income tax is determined with the method of liability that arises from temporary differences between the book value and the tax base 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 income tax is determined based on the tax rates that are applicable on the balance sheet date.

Deferred tax claims are recognised to the extent that a future taxable profit will arise from the use of the temporary difference that creates the deferred tax claim.

Deferred income tax is recognised for the temporary differences that arise from investments in subsidiary and related companies, with the exception of the case in which inversion of temporary

differences is controlled by the Group and it is possible that the temporary differences will not invert in the foreseeable future.

b

2.15 PERSONNEL FRINGE BENEFITS

(a) Short-term fringe benefits

Short-term personnel fringe benefits in the form of cash or in kind are recorded as an expense when these accrue.

(b) Fringe benefits following withdrawal from the service

Fringe benefits following withdrawal from the service include pre-determined benefit plans.

The liability that is recorded in the balance sheet with regard to predetermined fringe benefit plans is the present value of the commitment to the pre-determined fringe benefit less the reasonable value of the plan's assets, the changes that arise from non-recognised actuarial profits and losses and the cost of past service. The commitment of the pre-determined fringe benefit is calculated by an independent actuary with the projected unit credit method.

Actuarial profits and losses that arise from adjustments on the basis of historic data and are above or below the margin of 10% of the accumulated liability are recorded in the results within the expected average insurance term of the plan's participants. The cost of past service is recorded directly in the results, with the exception of the case in which changes to the plan depend on the remaining term of the employee's past service. In this case, the cost of past service is recorded in the results based on the fixed method within the maturing period.

(c) Employment termination fringe benefits

Employment termination fringe benefits are paid when employees decide to retire prior to their respective date of retirement. The Group records these fringe 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 fringe benefits as an incentive for voluntary retirement. Employment termination fringe benefits that are due in 12 months after the balance sheet date are discounted.

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 fringe benefits are not accounted for but are recorded as a potential liability.

(d) Programs for participation in profits and benefits

The Group records a liability and the relative expense for benefits and participation in profits. This amount is estimated in profits after taxes less any possible necessary reserves stipulated by the law.

2.16 GOVERNMENT GRANTS

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

Government grants that concern operating expenses are recognised in the results so that these will match the expenses that they will cover. Government grants regarding the purchase of tangible fixed assets are recorded in long-term liability accounts as deferred income and are transferred as income to the income statement based on the fixed method over the expected useful lives thereof.

2.17 PROVISIONS

Provisions are recognised when:

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

Wherever there are various similar liabilities, the possibility that an outflow shall be required for settlement thereof is designated by examining the liability category overall.

Provisions are calculated at the present value of expenses that, based on the Management's best possible estimate, are required to cover the present liability on the balance sheet date (Note 4). The discount rate that is used in determining the present value reflects the current market estimations for the temporal value of money and increases that concern the specific liability.

2.18 RECOGNITION OF INCOME

Income includes the reasonable value of the sale of goods and the provision of services, net of Value Added Tax, discounts and returns. Inter-company income within the Group is deleted in full. Income is recognised as follows:

(a) Sale of goods

Sales of goods are recognised when the Group delivers the goods to its customers and when collection of the claim is reasonably guaranteed.

(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 based on time proportion and with the use of the true interest rate. When receivables are devaluated, the book value thereof is reduced to their recoverable amount, which is the present value of the expected future cash flows discounted with the initial true interest rate. Subsequently, interest is accounted for based on the same interest rate that is applied on the decreased (new book) value.

(d) Dividends

Dividends are accounted for as income, when a right to collect has been established, with the approval of the General Meeting of the subsidiary companies.

2.19 LEASES

(a) **The Group's company as lessee**

Leases of fixed assets, in which the Group substantially maintains all the risks and remunerations that ownership thereof entails, are classified as leasing. Leasing is capitalised from the moment the lease begins at the lesser amount between the fixed asset's reasonable value and the present value of the minimum rents. Each rent is allocated between the liability and financial expenses so that a fixed interest rate can be applied on the financial liability's balance. The corresponding liabilities that arise from the rents, net of financial expenses, are recorded in liability accounts. The part of financial expenses that concerns leasing is recorded in the results during the term of the lease. Fixed assets that were acquired through leasing are depreciated over the shorter period between the useful lives thereof and the term of their lease.

Leases, in which the lessor substantially maintains all the risks and remunerations that ownership thereof entails are classified as operating leases. Payments that are made with regard to operating leases (net of any incentive that was provided by the lessor) are recognised in the results proportionately during the term of the lease.

(b) **The Group's company as lessee**

Assets that are leased with operating leases are included in the balance sheet's intangible assets. They are depreciated during the term of their useful lives on the basis that is consistent with similar ownerships of tangible assets. Income from rents (net of any incentive that was provided to the lessees) is recognised with the fixed method during the term of the lease.

2.20 DISTRIBUTION OF DIVIDENDS

The distribution of dividends to the parent company's shareholders is recognised as a liability in the financial statements when the distribution thereof is approved by the General Meeting of the shareholders.

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 centrally by the competent service of the VIOHALO S.A. Group of companies, which operates with specific rules that have been approved by the Operating Regulations. 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) **Market risk**

The Group is active in Europe, and consequently a large part of its transactions are denominated in Euros. All purchases of raw materials (aluminium) are denominated in US Dollars. The Group pre-purchases foreign currency and mainly concludes currency futures with foreign contracting parties in order to face the risk of changes in these foreign exchange rates.

(b) Credit risk

The Group does not face a significant credit risk, whereas it is active in many countries and has an extensive clientele. Any retail sales, which are limited in number and volume, are carried on a cash basis. Goods and services are provided on a wholesale basis primarily to clients with a creditable credit history and almost all sales are covered with credit insurance policies.

(c) Liquidity risk

Liquidity risk is kept at a low level due to the fact there is sufficient cash on hand and sufficient credit limits with collaborating banks.

(d) Interest rate fluctuation risk

The Group's loan obligations are associated with floating interest rates that, depending on market conditions, may either remain floating or may become fixed. In addition, the Group has concluded a bond loan with a fluctuating interest rate, part of which has been covered with a Euribor contract that covers exposure to the risk of future changes in loan interest rates.

(e) Raw material (aluminium) price fluctuating risk

The Group proceeds in hedging the risk that is associated with changes in the prices of metals that are incorporated in manufactured products, through acts of pre-purchase or pre-sale of amounts equal to those of natural acts.

3.2 DETERMINING REASONABLE VALUES

The reasonable 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 reasonable value of financial assets is determined by their offer price, while the reasonable value of financial liabilities is determined by their demand price.

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

The nominal value less provisions for doubtful commercial claims is deemed to approximate their actual value. The reasonable value 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. SIGNIFICANT ACCOUNTING ESTIMATIONS AND JUDGMENTS OF THE MANAGEMENT

The management's estimations 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.

The Group proceeds in estimations and acknowledgements with regard to the development of future events. Estimations and acknowledgements that entail a significant probability that they will cause substantial adjustments to the book values of assets and liabilities in the following 12 months concern income tax.

The Group's judgment is required in order to determine the income tax provision. There are many transactions and estimations due to which the tax's final determination is uncertain. If the final tax is different from the initially recognised tax, the difference shall affect the income tax and the provision for deferred taxation of the period.

Certain figures noted in the financial statements and in certain notes of fiscal year 2004 have been reclassified in relation to previously published financial statements so that they may be comparable with those of the current fiscal year.

It should be noted that due to the figures' rounding to thousands of Euros, negligible differences between the financial statements and the table sand analyses may arise.

5. TRANSITION TO THE I.F.R.S.

The following reconciliations provide a quantified outlook of the effect due to the transition to the I.F.R.S. The first reconciliation provides a brief outlook of the effect on owner's equity during the transition on 1 January 2004 and 31 December 2004. The following reconciliations provide an outlook on the effect of the transition on the following financial statements and figures:

- Owner's equity as of 1 January 2004 and 31 December 2004 (Note 5.1)
- Balance sheet as of 1 January 2004 (Note 5.2)
- Balance sheet as of 31 December 2004 (Note 5.3)
- Income statement of fiscal year 2004 (Note 5.4)
- Net profits of fiscal year 2004 (Note 5.5)

5.1. Owner's equity reconciliation as of 1 January 2004 and 31 December 2004

<u>COMPANY (Amounts in Euros)</u>	<u>1.1.2004</u>	<u>31.12.2004</u>
Total net worth according to the G.A.A.P.	327,430,345	327,316,896
<i>Readjustments due to transition to the I.F.R.S.</i>		
Revaluation of provisions for personnel fringe benefits based on the projected credit unit method and entry of actuarial profits and losses	-4,911,000	-5,118,000
Readjustment of deferred taxation	-62,179,000	-43,435,000
Reverse entries for the readjustment of the value of fixed assets pursuant to Law 2065/1992 (Government Gazette 113 A')	179,449,824	-7,226,900
Tax provision	-700,000	-800,000
Deletion of intangible fixed assets that do not fulfil the recognition criteria of the I.F.R.S.	-368,000	-85,000
Reclassification of the total amount of government grants from owner's equity to other long-term liabilities	-11,541,000	-10,854,000
Provisions for doubtful debts	1,705,000	-325,000
Readjustment of the value of land, buildings and machinery at reasonable value	-	190,048,360
Devaluation of holdings	-8,188,000	-925,000
Deletion of provision for income from dividends	1,489,000	2,481,000
Accumulated effect of other non-significant items	1,902,000	-557,000
Total readjustments due to transition	96,658,824	123,203,460
Total net worth according to the I.F.R.S.	424,089,169	450,520,356
<u>CONSOLIDATED (Amounts in Euros)</u>	<u>1.1.2004</u>	<u>31.12.2004</u>
Total net worth according to the G.A.A.P.	357,352,641	370,333,756
<i>Readjustments due to transition to the I.F.R.S.</i>		
Readjustment of deferred taxation	-79,296,146	-55,481,885
Deletion of intangible fixed assets and long-term depreciation expenses	-1,802,214	-1,436,786
Readjustment of the value of land, buildings and machinery	230,239,100	237,143,672
Reclassification of government grants to long-term liabilities	-13,333,230	-12,362,533
Revaluation of provisions for personnel fringe benefits	-6,118,136	-6,383,539
Recognition of provisions	1,038,868	-2,257,203
Reverse entry of dividends of fiscal year 2003	1,489,000	-
Readjustment of the value of stocks	2,106,449	-2,003,678
Accumulated effect of other non-significant items	484,155	23,778
Credit foreign exchange differences from previous year valuation	1,945,744	1,452,000
Present value of long-term receivables	-282,000	-275,543
Reverse entry of the distribution of fiscal year 2004	-	2,481,000
Devaluation of holdings	-502,732	-210,411
Total readjustments due to transition	135,968,859	160,688,872
Total net worth according to the I.F.R.S.	493,321,500	531,022,628

5.2. Balance sheet reconciliation as of 1 January 2004

<u>CONSOLIDATED (Amounts in Euros)</u>	<u>Note</u>	G.A.A.P.	Readjustments due to transition to the I.F.R.S.	I.F.R.S.
ASSETS				
Non-current assets				
Tangible fixed assets	1	300,153,701	231,124,274	531,277,975
Intangible assets	2	3,826,404	-2,001,770	1,824,634
Investments in companies that are consolidated based on the net worth method	3	5,009,071	-48,535	4,960,536
Investments in companies	4	-	457,691	457,691
Deferred tax receivables	5	-	25,626	25,626
Other receivables	6	3,551,063	1,199,855	4,750,918
		312,540,239	230,757,141	543,297,380
Current assets				
Stocks	6	189,740,289	-311,973	189,428,315
Commercial and other receivables	7	142,135,981	-1,039,713	141,096,268
Other investments	8	591,907	-591,907	-
Current tax receivables	10	-	399,701	399,701
Cash on hand and equivalent cash accounts	11	6,754,019	2,757	6,756,776
		339,222,196	-1,541,136	337,681,060
Total assets		651,762,435	229,216,005	880,978,440
LIABILITIES				
Owner's equity				
Share capital	12	196,381,575	-509,326	195,872,248
Foreign exchange differences due to the consolidation of foreign subsidiaries	13	-3,302,283	3,302,283	-
Other reserves	14	152,628,505	-20,221,915	132,406,590
Profits/(losses) carried forward	15	-2,123,567	142,521,445	140,397,878
Accumulated losses	16	-19,224,823	1,139,126	-18,085,696
		324,359,408	126,231,612	450,591,020
Minority interest		32,993,233	9,737,247	42,730,480
Total owner's equity		357,352,641	135,968,859	493,321,500
Long-term liabilities				
Loans	17	97,447,237	-431,268	97,015,968
Deferred tax liabilities	18	-	79,296,146	79,296,146
Liabilities for personnel compensation due to retirement	19	591,911	6,134,326	6,726,237
Government grants	20	-	13,333,506	13,333,506
Provisions	21	5,752,981	-5,138,132	614,850
		103,792,129	93,194,578	196,986,707
Short-term liabilities				
Suppliers and other liabilities	22	44,825,797	-1,111,221	43,714,576
Current tax liabilities	23	1,727,221	-11,443	1,715,777
Loans	24	144,064,647	475,233	144,539,880
Provisions	25	-	700,000	700,000
		190,617,665	52,568	190,670,233
Total liabilities		294,409,794	93,247,146	387,656,940
Total owner's equity and liabilities		651,762,435	229,216,005	880,978,440

COMPANY (Amounts in Euros)	Note	G.A.A.P.	Readjustments due to transition to the I.F.R.S.	I.F.R.S.
ASSETS				
Non-current assets				
Tangible fixed assets	1	181,708,767	178,728,365	360,437,132
Intangible assets	2	1,184,989	-568,202	616,786
Investments in companies that are consolidated based on the net worth method	3		3,310,482	3,310,482
Investments in companies that are consolidated based on the integrated consolidation method		87,510,280	-11,438,979	76,071,302
Other investments	4		295,297	295,297
Other receivables		1,566,126	814,398	2,380,524
		271,970,163	171,141,361	443,111,524
Current assets				
Stocks	5	130,749,469	-2,038,061	128,711,408
Commercial and other receivables	6	93,704,496	1,584,714	95,289,210
		355,325	-355,325	
Other investments				-
Cash on hand and equivalent cash accounts		1,541,020	-	1,541,020
		226,350,310	-808,672	225,541,638
Total assets		498,320,473	170,332,689	668,653,162
LIABILITIES				
Owner's equity				
Share capital		37,218,245	-	37,218,245
Above par reserve		159,163,330	-509,326	158,654,004
Other reserves	7	130,035,728	-14,723,259	115,312,469
Profits/(losses) carried forward	8	1,013,042	111,891,410	112,904,451
		327,430,345	96,658,824	424,089,169
Total owner's equity		327,430,345	96,658,824	424,089,169
Long-term liabilities				
Loans		39,121,285	-	39,121,285
Deferred tax liabilities	9		62,178,791	62,178,791
Liabilities for personnel compensation due to retirement	10	424,587	4,910,762	5,335,349
Government grants	11		11,541,275	11,541,275
Provisions	12	4,168,234	-4,168,234	
		43,714,106	74,462,595	118,176,701
Short-term liabilities				
Suppliers and other liabilities	13	32,019,901	-1,488,730	30,531,172
Current tax liabilities		252,292	-	252,292
Loans		94,903,829	-	94,903,829
Provisions			700,000	700,000
		127,176,022	-788,730	126,387,292
Total liabilities		170,890,128	73,673,865	244,563,993
Total owner's equity and liabilities		498,320,473	170,332,689	668,653,162

5.3. Balance sheet reconciliation as of 31 December 2004

<u>CONSOLIDATED (Amounts in Euros)</u>	<u>Note</u>	<u>G.A.A.P.</u>	<u>Readjustments due to transition to the I.F.R.S.</u>	<u>I.F.R.S.</u>
ASSETS				
Non-current assets				
Tangible fixed assets	1	285,539,028	234,491,478	520,030,506
Intangible assets	2	5,123,278	-1,637,408	3,485,870
Investments in real estate			2,200,000	2,200,000
Investments in companies that are consolidated based on the net worth method	3	7,072,520	-474,772	6,597,748
Investments in companies	4		985,755	985,755
Deferred tax claims	5		87,079	87,079
Other receivables	6	3,205,428	1,822,918	5,028,346
		<u>300,940,254</u>	<u>237,475,050</u>	<u>538,415,304</u>
Current assets				
Stocks	7	186,782,903	-7,080,729	179,702,174
Commercial and other receivables	8	190,000,486	810,372	190,810,858
Cash on hand and equivalent cash accounts	11	11,728,648	1,216	11,729,864
		<u>388,512,037</u>	<u>-6,269,141</u>	<u>382,242,896</u>
Total assets		<u>689,452,291</u>	<u>231,205,909</u>	<u>920,658,200</u>
LIABILITIES				
Owner's equity				
Share capital		37,218,245	1	37,218,245
Above par reserve		159,163,330	-509,326	158,654,004
Foreign exchange differences due to the consolidation of foreign subsidiaries		-3,287,598	3,272,285	-15,313
Other reserves	13	162,633,148	-24,532,393	138,100,755
Profits/(losses) carried forward	15	2,120,611	151,480,650	153,601,261
Accumulated losses		-19,694,243	19,694,243	-
		<u>338,153,493</u>	<u>149,405,459</u>	<u>487,558,952</u>
Minority interest		<u>32,180,159</u>	<u>11,283,516</u>	<u>43,463,675</u>
Total owners equity		<u>370,333,651</u>	<u>160,688,976</u>	<u>531,022,627</u>
Long-term liabilities				
Loans	16	164,299,479	2,610	164,302,089
Deferred tax liabilities	17	-	56,662,054	56,662,054
Liabilities for personnel compensation due to retirement	18	683,849	6,364,029	7,047,878
Government grants	19	-	12,362,284	12,362,284
Liabilities form leasing activities	20	-	15,233	15,233
Provisions	21	2,496,286	-2,486,901	9,385
		<u>167,479,614</u>	<u>72,919,309</u>	<u>240,398,923</u>
Short-term liabilities				
Suppliers and other liabilities	22	67,279,915	-2,668,971	64,610,944
Current tax liabilities	23	2,498,178	-533,318	1,964,860
Loans	24	81,860,933	-87	81,860,846
Provisions	26	-	800,000	800,000
		<u>151,639,026</u>	<u>-2,402,376</u>	<u>149,236,650</u>
Total liabilities		<u>319,118,640</u>	<u>70,516,933</u>	<u>389,635,573</u>
Total owner's equity and liabilities		<u>689,452,291</u>	<u>231,205,909</u>	<u>920,658,200</u>

