



Semi-annual Financial Report

For the period from 1 January 2010 to 30 June 2010

Pursuant to article 5, of Law no. 3556/2007

**SIDENOR STEEL PRODUCTS
MANUFACTURING COMPANY S.A.**

Societe Anonyme Reg. No.: 2310/06/B/86/20 2-4 Mesogeion Ave. Athens

These financial statements have been translated from the original statutory financial statements that have been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language financial statements, the Greek language financial statements will prevail over this document.

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**A. Board of Directors Statements
(Pursuant to article 5, par 2, of Law no. 3556/2007)**

The BoD Members of the Societe Anonyme under trading name SIDENOR STEEL PRODUCTS MANUFACTURING COMPANY S.A. and distinctive title SIDENOR S.A., based in Athens, 2-4, Mesogeion Avenue:

1. George Kalfarentzos, son of Christos, Chairman of the Board of Directors,
2. Sarantos Milios, son of Konstantinos, Managing Director and BoD member,
3. George Passas, son of Nikolaos, BoD member as per decision of the Company's Board of Directors, dated 25.08.10

Under our above capacity, hereby state and confirm that according to our knowledge:

(a) the attached corporate and consolidated financial statement for SIDENOR STEEL PRODUCTS MANUFACTURING COMPANY S.A. (the Company) as at 30 June 2010, the relevant corporate and consolidated summary profit and loss statements, comprehensive income, changes in equity and cash flow statements for the six month period that ended on this date, as well as the selected explanatory notes that comprise the summary interim financial information, which have been compiled according to I.A.S. 1, depict the actual details and figures of the assets and liabilities, the net assets and the profit and loss of SIDENOR S.A., as well as the companies included in the consolidation in total, pursuant to the stipulations of paragraphs 3 through 5, of article 5 of Law no. 3556/2007, and

(b) the Board of Directors' Report of SIDENOR S.A. for the period 01.01.2010 – 30.06.2010 depicts the actual details of the evolution, performance and position of SIDENOR S.A., as well as the companies included in the Group consolidation in total, including the description of the main risks and uncertainties these are confronted with, on the basis of par. 6 of article 5 of Law no. 3556/2007.

Athens, 25 August 2010

The certifying persons,

**The Chairman of the
BoD**

**The Managing Director
and BoD Member**

**The Member
Appointed by the BoD**

Kalfarentzos George
ID Card No. F 147183

Milios
Sarantos
ID Card No. P 998326

Passas George
ID no. F 020251

B. Board of Directors Semi-Annual Report

The Semi-Annual Report of the Board of Directors, which follows, (hereby referred to as "Report"), pertains to the 1st half of current fiscal year 2010 (01.01.2010 - 30.06.2010). The Report has been prepared in accordance and in line with the respective provisions of Law no. 3556/2007 (Government Gazette Issue 91A/30.4.2007) and the executive decisions issued pursuant to it by the Capital Market Commission and, in particular, Decision no. 7/448/11.10.2007 of the BoD of the Capital Market Commission.

The current Report includes all information relevant and necessary by law, in order to provide material information regarding the activities of the referred period of company SIDENOR STEEL PRODUCTS MANUFACTURING COMPANY S.A. (hereunder referred to as the "Company" or "SIDENOR") as well as of the SIDENOR Group, in which, besides SIDENOR, the following affiliated companies are included:

Company	Participation	Consolidation method	Unaudited years
SIDENOR S.A.	-	-	2007 - 2010
SOVEL A.E.	62,74%	Full consolidation	2009 - 2010
DEPAL S.A.	100,00%	Full consolidation	2007 - 2010
STOMANA INDUSTRY S.A.	100,00%	Full consolidation	2005 - 2010
ERLIKON WIRE PROCESSING S.A.	98,92%	Full consolidation	2006 - 2010
AEIFOROS S.A.	90,00%	Full consolidation	2009 - 2010
ETAL S.A.	98,43%	Full consolidation	2007 - 2010
PROSAL S.A.	100,00%	Full consolidation	2007 - 2010
TEPRO STEEL EAD	100,00%	Full consolidation	2002 - 2010
ELMONTE HOLDINGS LIMITED	100,00%	Full consolidation	2008 - 2010
BOZETTI LTD	100,00%	Full consolidation	2008 - 2010
VEMET S.A.	100,00%	Full consolidation	2003 - 2009
ETIL S.A.	69,99%	Full consolidation	2004 - 2010
PRAKSYS S.A.	51,00%	Full consolidation	2007 - 2010
DIA.VI.PE.THIV. S.A.	70,10%	Full consolidation	2003 - 2010
AEIFOROS BULGARIA SA	90,00%	Full consolidation	2007 - 2010
VET S.A.	61,80%	Full consolidation	2007 - 2010
VEAT S.A.	40,78%	Full consolidation	2003 - 2010
SIGMA A.E.	69,28%	Full consolidation	2004 - 2010
ARGOS S.A.	69,28%	Full consolidation	2005 - 2010
CORINTH PIPEWORKS S.A.	78,55%	Full consolidation	2008 - 2010
SIDMA S.A.	24,23%	Net balance	2007 - 2010
DIAPEM S.A.	33,35%	Net balance	2007 - 2010
V.EPE.M. S.A.	50,00%	Net balance	2003 - 2010
METALOURGIA ATTIKIS S.A.	50,00%	Net balance	2007 - 2010
EL.K.E.ME. S.A.	20,00%	Net balance	2007 - 2010
DOMOPLEX LTD	45,00%	Net balance	2007 - 2010
DOJLAN STEEL LLCOP	75,00%	Full consolidation	2008 - 2010
SIDERAL SHPK	100,00%	Full consolidation	2006 - 2010
SIDEROM STEEL SLR	100,00%	Full consolidation	2007 - 2010
ZAO TMK-CPW	38,49%	Net balance	2007 - 2010
BIODIESEL A.E.	15,69%	Net balance	2009 - 2010
AWM SPA	29,10%	Net balance	2006 - 2010
PORT SVISHTOV WEST SA	73,09%	Full consolidation	2008 - 2010
PRISTANISHTEN KOMPLEX SVILOSIA EOOD	73,09%	Full consolidation	2004 - 2010
SIDEBALK STEEL DOO	100,00%	Full consolidation	2009 - 2010
PROSAL TUBES S.A.	100,00%	Full consolidation	2008 - 2010