COMPANY (Amounts in Euros)	Note	G.A.A.P.	Readjustments due to transition to the I.F.R.S.	I.F.R.S.
ASSETS				
Non-current assets				
Tangible fixed assets	1	165,960,896	182,206,797	348,167,693
Intangible assets	2	1,968,442	-285,804	1,682,638
Investments in companies that are consolidated based on the net worth method			4,361,423	4,361,423
Investments in companies that are consolidated based on the integrated consolidation method	3	87,840,897.93	-6,711,817	81,129,081
Investments in other companies	4		404,082	404,082
Other receivables			2,285,017	2,285,017
		<u>255,770,237</u>	<u>182,259,697</u>	<u>438,029,934</u>
Current assets				
Stocks	5	122,715,469	-5,556,734	117,158,735
Commercial and other liabilities	6	119,818,905	2,879,200	122,698,105
Securities		556,912	-556,912	-
Cash on hand and equivalent cash accounts		1,075,069	-	1,075,069
		<u>244,166,355</u>	<u>-3,234,446</u>	<u>240,931,909</u>
Total assets		<u>499,936,592</u>	<u>179,025,251</u>	<u>678,961,843</u>
LIABILITIES				
Owner's equity				
Share capital		37,218,245	1	37,218,245
Above par reserve		159,163,330	-509,326	158,654,004
Other reserves	7	129,111,559	-11,653,685	117,457,874
Profits/(losses) carried forward	8	1,823,762	135,366,471	137,190,233
Total owner's equity		<u>327,316,896</u>	<u>123,203,460</u>	<u>450,520,356</u>
Long-term liabilities				
Loans		100,513,385	1	100,513,386
Deferred tax liabilities	9		43,435,666	43,435,666
Liabilities for personnel compensation due to retirement	10	423,353	5,116,533	5,539,886
Government grants	11		10,853,967	10,853,967
Provisions		1,727,806	-1,727,806	-
		<u>102,664,544</u>	<u>57,678,361</u>	<u>160,342,905</u>
Short-term liabilities				
Suppliers and other liabilities	12	37,229,939	-2,481,216	34,748,723
Current tax liabilities		1,408,678	-175,353	1,233,325
Loans		31,316,534	-	31,316,534
Provisions			800,000	800,000
		<u>69,955,152</u>	<u>-1,856,570</u>	<u>68,098,582</u>
Total liabilities		<u>172,619,696</u>	<u>55,821,791</u>	<u>228,441,487</u>
Total owner's equity and liabilities		<u>499,936,592</u>	<u>179,025,251</u>	<u>678,961,843</u>

5.4. Income Statement reconciliation of fiscal year 2004

<u>ONSOLIDATED (Amounts in Euros)</u>	<u>Note</u>	Readjustments due to transition to the		
		G.A.A.P.	I.F.R.S.	I.F.R.S.
Sales	1	667,691,417	168,448	667,859,865
Cost of sales	2	-610,432,817	12,441,570	-597,991,247
Gross profit		57,258,600	12,610,018	69,868,618
Distribution expenses	3	-21,276,367	-839,106	-22,115,473
Administrative expenses	4	-16,588,015	208,175	-16,379,840
Other operating income/(expenses) (net)	5	1,828,139	2,237,340	4,065,479
Operating results		21,222,358	14,216,426	35,438,784
Financial income/(expenses)	6	-9,370,463	-100,325	-9,470,788
Profits/losses from related companies	7	-114,264	283,760	169,496
Extraordinary and non-operating expenses	8	-6,012,101	6,012,101	-
Extraordinary and non-operating income	8	11,811,026	-11,811,026	-
Extraordinary profits	8	97,675	-97,675	-
Extraordinary losses	8	-196,003	196,003	-
Previous years' expenses	8	-145,583	145,583	-
Income from previous years' provisions	8	3,895,829	-3,895,829	-
Previous years' income	8	878,034	-878,034	-
Profits before taxes		22,066,506	4,070,086	26,137,492
Total taxes	9	-5,603,196	22,717,574	17,114,378
Net profits of the period		16,463,310	26,788,559	43,251,870
		G.A.A.P.	Readjustments due to transition to the I.F.R.S.	I.F.R.S.
<u>COMPANY (Amounts in Euros)</u>	<u>Note</u>			
Sales		437,419,312	-	437,419,312
Cost of sales	1	-421,960,335	9,898,457	-412,061,878
Gross profit		15,458,977	9,898,457	25,357,434
Distribution expenses	2	-5,516,084	-359,638	-5,875,722
Administrative expenses	3	-8,379,658	18,043	-8,361,615
Other operating income/(expenses) (net)	4	526,680	586,956	1,113,636
Operating results		2,089,915	10,143,818	12,233,733
Financial income/(expenses)	5	-5,064,434	54,089	-5,010,345
Income from holdings		2,999,732		2,999,732
Extraordinary and non-operating expenses	6	-4,774,181	4,774,181	-
Extraordinary and non-operating income	6	10,257,994	-10,257,994	-
Extraordinary profits	6	31,776	-31,776	-
Income from previous years' provisions	6	2,521,695	-2,521,695	-
Previous years' income	6	64,521	-64,521	-
Profits before taxes		8,127,019	2,096,102	10,223,120
Income tax	7		17,696,798	17,696,798
Net profits of the period		8,127,019	19,792,900	27,919,918

5.5. Net profits peconciliation of fiscal year 2004

CONSOLIDATED (Amounts in Euros)

Total profits according to the G.A.A.P. (before taxes)	22,066,506
Readjustments due to transition to the I.F.R.S.	
Total tax of the fiscal year	17,114,378
Revaluation of depreciation that no longer depict the useful lives of tangible fixed assets	14,774,861
Results from provisions and indemnifications due to withdrawal	-248,682
Deletion of intangible assets that do not fulfil the recognition criteria of the I.F.R.S.	353,310
Deletion of income from provisions for doubtful debts	-2,623,316
Recognition of distribution in results	-1,715,084
Change in the stock valuation accounting principle	-2,122,678
Transfer of the provision for valuation of liabilities in foreign currency to the IN.ST.	-450,000
Deletion of income from depreciation of government grants	-3,305,423
Difference in income of related companies	37,351
Other	-629,354
Total readjustments due to transition	21,185,364
Total profits according to the I.F.R.S.	43,251,870

COMPANY (Amounts in Euros)

TOTAL

Total profits according to the G.A.A.P. (before taxes)	8,127,019
Readjustments due to transition to the I.F.R.S.	
Total tax of the fiscal year	17,696,798
Revaluation of depreciation that no longer depict the useful lives of tangible fixed assets	11,207,398
Results from provisions for personnel compensation due to retirement and indemnifications due to withdrawal	-205,770
Deletion of income from provisions for doubtful debts	-2,030,316
Deletion of intangible assets that do not fulfil the recognition criteria of the I.F.R.S.	282,000
Recognition of distribution in results	-1,046,000
Change in the stock valuation accounting principle	-2,008,000
Deletion of income from depreciation of government grants	-2,978,349
Transfer of the provision for valuation of liabilities in foreign currency to the IN.ST.	-450,000
Difference from the valuation of related companies	-130,034
Other	-544,827
Total readjustments due to transition	19,792,899
Total profits according to the I.F.R.S.	27,919,918

6. Information per sector

Primary type of information – Business Sectors

The Group is divided into three business sectors

- (1) Rolling aluminium
- (2) Aluminium extrusion
- (3) Paper and formation aluminium

Results per sector for 12 months until 31 December 2004

12 months until 31 December 2004 (Amounts in Euros)	Rolling	Extrusion	Paper and Formation Aluminium	Non- allocated	Total
Total gross sales per sector	593,253,951	105,324,779	26,987,486	3,585,272	729,151,488
Inter-company sales	-59,920,152	-721,395	-104,379	-545,697	-61,291,623
Net sales	533,333,799	104,603,384	26,883,107	3,039,575	667,859,865
Operating profits	20,691,761	11,020,870	2,163,034	1,309,765	35,185,430
Financial income-expenses	-7,763,153	-1,716,274	-120,041	-2,625	-9,602,093
Share of results of related companies				554,156	554,156
Profits before taxes	12,928,608	9,304,596	2,042,993	1,861,296	26,137,492
Income tax	16,647,902	708,998	-111,496	-131,026	17,114,378
Net profit	29,576,510	10,013,594	1,931,497	1,730,270	43,251,870

31/12/2004	Rolling	Extrusion	Paper and Formation Aluminium	Non- allocated	Total
Assets	704,552,837	178,894,776	28,526,733	1,645,744	913,620,090
Total liabilities	246,950,310	76,517,710	9,010,906	494,594	332,973,519
Investments in tangible and intangible fixed assets and investments in real estate fixed assets	19,848,612	14,016,996	901,141	16,792	34,783,541

Other items per sector included in the results for the 12 months until 31 December 2004

12 months until 31 December 2004 (Amounts in Euros)	Rolling	Extrusion	Paper and Formation Aluminium	Non- allocated	Total
Depreciation of tangible fixed assets	-34,043,130	-5,021,632	-1,058,258	-3,592	-40,126,612
Depreciation of intangible fixed assets	-1,041,910	-403,794	-16,376	-8,225	-1,470,305
Total depreciation	-35,085,040	-5,425,426	-1,074,634	-11,817	-41,596,917

12 months until 31 December 2005 (Amounts in Euros)	Rolling	Extrusion	Paper and Formation Aluminium	Non- allocated	Total
Total gross sales per sector	621,647,001	109,264,650	29,499,595	3,799,841	764,211,088
Inter-company sales	-50,760,351	-4,895,705	-1,892,467	-594,766	-58,143,288
Net sales	570,886,650	104,368,946	27,607,128	3,205,076	706,067,800
Operating profits	13,824,218	7,278,897	1,074,474	1,444,327	23,621,916
Financial income-expenses	-5,922,249	-2,012,819	-103,008	-4,391	-8,042,467
Share of results of related companies				409,615	409,615
Profits before taxes	7,901,969	5,266,078	971,466	1,849,550	15,989,063
Income tax	-1,588,978	-1,568,221	-400,386	-417,724	-3,975,308
Net profit	6,312,991	3,697,858	571,080	1,431,826	12,013,755

			Paper and Formation Aluminium	Non- allocated	Total
31/12/2005	Rolling	Extrusion			
Assets	710,509,799	189,295,979	30,360,758	1,136,072	931,302,608
Total liabilities	251,545,117	87,448,935	7,500,685	-173,711	346,321,025
Investments in tangible and intangible fixed assets and investments in real estate fixed assets	18,903,012	13,630,994	742,926	6,511	33,283,443

Other items per sector included in the results for the 12 months until 31 December 2004

			Paper and Formation Aluminium	Non- allocated	Total
12 months until 31 December 2005 (Amounts in thousands of Euros)	Rolling	Extrusion			
Depreciation of tangible fixed assets	-34,469,210	-5,544,315	-1,058,489	-2,938	-41,074,953
Depreciation of intangible fixed assets	-1,157,975	-481,292	-17,952	-9,070	-1,666,289
Depreciation of investments in real estate		-102,146			-102,146
Total depreciation	-35,627,185	-6,127,754	-1,076,441	-12,008	-42,843,388
Devaluation of receivables		-519,000			-519,000
Devaluation of stocks		-54,840			-54,840

Notes:

Assets do not include the deferred tax claim, holdings and derivatives that are held for commercial purposes

Liabilities include operating liabilities (including derivatives that are held in order to hedge future transactions). They do not include, however, tax liabilities and any loans that cannot be allocated to branches (corporate borrowings).

Secondary type of information – Geographic Sectors

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Sales				
Greece	137,517,464	138,030,983	96,023,074	83,727,740
European Union	300,394,784	307,326,812	177,080,449	200,943,679
Other European countries	82,531,947	78,944,515	28,495,556	25,533,125
Asia	61,470,777	51,255,327	53,789,355	37,916,353
Americas	103,928,141	79,973,288	92,447,855	77,270,630
Africa	6,087,152	5,203,578	4,928,785	4,945,806
Oceania	14,137,535	7,125,361	13,975,198	7,081,979
Total	706,067,800	667,859,865	466,740,272	437,419,312

Analysis of sales per category

<i>Amounts in Euros</i>	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Sale of merchandise and products	688,271,604	655,368,927	454,661,143	430,184,659
Income form services	8,905,725	7,565,904	4,154,565	3,388,553
Other	8,890,471	4,925,034	7,924,563	3,846,100
Total	706,067,800	667,859,865	466,740,272	437,419,312

	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Total assets				
Greece	822,347,461	800,295,369	700,128,513	678,961,843
International	136,487,515	120,362,831	-	-
Total	958,834,976	920,658,200	700,128,513	678,961,843

Investments in tangible, intangible an real estate fixed assets	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Greece	27,357,436	26,567,046	13,952,954	15,481,783
International	5,926,006	8,216,495	-	-
Total	33,283,442	34,783,541	13,952,954	15,481,783

7. Tangible fixed assets

The Group's and the parent company's tangible fixed assets as of 31 December 2004 and 2005 and any changes thereof during fiscal years 2004 and 2005 are analysed as follows:

CONSOLIDATED

	Land	Buildings	Plant and machinery	Motor vehicles	Furniture and fixtures	Fixed assets under construction	Total
<i>Amounts in Euros</i>							
Cost or reasonable value							
Balance as of 1 January 2004	41,321,600	90,842,639	374,941,778	9,038,309	7,638,721	23,999,910	547,782,958
Foreign exchange differences	-751	26,291	-13,194	5,439	3,222	689	21,695
Additions	39,554	632,374	7,322,587	588,232	653,966	21,851,187	31,087,900
Sales	-22,293	-28,687	-640,369	-109,962	-127,844	-22,048	-951,202
Destructions	-	-	-	-5,973	-	-	-5,973
Revaluation	-	-	-	-4,171	-	-	-4,171
Reclassifications	-	2,550,710	24,198,173	22,290	27,771	-28,513,893	-1,714,950
Balance as of 31 December 2004	41,338,110	94,023,327	405,808,975	9,534,163	8,195,837	17,315,844	576,216,256
Accumulated depreciation							
Balance as of 1 January 2004		-830,473	-5,537,221	-4,788,118	-5,349,171		-16,504,983
Foreign exchange differences		-2,503	-1,613	-1,589	-569		-6,274
Depreciation of the period		-4,968,370	-33,076,495	-1,128,597	-953,151		-40,126,612
Sales		8,625	424,075	93,349	97,682		623,731
Destructions		-	-	5,367	-		5,367
Revaluation		-	-	4,171	-		4,171
Reclassifications		-	-181,151	-	-		-181,151
Balance as of 31 December 2004	-	-5,792,721	-38,372,405	-5,815,417	-6,205,208	-	-56,185,751
Undepreciated value as of 31 December 2004	41,338,110	88,230,606	367,436,570	3,718,747	1,990,629	17,315,844	520,030,506
<i>Amounts in Euros</i>							
Cost or reasonable value							
Balance as of 1 January 2005	41,338,110	94,023,327	405,808,975	9,534,163	8,195,837	17,315,844	576,216,256
Foreign exchange differences	61,031	201,463	1,463,410	32,226	5,397	33,718	1,797,246
Additions	576,456	833,003	6,516,678	491,319	857,938	20,016,028	29,291,422
Sales	-	-400	-427,012	-125,556	-133,477	-217,151	-903,596
Destructions	-	-	-	-	-1,221	-	-1,221
Reclassifications	-158,968	582,537	12,047,312	405,162	494,691	-17,510,092	-4,139,359
Balance as of 31 December 2005	41,816,629	95,639,929	425,409,363	10,337,314	9,419,165	19,638,348	602,260,748
Accumulated depreciation							
Balance as of 1 January 2005		-5,792,721	-38,372,405	-5,815,417	-6,205,208		-56,185,751
Foreign exchange differences		-17,558	-211,592	-22,166	-1,121		-252,437
Depreciation of the period		-5,173,005	-33,991,210	-1,050,326	-860,410		-41,074,951
Sales		180	56,469	76,774	55,539		188,962
Reclassifications		57,927	135,372	-197,136	-316,223		-320,060
Balance as of 31 December 2005	-	-10,925,176	-72,383,367	-7,008,272	-7,327,422	-	-97,644,238
Undepreciated value as of 31 December 2005	41,816,629	84,714,753	353,025,996	3,329,042	2,091,742	19,638,348	504,616,510