The chapters of the report and their contents are as follows:

A. Significant Events of the first half of 2010

The most important events that took place during the 1st half of 2010 are the following:

Investments in subsidiaries

In February 2010 the scheduled tax audit of the subsidiary company SOVEL S.A. for the fiscal years of 2006, 2007 and 2008 was completed. The company was charged with €197 thousand in extra taxes and €50 thousand in penalties, i.e. €247 thousand in total, for which a provision of €300 thousand had been set aside. Therefore, no additional charges to the company's economic results and equity, are expected for the current period.

Decisions of the Annual General Meeting

During the Annual General Meeting of the Company's Shareholders that took place in Athens, on June 15th, 2010 at 11.00 pm, the following were decided:

- (i) Approval of the annual financial statements of financial year 2009 and the relevant Board of Directors Report and the Chartered Accountant/ Auditor's Report.
- (ii) Release of the BoD members and the Chartered Accountant-Auditor from any compensation liabilities for financial year 2009.
- (iii) Appointment of audit firm "PriceWaterHouseCoopers" as auditors for financial year 1/1-31/12/2010 with their remuneration to be fixed following their pertinent proposal.
- (iv) Approval of the following parties as new members of the new Board of Directors for one year (this tenure of the members of the Board of Directors will begin on the day following the election and will end on the day that the 2011 Annual General Meeting is convened).

1. GEORGE KALFARENTZOS, BOD CHAIRMAN, EXECUTIVE MEMBER
2. NIKOLAOS KOUDOUNIS, BOD VICE-CHAIRMAN, EXECUTIVE MEMBER
3. EFSTATHIOS STRIMBER, NON-EXECUTIVE AND INDEPENDENT MEMBER
4. GEORGE PASSAS, EXECUTIVE MEMBER
5. IOANNIS IKONOMOU, NON-EXECUTIVE MEMBER
6. VASSILIOS PAPANTONIOU, EXECUTIVE MEMBER
7. SARANTOS MILIOS, EXECUTIVE MEMBER
8. DIMITRIOS PARASKEVOPOULOS, NON-EXECUTIVE MEMBER
9. ANDREAS KYRIAZIS, NON-EXECUTIVE AND INDEPENDENT MEMBER

The General Meeting approved and ratified the election of mr.Vassilios Papantoniou, as a new member of the Board of Directors, in replacement of the late member of the board Athanassios Mitropoulos.

- (v) The General Meeting also approved the amounts to be paid to the Board members as remuneration
- (vi) The General Meeting approved the issuance of common bond loans, according to Law 3156/2003, up to a total amount of seventy million euro and granted the authority to the Board of Directors to further define all specific terms of the loans and the appropriate procedure for the issuance.
- (vii) Members of the monitoring committee under article 37 of Law no. 3693/2008 were appointed the following:
 1. DIMITRIOS PARASKEVOPOULOS, NON-EXECUTIVE MEMBER

2. IOANNIS IKONOMOU, NON-EXECUTIVE MEMBER
3. ANDREAS KYRIAZIS, NON-EXECUTIVE AND INDEPENDENT MEMBER

Inventories valuation

Pursuant to the provisions of IAS 2 according to which inventories are valued at the lowest price between the acquisition cost and the net realizable value, subsidiary CORINTH PIPEWORKS S.A. recognized the impairment of inventories in the amount of €(166) thousand. The above amount charged the results of the period.

Extraordinary Social Contribution Tax according to the Law no. 3845/2010

According to the Law no. 3845/2010, an Extraordinary Social Contribution Tax was applied retrospectively on comprehensive net income for the 2009 fiscal year. The Groups financial results were charged with the amount of € 2.437 thousand.