COMPANY

	Land	Buildings	Plant and machinery	Motor vehicles	Furniture and fixtures	Fixed assets under construction	Total
<i>Amounts in Euros</i>							
Cost or reasonable value							
Balance as of 1 January 2004	24,108,334	52,575,150	260,927,258	6,885,741	5,464,119	18,527,403	368,488,005
Additions		339,016	1,427,116	525,181	348,443	12,623,425	15,263,181
Sales		-	-194,702	-23,628	-89,183	-	-307,513
Reclassifications		596,956	21,411,518	-	15,681	-23,739,106	-1,714,950
Balance as of 31 December 2004	24,108,334	53,511,122	283,571,190	7,387,294	5,739,060	7,411,722	381,728,723
Accumulated depreciation							
Balance as of 1 January 2004		-	-	-3,651,734	-4,399,139		-8,050,872
Depreciation of the period		-3,068,022	-21,109,348	-872,000	-573,202		-25,622,572
Sales		-	-	23,231	89,183		112,414
Balance as of 31 December 2004	-	-3,068,022	-21,109,348	-4,500,502	-4,883,158	-	-33,561,030
Undepreciated value as of 31 December 2004	24,108,334	50,443,100	262,461,842	2,886,792	855,902	7,411,722	348,167,693
<i>Amounts in Euros</i>							
Cost or reasonable value							
Balance as of 1 January 2005	24,108,334	53,511,122	283,571,190	7,387,294	5,739,060	7,411,722	381,728,723
Additions	152,888	552,709	726,018	327,657	527,460	11,595,786	13,882,519
Sales	-	-	-409,106	-	-19,399	-	-428,505
Destructions	-	-	-	-	-1,221	-	-1,221
Reclassifications	-	389,194	4,556,086	-	72,303	-6,224,258	-1,206,674
Balance as of 31 December 2005	24,261,223	54,453,025	288,444,189	7,714,951	6,318,203	12,783,250	393,974,841
Accumulated depreciation							
Balance as of 1 January 2005		-3,068,022	-21,109,348	-4,500,502	-4,883,158		-33,561,030
Depreciation of the period		-3,113,768	-21,471,571	-776,236	-488,351		-25,849,925
Sales		-	53,636	-	10,407		64,043
Reclassifications		-	181,151	-	-		181,151
Balance as of 31 December 2005	-	-6,181,789	-42,346,132	-5,276,739	-5,361,101	-	-59,165,761
Undepreciated value as of 31 December 2005	24,261,223	48,271,236	246,098,057	2,438,212	957,102	12,783,250	334,809,080

In 2004, the parent company's land and buildings and those of its domestic subsidiaries were readjusted in terms of taxation pursuant to Law 2065/92, which amounted to approximately 7,836 thousand Euros. For the purpose of preparing the financial statements pursuant to the I.F.R.S., a reverse entry was recorded in the books and the corresponding tax benefit amounted to approximately 1,959 thousand Euros, which has been included in the income statement of fiscal year 2004 attached hereto.

8. Investments in real estate

Investments in real estate as of 31 December 2004 and 2005 concern buildings owned by the Company's subsidiaries and are analysed as follows:

Amounts in Euros

Cost or reasonable value	CONSOLIDATED	
	31/12/2005	31/12/2004
Opening balance net	2,200,000	-
Additions	-	2,200,000
Transfer to fixed assets under construction	3,539,404	-
Depreciation of the fiscal year	-102,146	-
Balance recorded in the balance sheet	5,637,258	2,200,000

Additions of fiscal year 2005 concern a building of a foreign subsidiary company that was completed within the year and is used for investment purposes.

9. Intangible assets

The Company's and Group's intangible assets as of 31 December 2004 and 2005 are analysed as follows:

CONSOLIDATED

<i>Amounts in Euros</i>	Trade marks and licenses	Software	Other	Total
Cost or reasonable value				
Balance as of 1 January 2004	1,870	2,546,453	614,036	3,162,359
Foreign exchange differences	-	553	(49)	503
Additions	238	1,037,039	458,364	1,495,641
Reclassifications	-	1,714,902	(395,791)	1,319,111
Balance as of 31 December 2004	2,108	5,298,947	676,561	5,977,615
Accumulated depreciation				
Balance as of 1 January 2004	(1,870)	(978,789)	(357,439)	(1,338,097)
Foreign exchange differences	-	(355)	12	(343)
Depreciation of the period	(238)	(1,314,834)	(155,234)	(1,470,305)
Reclassifications	-	-	317,000	317,000
Balance as of 31 December 2004	(2,108)	(2,293,978)	(195,660)	(2,491,745)
Undepreciated value as of 31 December 2004	-	3,004,969	480,901	3,485,870
Cost or reasonable value				
Balance as of 1 January 2005	2,108	5,298,947	676,561	5,977,615
Foreign exchange differences	-	975	4,008	4,982
Additions	-	443,387	9,228	452,616
Reclassifications	-	873,440	-	873,440
Balance as of 31 December 2004	2,108	6,616,749	689,797	7,308,653
Accumulated depreciation				
Balance as of 1 January 2005	(2,108)	(2,293,978)	(195,660)	(2,491,745)
Foreign exchange differences	-	(659)	(1,002)	(1,661)
Depreciation of the period	-	(1,640,267)	(26,022)	(1,666,290)
Reclassifications	-	45,335	-	45,335
Balance as of 31 December 2005	(2,108)	(3,889,569)	(222,684)	(4,114,361)
Undepreciated value as of 31 December 2005	-	2,727,179	467,112	3,194,292

COMPANY

<i>Amounts in Euros</i>	Software	Total
Cost or reasonable value		
Balance as of 1 January 2004	1,126,364	1,126,364
Additions	218,602	218,602
Reclassifications	1,714,902	1,714,902
Balance as of 31 December 2004	3,059,868	3,059,868
Accumulated depreciation		
Balance as of 1 January 2004	(509,578)	(509,578)
Depreciation of the period	(867,652)	(867,652)
Balance as of 31 December 2004	(1,377,230)	(1,377,230)
Undepreciated value as of 31 December 2004	1,682,638	1,682,638

<i>Amounts in Euros</i>	Software	Total
Cost or reasonable value		
Balance as of 1 January 2005	3,059,868	3,059,868
Additions	70,435	70,435
Reclassifications	1,024,285	1,024,285
Balance as of 31 December 2005	4,154,588	4,154,588
Accumulated depreciation		
Balance as of 1 January 2005	(1,377,230)	(1,377,230)
Depreciation of the period	(969,712)	(969,712)
Balance as of 31 December 2005	(2,346,942)	(2,346,942)
Undepreciated value as of 31 December 2005	1,807,645	1,807,645

10. Investments in subsidiary companies

The Company's holdings in subsidiary companies are analysed as follows:

<i>Amounts in Euros</i>	COMPANY	
	31/12/2005	31/12/2004
Beginning of period	81,129,081	76,071,301
Additions	233,100	5,188,338
Devaluations	-	-130,558
Balance at end of period	81,362,181	81,129,081

Additions during fiscal year 2005 concern the participation in the share capital increase of VIEXAL LTD by 23,100 Euros and in the establishment of KANAL S.A. by 210,000 Euros.

The Company's holdings in its subsidiaries and brief information thereof are presented below:

Corporate Name	Country	Direct Holding Percentage	Indirect Percentage	Total Holding Percentage
2004				
ETEM S.A.	Greece	58.15%		58.15%
VIEXAL LTD	Greece	73.33%		73.33%
VIOMAL S.A.	Greece	50.00%		50.00%
ELVAL COLOUR S.A.	Greece	100.00%		100.00%
SYMETAL S.A.	Greece	99.99%		99.99%
VECTOR S.A.	Greece	66.67%		66.67%
STEELMET ROMANIA S.A.	Romania	40.00%	11.63%	51.63%
BLYTHE Ltd	Cyprus	100.00%		100.00%
BRIDGNORTH Ltd	England	100.00%		100.00%
Athens Art Centre A.E.	Greece	100.00%		100.00%
2005				
ETEM S.A.	Greece	58.15%		58.15%
VIEXAL LTD	Greece	73.33%		73.33%
VIOMAL S.A.	Greece	50.00%		50.00%
ELVAL COLOUR A.E.	Greece	100.00%		100.00%
SYMETAL S.A.	Greece	99.99%		99.99%
VECTOR S.A.	Greece	66.67%		66.67%
STEELMET ROMANIA S.A.	Romania	40.00%	11.63%	51.63%
BLYTHE Ltd	Cyprus	100.00%		100.00%
BRIDGNORTH Ltd	England	100.00%		100.00%
Athens Art Centre A.E.	Greece	100.00%		100.00%
K.AN.AL	Greece	75.00%	14.54%	89.54%

Athens Art Centre S.A. and the newly-established subsidiary company K.AN.AL S.A. have not been included in the consolidation due to the fact that they recorded insignificant figures.

11. Investments in associated companies

b

The Company's and Group's investments in associated companies are analysed as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Beginning of the period	6,597,748	4,539,950	4,361,423	3,310,482
Share of profit/(loss) after taxes	-34,173	169,496	-	-
Additions	428,229	1,862,059	-	1,067,217
Sales	-38,858	-	-	-
Devaluations	-125,585	26,243	-	-16,275
Balance at the end of the period	6,827,361	6,597,748	4,361,423	4,361,423

Brief financial information on related companies:

Corporate Name	Country	Assets	Liabilities	Income (Turnover)	Profits/(losses) after taxes	Holding percentage
2004						
ANAMET S.A.	Greece	5,427,425	2,826,349	65,989,976	1,010,514	26.67%
V.EPE.M. S.A.	Greece	43,882			-3,019	50.00%
TEPROMETAL AG	Germany	21,428,390	11,681,947	58,415,354	230,506	40.39%
DIAPEM COMMERCIAL S.A.	Greece	715,741	93,739	103,448	-40,087	33.32%
ELKEME S.A.	Greece	2,852,047	1,103,826	1,560,070	94,022	40.00%
STEELMET S.A.	Greece	6,293,171	4,494,373	17,574,555	1,469,186	29.56%
METAL GLOBE DOO	Yugoslavia	731,344	693,303	1,781,818	-26,869	40.00%
INNOVAL A.E.	Greece	2,401,478	2,282,933	712,712	-354,182	49.00%
STEELMET ROMANIA S.A.	Romania	4,609,000	2,702,000	14,377,508	404,459	20.00%
ENERGY SOLUTIONS	Bulgaria	1,244,000	527,000	-	-59,821	43.60%
BONIFACI LIMITED	Cyprus	49,586	46,581	45,409	39,345	100.00%
VIOHALCO EXPORTS LTD (COPPERPROM LTD)	Greece	76,562	58,673	80,418	-1,309	20.00%
		45,872,626	26,510,724	160,641,269	2,762,745	

Corporate Name	Country	Assets	Liabilities	Income (Turnover)	Profits/(losses) after taxes	Holding percentage
2005						
ANAMET S.A.	Greece	5,840,311	2,459,203	68,966,861	978,032	26.67%
V.EPE.M. S.A.	Greece	40,824			-3,058	50.00%
TEPROMETAL AG	Germany	25,798,145	17,769,914	71,545,831	-1,221,323	40.39%
DIAPEM COMMERCIAL S.A.	Greece	706,746	73,957		10,787	33.32%
ELKEME S.A.	Greece	2,936,565	1,099,382	1,524,910	88,962	40.00%
STEELMET S.A.	Greece	7,894,207	5,017,241	20,844,927	1,393,335	29.56%
METAL GLOBE DOO	Yugoslavia	2,369,932	2,123,038	5,445,661	217,815	40.00%
INNOVAL A.E.	Greece	2,401,478	2,282,933	712,712	-354,182	49.00%
STEELMET ROMANIA S.A.	Romania	7,219,000	5,112,000	15,373,000	539,000	20.00%
ENERGY SOLUTIONS	Bulgaria	1,709,000	645,000	1,939,330	238,773	38.60%
BONIFACI LIMITED	Cyprus	29,819	30,137	-	3,323	100.00%
VIOHALCO EXPORTS LTD (COPPERPROM LTD)	Greece	-	-	-	-	20.00%
		56,946,026	36,612,804	186,353,232	1,891,466	

12. Financial assets available for sale

Financial assets available for sale concern holdings in domestic and foreign companies with a holding percentage less than 20%. These holdings are depicted in the consolidated balance sheets as of 31 December 2004, in other words prior to the Group's adoption of I.A.S. 39, in account "other investments".

<i>Amounts in Euros</i>	CONSOLIDATED	COMPANY
Balance as of 1 January 2004	876,876	295,297
Additions	258,705	246,805
Sales	(65,997)	(65,997)
Valuation	(83,830)	(72,023)
Balance as of 31 December 2004	985,755	404,082
Non-current assets	985,755	404,082
	985,755	404,082

Financial assets available for sale include the following:

	CONSOLIDATED	COMPANY
	31/12/2004	31/12/2004
<u>Listed title</u>		
- Participating domestic titles	116,005	116,005
<u>Unlisted titles</u>		
- Participating domestic titles	717,589	276,076
- Participating international titles	152,161	12,000
	985,755	404,082
Balance as of 31 December 2004	985,755	404,082
Additions	6,000	-
Valuation	37,722	-
Balance as of 31 December 2005	1,029,477	404,082
Non-current assets	1,029,477	404,082
	1,029,477	404,082

Financial assets available for sale include the following:

	CONSOLIDATED	COMPANY
	31/12/2005	31/12/2005
<u>Listed title</u>		
- Participating domestic titles	116,005	116,005
<u>Unlisted titles</u>		
- Participating domestic titles	719,395	276,076
- Participating international titles	194,078	12,000
	1,029,477	404,082

13. Deferred taxation

b

Deferred tax claims and liabilities are offset when the law permits companies to offset current tax claims with their current tax liabilities and when deferred income taxes concern the same tax principle. The amounts that are offset are presented in the table below:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Deferred tax claims	37,250	87,079	-	-
Deferred tax liabilities	-61,140,083	-56,662,054	-45,666,145	-43,435,666

The total change in deferred income tax is present below:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Balance at the beginning of the period	-56,574,975	-79,270,520	-43,435,666	-62,178,791
Effect of the application of I.A.S. 32 & 39	-3,734,072	-	-1,937,028	-
Foreign exchange differences	-5,997	-	-	-
(Debit)/credit recorded in the income statement	-1,512,950	22,812,870	-293,450	18,743,124.63
Change in previous years' taxes	725,163	-117,326	-	-
Balance at the end of the period	-61,102,832	-56,574,975	-45,666,145	-43,435,666

The movements of deferred tax claims and liabilities prior to any offsetting entry are depicted below:

Deferred tax liabilities:

CONSOLIDATED	Difference in depreciation	Difference in provisions	Non-recognised intangible assets	Change in the tax rate	Other	Total
<i>Amounts in Euros</i>						
Balance as of 1/1/2004	-80,277,011	-229,195	67,088	-	467,000	-79,972,118
(Debit)/credit recorded in the income statement	-3,385,475	152,086	-54,059	3,863,271	-131,287	444,537
Change in previous years' taxes	-	-	-	-	-94,448	-94,448
Balance as of 31/12/2004	-83,662,485	-77,109	13,029	3,863,271	241,266	-79,622,028
Balance as of 1/1/2005	-83,662,485	-77,109	13,029	3,863,271	241,266	-79,622,028
Foreign exchange differences	-	-	-	-	-5,997	-5,997
(Debit)/credit recorded in the income statement	-3,834,542	48,455	-146,474	-	-140,757	-4,073,317
Change in previous years' taxes	-	-	-	-	955,965	955,965
(Debit)/credit recorded in owner's equity	-	-	-	-	-230,802	-230,802
Balance as of 31/12/2005	-87,497,027	-28,653	-133,444	3,863,271	819,674	-82,976,180

Deferred tax claims:

CONSOLIDATED	Difference in depreciation	Difference in provisions	Non-recognised intangible assets	Change in the tax rate	Other	Total
<i>Amounts in Euros</i>						
Balance as of 1/1/2004	-23,000	557,459	144,138	-	-	678,598
(Debit)/credit recorded in the income statement	1,243,170	677,145	1,984,614	18,348,192	115,335	22,368,455
Balance as of 31/12/2004	1,220,170	1,234,604	2,128,752	18,348,192	115,335	23,047,053
Effect from the application of I.A.S. 32 & 39					-3,734,072	-3,734,072
Balance as of 1/1/2005	1,220,170	1,234,604	2,128,752	18,348,192	-3,618,738	19,312,981
Foreign exchange differences	-	362,528	-	-	-	362,528
(Debit)/credit recorded in the income statement	598,811	136,186	-1,467	-	1,464,310	2,197,840
Balance as of 31/12/2005	1,818,981	1,733,318	2,127,285	18,348,192	-2,154,427	21,873,349

Deferred tax liabilities:

COMPANY	Goodwill of fixed assets / Difference in depreciation	Difference in provisions	Non-recognised intangible assets	Change in the tax rate	Other	Total
<i>Amounts in Euros</i>						
Balance as of 1/1/2004	-	-	-	-	-62,178,791	-62,178,791
(Debit)/credit recorded in the income statement	-2,872,449	-23,360	-16,280	-582,823	-68,964	-3,563,876
Balance as of 31/12/2004	-2,872,449	-23,360	-16,280	-582,823	-62,247,755	-65,742,667
Balance as of 1/1/2005	-2,872,449	-23,360	-16,280	-582,823	-62,247,755	-65,742,667
(Debit)/credit recorded in the income statement	-2,619,773	-	-	-	-502,163	-3,121,936
Balance as of 31/12/2005	-5,492,222	-23,360	-16,280	-582,823	-62,749,918	-68,864,603

Deferred tax claims:

COMPANY	Goodwill of fixed assets / Difference in depreciation	Difference in provisions	Non-recognised intangible assets	Change in the tax rate	Other	Total
<i>Amounts in Euros</i>						
Balance as of 1/1/2004	-	-	-	-	-	-
(Debit)/credit recorded in the income statement	1,246,751	689,129	1,959,153	18,348,192	63,777	22,307,001
Balance as of 31/12/2004	1,246,751	689,129	1,959,153	18,348,192	63,777	22,307,001
Effect from the application of I.A.S. 32 & 39					-1,937,028	-1,937,028
Balance as of 1/1/2005	1,246,751	689,129	1,959,153	18,348,192	-1,873,251	20,369,973
Foreign exchange differences	-	362,528	-	-	-	362,528
(Debit)/credit recorded in the income statement	600,356	131,446	-	-	1,734,156	2,465,958
Balance as of 31/12/2005	1,847,107	1,183,103	1,959,153	18,348,192	-139,096	23,198,459

Deferred tax claims

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Balance at the beginning of the fiscal year	23,047,053	25,626	22,307,001	-
Effect from the application of I.A.S. 32 & 39	-3,734,072	698,851	-1,937,028	-
Foreign exchange differences	362,528	-	362,528	-
Credit recorded in the income statement	2,197,841	22,368,455	2,465,958	22,307,001
Change in previous years' taxes	-	-45,879	-	-
Balance at the end of the period	21,873,349	23,047,053	23,198,459	22,307,001

The deferred tax that was (debited)/credited in the income statement arose from the following differences:

	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Depreciation	-3,350,507	-2,133,599	-2,619,773	-1,625,699
Provisions for personnel compensation due to retirement:	81,946	714,274	49,094	665,769
Other provisions	-182,279	32,422	35,000	-
Intangible assets that do not fulfil the recognition criteria of the I.F.R.S.	-146,474	1,930,555	-	1,942,873
Non-recognition of fixed asset readjustments pursuant to Law 2065	87	122,455	-	-
Depreciation of government grants	598,630	66,950	600,356	-
Other	30,086	-309	-	-5,188
Foreign exchange differences due to valuation from bridgnorth	362,528	-	362,528	-
	-216,167	-	-	-
Reclassification of tangible fixed assets	4,126	-	-	-
Valuation of stocks	-496,114	-	-502,163	-
Doubtful debts provision	62,110	-	26,766	-
Present value of long-term receivables	131,335	-	-	-
Deferred tax claim from distribution	1,734,156	-	1,734,156	-
Deferred tax from inter-company results	-146,997	-	-	-
Devaluation of holdings	-20,223	-	-20,223	-
Profits from the sale of machinery	54,973	-	54,973	-
Tax from the transfer of real estate	-14,165	-	-14,165	-
Total	-1,512,949	732,747	-293,450	977,755
Change in tax rate	-	22,080,123	-	17,765,369
Total	-1,512,949	22,812,870	-293,450	18,743,124

14. Stocks

The Group's and the Company's stocks as of 31 December 2005 are analysed as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Merchandise	13,693,032	14,042,919	10,253	7,233
Finished products	49,588,151	43,357,134	36,935,464	27,523,223
Semi-finished	60,246,117	46,518,760	51,478,567	44,455,153
By-products and scrap	11,658,732	11,461,287	10,592,809	10,247,734
Work in progress	8,479,981	7,086,925	-	-
Raw and indirect materials - consumables - spare parts and packaging materials	64,342,516	57,235,150	36,377,609	34,925,392
Total	208,008,528	179,702,174	135,394,702	117,158,735
Less: Provisions for scrap, delayed and destroyed stocks:				
Merchandise	-54,840	-	-	-
	-54,840	-	-	-
Total net liquid value	207,953,688	179,702,174	135,394,702	117,158,735

15. Receivables

The Group's and the Company's receivables as of 31 December 2004 and 2005 are analysed as follows:

<i>Current Assets</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
<i>Amounts in Euros</i>				
Customers	103,729,999	116,604,526	72,613,512	73,699,477
Less: Devaluation provisions	-2,412,960	-1,670,039	-708,286	-601,221
Net receivables from customers	101,317,039	114,934,487	71,905,226	73,098,254
Down payments for the purchase of stocks	10,979,158	5,031,363	10,645,888	3,548,081
Down payments for the purchase of fixed assets	920,906	348,950	11,395	-
Other down payments	1,024,933	1,052,511	844,733	853,843
Notes-cheques receivable and sealed	39,282,396	34,544,185	6,705,243	262,134
Receivables from related entities	12,484,441	6,064,775	19,568,395	21,582,212
Receivables against other holdings	2,355,602	2,079,933	2,625	2,625
Current tax claims	14,380,778	11,848,060	13,638,860	11,848,060
Sundry debtors	8,839,608	14,906,593	3,162,499	11,502,895
Total	191,584,861	190,810,858	126,484,863	122,698,104
Non-current Assets				
Long-term receivables against related companies	20,907	20,907	-	-
Deferred tax claim	37,250	87,079	-	-
Other long-term receivables	3,840,975	5,007,439	2,258,761	2,285,017
Total	3,899,132	5,115,426	2,258,761	2,285,017
Total receivables	195,483,993	195,926,284	128,743,623	124,983,120

16. Derivatives

Derivatives as of 31 December 2005 are analysed as follows:

	CONSOLIDATED		COMPANY	
	31/12/2005		31/12/2005	
<i>Amounts in Euros</i>				
Non-current assets				
Fx future contracts		25,657		-
Future contracts		514,579		-
Total		540,236		-
Current assets				
Fx future contracts		876,718		565,893
Future contracts		18,962,801		11,387,922
Total		19,839,519		11,953,814
Long-term liabilities				
Interest rate swaps		323,904		45,377
Total		323,904		45,377
Short-term liabilities				
Interest rate swaps		627,387		174,398
Fx future contracts		818,781		796,731
Future contracts		4,053,526		3,189,193
Total		5,499,694		4,160,321

17. Cash on hand and equivalent cash accounts

The Group's and the parent company's cash on hand and equivalent cash accounts as of 31 December 2004 and 2005 are analysed as follows:

	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
<i>Amounts in Euros</i>				
Cash on hand and in banks	857,826	692,271	100,992	58,603
Short-term bank deposits	12,854,817	11,037,594	1,190,971	1,016,466
Total	13,712,643	11,729,864	1,291,962	1,075,069

	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Cash on hand and equivalent cash accounts	13,712,643	11,729,864	1,291,962	1,075,069
Total	13,712,643	11,729,864	1,291,962	1,075,069

18. Share capital

The share capital as of 31 December 2004 and 2005 is analysed as follows:

CONSOLIDATED

<i>Amounts in Euros</i>	Number of shares	Common shares	Above par	Total
1 January 2004	124,060,815	37,218,245	158,654,004	195,872,249
31 December 2004	124,060,815	37,218,245	158,654,004	195,872,249
31 December 2005	124,060,815	37,218,245	158,654,004	195,872,249

COMPANY

<i>Amounts in Euros</i>	Number of shares	Common shares	Above par	Total
1 January 2004	124,060,815	37,218,245	158,654,004	195,872,249
31 December 2004	124,060,815	37,218,245	158,654,004	195,872,249
31 December 2005	124,060,815	37,218,245	158,654,004	195,872,249

The company has adopted an options plan up to 1.97% of the number of common registered shares that were outstanding at the time of adoption (530,600 options), adapted to future changes in the number of shares into which the share capital is divided, with the following main terms and conditions:

- Beneficiaries of the options plans: Members of the Board of Directors, persons employed by the company or related companies.
- Price at which options plans are exercised: The price has been set as the closing price of the Athens Stock Exchange during the first fifteen days of June 2002, in other words 2.97 Euros per option.
- Exercise of the options plans: Options plans are secured gradually by 10% annually, beginning from the first business day of November 2002 until the first business day of November 2011. The above secured options are exercised from the first business day of November 2006 until the first business day of November 2013. Following this closing date any option that is not exercised is cancelled.

The movement of options are as follows:

<i>Amounts in Euros</i>	Number of options	Exercise price (€)
Pending as of 1 January 2004	304,120	2.96
Secured during the year	152,060	2.96
Deleted during the year	0	2.96
Balance as of 31 December 2004	456,180	2.96
With a right to exercise as of 31 December 2004	0	
Pending as of 1 January 2005	456,180	2.96
Secured during the year	152,060	2.96
Deleted during the year	0	2.96
Balance as of 31 December 2005	0	2.96
With a right to exercise as of 31 December 2005	608,240	2.96

19. Other reserves

The Company's and Group's other reserves as of 31 December 2004 and 2005 and the changes thereof during these fiscal years are analysed as follows:

CONSOLIDATED

<i>Amounts in Euros</i>	Statutory reserves	Reserves at reasonable value	Special reserves	Untaxed reserves	Other reserves	Total	Foreign exchange differences due to the consolidation of foreign subsidiaries	Total
Balance as of 1 January 2004	9,031,758	-	4,012,070	115,792,116	3,570,646	132,406,590	-	132,406,590
Foreign exchange differences						-	-15,313	-15,313
Distribution	521,367	-	22,031	4,965,681	185,086	5,694,165		5,694,165
Balance as of 31 December 2004	9,553,125	-	4,034,101	120,757,797	3,755,732	138,100,755	-15,313	138,085,441
Application of I.A.S 32 & 39		10,435,128				10,435,128		10,435,128
Balance as of 1 January 2005	9,553,125	10,435,128	4,034,101	120,757,797	3,755,732	148,535,883	-15,313	148,520,570
Foreign exchange differences						-	774,802	774,802
Distribution	593,843	-	-22,429	4,926,773	22,429	5,520,616		5,520,616
Reclassifications	-	-	53,595	-	-53,596	-1		-1
Balance as of 31 December 2005	10,146,968	10,435,128	4,065,267	125,684,570	3,724,565	154,056,497	759,488	154,815,986

COMPANY

<i>Amounts in Euros</i>	Statutory reserves	Reserves at reasonable value	Special reserves	Untaxed reserves	Other reserves	Total
Balance as of 1 January 2004	7,729,471	-	2,862,016	104,392,601	328,381	115,312,468
Distribution	169,882			1,975,524		2,145,406
Balance as of 31 December 2004	7,899,353	-	2,862,016	106,368,125	328,381	117,457,874
Application of I.A.S 32 & 39		5,811,087				5,811,087
Balance as of 1 January 2005	7,899,353	5,811,087	2,862,016	106,368,125	328,381	123,268,961
Distribution	262,170			2,580,947		2,843,117
Balance as of 31 December 2005	8,161,523	5,811,087	2,862,016	108,949,071	328,381	126,112,078

Untaxed reserves include:

- Non-distributed profits that are exempt from taxation pursuant to special incentive laws (under the condition that there are sufficient profits for their formation).
- Reserves from income exempt from taxation and reserves taxed pursuant to special laws that concern income from interest for which a tax has been withheld at the source. Apart from any pre-paid taxes, these reserves are subject to taxation in the event these are distributed.

No deferred tax has been accounted for with regard to the above untaxed reserves.

20. Loans

The Company's and Group's long-term and short-term loans as of 31 December 2004 and 2005 are analysed as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Long-term loans				
Bank loans	43,012,780	59,302,089	13,250,108	20,513,385
Liabilities from leasing activities	34,837	15,233	-	-
Bond loans	93,750,000	105,000,000	60,000,000	80,000,000
Total long-term loans	136,797,617	164,317,322	73,250,108	100,513,385
Short-term loans				
Bank loans	110,673,988	81,860,846	51,825,329	31,316,534
Liabilities from leasing activities	69,457	-	-	-
Total short-term loans	110,743,444	81,860,846	51,825,329	31,316,534
Total loans	247,541,061	246,178,168	125,075,437	131,829,919

The maturity dates of the long-term loans are presented below:

<i>Amounts in Euros</i>				
Between 1 to 2 years	39,437,972	47,963,107	27,174,717	27,263,277
Between 2 to 5 years	89,359,568	114,461,659	46,075,391	73,250,108
More than 5 years	8,000,077	1,892,556		
	136,797,617	164,317,322	73,250,108	100,513,385

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

	31/12/2005		31/12/2005	
	Εταιρικά στοιχεία		Ενοποιημένα στοιχεία	
	€	US\$	€	US\$
Τραπεζικός δανεισμός (βραχυπρόθεσμος)	3,4%	4,5%	3,6%	4,5%
Τραπεζικός δανεισμός (μακροπρόθεσμος)	6,0%		5,2%	
Ομολογίες	3,3%		3,3%	
Υποχρεώσεις χρηματοδοτικής μίσθωσης			5,0%	

21. Liabilities for personnel compensation due to retirement

Pursuant to Greek labour law, employees may receive indemnification in the event of their discharge or retirement, the amount of which is relative to their salaries, their years of service and the manner by which they withdraw from the company (discharge or retirement). Employees who resign are not entitled to an indemnification. The due indemnification in the event of retirement is equal to 40% of the indemnification that would had been payable in the event of an unjustified discharge. In Greece these plans are not funded. The Group charges its results for accumulated benefits in each period with a corresponding increase of the retirement liability. Benefits that are paid to pensioners during each period are charged against this liability. The Company's and Group's liability for personnel compensation as of 31 December 2004 and 2005 is analysed as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Balance sheet liabilities for:				
Retirement benefits	<u>7,544,136</u>	<u>7,047,878</u>	<u>5,782,021</u>	<u>5,539,886</u>
<i>Amounts in Euros</i>				
Charges to results				
Retirement benefits	<u>998,398</u>	<u>887,000</u>	<u>724,018</u>	<u>630,037</u>
Retirement benefits				
The amounts that have been recorded in the balance sheet are presented below:				
<i>Amounts in Euros</i>				
Present value of non-funded liabilities	8,956,842	7,798,878	6,910,601	6,140,588
Non-recorded actuarial profits/(losses)	-1,100,638	-422,000	-816,512	-271,604
Non-recorded cost of past service	<u>-312,068</u>	<u>-329,000</u>	<u>-312,068</u>	<u>-329,098</u>
	<u>7,544,136</u>	<u>7,047,878</u>	<u>5,782,021</u>	<u>5,539,886</u>
Liability recorded in the Balance Sheet	<u>7,544,136</u>	<u>7,047,878</u>	<u>5,782,021</u>	<u>5,539,886</u>
Changes in net liability recognised in the Balance Sheet				
Net liability at the beginning of the period	7,047,878	6,726,237	5,539,886	5,335,349
Benefits paid	-502,140	-565,359	-481,883	-425,500
Total expenditure that was recognised in the income statement	<u>998,398</u>	<u>887,000</u>	<u>724,018</u>	<u>630,037</u>
Net liability at the end of the period	<u>7,544,136</u>	<u>7,047,878</u>	<u>5,782,021</u>	<u>5,539,886</u>
Present value of the liability at the end of the period	<u>7,544,136</u>	<u>7,047,878</u>	<u>5,782,021</u>	<u>5,539,886</u>
Analysis of expenditures that were recognised in the income statement				
Cost of current employment	527,579	430,000	383,276	309,950
Interest on the liability	336,662	321,000	262,849	251,797
Cost of additional benefits	112,514	136,000	60,863	68,290
Profit from cutbacks from the transfer of employees	1,665	-	-	-
Expenses	<u>19,978</u>	<u>-</u>	<u>17,030</u>	<u>-</u>
Total expenditure that was recognised in the income statement	<u>998,398</u>	<u>887,000</u>	<u>724,018</u>	<u>630,037</u>
The main actuarial acknowledgments that were used for accounting purposes are the following:				
Discount rate	4.0%	4.5%	4.0%	4.5%
Future salary increases	4.5%	4.5%	4.5%	4.5%

22. Government Grants

Government grants that have been granted against investments in machinery and the change thereof during fiscal years 2004 and 2005 are as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Balance at the beginning of the period	12,362,284	13,333,506	10,853,967	11,541,275
Depreciation of government grants	-973,357	-971,222	-663,593	-687,308
Balance at the end of the fiscal year	11,388,927	12,362,284	10,190,374	10,853,967