B. Significant transactions with Associates

The transactions of associates concern primarily the trade and processing of steel products (finished and semi finished). Through these transactions the companies are able to achieve economies of scale by taking advantage of the Group's size. The Group's commercial transactions with its associates (persons or entities) during the 1st half of 2010 have been performed under market terms and in the context of the usual business activity. The transactions between affiliates within the meaning of IAS 24 are analyzed as follows:

Transactions with Subsidiaries

(amounts in thousand €)

SUBSIDIARIES	Sales of goods and services	Purchases	Products - services consolidated	Receivables	Liabilities	Income from dividends
SIDENOR S.A.	53.072	30.371	57	57.092	98.095	2
SOVEL S.A.	3.132	17.692	88	94.094	279	-
DEPAL S.A.	592	96	-	3.062	6	37
STOMANA INDUSTRY S.A.	32.492	14.161	2.341	6.930	16.001	-
ERLIKON WIRE PROCESSING S.A.	475	5.414	-	117	4.555	-
AEIFOROS S.A.	1.484	286	13	333	14	205
ETAL S.A.	283	599	-	309	158	-
PROSAL S.A.	-	1.203	-	101	1.279	-
TEPRO STEEL EAD	586	128	64	380	94	-
ELMONTE HOLDINGS LIMITED	-	-	-	77	-	-
BOZETTI LTD	-	-	-	-	-	-
VEMET S.A.	-	-	-	-	-	-
ETIL S.A.	4.754	123	-	1.948	722	-
PRAKSYS S.A.	182	-	-	38	88	-
DIA.VI.PE.THIV. S.A.	444	174	-	599	5.830	-
AEIFOROS BULGARIA SA	518	76	-	467	12	-
VET S.A.	2.783	16	-	1.128	4	-
VEAT S.A.	-	-	-	-	-	-
SIGMA S.A.	2.777	145	4	2.375	99	-
ARGOS S.A.	2.117	26	-	321	15	-
CORINTH PIPEWORKS S.A.	526	522	-	3.794	412	-
DOJRAN STEEL LLCOP	3.159	17.880	-	215	26.915	-
SIDERAL SHPK	-	774	221	-	6.705	-
SIDEROM STEEL SLR	-	17.167	-	21	10.679	-
PROSAL TUBES S.A.	1.268	356	10	1	633	-
PORT SVISHTOV WEST SA	12	-	4	590	337	-
PRISTANISHTEN KOMPLEX SVILOSA EOOD	-	-	-	-	590	-
SIDEBALK STEEL DOO	-	628	-	-	471	-
	110.656	107.835	2.803	173.993	173.993	243

The majority of the transactions with subsidiary companies have been carried out by SIDENOR, SOVEL, STOMANA, DOJRAN and SIDEROM and concern purchase and sell transactions on finished and semi-finished steel products.

SIDENOR's dividend income is derived from ETIL .

Respectively, DEPAL's dividend income is derived from ETIL and AEIFOROS' dividend income is derived from AEIFOROS BULGARA.

Transactions with Affiliates

(Amounts in thousand €)

AFFILIATES	Sales of goods and services	Purchases	Receivables	Liabilities	Income from dividends
SIDENOR S.A.	1.809	1.170	11.530	478	120
SOVEL S.A.	-	101	-	129	70
STOMANA INDUSTRY S.A.	5.948	149	1.904	56	-
ERLIKON WIRE PROCESSING S.A.	149	199	2.831	145	-
AEIFOROS S.A.	1	-	-	-	-
PROSAL S.A.	-	68	887	29	-
ETIL S.A.	3	143	4	122	-
VET S.A.	-	14	-	16	-
SIGMA S.A.	-	25	2	15	-
ARGOS S.A.	-	41	-	47	-
CORINTH PIPEWORKS S.A.	5	95	1.705	36	440
PROSAL TUBES S.A.	19	10	-	13	-
	7.934	2.015	18.862	1.086	630

The most important transactions with affiliates are carried out by SIDENOR and STOMANA with the SIDMA Group. The latter operates as a commercial intermediary for part of the products of the steel group.

SIDENOR's dividend income is derived from METALOURGIA ATTIKIS, SOVEL's dividend income derives from BODIESEL and CORINTH PIPEWORKS' dividend income is derived from ZAO TMK-CPW.

Transactions with other Affiliates

The transactions with the Other Affiliates pertain to transactions with companies of the VIOHALCO Group, of which SIDENOR is also a subsidiary.

(Amounts in thousand €)

OTHER AFFILIATED	Sales of goods and services	Purchases	Receivables	Liabilities	Income from dividends
SIDENOR S.A.	8.601	7.609	13.151	2.204	-
SOVEL A.E.	32	30.556	22	2.506	74
STOMANA INDUSTRY S.A.	1.133	4.703	1.548	3.875	-
CORINTH PIPEWORKS S.A.	1.689	1.420	2.714	1.017	-
ERLIKON WIRE PROCESSING S.A.	1.066	221	1.316	127	-
AEIFOROS S.A.	447	5	57	2	-
DEPAL S.A.	41	-	-	-	-
PROSAL S.A.	-	9	106	3	-
ETIL S.A.	48	15	230	2	-
ARGOS S.A.	-	2	-	1	-
VET S.A.	-	1	-	1	-
PRAKSYS S.A.	-	10	1	3	-
BOZETTI LTD	48	-	-	12	-
TEPRO STEEL EAD	-	9	-	22	-
AEIFOROS BULGARIA SA	-	38	-	73	-
SIGMA A.E.	73	18	11	84	-
PROSAL TUBES S.A.	-	1	-	3	-
DOJLAN STEEL LLCOP	-	17	-	-	-
DIA.VI.PE.THIV. S.A.	61	1	8	683	-
SIDEROM STEEL SLR	5	319	2	36	-
SIDEBALK STEEL DOO	-	8	-	2	-
	13.243	44.962	19.167	10.657	74

The transactions with the other affiliates are mainly carried out by SIDENOR, STOMANA and DOJLAN. The companies they mainly cooperate with are METAL AGENCIES (trade of readymade products), ANAMET and METAL VALUES (raw material purchases).

SOVEL's dividend income is derived from STEELMET.

Directors and Senior Officers Remuneration

The following table shows the Board of Directors and Senior Officers Remuneration:

(Amounts in thousand €)

	CONSOLIDATED		COMPANY	
	30/6/2010	30/6/2009	30/6/2010	30/6/2009
Total remuneration of Executives & Directors of the Board	941	1.691	306	854
Obligations to Executives & Directors of the Board (earnings distribution)	2.189	2.712	550	550

C. Company Branches

Group SIDENOR main facilities through its subsidiaries are located in Greece, Bulgaria, F.Y.R.O.M., Albania, Romania, Serbia and Cyprus. The core activities of the branches are the production and trading of steel products.

D. Group Trends and Performance

During the first half of 2010, the gradual recovery of economic activity in the international environment, mainly in Central Europe, in conjunction with the strengthening of international steel products prices and Corinth Pipeworks' positive contribution, led SIDENOR Group to return to profitability.

SIDENOR Group consolidated sales for the first half of 2010 amount to EUR 473 million, compared to EUR 542 million in the first half of 2009. The total sales volume was 975 thousand tons, compared to 957 thousand tons in the corresponding period of 2009. Pretax profit for the first half of 2010 amounts to EUR 1.5 million compared to EUR (43) million in the first half of 2009, while EBITDA was EUR 41 million. Finally, the net consolidated loss, after taxes and minority interests, amounted to EUR (0.2) million, compared to EUR (38) million in the first half of 2009.

Selling and administrative expenses for the Group in the first half of 2010 amounted to EUR 48 million compared to EUR 69 million in the first half of 2009, while financial results amounted to EUR 9 million compared to EUR 11 million in the first half of 2009.

Regarding the parent company SIDENOR S.A., turnover in the first half of 2010 amounted to EUR 128 million, showing a decrease of 7%, while net loss amounted to EUR (4.6) million compared to EUR (16.5) million in the first half of 2009.

As the SIDENOR Group implemented its investment program during the first half of 2010, it made investments totaling EUR 18 million. The SIDENOR Group's investment program is in accordance with the broader strategy for further improvement of production plant productivity and the reinforcement of safety at the work place.

The following tables reflect the growth of the Groups major financial ratios:

	30-Jun-10	31-Dec-09
Leverage ratio	0,80	0,67
Current ratio	1,20	1,35

	30-Jun-10	30-Jun-09
Return o Equity	0,25%	-6,30%
EBITDA Margin	8,63%	-0,12%

The total personnel employed as at 30/06/2010 for the Group was 3,031 employees and for the parent company 332. On 30/06/2009, the Group had 3,113 employees, while the parent company had 348.

E. Primary Risks

Market Risk

The main market risk is the risk of fluctuations in the prices of raw materials (scrap), which in turn, to a substantial extent, determine the final price of products. Additionally, other market risks are exchange and interest rates which may affect the Group's financial results and the value of its financial instruments.

The purpose of risk management against market conditions is to control the Group's exposure to these risks, within the framework of acceptable parameters, with concurrent optimization of performance.

Credit Risk

Credit risk refers to the Group's risk of incurring a loss in the event that a customer or third party fails to fulfill his contractual obligations under a financial instrument agreement. It is related to receivables from customers and investment securities.

Trade and other receivables

The Group's exposure to credit risk is mainly affected by the specific characteristics of each customer. The demographic characteristics of the Group's customer base, including the risk of payment default characterizing the specific market and country wherein customers operate, do not affect credit risk to the

same extent, as no correlation between geographic location and credit risk has been observed. No customer exceeds 10% of sales and, as a result, market risk is divided among a large number of customers.

The Board of Directors has established a credit policy whereby each new customer is individually checked for creditworthiness before the usual payment terms are proposed. Credit limits are set on a customer by customer basis and are re-estimated according to current trends and if necessary the sales and collection terms are readjusted. Customer credit lines are as a rule based on the insurance limits set by insurance companies, on the basis of which the company proceeds to secure receivables.

When monitoring customer credit risk, customers are classified in accordance with their credit profile, the maturity of their receivables and any prior collection problems they may have displayed. Trade and other receivables mainly include the Group's wholesale customers. Customers characterized as "high risk" are placed in a special list and future sales must be prepaid. Depending on the customer's prior record and profession, the Group reserves the right to demand tangible or other guarantees (such as letters of guarantee).

The Group makes provision for impairment which represents its assessment of losses incurred in relation to customer liabilities, other receivables and investments in securities. This provision mainly concerns losses due to the impairment of specific receivables that are deemed realizable in relation to specific conditions but which have not as yet been finalized.