23. Suppliers and other liabilities

The Company's and Group's suppliers and other short-term liabilities as of 31 December 2004 and 2005 are analysed as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Suppliers	51,663,798	44,851,398	26,665,077	14,482,509
Notes payable	65,919	65,919	-	-
Cheques payable	344,850	2,119,593	-	-
Customer down payments	1,527,873	1,883,496	1,125,102	1,370,185
Insurance organisations	2,803,368	2,379,267	1,346,859	1,243,377
Amounts due to related companies	5,173,027	2,949,465	10,226,359	11,262,371
Liabilities to other holding companies	57,633	80,454	574,770	46,180
Dividends payable	11,012	-	11,012	-
Proportion of third-parties on dividends payable	5,660	-	-	-
Sundry creditors	3,594,984	3,821,346	2,215,170	2,137,170
Accrued expenses	7,114,679	5,763,489	4,083,603	3,621,525
Other transit credit accounts	149,562	696,517	102,208	585,407
Total	72,512,364	64,610,944	46,350,159	34,748,723
Short-term liabilities	72,512,364	64,610,944	46,350,159	34,748,723
Total liabilities	72,512,364	64,610,944	46,350,159	34,748,723

Current tax liabilities

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Taxes & duties	1,746,171	1,964,860	1,273,215	1,233,325

24. Provisions

LONG-TERM LIABILITIES

CONSOLIDATED

<i>Amounts in Euros</i>	Other provisions	Total
1 January 2004	541,632	541,632
Restructuring	-532,247	-532,247
31 December 2004	9,385	9,385
Additional provisions of the fiscal year	165,010	165,010
31 December 2005	174,396	174,396

SHORT-TERM LIABILITIES

CONSOLIDATED

<i>Amounts in Euros</i>	Other provisions	Total
1 January 2004	700,000	700,000
Additional provisions of the fiscal year	100,000	100,000
31 December 2004	800,000	800,000
Additional provisions of the fiscal year	15,000	15,000
Provisions of the fiscal year that were used	-647,101	-647,101
31 December 2005	167,899	167,899

COMPANY

<i>Amounts in Euros</i>	Other provisions	Total
1 January 2004	700,000	700,000
Additional provisions of the fiscal year	100,000	100,000
31 December 2004	800,000	800,000
Provisions of the fiscal year that were used	-647,101	(647,101)
31 December 2005	152,899	152,899

25. Expenses per category

The Company's and Group's operating expenses for fiscal years 2004 and 2005 are allocated among cost of sales and distribution and administrative expenses as follows:

CONSOLIDATED

31/12/2004

<i>Amounts in Euros</i>	Note	Cost of sales	Distribution expenses	Administrative expenses	Other expenses	Total
Employee benefits	26	39,853,506	5,665,673	8,317,802		53,836,981
Cost of stocks recognised as an expense		414,512,452	69,647	-		414,582,099
Depreciation		38,380,769	1,317,263	2,036,157	119,491	41,853,680
Other expenses		105,244,520	15,062,890	6,025,881	-383,899	125,949,392
Total		597,991,247	22,115,473	16,379,840	-264,408	636,222,152

31/12/2005

<i>Amounts in thousands of Euros</i>	Note	Cost of sales	Distribution expenses	Administrative expenses	Other expenses	Total
Employee benefits	26	49,388,487	6,972,257	7,744,032		64,104,776
Cost of stocks recognised as an expense		372,178,886	87,023	39,681		372,305,590
Depreciation		39,448,957	1,450,872	1,873,515	71,052	42,844,395
Other expenses		180,293,353	17,459,503	8,870,621	-1,106,167	205,517,310
Total		641,309,683	25,969,654	18,527,850	-1,035,115	684,772,072

COMPANY

31/12/2004

<i>Amounts in thousands of Euros</i>	Note	Cost of sales	Distribution expenses	Administrative expenses	Other expenses	Total
Employee benefits	26	21,746,703	1,877,500	4,540,138		28,164,341
Cost of stocks recognised as an expense		295,089,452	-	-		295,089,452
Depreciation		24,483,144	570,066	1,437,423		26,490,633
Other expenses		70,742,579	3,428,156	2,384,054	-	76,554,789
Total		412,061,878	5,875,722	8,361,615	-	426,299,214

31/12/2005

<i>Amounts in thousands of Euros</i>	Note	Cost of sales	Distribution expenses	Administrative expenses	Other expenses	Total
Employee benefits	26	26,171,453	2,296,446	3,621,166		32,089,065
Cost of stocks recognised as an expense		316,300,207	-	-		316,300,207
Depreciation		25,738,832	540,403	540,403		26,819,638
Other expenses		75,806,253	3,632,852	5,265,345	-	84,704,450
Total		444,016,744	6,469,701	9,426,913	-	459,913,359

26. Employee fringe benefits

The Company's and Group's employee fringe benefits for fiscal years 2004 and 2005 are analysed as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Personnel fees and expenses	48,471,929	40,374,059	22,902,421	20,131,294
Social security expenses	10,760,996	9,647,959	5,972,280	5,144,974
Retirement cost of fixed contributions schemes	409,292	-	-	-
Retirement cost of fixed benefits schemes	998,398	887,000	724,018	630,037
Other personnel fringe benefits	3,464,160	2,927,963	2,490,346	2,258,036
Total	64,104,775	53,836,981	32,089,064	28,164,341
Other personnel fringe benefits				
Profits to personnel	1,341,500	1,407,500	990,000	990,000
Profits to the Board of Directors	338,151	308,065	99,113	55,638
Incidental personnel fringe benefits	1,401,233	1,212,398	1,401,233	1,212,398
Travelling expenses	269,302	-	-	-
Other	113,974	-	-	-
Total	3,464,160	2,927,963	2,490,346	2,258,036

27. Financial income / (expenses), net

The Company's and Group's financial income and expenses for fiscal years 2004 and 2005 are analysed as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Income				
Interest	3,199,965	1,877,952	2,737,286	1,457,356
Foreign exchange differences	963,675	194,198	-	-
Other	630	11,689	-	-
Total income	4,164,270	2,083,839	2,737,286	1,457,356
Expenses				
Interest charges and related expenses	-11,420,701	-11,193,524	-6,497,070	-6,467,701
Foreign exchange differences	-768,017	-361,103	-	-
Other	-18,021	-	-	-
Total expenses	-12,206,739	-11,554,627	-6,497,070	-6,467,701
Financial cost (net)	-8,042,469	-9,470,788	-3,759,784	-5,010,345

28. Income tax

The reconciliation of the fiscal year tax applying the parent company's tax rate (32% for 2005 and 35% for 2004) is as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Tax of the fiscal year	-2,462,359	-5,698,492	-644,553	-1,046,327
Deferred tax	-1,512,949	22,812,870	-293,450	18,743,124
Total	-3,975,308	17,114,378	-938,003	17,696,797

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Accounting profits before taxes	15,989,063	26,137,492	8,520,340	10,223,120
Tax (2005: 35%, 2004: 35%)	-5,166,788	-9,148,122	-2,726,509	-3,578,092
Tax losses of the fiscal year		1,827,235		
Future benefits against fixed asset readjustment that has been offset (Law 2065/92)		1,959,152	-453,402	1,959,152
Permanent tax differences	-859,357	-1,032,362	-188,564	-405,507
Effect from the change in tax rate	65,095	22,475,320		17,765,369
Effect from the different tax rate of subsidiaries	534,101	447,594		
Exempt income	8,100		803,107	1,050,433
Untaxed reserves of incentive laws	1,923,207	1,040,804	1,628,771	902,804
Other	-479,666	-455,243	-1,406	2,638
Total income tax of the fiscal year	-3,975,308	17,114,378	-938,003	17,696,797

The fiscal years for which the parent company and its subsidiaries have not been tax audited by the tax authorities are presented in table below:

<u>Corporate name</u>	<u>Country of registration</u>	<u>Holding</u>	<u>Method of consolidation</u>	<u>Unaudited years</u>
ELVAL S.A	Greece	Parent		2003-2005
ETEM S.A.	Greece	58.15%	Integrated Consolidation	1998-2005
SYMETAL S.A.	Greece	99.99%	Integrated Consolidation	2004-2005
VIOMAL S.A.	Greece	50.00%	Integrated Consolidation	2002-2005
ELVAL COLOUR A.E.	Greece	99.99%	Integrated Consolidation	2000-2005
VECTOR S.A.	Greece	66.67%	Integrated Consolidation	2003-2005
VEIEXAL LTD	Greece	73.33%	Integrated Consolidation	2003-2005
BRIDGNORTH ALUMINIUM Ltd	England	100.00%	Integrated Consolidation	-
BLYTHE Ltd	Cyprus	100.00%	Integrated Consolidation	-
STEELMET ROMANIA S.A.	Romania	40.00%	Integrated Consolidation	-
ANAMET S.A.	Greece	26.67%	Net worth	1998-2005
STEELMET S.A.	Greece	29.56%	Net worth	2003-2005
DIAPEM COMMERCIAL S.A.	Greece	33.32%	Net worth	2003-2005
VEPEM S.A.	Greece	50.00%	Net worth	2003-2005
ELKEME S.A.	Greece	40.00%	Net worth	2003-2005
TEPRO METAL AG	Germany	40.39%	Net worth	-
METAL GLOBE Doo	Yugoslavia	40.00%	Net worth	-

The company, in estimating the current income tax of the current fiscal year 2005 and in forming an untaxed reserve of an amount of 5 million Euros, pursuant to article 5 of Law 2601/1998, based its calculations, to a great extent, on the provisions of the decision of the Committee for Accounting Standardisation and Audits of 17 February 2006 relating to the issuance of guidelines to financial units that apply the I.F.R.S. The company, in compliance with the above, deems that it follows the “optimum accounting practice that secures the full compliance of financial units with the existing legislative framework”, as noted in the aforementioned Committee’s relative decision. In spite of this, until the financial statements attached hereto are published, the Department of Income Taxation has not taken an official position on the above. This fact, in combination with the fact that fiscal year 2005, as we have mentioned above, will be tax audited in the future by the competent tax authorities, does not allow tax authorities to be certain of the accuracy of the Company’s calculations. Due to this uncertainty, the Company has not recognised, in its financial statements, the future tax benefit that concerns the capacity to form an untaxed reserve pursuant to incentive laws 2601/98 and 3299/2004 from unused investments in the amount of approximately 60 million Euros. The maximum amount of this future tax benefit, to the extent that the company will attain in subsequent fiscal years the required profits that will allow it to form the corresponding untaxed reserve, amounts to approximately 15 million Euros.

29. Other operating income/ (expenses), net

The Company’s and Group’s other operating income and expenses for fiscal years 2004 and 2005 are analysed as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Other income				
Government grants of the fiscal year	175,093	54,997	83,712	28,468
Income from incidental activities	1,558,760	2,062,836	176,242	101,150
Income from interest (operating activities)				
Depreciation of government grants received	973,357	971,222	663,593	687,308
Foreign exchange differences	39,768	-	-	-
Other income	1,593,394	1,290,587	340,380	277,446
Total other income	4,340,372	4,379,642	1,263,928	1,094,372
Other expenses				
Operating development expenses	-155,610	-192,886	-	-
Devaluation of holdings and other financial elements	-62,830	-326	-	-
Devaluation of fixed assets	-109,399	-26,653	-	-
Other expenses	-778,328	-164,033	-	-
Total	-1,106,167	-383,899	-	-
Profits/(losses) from the sale of fixed assets	64,270	15,600	52,685	19,265
Other operating income-expenses (net)	3,298,475	4,011,343	1,316,613	1,113,636
Income from dividends	506,617	54,136	4,136,598	2,999,732
Profits/losses from related companies				
Profits from related companies	23,914	705,969		
Losses from related companies	-58,087	-536,473		
Total	-34,173	169,496	-	-

30. Cash flows from operating activities

The Company's and the Group's cash flows from operating activities in fiscal years 2004 and 2005 are analysed as follows:

<i>Amounts in Euros</i>	Note	CONSOLIDATED		COMPANY	
		1/1 to 31/12/2005	1/1 to 31/12/2004	1/1 to 31/12/2005	1/1 to 31/12/2004
Profits of the period		12,013,755	43,251,870	7,582,337	27,919,918
Adjustments for:					
Tax	28	3,975,309	(17,114,378)	938,003	(17,696,797)
Depreciation of tangible fixed assets	7	41,074,951	40,126,612	25,849,925	25,622,572
Depreciation of intangible assets	9	1,666,290	1,470,305	969,712	867,652
Depreciation of investments in real estate	8	102,146	-	-	-
(Profits)/losses from the sale of tangible fixed assets		(64,270)	(15,600)	(52,685)	(19,265)
(Income) from interest	27	(3,199,965)	(1,877,952)	(2,737,286)	(1,457,356)
Interest expenses	27	11,420,701	11,193,524	6,497,070	6,467,701
(Income) from dividends	27	(506,617)	(54,136)	(4,136,598)	(2,999,732)
(Depreciation) of government grants	29	(973,357)	(971,222)	(663,593)	(687,308)
(Profits)/losses from related companies	22	97,101	(169,496)	-	-
Loss from the destruction of fixed assets	7	1,221	606	1,221	-
Other		(388,988)	(505,464)	(495,412)	369,088
		65,218,277	75,334,669	33,752,694	38,386,472
Changes in working capital					
(Increase)/decrease in stocks		-27,665,456	7,679,779	-18,235,967	11,552,673
(Increase)/decrease in receivables		1,132,998	-47,483,818	-4,244,589	-27,353,618
(Increase)/decrease in liabilities		7,471,036	20,105,115	12,209,010	4,383,359
(Increase)/decrease in liabilities for personnel compensation due to retirement		496,257	321,641	242,135	204,537
		-18,565,165	-19,377,283	-10,029,410	-11,213,050
Net cash flows from operating activities		46,653,112	55,957,386	23,723,284	27,173,423
<i>The (profit)/loss from the sale of tangible fixed assets includes:</i>					
<i>Amounts in Euros</i>					
Net book value	7	714,635	327,471	364,462	195,099
(Profits)/losses from the sale of tangible fixed assets		64,270	15,600	52,685	19,265
Income from the sale of tangible fixed assets		778,904	343,072	417,147	214,363
<i>(Profits)/loss from the sale of holdings</i>					
<i>Amounts in Euros</i>					
Net book value		38,858	62,188	65,997	65,997
Income from the sale of holdings		38,858	62,188	65,997	65,997
<i>Other amounts that affect operating activities</i>					
Tax on dividends		44,624	-	44,624	-
Provision for taxes of unaudited fiscal years		-457,459	100,000	-647,101	100,000
Provision for doubtful debts		-	-436,536	107,065	40,232
Provision for extraordinary risks of subsidiaries		-	-168,929	-	-
Provision for the devaluation of holdings and securities		23,847	-	-	228,856
Total		-388,988	-505,464	-495,412	369,088

31. Commitments

The Company's and Group's main commitments as of 31 December 2004 and 2005 are the following:

1. Contractual commitments

<i>Amounts in Euros</i>	CONSOLIDATED	
	31/12/2005	31/12/2004
Tangible fixed assets	1,244,219	-
Investment property	-	1,148,266
	1,244,219	1,148,266

2. Liabilities from operating leases

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Up to 1 year	680,712	648,180	421,744	392,180
From 1-5 years	2,159,751	1,777,904	1,490,751	1,099,904
More than 5 years	569,314	708,000	264,314	330,000
	3,409,777	3,134,084	2,176,809	1,822,084

Leasing

<i>Amounts in Euros</i>	CONSOLIDATED	
	31/12/2005	31/12/2004
Liabilities from leasing activities - minimum rents		
Up to 1 year	73,368	-
From 1 to 5 years	37,237	15,233
Total	110,606	15,233
Less: Future leasing financial charges	-6,313	-
Current value of liabilities from leasing activities	104,293	15,233

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

Up to 1 year	69,457	-
From 1 to 5 years	34,836	-
Current value of liabilities from leasing activities	104,293	-

32. Potential liabilities/ receivables

The Company's and Group's main liabilities and receivables concern letters of guarantee in the framework of usual business activities and are analysed as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Liabilities				
Letters of guarantee for securing liabilities to suppliers	2,351,007	1,559,464	1,522,901	784,540
Letters of guarantee for securing the good performance of contracts with customers	350,980	387,034	10,740	10,740
Other liabilities	43,554,837	46,866,140	43,554,837	46,866,140
Total	46,256,824	48,812,638	45,088,478	47,661,420

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Receivables				
Letters of guarantee for securing receivables from customers	302,694	502,694	-	-
Total	302,694	502,694	-	-

No liens have been filed against fixed assets.

CO₂ emissions: Pursuant to Directive 2003/87/EC (which has already been incorporated into Greek legislation pursuant to Joint Ministerial Decision H.II. 54409/2632/27-12-2004) 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.

ELVAL S.A., based on the initial allocation that corresponds thereto from 1 January 2005, by the National CO₂ Emission Allocation Plan calculated the deficiencies that concern fiscal year 2005 which amounted to approximately 150,000 Euros and burdened the results of the current fiscal year.

33. Transactions with related companies

The Company's and Group's main transactions with related companies during fiscal years 2004 and 2005 and the corresponding receivables and liabilities as of 31 December 2004 and 2005 are analysed as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Sale of goods				
Subsidiaries	-	-	33,629,954	44,748,052
Other related entities	39,679,012	31,920,099	33,744,137	31,406,883
	39,679,012	31,920,099	67,374,091	76,154,935
Sale of services				
Subsidiaries	-	-	77,154	-
Other related entities	899,184	197,826	798,967	197,826
	899,184	197,826	876,121	197,826
Purchase of goods				
Subsidiaries	-	-	17,021,666	15,997,874
Other related entities	14,742,915	38,020,932	4,809,989	9,287,265
	14,742,915	38,020,932	21,831,655	25,285,138
Purchase of services				
Subsidiaries	-	-	820,081	545,697
Other related entities	10,995,981	1,883,439	8,617,284	1,883,439
	10,995,981	1,883,439	9,437,365	2,429,137
Purchase of fixed assets				
Subsidiaries	-	-	54,697	-
Other related entities	4,902,175	-	4,286,229	-
	4,902,175	-	4,340,926	-
Benefits to Management				
	CONSOLIDATED		COMPANY	
<i>Amounts in Euros</i>	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Fees - benefits to the members of the B.o.D and executives	1,179,108	1,198,000	804,108	709,700
	1,179,108	1,198,000	804,108	709,700

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

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Receivables from related entities:				
Subsidiaries	-	-	10,041,791	15,543,993
Other related entities	12,484,441	6,064,775	9,526,604	6,038,219
	12,484,441	6,064,775	19,568,395	21,582,212
Liabilities to related entities:				
Subsidiaries	-	-	7,302,102	9,521,357
Other related entities	5,173,027	2,949,465	2,924,257	1,741,014
	5,173,027	2,949,465	10,226,359	11,262,371

34. Profits per share

Basic gains per share are calculated by dividing the gain that corresponds to the parent Company's shareholders by the weighted average number of shares during each fiscal year for fiscal years 2004 and 2005 and are analysed as follows:

Ongoing activities

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Profits that correspond to the parent company's shareholders	9,936,883	38,022,179	7,582,337	27,919,918
Weighted average number of shares	124,060,815	124,060,815	124,060,815	124,060,815
Basic profits per share (Euros per share)	0.080	0.306	0.061	0.225

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2005	31/12/2004	31/12/2005	31/12/2004
Profits that correspond to the parent company's shareholders	9,936,883	38,022,179	7,582,337	27,919,918
Weighted average number of shares	124,060,815	124,060,815	124,060,815	124,060,815
Adjustment for share options				
Total weighted average number of shares for reduced profits per share	124,060,815	124,060,815	124,060,815	124,060,815
Reduced profits per share (Euros per share)	0.080	0.306	0.061	0.225

35. Personnel

The number of persons employed by the parent Company and Group as of 31 December 2005 amounted to 874 and 2,197 executives and personnel respectively.

36. Events after the balance sheet date

The company's Board of Directors decided to propose to the Ordinary General Meeting that will convene on 14 June 2006 the distribution of the amount noted below to shareholders.

Proposed dividend of fiscal year 2005	0.02 Euros
Number of shares	124,060,815
Total proposed dividends	<u>2,481,216</u>

ELVAL, S.A.

HELLENIC ALUMINIUM INDUSTRY

Summarised financial data and information for the year from January 1 to December 31, 2005

(published according to L.2190 art. 135 concerning companies preparing annual financial statements, consolidated and non consolidated, following the I.F.R.S.)

The figures illustrated below aim to give summary information about the financial position and results of ELVAL, S.A.HELLENIC ALUMINIUM INDUSTRY, S.A. and the Group ELVAL, S.A. The reader, wishing to be familiar with the company's financial position and results, should have access to the Company's Annual Financial Statements, as provided by the International Financial Reporting Standards, as well as to the audit report of the auditor-accountant. Indicatively, he can visit the company's web site (www.elval.gr), where the information and data in question are presented.

Registered Office address: 2-4 Messogion Av. Athens Tower

A.E. Reg. No: 3954/06/B/86/13

Athens Prefecture

The members of the Company's Board of Directors: John Panayiotopoulos, Chairman and executive member, Gregorios Konstantakopoulos, Vice Chairman and executive member, Konstantinos Katsaros, executive member, Nicholas Koudounis, executive member, Andreas Kyriazis, independent, non executive member, Konstantinos Bakouris, non executive member, Christos Emman. Dimitrakopoulos, non executive member, Dimitrios Pavlakis, non executive member, Jacques Gani, non executive member, Reinhold Wagner, non executive member, Gerard Decoster, independent, non executive member.

Date of approval of the financial statements (from which the summarised figures are derived): March 9, 2006

Certified auditor: GEORGE ANASTOPOULOS (Reg.No SOEL. 15451)

Audit Firm : ERNST & YOUNG (HELLAS) CERTIFIED AUDITORS-ACCOUNTANTS,A.E.

Review type: Unqualified opinion - Item to be noted

Item to be noted: Without expressing any reserve, concerning the conclusions derived from the audit, we would like to draw the attention to the note no 28, under the financial statements, which refers to financial years unaudited by the Tax Authorities.

e-mail address for the Company: www.elval.gr.

BALANCE SHEET (Amounts in €)

	GROUP		COMPANY	
	Dec. 31, 2005	Dec. 31, 2004	Dec 31, 2005	Dec. 31, 2004
<u>ASSETS</u>				
Fixed assets and investments	521.304.900	533.303.494	422.744.412	435.744.918
Inventories	207.953.688	179.702.174	135.394.702	117.158.735
Trade receivables	113.801.480	120.999.263	91.473.621	94.680.467
Other assets	115.774.908	86.653.269	50.515.778	31.377.723
TOTAL ASSETS	958.834.976	920.658.200	700.128.513	678.961.843
<u>LIABILITIES</u>				
Long term liabilities	217.369.062	240.398.923	134.934.025	160.342.905
Short term bank borrowings	110.743.443	81.860.846	51.825.329	31.316.534
Other short term obligations	79.926.129	67.375.804	51.936.595	36.782.048
Total liabilities (a)	408.038.634	389.635.573	238.695.949	228.441.487
Share capital	195.872.248	195.872.248	195.872.248	195.872.248
Other shareholders' equity items	310.370.696	291.686.704	265.560.316	254.648.108
Total shareholders' equity (b)	506.242.944	487.558.952	461.432.564	450.520.356
Minority rights (c)	44.553.398	43.463.675		
Total equity (d) = (b) + (c)	550.796.342	531.022.627	461.432.564	450.520.356
TOTAL LIABILITIES (e) = (a) + (d)	958.834.976	920.658.200	700.128.513	678.961.843

STATEMENT OF CHANGES IN EQUITY (Amounts in €)

C

	GROUP		COMPANY	
	31 Dec. 2005	31 Dec. 2004	31 Dec. 2005	31 Dec. 2004
Equity balance at the beginning of the year (1/1/2005 and 1/1/2004 respectively)	531.022.627	493.321.500	450.520.356	424.089.168
Profit / (loss) for the year after taxes	12.013.755	43.251.870	7.582.337	27.919.918
	<u>543.036.382</u>	<u>536.573.370</u>	<u>458.102.693</u>	<u>452.009.086</u>
Increase / (decrease) of share capital				
Increase of percentage holding	12.362	-2.681.211		
Dividends distributed (profits)	-3.717.637	-2.864.459	-2.481.216	-1.488.730
Foreign currency par of exchange adjustment	873.956	-5.073		
Valuation of open positions for hedging	10.591.279		5.811.087	
Net income recognised directly in equity				
Purchases / (sales) of own shares				
Equity balance at the end of the period (31/12/2005 and 31/12/2004 respectively)	<u>550.796.342</u>	<u>531.022.627</u>	<u>461.432.564</u>	<u>450.520.356</u>

CASH FLOW STATEMENT FOR THE YEAR (Amounts in €) - indirect method

	GROUP		COMPANY	
	1.01 - 31.12.2005	1.01 - 31.12.2004	1.01 - 31.12.2005	1.01 - 31.12.2004
Operating activities				
Profit before taxes	15.989.063	26.137.492	8.520.340	10.223.120
Plus / less adjustments for:				
Depreciation	42.843.387	41.596.918	26.819.638	26.490.224
Provisions			-540.036	369.087
Currency translations differences	152.943	-3.332		
Results (Income, expenses, profit, loss) from investing activity	-8.078.021	-5.471.622	-7.302.182	-4.959.124
Interest payable and related expenses	11.420.701	11.554.627	6.497.070	6.467.701
Plus / less adjustments for changes in working capital accounts or related to operating activities:				
Decrease / (increase) of inventories	-27.665.456	7.679.779	-18.235.967	11.552.673
Decrease / (increase) of receivables	1.132.998	-47.382.180	-4.218.332	-27.353.618
(Decrease) / increase of liabilities (except banks)	5.791.384	18.206.581	11.192.756	3.928.490
Less:				
Interest payable and related expenses paid	-10.910.867	-10.898.527	-6.433.189	-6.243.885
Taxes paid	-2.439.560	-3.135.522	-260.569	-
Total net cash (used in) generated from operating activities (a)	<u>28.236.572</u>	<u>38.284.214</u>	<u>16.039.529</u>	<u>20.474.668</u>
Investing activities				
Acquisition of subsidiaries, affiliated companies, consortiums and other investments	-383.009	-4.739.813	-233.100	-6.446.362
Purchases of tangible and intangible fixed assets	-26.262.561	-32.604.333	-13.952.954	-15.481.783
Receipts from sales of tangible and intangible fixed assets	778.904	343.072	417.147	214.363
Interest received	3.199.965	1.877.952	2.737.286	1.457.356
Dividends received	238.758	54.136	4.442.739	2.999.732
Total net cash (used in) generated from investing activities (b)	<u>-22.427.943</u>	<u>-35.068.986</u>	<u>-6.588.882</u>	<u>-17.256.694</u>
Financing activities				
Receipts from capital increase				
Receipts from issued / assumed loans	8.750.000	105.000.000		80.000.000
Paid up loans	-8.863.873	-100.377.681	-6.754.482	-82.195.195
Payment of liabilities from amortization				
Dividends paid	-3.711.977	-2.864.459	-2.479.272	-1.488.730
Total net cash (used in) generated from financing activities (c)	<u>-3.825.850</u>	<u>1.757.860</u>	<u>-9.233.754</u>	<u>-3.683.925</u>
Net increase / (decrease) in cash and cash equivalents for the year (a) + (b) + (c)	<u>1.982.779</u>	<u>4.973.088</u>	<u>216.893</u>	<u>-465.951</u>
Cash and cash equivalents at the beginning of the year	11.729.864	6.756.776	1.075.069	1.541.020
Cash and cash equivalents at the end of the year	<u>13.712.643</u>	<u>11.729.864</u>	<u>1.291.962</u>	<u>1.075.069</u>

INCOME STATEMENT FOR THE YEAR (Amounts in €)

	GROUP		COMPANY	
	1.01 - 31.12.2005	1.01 - 31.12.2004	1.01 - 31.12.2005	1.01 - 31.12.2004
Total turnover	706.067.800	667.859.865	466.740.272	437.419.312
Gross profit / (loss)	64.758.117	69.868.618	22.723.527	25.357.434
Profit / (loss) before taxes from financing and investing results and depreciation	66.466.310	77.027.421	34.963.163	38.843.983
Profit / (loss) before taxes, financing and investing results	23.621.916	35.173.741	8.143.525	12.233.733
Total profit / (loss) before taxes	15.989.063	26.137.492	8.520.340	10.223.120
Less: Taxes	-3.975.308	17.114.378	-938.003	17.696.798
Total profit / (loss) after taxes	12.013.755	43.251.870	7.582.337	27.919.918
<u>Attributed to :</u>				
Company's shareholders	9.936.883	38.022.179	7.582.337	27.919.918
Minority shareholders	2.076.872	5.229.691	-	-
	12.013.755	43.251.870	7.582.337	27.919.918
Profit per share after taxes - basic (in €)	0,080	0,306	0,061	0,225
Proposed dividend per share (in €)			0,020	0,020

Additional data and information:

1. Follows information, concerning the companies and consortiums, in which the Group participates:

<u>Company name:</u>	<u>Country</u>	<u>Percentage holding</u>	<u>Consolidation method</u>	<u>Unaudited years</u>
ELVAL, S.A.	Greece	Parent Company		2003-2005
ETEM, S.A.	Greece	58,15%	Full consolidation	1998-2005
SYMETAL, S.A.	Greece	99,99%	Full consolidation	2004-2005
VIOMAL, S.A.	Greece	50,00%	Full consolidation	2002-2005
ELVAL COLOR, S. A.	Greece	99,99%	Full consolidation	2000-2005
VECTOR, S.A.	Greece	66,67%	Full consolidation	2003-2005
VIEXAL Ltd	Greece	73,33%	Full consolidation	2003-2005
BRIDGNORTH ALUMINIUM Ltd	England	100,00%	Full consolidation	-
BLYTHE Ltd	Cyprus	100,00%	Full consolidation	-
STEELMET ROMANIA S.A.	Romania	40,00%	Full consolidation	-
ANAMET, S. A.	Greece	26,67%	Equity method	1998-2005
STEELMET S.A.	Greece	29,56%	Equity method	2003-2005
DIAPEM EMPORIKI S.A.	Greece	33,32%	Equity method	2003-2005
VEPEM, S.A.	Greece	50,00%	Equity method	2003-2005
ELKEME, S.A.	Greece	40,00%	Equity method	2003-2005
TEPRO METAL AG	Germany	40,39%	Equity method	-
METAL GLOBE Doo	Yugoslavia	40,00%	Equity method	-

2. The Company's financial statements are included in the consolidated financial statements prepared by:

<u>Company name</u>	<u>Country</u>	<u>Percentage holding</u>	<u>Consolidation method</u>
VIOHALCO, S.A.	Greece	64.13%	Full consolidation

3. There are no encumbrances on the Company's fixed assets.

4. There are no pending court decisions or differences under arbitration, which may have a significant effect on the Company's financial position

5. The number of the personnel at the end of the year was as follows: Company 874 , Group 2197

6. The cumulative amounts of sales and purchases from the beginning of the financial year and the balances of the Company's receivables and obligations at the end of the period, resulting from its transactions with related parties, following the IFRS 24, are as follows :

(Amounts in th.Euros)	GROUP	COMPANY
i) Sales of goods and services	40.578	33.707
ii) Purchases of goods and services	30.641	17.490
iii) Claims from related parties	12.484	19.568
iv) Obligatons to related parties	5.173	10.226

7.For the period 1/1 - 31/12/2005, in the consolidated results, the deferred tax for the period amounts to obligation of Euro 1.512,9 th. and the income tax for the period to obligation of Euro 2.462,4 th. (for the period 1/1 - 31/12/2004 to claim of Euro 22.812,9 th. and obligation of Euro 5.698,5 th. respectively. In the Company's results the deferred tax for the period amounts to obligation Euro 293.5 th. and the income tax for the period to obligation of Euro 644.6 th. (concerning the period from 1/1 - 31/12/2004 to claim of Euro 18.743,12 th. and obligation of Euro 1.046,32 th.respectively).

8. In the column of the financial year 2004, certain figures have been revised, in order to become similar and comparable with those of the financial year 2005.

Athens, March 10, 2006

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE VICE CHAIRMAN OF THE BOARD OF DIRECTORS	THE GENERAL MANAGER	THE FINANCIAL MANAGER
JOHN V. PANAYIOTOPOULOS Id.C.No A 176995	GR. DEM. KONSTANTAKOPOULOS Id.C.No I 219720	LAMBROS DEM. VAROUCHAS Id.C.No. A 014601	NIC. Z. PSIRAKIS Id.C.No T 015643

MANAGEMENT REPORT

OF THE BOARD OF DIRECTORS OF ELVAL S.A. FOR THE FINANCIAL YEAR 2005

**TO THE:
ORDINARY GENERAL
MEETING OF SHAREHOLDERS
AS AT 14/6/2006**

Dear Shareholders,

We have the honour to submit you the financial statements of our Company and the management report on the financial year from 1 January to 31 December 2005.

GENERAL NOTES

During 2005, the production and sales remained virtually at the same levels with those of 2004, such development being considered reasonable given that since last year the plant has been operating almost at the maximum of its production capacity for the standard composition of the product manufactured. More specifically, the volume of sales came to 187 thousand tons compared to 189 thousand tons in 2004. The net turnover of the company was increased by 6.7%, thus amounting to EUR 466.7 million, such increase being mainly due to a considerable rise in the average LME price of unprocessed aluminium by 10.7% (from € 1,381 in 2004 to € 1,529 in 2005). Given that hedging is applied, the increase in aluminium price does not affect directly the company's gross profit. However, the upward trends of aluminium prices that were intensified during the last quarter of the year generated a rise in the final prices of products. As a result, demand fell short, this being reflected in a reduction in sales volume and in the establishment of the profit and loss account. Gross profit before depreciation amounted to EUR 49.5 million, thus being reduced by 4.5% compared to 2004 and pre-tax earnings were reduced by approximately 16% amounting to EUR 8.5 million.

Note that 2005 is the first year International Financial Reporting Standards will be applied and, for the purpose of comparison, the financial statements of 2004 have been altered. A thorough analysis on the transition to IFRS is included in the Financial Statements.

MARKET DATA – INTERNATIONAL FINANCIAL ENVIRONMENT

During the year under consideration, the circumstances of the international financial environment did not improve. On the contrary, some of these got worse. The upward trends of the European economies remained meagre while the price of crude oil and natural gas remained at high levels, thus burdening energy cost and the purchase cost of important production materials such as paints and varnishes for painting special aluminium products, extrusion lubricants, etc.