Investments

Investments are classified by the Group based on the purpose for which they were acquired. Management decides on the suitable classification of the investment at the time of its purchase and reexamines said classification on each due presentation date.

Management estimates that there will be no payment default on these investments.

Guarantees

The policy of the Group is not to offer guarantees, except to subsidiaries or affiliated companies and then only by decision of the Board of Directors.

Liquidity Risk

Liquidity risk is the risk whereby the Group may be unable to fulfill its financial obligations when these become due. The approach adopted by the Group regarding liquidity management is to ensure, by maintaining minimum necessary cash reserves and sufficient credit limits from the banks with which it cooperates, that it will always have enough liquidity in order to fulfill its financial liabilities when those become due, under normal as well as exceptional circumstances, without incurring unacceptable losses or risking the Group's reputation.

In order to avoid liquidity risks, the Group anticipates annual cash flows when drafting the annual budget, as well as a rolling monthly provision for a period of three months, in order to ensure that it will always have sufficient cash reserves in order to cover its operating needs, including the fulfillment of its financial obligations. The effect of unforeseeable extreme circumstances is not taken into consideration in this policy.

Currency Risk

The Group operates in Europe and, consequently, the greater part of the Group's transactions is carried out in Euros. However, part of the Group's commodity purchases is denominated in US Dollars.

To avoid this risk, the Group makes use of forward contracts and pays its vendors promptly.

The loan interest is in the same currency as that used in the cash flows relating to the Group's operational activities, which is mainly Euros.

The Groups investments in other subsidiaries are not hedged, as these are regarded as long-term currency investments and have mainly been carried out in Euros.

Interest Rate Risk

The Group finances its investments and its cash flow requirements through bank and bond loans, which result in an interest charge burden against its financial results. Upward trends in interest rates will have adverse effects on results, as the Group will incur additional cost of debt.

Interest rate risk is contained, given that part of the Group's loans is subject to fixed interest rates, or it is directly managed with the use of financial instruments (Interest Rate Swaps).

Capital Management

The policy of the Board of Directors consists of the preservation of a solid capital base, in order to maintain investor, creditor and market confidence in the Group and to allow the future expansion of its activities. The Board of Directors monitors the return on capital, which is defined by the Group as the net results divided by the total net position, excluding non-convertible preference shares and minority interests. The Board of Directors also monitors the level of dividends paid to the holders of ordinary shares.

The Board of Directors tries to maintain a balance between, on the one hand, higher returns which would have been possible under higher borrowing levels and, on the other hand, the advantages associated with the security that a strong and healthy capital position would provide.

Fair value estimation

The fair value of financial instruments traded in active markets (stock exchanges) (such as derivatives, bonds and mutual funds) is based on quoted market prices at the balance sheet date. The offer price is used for financial assets, while the bid price is used for financial liabilities.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques and assumptions that are based on market conditions existing at each balance sheet date.

The nominal value less impairment provision of trade receivables is assumed to approximate their fair value. The fair value of financial liabilities for disclosure purposes is estimated by the present value of the discounted future cash flows of specific contracts at the current market interest rate prices that is available to the Group for similar financial instruments.

F. Development of Activities in Second Half of 2010

For the second half of 2010, due to the continuing instability of the international market, Sidenor Group keeps on having its basic priorities, which are the effective management of working capital, the enhancement of productivity and the decrease of production cost.

So as to offset the construction's sector significant decline in the Greek market, Sidenor Group, through its investments aims at the Central Europe markets as well as at the neighborhood countries of the East Mediterranean and of the Balkans.

Finally, safety in the workplace, the protection of the environment, the harmonious coexistence in the local society and the ongoing training of the personnel remain the non-negotiable objectives, directly linked to the operations of the company.

C. Report on review of interim financial information

To the Shareholders of SIDENOR S.A.

Introduction

We have reviewed the accompanying condensed company and consolidated statement of financial position of SIDENOR S.A (the “Company”) and its subsidiaries as of 30 June 2010 and the related condensed company and consolidated statements of income and comprehensive income, changes in equity and cash flows for the six-month period then ended and the selected explanatory notes, that comprise the interim condensed financial information and which form an integral part of the six-month financial report as required by article 5 of L.3556/2007. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as they have been adopted by the European Union and applied to interim financial reporting (International Accounting Standard “IAS 34”). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Review conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Reference to Other Legal Requirements

Our review has not revealed any inconsistency or discrepancy of the other information included in the six-month financial report, as required by article 5 of L.3556/2007, with the accompanying interim condensed financial information.



Athens, 26 August 2010

PricewaterhouseCoopers S.A.

THE CERTIFIED AUDITOR

268 Kifissias Avenue

152 32 Halandri

SOEL Reg. No. 113

Dimitris Sourbis

SOEL Reg. No. 1689

Interim Financial Information

For the period from 1 January 2010 to 30 June 2010

**Prepared in accordance with the International Financial Reporting
Standards (IFRS)**

MANUFACTURING COMPANY S.A.