The average dollar-Euro exchange rate was kept at 1.24 \$/€, namely it remained approximately at the same level with 2004. At the same time, the ratio of the company's sales in dollars was increased. In addition, the average price of unprocessed aluminium was increased by 10.7% in comparison with 2004, thus having a negative impact on the working capital.

PRODUCTION - TURNOVER

In 2005 production amounted to 192 thousand tons compared to 188 thousand tons in 2004. Total sales per volume were marginally reduced at 186,783 tons compared to 188,930 tons in 2004, due to certain delays in shipments at the year-end, thus increasing accordingly the stocks of finished products. On the contrary, the values established amounted to EUR 466,740.3 in 2005 compared to EUR 437,419.3, namely they were increased by 6.7%.

COMPARATIVE TABLE OF SALES						
SALES CATEGORIES	QUANTITIES IN TONS		VALUE IN THOUSAND EURO		DIFFERENCES (%) IN TERMS OF VOLUME AND VALUE	
	2004	2005	2004	2005	2005/2004	2005/2004
1. SALES OF PRODUCTS						
DOMESTIC	35.089	38.399	83.727,74	96.023,07	9,43%	14,68%
EXPORTS	<u>153.841</u>	<u>148.384</u>	<u>333.310,83</u>	<u>346.099,57</u>	-3,55%	3,84%
TOTAL	188.930	186.783	417.038,58	442.122,64	-1,14%	6,01%
2. OTHER SALES & OTHER REVENUES FROM SERVICES AND INVOICED SHIPPING EXPENDITURE						
	--	--	20.380,73	24.617,63	--	20,79%
GRAND TOTAL	188.930	186.783	437.419,31	466.740,27	-1,14%	6,70%

EXPORTS

During 2005, around 80% of sales were directed to international markets covering approximately 65 countries. More specifically, they were channelled into EU member states (46.48%); Far Eastern countries (11.9%), the most important of which are China (2.8%) and Taiwan (2%); Middle Eastern countries (10.3%) with Saudi Arabia being the most important (4.7%); other countries (28.11%), with the USA and Canada being the most important (24.8% in toto); and other Central European countries (3.2%).

REAL ESTATE- INVESTMENTS

The company operates a state-of-the-art plant at Inofyta, Viotia department, which is part of a building plot extending over 377.8 thousand m² and having a value equal to € 23.51 million. Such plot comprises industrial buildings, warehouses and infrastructure works covering a total surface of 125 thousand m² and having a value equal to € 48.25 million. In addition, the company owns a lot of 2.3 thousand m² in the region of Elefsina, which is valued at € 227.7 thousand. It also owns building plots of 86.6 thousand m² at Thisvi, Viotia, with a value equal to € 530.34 thousand, and another lot within the Municipality of Inofyta extending over 2,364 m² where workers' residences valued at EUR 502.8 thousand have been constructed on 728 m². In Marousi, the company operates a Centre for the promotion of aluminium recycling.

During 2005 total expenditure for investments in the plant at Inofyta amounted to approximately EUR 14 million while equipment valued at EUR 8 million was put into operation. These investments refer to enhancing interventions and modernising works mainly as regards rollers and final production lines (splitting machines, painting line, etc).

HOLDINGS - SECURITIES

During 2005, the sum of EUR 233.1 thousand was paid by the company in order to increase its holdings. These concerned a holding in the increase in the share capital of its subsidiary VIEXAL Ltd by EUR 23.1 thousand and another holding in the newly-established K.AN.AL S.A. by EUR 210 thousand.

The securities held by the company did not change in relation to 2004.

NOTES ON THE BALANCE SHEET

A reduction in tangible assets by EUR 13 million is presented in the Fixed Assets, this being the difference between depreciation and investments, as described above. Holdings were increased by EUR 236.9 thousand as detailed above. As for Current Assets, on 31.12.2005 the value of stocks was considerably increased in comparison to 31.12.2004 owing to the aforementioned quantitative rise in finished products and to an increase in aluminium price. The latter led to an increased value of receivables.

As for Liabilities, owner's equity was increased by EUR 13.4 million as a result of post-tax profits of the year and due to an evaluation of the financial derivatives for covering risks, and was reduced by EUR 2.5 million due to distributed dividends.

Long-term bank liabilities were reduced by EUR 27 million once the scheduled instalments of the bonded loan were settled whereas short-term bank liabilities rose by EUR 20.5 million in order to cover the increased needs for working capital as cited above.

FINANCIAL POSITION

The ratios and indices representing the financial position of the Company developed as follows between 2004 and 2005.

RATIOS & INDICES	2005	2004
Current assets -Quick acid ratio:----- = Short-term liabilities	2,65	3,54
Owner's equity -Leverage factor:----- = Total liabilities	1,93	1,97
Owner's equity Fixed assets coverage ratio:----- = Non-current assets	1,09	1,03

DEPRECIATION

Depreciation for the year 2005 totalled EUR 26.82 million and is increased by EUR 329 thousand compared to that made during 2004. Of such depreciation, the sum of EUR 25.74 million was charged to the cost of goods sold and affected accordingly the financial results of the year.

RESULTS

Net results for the year 2005 as shown in the income statement were established on the basis of the items broken down below.

Sales totalled EUR 466.74 million and include the sales of products which are set forth in the respective table of sales amounting to EUR 442.12 million and fall under the Statistical Codification Category (STAKOD) 91-274.2 (aluminium production), and other revenues amounting to EUR 24.62 million.

After subtracting the cost of goods sold and materials and adding various revenues, gross operating profit amounts to EUR 24.04 million.

Of these, administrative and selling expenses amount to EUR 9.43 million and EUR 6.38 million respectively, thus they are totalling EUR 15.8 million. Once these are subtracted, operating results before financial transactions amount to EUR 8.14 million.

Subsequently, the difference between interest charges and gains on sale of participating shares, securities and interest amounting to EUR 376.8 thousand is added and net profits before tax (after subtracting a provision for profit

appropriation to members of the BoD and executives amounting to EUR 1.1 million) come to EUR 8.52 million. After subtracting current and deferred tax, post-tax net profits amount to EUR 7.6 million. It is proposed to appropriate the following out of such profits and out of a part of the current balance carried forward:

APPROPRIATION OF NET PROFITS OF YEAR 2005	
Statutory reserve.....	326.721,37
Dividend.....	2.481.216,00
Untaxed reserves under Law 2601/98	5.089.910,54
Untaxed reserves from lump-sum payment of taxes	1.490,33
TOTAL	7.899.338,24

Net dividend amounts to EUR 0.02 per share for 124,060,815 shares.

CONCLUSIONS AND OUTLOOK

As cited above, the plant at Inofyta operates almost at 100% of its production capacity, but the efforts to enhance productivity and quality and to reduce the items returned will be stepped up during 2006 as well. More specifically, the installation of an advanced production scheduling software programme is underway in order to optimise the use of production resources and, consequently, reduce production cost. Emphasis is also laid on the alteration of the product mix with a view to promoting specific products for which increased interest has been noted on the international market. It is estimated that the volume of production and sales will be marginally increased, mainly due to the almost full utilisation of the plant's production capacity. However, it is expected that the turnover will increase at a higher rate due to the upward trends in the final prices of aluminium products which have already been noticed during the first months of the current year.

In addition to the efforts made to boost productivity, an expenditure rationalisation procedure is applied at all corporate levels. At the same time, efforts are made to recycle used production materials in order to reduce cost even more. It is also pursued to alter and consolidate the supply system at the level of Group companies so as to attain economies of scale and more favourable market circumstances. In addition, a wide-scale programme aiming at the progress of the company's human resources is put into practice through continuous training and information of its executives about modern technologies and international trends.

If these efforts are accompanied by more favourable international circumstances, such as a boost to the economic growth in Europe (sings of a recovery of the German economy are clearly optimistic for the first time over the last few years), the stabilisation of unprocessed aluminium prices, a fall in the international prices of oil and natural gas as well as by a more favourable Euro-dollar exchange rate, more positive results should be expected for the year 2006.

Following the foregoing, we kindly request you, Messrs. Shareholders, to approve the financial statements and this report on the financial year from 1 January to 31 December 2005 and to decide on the other items of the General Meeting.

True copy from the book of minutes of the Board of Directors
Athens, 9 March 2006

**REPORT
OF THE BOARD OF DIRECTORS OF ELVAL S.A.
ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE
FINANCIAL YEAR 2005**

**TO THE:
ORDINARY GENERAL
MEETING OF SHAREHOLDERS
AS AT 14/6/2006**

Dear Shareholders,

We have the honour to submit you the consolidated financial statements and this report on the financial year from 1 January to 31 December 2005.

1. REMARKS ON THE CONSOLIDATION

The consolidated financial statements resulted from the consolidation of the corresponding assets of the parent company ELVAL S.A. and its subsidiaries: VIEXAL Limited Liability Company, ETEM S.A., ELVAL COLOUR S.A., SYMETAL S.A. and VECTOR S.A., which have their registered offices in Athens; VIOMAL S.A. having its registered offices in Artaki, Halkida; STEELMET ROMANIA having its registered offices in Romania; BLYTHE LIMITED having its registered offices in Cyprus; and BRIDGNORTH having its registered offices in England.

In addition, when preparing the consolidated financial statements, the associated companies DIAPEM COMMERCIAL S.A., ANAMET S.A., STEELMET S.A., ELKEME S.A., VEPEM S.A., METAL GLOBE and TEPRO METAL A.G. were included by applying the equity method.

Holdings in HELLENIC CABLES S.A., ALPHA TRUST S.A., which have their registered offices in Athens, EVETAM S.A. having its registered offices in Volos, DIA.VI.PE.THI.B S.A. having its registered offices in the Industrial Zone of Thisvi, Viotia, and ALURAME SRL having its registered offices in Italy are included in the consolidated financial statements at acquisition cost because these holdings are less than 20%.

The turnover of the consolidated income statement amounting to EUR 706,068 thousand resulted from the deletion of intra-company sales amounting to EUR 58,143 thousand.

2. NOTES ON THE BALANCE SHEET

The entries of total consolidation and incorporation by applying the equity method resulted in minority interests in the share capital, which amount to EUR 19,371 thousand, and in reserves and profits amounting to EUR 25,204 thousand. Thus, such interests total EUR 44,575 thousand and are presented in Liabilities.

The accounts of customers and suppliers amounting to EUR 113,801 thousand and EUR 56,837 thousand respectively, which are shown in Assets and Liabilities of the consolidated balance sheet, resulted from deletion of intra-company receivables – liabilities amounting to EUR 20,264 thousand.

3. TURNOVER

The consolidated turnover amounted to EUR 706,068 thousand. Of the said amount, the sum of EUR 433,110 thousand was attained by the parent company ELVAL S.A. with the remainder being broken down as follows: EUR 1,430 thousand by BLYTHE LIMITED; EUR 1,775 thousand by VIEXAL Ltd.; EUR 104,369 thousand by ETEM S.A.; EUR 12,674 thousand by VIOMAL S.A.; EUR 14,933 thousand by SYMETAL S.A.; EUR 466 thousand by ELVAL COLOUR S.A.; EUR 10,042 thousand by VECTOR S.A.; EUR 112,227 thousand by BRIDGNORTH ALUMINIUM Ltd.; and EUR 15,041 thousand by STEELMET ROMANIA.

4. RESULTS

The net profits before taxes and minority interests for the financial year 2005 amounted to EUR 15,989 thousand. Of the said profits, the sum of EUR 4,863 thousand came from the pre-tax earnings of the parent company ELVAL S.A. (after subtracting intra-company results). The remaining pre-tax earnings are broken down as follows: EUR 697.94 thousand concern VECTOR S.A.; EUR 5,287 thousand concern ETEM S.A.; EUR 704.63 thousand concern VIOMAL S.A.; EUR 309.15 thousand concern SYMETAL S.A.; EUR 1,694 thousand concern ELVAL COLOUR S.A.; EUR 361 thousand concern STEELMET ROMANIA; EUR 633 thousand concern BRIDGNORTH ALUMINIUM LTD; EUR 1,420 thousand concern BLYTHE LIMITED; and EUR 19.7 thousand concern VIEXAL Ltd.

5. FINANCIAL POSITION

The ratios and indices representing the financial position of the Group are as follows:

RATIOS & INDICES	2005	2004
Current assets		
'-Quick acid ratio:----- = Short-term liabilities	2,27	2,56
Owner's equity		
'-Leverage factor:----- Total liabilities	1,35	1,36
Owner's equity		
'-Fixed assets coverage ratio:----- = Non-current assets	1,05	0,99

CONCLUSIONS AND OUTLOOK

The plant at Inofyta operates almost at 100% of its capacity. In Great Britain, BRIDGNORTH ALUMINIUM increased the production of lithography strips, extended its activities to new products, and reduced the return rate while enhancing productivity and the quality of the products manufactured

Of course, the efforts to enhance productivity and quality and to reduce the items returned will be stepped up during 2006 as well.

In particular, separate programmes aiming to improve productivity and reduce expenditure are underway in the plant at Inofyta.

In addition, emphasis is laid on the alteration of the mix of the products manufactured with a view to promoting specific products for which increased interest has been noted on the international market. It is estimated that the volume of production and sales will be marginally increased, mainly due to the almost full utilisation of the plant's production capacity. As for the plant of BRIDGNORTH, it is expected that the production of lithography strips will be increased even more.

If these efforts are accompanied by more favourable international circumstances, such as a boost to the economic growth in Europe (sings of a recovery of the German economy are clearly optimistic for the first time over the last few years), the stabilisation of unprocessed aluminium prices, a fall in the international prices of oil and natural gas as well as by a more favourable Euro-dollar exchange rate, more positive results should be expected for the year 2006.

Following the foregoing, we kindly request you, Messrs. Shareholders, to approve the financial statements and this report on the financial year from 1 January to 31 December 2005 and to decide on the other items of the General Meeting.

rue copy from the book of minutes of the Board of Directors
Athens, 9 March 2006

AUDITORS' REPORT
(English Translation from the Greek Auditors' Report)

To the Shareholders of ELVAL – HELLENIC ALUMINIUM INDUSTRY S.A.

We have audited the accompanying financial statements as well as the consolidated financial statements of ELVAL – HELLENIC ALUMINIUM INDUSTRY S.A., as of and for the year ended 31 December 2005. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Greek Auditing Standards, which are based on the International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, evaluating the overall financial statement presentation as well as assessing the consistency of the Board of Directors' report with the aforementioned financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the aforementioned financial statements give a true and fair view of the financial position of the Company and that of the Group (of which this Company is the holding company), as of 31 December 2005, and of the results of its operations and those of the Group and their cash flows and changes in shareholders' equity for the year then ended in accordance with the International Financial Reporting Standards that have been adopted by the European Union and the Board of Directors' Report is consistent with the aforementioned financial statements.

Without qualifying our opinion, we draw your attention to the matter discussed in Note 28 to the financial statements, in respect to the fact that the parent Company and its subsidiaries have not been audited by the tax authorities for certain fiscal years and, consequently, there is a possibility of additional taxes and penalties to be imposed upon such tax audits. As the outcome of such tax audits cannot be presently determined, no provision in respect to this matter has been made in the financial statements.

Athens, 10 March 2006

The Certified Auditor Accountant

George Anastopoulos
A.M. ICA (GR) 15451
11 klm National Road Athens - Lamia
144 51 Metamorphosi Attica

Ernst & Young (Hellas) S.A.
A.M. ICA (GR) 107
 **ERNST & YOUNG**

REPORT

Article 2, par.4 Law 3016/2002

Regarding company transactions with affiliated companies in accordance to article 42⁵, par.5 of Codified Law 2190/1920, for 2005.