SIDENOR STEEL PRODUCTS

Societe Anonyme Reg. No.: 2310/06/B/86/20 2-4 Mesogeion Ave. Athens

D. Interim Financial Information

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A. Interim Financial Information

Statement of Financial Position

<i>Amounts in Euro</i>	Note	CONSOLIDATED DATA		COMPANY DATA	
		30/6/2010	31/12/2009	30/6/2010	31/12/2009
ASSETS					
Non-current assets					
Land & Buildings		255.643.912	259.877.583	56.789.559	57.652.581
Machinery		433.214.134	453.457.277	78.783.065	83.040.999
Other tangible assets		83.126.073	71.889.396	5.374.363	4.657.240
Intangible assets		633.610	661.701	27.268	54.536
Investments in associates	6	30.185.893	28.983.897	10.929.011	10.929.011
Investments in subsidiaries	7	-	-	210.220.420	210.089.260
Available for sale financial assets		1.485.009	1.485.009	1.354.368	1.354.368
Deferred tax assets		114.215	100.780	-	-
Other receivables		3.406.881	4.552.574	3.525.221	3.844.839
		807.809.728	821.008.217	367.003.275	371.622.834
Current Assets					
Inventories		314.552.981	278.674.914	82.247.502	68.409.489
Trade and other receivables		214.705.548	169.946.332	157.727.252	117.863.134
Tax receivables		8.413.803	8.409.872	7.746.548	7.742.617
Derivative financial instruments	8	138.411	788.549	-	-
Financial assets at fair value through profit or loss		7.337	7.337	-	-
Cash and cash equivalents		44.199.304	29.145.546	18.585.651	10.506.818
		582.017.384	486.972.551	266.306.952	204.522.058
Total Assets		1.389.827.111	1.307.980.768	633.310.227	576.144.892
EQUITY					
Capital and reserves attributable to equity holders					
Share capital		39.460.002	39.460.002	39.460.002	39.460.002
Share premium		120.406.136	120.406.136	120.406.136	120.406.136
Currency translation adjustments		-1.081.645	-3.132.400	-	-
Other reserves		105.212.838	105.511.985	59.144.644	59.187.445
Retained earnings		253.218.295	253.453.729	66.690.080	71.272.835
Total		517.215.626	515.699.453	285.700.862	290.326.418
Minority interest		113.214.921	111.110.803	-	-
Total Equity		630.430.547	626.810.256	285.700.862	290.326.418
LIABILITIES					
Non-current liabilities					
Borrowings	9	183.817.055	203.199.630	76.166.669	78.750.000
Derivative financial instruments	8	312.023	93.862	82.665	26.700
Deferred tax liabilities		64.297.757	67.393.900	17.717.842	18.291.324
Retirement benefit obligations		5.674.009	5.647.264	1.795.438	1.724.326
Government Grants		11.320.924	11.863.613	183.191	223.010
Provisions for other liabilities and charges		8.768.448	6.281.527	266.629	266.629
Other non-current liabilities		692.963	791.506	-	-
		274.883.179	295.271.302	96.212.434	99.281.990
Current liabilities					
Trade and other payables		152.636.637	125.638.376	138.695.621	124.612.654
Current tax liabilities		7.139.216	8.737.967	3.889.428	7.778.867
Borrowings	9	321.588.763	245.653.441	106.739.764	52.541.935
Other current liabilities		1.914.992	1.458.771	1.914.992	1.458.771
Derivative financial instruments	8	700.980	1.017.533	-	-
Retirement benefit obligations		275.476	199.683	157.126	144.258
Provisions for other liabilities and charges		257.322	3.193.441	-	-
		484.513.386	385.899.210	251.396.931	186.536.484
Total liabilities		759.396.565	681.170.512	347.609.365	285.818.474
Total equity and liabilities		1.389.827.111	1.307.980.768	633.310.227	576.144.892

The notes on pages 21 to 51 form an integral part of these interim financial statements.