For fiscal year 2005 the transactions of the company with affiliated companies in accordance to article 2, par.4 Law 3016/2002 were as follows:

COMPANY (amounts in euros)	INFLOWS	OUTFLOWS	RECEIVABLES	LIABILITIES
ALURAME SRL	-	261,556	-	-121,006
BRIDGNORTH ALUMINIUM LTD	56,239	1,071,675	255,976	-52,934
ELVAL AUTOMOTIVE GMBH	7,911,328	551,728	4,704,614	725,786
ELVAL COLOUR A.E.	74,254	13,067,418	63,979	6,120,649
FITCO S.A.	3,447	3,778	4,089	266
GENECOS SA	218	592,110	482	33,137
METAL AGENCIES LTD	19,036,718	4,675	3,738,945	14,129
METAL GLOBE	183,267	28,955	122,825	9,455
MKC GMBH	1,174,694	34,010	258,012	17,245
SOFIA MED	6,000	-	-	-
SOVEL	-	32,983	-410	16,492
STEELMET (CY) LTD	-	2,065,467	-	184,901
STEELMET ROMANIA SA	4,191,759	-	1,082,740	-
STEELMET SA (BG)	1,711,717	-	142,102	9,086
TEKA SYSTEMS S.A.	78	-	-	-
TEPROMETALL VERTRIEBS Gmbh	5,292,953	859,705	101,139	176,886
HALCOR S.A.	800,021	336,452	250,600	50,158
AIFOROS	-	9,139	-	-
AKRO S.A.	1,455	80,400	-	-
ANAMET S.A.	1,290	4,292,533	8,779	221,483
VECTOR S.A.	7,373,472	1,472,562	376,413	637,094
VIEXAL LTD	-	421,039	-	6,950
VIOMAL S.A.	6,158,953	59,381	4,206,930	27,305
VIOHALCO S.A.	42,984	141,779	212,473	28,307
VITROUVIT	3,686	113	2,579	134
DEPLA S.A.	-	2,150	-	-
DIAPEM S.A	1,550	8,565	-	194,518
EL.KE.ME	-	377,870	-	153,593
HELLENIC CABLES S.A.	24,662	548,670	39,756	150,532
ERGOSTIL	-	61,786	-	6,662
ERLIKON WIRE PROCESSING S.A	-	14,169	-2,017	8,174
ETEM S.A	8,780,978	1,595,462	3,111,972	544,418
PROSAL S.A.	1,576	-	495	-
SANITAS REPRESENTATIONS S.A.	-	8,701	-	-3,082
SIDENOR S.A..	137	32,839	5,827	21,631
SIDMA S.A.	122	-	5,808	-
STEELMET S.A.	19,442	1,899,152	39,700	248,568
SYMETAL S.A.	5,359,636	207,673	801,679	9,535
CORINTH PIPEWORKS S.A	214	-	126	-
TEKA SYSTEMS S.A.	-	5,465,451	70	786,288
TELECABLES	37,261	-	14,478	-
TEPROSTEEL	-	-	3,003	-
ALMET LTD	-	-	736	-
ANOXAL	-	-	5,904	-
HELLENIC STEEL TRADERS S.A.	-	-	8,591	-
TOTAL	68,250,111	35,609,946	19,568,395	10,226,359

Information according to article 10 of Law 3401/2005

The following Announcements / Notifications have been sent to the Daily Official List Announcements and are posted on the Athens Exchange website as well as to our company's website www.elval.gr.

30/12/2005 : Notification - ELVAL SA. Announces that the Board of Directors of the company and the Board of Directors of VECTOR METAL PROCESSING decided the recall of the decision about the divestiture of ELVAL's aluminum plate production plant and its contribution into VECTOR. Due to partly reform of the production process the reasons that in first followed to the decision disappear. Considering the small participation of the branch to the activities of the company, the recall of the decision will not affect the amounts and the prospects of the company.

30/11/2005 : Figures and Information according to IFRS for the 9month ending 2005.

25/11/2005 : Announcement – According to the article 2, paragraph 2 (e) of Hellenic Capital Markets Committee's Decision 3/347/12.7.2005, the Company announces the resignation, as of 24/11/2005, of General Manager Mr. Ntinos Benroubis. Mr. Lambros Varouhas will temporarily assume the position of Company's General Manager.

3/10/2005 : Notification - Following art. 4 par.1e of the Decision of the Committee, No. 5/204/14.11.2000, ELVAL, S.A. would like to announce that, on 29.9.2005, the member of its Board of Directors Mr. Michael Stassinopoulos submitted his resignation. Mr. Dimitrios Pavlakis has been elected as new member of the Board. As a result of the above the members of the Company's Board of Directors are: 1. John Panayiotopoulos, Chairman, executive member, 2. Gregory Konstantakopoulos, Vice-Chairman, executive member, 3. Konstantinos Katsaros, executive member, 4. Konstantinos Bakouris, non executive member 5. Nicholas Koudounis, executive member, 6. Andreas Kyriazis, independent, non executive member 7. Christos-Emmanuel Dimitrakopoulos, non executive member, 8. Gerard Decoster, independent, non executive member, 9. Dimitrios Pavlakis, non executive member, 10. Jacques Gani, non executive member 11. Reinhold Wagner, non executive member

30/9/2005 : Figures and Information according to IFRS for the 6month ending 2005.

30/6/2005 : Figures and Information according to IFRS for the 3month ending 2005..

23/6/2005 : Announcement- Following the pertinent resolution of the Annual General Meeting of the Company's Shareholders, dated 13/06/2005, the net dividend for the financial year 2004 amounts to euro 0,020 (2 cents) per share. Beneficiaries of the dividend are the Company's shareholders after the closing of the Athens Stock Exchange, on June 30th, 2005. From July 1st, 2005 the Company's shares will be negotiated at the A.S.E. without the right to the 2004 dividend.

The payment of the above dividend will be effected through the network of the ALPHA BANK (40 Stadiou street, Athens, tel.. 210-3260000) branches, from July 8th until December 31st, 2005. After the above time limit the payment of the dividend will be effected at the Company's offices, 57th km of the Athens – Lamia National Road, Oinophyta, Beotia.

The shareholders are required to bring with them the "Certificate for beneficiary of dividend from bearer shares" issued by the Dematerialized Securities System, their Identity Card, to mention their Taxpayers Identification Number as well as the competent Revenue Office, in order to be able to collect the amount of dividend.

For further information, the shareholders can apply to Mr. George Chronopoulos, phone no 2262-053389.

16/6/2005 : Press Release of Annual Shareholders' Meeting – According to a press release to the Athens Exchange, ELVAL SA announces the following: "The Annual Shareholders' Meeting which took place as of 13/6/05, approved the distribution of EUR 0.02 dividend per share for the financial year 2004. Shareholders registered as of Athens Exchange 30 June 2005 trading session will be entitled to receive the above dividend. ELVAL stock will be trading

ex-dividend from 1 July 2005, whereas from 8 July 2005 the dividend payment will be taking place through ALPHA BANK's branch network.

Shareholders' Meeting also approved the other subjects of daily agenda and also elected a new BoD. Furthermore, the Company's Management informed shareholders about the factors affecting financial results during 2004 and the Company's performance. Despite the persistent recession in the European market and the significant decline of the US dollar during 2004, the Company generated a turnover of EUR 437 million, increasing sales volume by 13.73% to 189 thousand tons.

The sales volume increase as well as the more profitable product mix elevated earnings before interest, taxes and depreciation to EUR 51 million, up by 21.4%, and profit before taxes to EUR 8.1 million, up by 53.7%. On consolidated basis, turnover amounted to EUR 668 million. Earnings before interest, taxes and depreciation advanced by 159% settling at EUR 22.07 million, mostly affected by the English subsidiary company BRIDGNORTH ALUMINUM Ltd, which returned to profitability following the modernization of its production plant.

Investment expenditures in Oinofita production plant amounted to EUR 15 million, whereas on consolidated basis investments reached EUR 32.6 million. For 2005, expectations indicate a slight increase in sales volume, a significant part of which is channeled in the US market. During the 5-month period of 2005, ELVAL achieved a growth of 6% in sales volume as compared to the same period in 2004, demonstrating its stronger positioning in the targeted strategic product international market.

13/6/2005 : On June 13, 2005 at 13:00 hours, the Annual General Meeting of Shareholders of ELVAL,S.A. was held, in PRESIDENT HOTEL, Athens. They attended shareholders holding the 51.063.880 number of shares, that is the 41,16% of the votes and passed its resolutions on the following agenda:

1. The annual financial statements for the Company's financial year ended on December 31, 2004 and the reports of the Directors and the Auditors on them, have been approved , 2. The Directors and the Auditors have been discharged from all responsibility for damages for the financial year 2004, 3. The distribution of the Company's net profits for the year 2004 has been approved. It was decided that the amount of the net dividend to be distributed would be Euro 0,02 per share. The beneficiaries will be the shareholders of the Company after the closing of the A.S.E. on June 30, 2005. From July 1, 2005, the Company's shares will be negotiated without the right on the 2004 dividend. The payment of the dividend will start on July 8, 2005, through the network of the ALPHA BANK branches, 4. The auditing company ERNST & YOUNG, CERTIFIED AUDITORS, S.A., have been elected, as the Company's auditors for the Financial Year 2005, 5. It was also ratified the election, dated 7.2.2005, as provisional directors of Messrs Nicholas Koudounis, executive member, Andreas Kyriazis, independent and non executive member and Gerard Decoster, independent and non executive member, to replace Messrs Jacques Moulart, Zachary Hadjinanayiotou and Efstathios Striber, who submitted their resignation, as well as the election, dated 20.5.2005 of Mr. John Panayiotopoulos, executive member, to replace the deceased George Alexakis, 6. The new members of the Company's Board of Directors, for the period of one year, have been elected as follows: (1)JOHN PANAYIOPOULOS , (2)MICHAEL STASSINOPOULOS, (3)KONSTANTINOS KATSAROS, (4)NICHOLAS KOUDOUNIS , (5)GREGORY KONSTANTAKOPOULOS (6)ANDREAS KYRIAZIS, independent member, (7)KONSTANTINOS BAKOURIS, (8)CHR.EMMANUEL DEMETRAKOPOULOS, (9)JACQUES GANI, (10)JERARD DECOSTER, independent member, (11)REINHOLD WAGNER, 7. Director's remuneration was approved. , 8. There were no announcements to be made.

21/5/2005 : Annual General Meeting, to be held on Monday, June 13, 2005 at 13:00 hours at the PRESIDENT HOTEL, 43 Kifissias Avenue, Athens

20/5/2005 : Notification - Following par. 1e) of article 4 of the Decision 5/204/14-11-2000 of the Committee, we would like to inform you that, on 20/05/2005, the Company's Board of Directors elected Mr. John Pannayiotopoulos as its Chairman, to replace the deceased George Alexakis.

7/4/2005 : Notification - According to its letter to the Athens Exchange, ELVAL SA announces the following: "Following the decision of our Company's Board of Directors on 11/3/2005, the revised Consolidated Financial Statements have been compiled according to the clarifications provided by the Decision 1020748/10361/B0012 of the Ministry of Finance, issued on 28/2/2005. According to the above decision, our Company recorded a special investment related reserve, based on the article 2 of Law 3220/2004, deriving from two subsidiaries and two affiliated companies. Consequently, our Company adjusted the accounts of income tax, earnings, minority interests in earnings and shareholders' funds, tax-free reserves and profit carried forward, as they are depicted in the Income Statement and

Balance Sheet. The revised financial statements were published on 23/3/2005 in newspapers *NAFTEMPORIKI* and *ESTIA*".

5/4/2005 : Reply to a letter of the Athens Exchange – Replying to a letter of the Athens Exchange as of 1/4/2005, with regard to the announced divestiture of the Company's plate production sector and its contribution to the subsidiary company VECTOR METAL PROCESSING, ELVAL SA announces the following: "1. Aluminum plates are rolling mill based aluminum products, as all products of ELVAL. Currently, the product's formation into a plate is performed in the final production stage, by placing the semi final product (aluminum foil) in special cutting machines, either in ELVAL's plant or its subsidiary's (VECTOR) plant. The purpose of this divestiture is to consolidate the production process and improve production planning for both companies. The completion of the divestiture is based on a relevant plan agreement, which will be submitted for approval to the Shareholders' Meetings of the two companies (ELVAL and VECTOR), the Ministry of Development and the Athens Prefecture. 2. The sector of aluminum plate production is only a small stake of the Company's production activity. During 2004, sales of this category reached 4.2 thousand tons out of a total 189 thousand tons of final products, whereas turnover amounted to EUR 9 million or 2% of the total turnover of EUR 437 million. The sector had a similar contribution in the Company's total profitability. 3. The consolidated structure of production will facilitate planning improvements and consequently lead to savings in terms of final cost, production time and delivery time of products. The divestiture will not affect ELVAL, since the Company will retain the largest part of its production, which concerns production of semi final product (aluminum foil), in its own production facilities. However ELVAL will benefit from a more efficient utilization of resources in the final production stages (quality control, packaging, storage, etc.) as far as its strategic products are concerned. 4. In view of the sector's contribution in ELVAL's total turnover (the sector represented a stake of less than 25% during the last financial year of 2004), the divestiture is not subject to the provisions of article 334 of Athens Exchange Regulation.

30/3/2005 : Announcement – According to the article 4, paragraph 1d of HCMC Decision 5/204, ELVAL HELLENIC ALUMINUM INDUSTRY SOCIETE ANONYME announces that the boards of directors of the Company as well as of VECTOR METAL PROCESSING SOCIETE ANONYME approved the divestiture of ELVAL's aluminum plate production plant and its contribution into VECTOR. The above industrial plant will be operating in Tavros, 252 Piraeus Street. The corresponding transaction will materialize in accordance with the provisions of articles 1-5 of Law 2166/1993 and of P.L. 2190/1920 concerning Societe Anonymes, with a transitional balance sheet date as of 31/3/2005.

30/3/2005 : Reply to a letter of the Athens Exchange: Replying to your letter as of 24/03/2005 and with protocol number 13851, concerning clarifications on Additional Financial Information as of 31/12/2004, which was provided to the Athens Exchange via the electronic transmission system HERMES, we would like to inform about the following: 1. We verify the accuracy of the elements included in section 3 "Revised Accounts" (revised shareholders' funds and financial results) 2. By taking into consideration the significant deviations between the revised and published financial accounts, according to the Balance Sheet as of 31/12/2004, we inform you that these are affected by the Company's notes and the notes of the Certified Accountants – Auditors, referring specifically to the following: i. With regard to employee compensation provision, the Company historically applies the Administration's Legal Counselors opinion, as it is also provided by the paragraph ie of article 10, Law 2065/1992. The Company has recorded a relevant provision for retirement benefits only to the extent that such benefit is justified within the following financial year. ii. With regard to the valuation of non-listed on the Athens Exchange companies, the Company historically applies the tax legislation. According to paragraph 5, article 28 of legislation, as it was amended by the paragraph 4 of article 12, Law 3301/2004 "especially for the financial periods ending on 30/6/2005, the above shares or participation interests may be valued according to their acquisition cost". iii. The Company recorded a provision with regard to a capital loss in an Athens Exchange listed company, according to the article 43 of Law 2190/1920 and, according to the article 38 of Law 2238/1994, the valuation difference was charged against reserves formed by the Law 148/1967. During the initial release of the IFRS based Financial Statements, the effect deriving from the above deviations on the financial results will be non-material. With regard to Shareholders' Funds, the effect from the accumulated provision for retirement benefits (determined according to the actuarial study, which will be dictated by our Company's policy) is expected to be larger, the effect created from deviation (ii) will be insignificant and the deviation (iii) will have no material effect.

29/3/2005 : Announcement –Following the decision of our Company's Board of Directors on 11/3/2005, the revised Consolidated Financial Statements have been compiled according to the clarifications provided by the Decision 1020748/10361/B0012 of the Ministry of Finance, issued on 28/2/2005. According to the above decision, our

Company recorded a special investment related reserve, based on the article 2 of Law 3220/2004, deriving from two subsidiaries and two affiliated companies. Consequently, our Company revised the accounts of income tax, earnings, minority interests in earnings and shareholders' funds, tax-free reserves and profit carried forward, as they are depicted in the Income Statement and Balance Sheet. The revised financial statements were published on 23/3/2005 in newspapers *NAFTEMPORIKI* and *ESTIA*.

28/3/2005 : Amended Balance Sheet for the fiscal year 2004 in accordance to the decision 1020748/10361/B0012 of the Greek Finance ministry.

28/2/2005 : Announcement – According to the article 277, paragraph 2c of the Athens Exchange Regulation, referring to Prospective Corporate Actions, the Company announces the following: The Annual Shareholders' Meeting for the approval of the financial statements as of 31/12/2004, will take place within June 2005. The dividend payment will take place within the 2-month period following the date of the Shareholders' Meeting.

15/2/2005 : Announcement-We would like to inform you that, following resolution of the Company's Board of Directors the Head Office of the Company will operate, from March 1, 2005, at the following address: Athens Tower, Building B', 2- 4 Messogion Avenue, P.C. 115 27, Athens.

28/2/2005 : Financial Statements for fiscal year 2004.

7/2/2005 : Notification - Following art. 1e of the Decision of the Committee, No. 5/204/14.11.2000, we would like to inform you that, on 7.2.2005, the following members of the Board of Directors submitted their resignation: Mr. Jacques Moulaert, non executive member, Mr. Zacharias Hadjipanayiotou, independent, non executive member, Mr. Efstathios Striber, independent, non executive member. The following Directors have been elected to replace them: A) Nicholas Koudounis, executive member B) Andreas Kyriazis, independent non executive member C) Gerard Decoster, independent non executive member. The members of the Company's new Board of Directors are the following: 1. George Alexakis, Chairman, executive member, 2. Michael Stassinopoulos, Vice-Chairman, non executive member, 3. Konstantinos Katsaros, executive member, 4. Gregory Konstantakopoulos, executive member 5. Nicholas Koudounis, executive member, 6. Andreas Kyriazis, independent, non executive member, 7. Christos-Emmanuel Dimitrakopoulos, non executive member, 8. Gerard Decoster, independent, non executive member 9. Konstantinos Bakouris, non executive member, 10. Jacques Gani, non executive member , 11. Reinhold Wagner, non executive member

13/1/2005 : Notification – In the context of timely and accurately informing the investors' community and in accordance with the Athens Exchange Regulation, ELVAL announces that during the calendar year 2005, its Board of Directors will propose to the Annual Shareholders' Meeting that ex-dividend date takes place between 20/6/2005 and 14/7/2005, which are the expiration dates of derivative products on FTSE/ASE-30 Index. It is noted that ELVAL stock is a component of the above index.

The Annual Financial Statements, the auditors reports and the Board of Directors reports of the companies included in the consolidated financial statements are available on the company's website www.elval.gr