Income Statement

<i>Amounts in Euro</i>	Note	CONSOLIDATED DATA				COMPANY DATA			
		6 months until 30/6/2010	3 months 1/4/2010 until 30/6/2010	6 months until 30/6/2009	3 months 1/4/2009 until 30/6/2009	6 months until 30/6/2010	3 months 1/4/2010 until 30/6/2010	6 months until 30/6/2009	3 months 1/4/2009 until 30/6/2009
Sales		472.947.000	265.681.026	541.896.177	258.065.082	127.923.204	69.153.752	119.008.955	71.059.843
Cost of sales		-412.331.343	-225.406.901	-499.043.721	-248.635.480	-115.763.130	-61.160.638	-120.224.949	-73.384.267
Gross profit		60.615.657	40.274.125	42.852.456	9.429.602	12.160.075	7.993.114	-1.215.995	-2.324.424
Selling expenses		-33.956.451	-18.075.721	-53.166.417	-23.363.104	-9.484.960	-4.873.990	-9.025.129	-4.923.743
Administrative expenses		-13.715.012	-7.032.634	-15.996.563	-8.107.416	-5.768.906	-2.677.865	-6.434.019	-3.151.639
Other operating income		10.358.773	6.527.568	12.725.790	4.743.627	4.993.114	2.373.147	6.724.615	4.016.313
Other operating expenses		-13.118.262	-7.256.311	-16.507.801	-7.271.646	-4.911.157	-2.442.591	-5.627.300	-3.417.756
Operating results		10.184.704	14.437.028	-30.092.535	-24.568.936	-3.011.834	371.815	-15.577.827	-9.801.249
Financial Income		1.017.671	356.762	2.419.896	1.527.730	124.413	80.619	193.429	166.817
Financial Expenses		-9.860.527	-5.737.477	-13.819.847	-6.024.552	-2.377.980	-1.391.644	-4.055.812	-1.861.362
Dividend income		74.445	-44.202	93.505	93.505	122.328	122.328	2.319.529	601.458
Profits/ (losses) from participations		-34.701	-12.441	-163.704	-155.504	-	-	-	-
Profits/(losses) from subsidiaries	6	201.707	335.566	-1.909.324	-818.939	-	-	-	-
Profits/(losses) before taxes		1.583.299	9.335.236	-43.472.009	-29.946.696	-5.143.072	-816.882	-17.120.680	-10.894.337
Income tax expense		5.018	-167.794	2.086.051	1.467.085	560.317	218.846	589.864	319.044
Profits/(losses) after taxes		1.588.316	9.167.442	-41.385.958	-28.479.611	-4.582.755	-598.036	-16.530.816	-10.575.293
Attributable to:									
Equity holders of the company		-211.103	7.342.078	-38.173.782	-26.777.752	-4.582.755	-598.036	-16.530.816	-10.575.293
Minority interest		1.799.420	1.825.364	-3.212.176	-1.701.859	-	-	-	-
		1.588.316	9.167.442	-41.385.958	-28.479.611	-4.582.755	-598.036	-16.530.816	-10.575.293
Earnings per share attributable to the equity holders of the Company during the year (expressed in Euro per share)									
Basic		(0,0022)	0,0763	(0,3971)	(0,2786)	(0,0476)	(0,0062)	(0,1720)	(0,1100)
Diluted		(0,0022)	0,0763	(0,3971)	(0,2786)	(0,0476)	(0,0062)	(0,1720)	(0,1100)

The notes on pages 21 to 51 form an integral part of these interim financial statements.

Statement of Comprehensive Income

	CONSOLIDATED DATA				COMPANY DATA			
	6 months until 30/6/2010	3 months 1/4/2010 until 30/6/2010	6 months until 30/6/2009	3 months 1/4/2009 until 30/6/2009	6 months until 30/6/2010	3 months 1/4/2010 until 30/6/2010	6 months until 30/6/2009	3 months 1/4/2009 until 30/6/2009
Profits/(losses) after taxes	1.588.316	9.167.442	-41.385.958	-28.479.611	-4.582.755	-598.036	-16.530.816	-10.575.293
Other Comprehensive Income after taxes								
Exchange differences translation of the financial statements from international business operations	2.394.184	1.480.376	-924.946	-109.317	-	-	-	-
Profit / (loss) after tax from the change of the fair value of the cash flow hedging	-425.010	-1.219.121	2.652.305	3.642.186	-42.800	-28.600	-141.581	-111.863
Comprehensive income after tax	1.969.174	261.255	1.727.359	3.532.868	-42.800	-28.600	-141.581	-111.863
Cumulative Comprehensive results after taxes	3.557.490	9.428.697	-39.658.599	-24.946.743	-4.625.556	-626.636	-16.672.397	-10.687.157
Attributable to:								
Equity holders of the company	1.516.172	7.723.520	-36.939.344	-24.080.228	-4.625.556	-626.636	-16.672.397	-10.687.157
Minority interest	2.041.318	1.705.176	-2.719.255	-866.515	-	-	-	-
	3.557.490	9.428.697	-39.658.599	-24.946.743	-4.625.556	-626.636	-16.672.397	-10.687.157

The notes on pages 21 to 51 form an integral part of these interim financial statements.

Statement of Changes in Shareholders' Equity

Amounts in Euro	Attributable to shareholders of the parent company				Consolidated currency exchange differences	Total	Minority interest	Total Shareholders Equity
	Share Capital & Share Premium Reserves	Fair Value Reserve	Other reserves	Results carried forward				
CONSOLIDATED DATA								
Balance as of 1 January 2009	159,459,958	-4,447,092	102,663,930	328,717,858	-2,154,242	584,240,411	112,520,630	696,761,041
Cumulative Comprehensive earnings after taxes	-	2,007,631	-	-38,173,782	-773,193	-36,939,344	-2,719,255	-39,658,599
Increase - decrease participation percentage in subsidiary	-	-	12,862	-298,704	-	-285,842	736	-285,106
Transfer of reserves	-	-	2,945,306	-2,945,306	-	-	-	-
Dividend taxes	-	-	-	-85,847	-	-85,847	-26,737	-112,584
Dividend	-	-	-	-	-	-	-51,951	-51,951
	-	-	2,958,168	-3,329,857	-	-371,689	-77,952	-449,641
Balance as of 30 June 2009	159,459,958	-2,439,462	105,622,098	287,214,219,16	-2,927,435	546,929,378	109,723,423	656,652,801
Cumulative Comprehensive earnings after taxes	-	2,253,447	-	-33,150,902	-204,965	-31,102,420	316,319	-30,786,101
Total recognised net profit for the year	-	2,253,447	-	-33,150,902	-204,965	-31,102,420	316,319	-30,786,101
Employee stock options	-	-	-	-	-	-	-	-
Income from share issue	406,180	-	-	-	-	406,180	-	406,180
Share Capital issuance / (decrease)	-	-	-	-	-	-	1,463,343	1,463,343
Increase - decrease participation percentage in subsidiary	-	-	-523	76,313	-609,477	-533,687	-444,890	-978,577
Transfer of reserves	-	-	-	111	-111	-	-	-
Dividend	-	-	-	-	-	-	52,608	52,608
	406,180	-523	76,424	-609,588	-	-127,506	1,071,061	943,554
Balance as of 31 December 2009	159,866,138	-186,537	105,698,522	253,453,729	-3,132,400	515,699,452	111,110,803	626,810,256
Balance as of 1 January 2010	159,866,138	-186,537	105,698,522	253,453,729	-3,132,400	515,699,452	111,110,803	626,810,255
Cumulative Comprehensive earnings after taxes	-	-323,479	-	-211,103	2,050,755	1,516,172	2,041,318	3,557,490
Transfer of reserves	-	-	24,331	-24,331	-	-	-	-
Dividend	-	-	-	-	-	-	62,800	62,800
	-	-	24,331	-24,331	-	-	62,800	62,800
Balance as of 30 June 2010	159,866,138	-510,016	105,722,853	253,218,294	-1,081,645	517,215,625	113,214,921	630,430,547

The consolidated comprehensive earnings after taxes, for the periods presented, as analyzed as follows:

CONSOLIDATED DATA	Attributable to shareholders of the parent company				Consolidated currency exchange differences	Total	Minority interest	Total Shareholders Equity
	Share Capital & Share Premium Reserves	Fair Value Reserve	Other reserves	Results carried forward				
Profits/(losses) after taxes	-	-	-	-38,173,782	-	-38,173,782	-3,212,176	-41,385,958
Exchange differences from activities abroad	-	-	-	-	-773,193	-773,193	-151,753	-924,946
Profit / (Loss) after taxes from change in the fair value of cash flow hedging	-	2,007,631	-	-	-	2,007,631	644,674	2,652,305
1 Jan 2009 - 30 Jun 2009	-	2,007,631	-	-38,173,782	-773,193	-36,939,344	-2,719,255	-39,658,599
Profits/(losses) after taxes	-	-	-	-33,150,902	-	-33,150,902	-302,397	-33,453,299
Exchange differences from activities abroad	-	-	-	-	-204,965	-204,965	10,231	-194,734
Profit / (Loss) after taxes from change in the fair value of cash flow hedging	-	2,253,447	-	-	-	2,253,447	608,486	2,861,933
1 Jul 2009 - 31 Dec 2009	-	2,253,447	-	-33,150,902	-204,965	-31,102,420	316,319	-30,786,101
Profits/(losses) after taxes	-	-	-	-211,103	-	-211,103	1,799,420	1,588,316
Exchange differences from activities abroad	-	-	-	-	2,050,755	2,050,755	343,429	2,394,184
Profit / (Loss) after taxes from change in the fair value of cash flow hedging	-	-323,479	-	-	-	-323,479	-101,531	-425,010
1 Jan 2010 - 30 Jun 2010	-	-323,479	-	-211,103	2,050,755	1,516,172	2,041,318	3,557,490
Consolidated total income after taxes	-	-323,479	-	-211,103	2,050,755	1,516,172	2,041,318	3,557,490
COMPANY DATA								
Balance as of 1 January 2009	159,459,958	136,394	56,333,539	113,672,671	-	329,602,561	-	329,602,561
Cumulative Comprehensive earnings after taxes	-	-141,581	-	-16,530,816	-	-16,672,397	-	-16,672,397
Transfer of reserves	-	-	2,873,931	-2,873,931	-	-	-	-
Balance as of 30 June 2009	159,459,958	-5,187	59,207,470	94,267,923	-	312,930,164	-	312,930,164
Cumulative Comprehensive earnings after taxes	-	-14,838	-	-22,995,088	-	-23,009,927	-	-23,009,927
Income from share issue	406,180	-	-	-	-	406,180	-	406,180
Balance as of 31 December 2009	159,866,138	-20,025	59,207,470	71,272,835	-	290,326,418	-	290,326,418
Balance as of 1 January 2009	159,459,958	136,394	56,333,539	113,672,671	-	329,602,561	-	329,602,561
Cumulative Comprehensive earnings after taxes	-	-156,419	-	-39,525,905	-	-39,682,324	-	-39,682,324
Income from share issue	406,180	-	-	-	-	406,180	-	406,180
Transfer of reserves	-	-	2,873,931	-2,873,931	-	-	-	-
	406,180	-	2,873,931	-2,873,931	-	406,180	-	406,180
Balance as of 31 December 2009	159,866,138	-20,025	59,207,470	71,272,835	-	290,326,418	-	290,326,418
Balance as of 1 January 2010	159,866,138	-20,025	59,207,470	71,272,835	-	290,326,418	-	290,326,418
Cumulative Comprehensive earnings after taxes	-	-42,800	-	-4,582,755	-	-4,625,556	-	-4,625,556
Balance as of 30 June 2010	159,866,138	-62,826	59,207,470	66,690,080	-	285,700,862	-	285,700,862

The notes on pages 21 to 51 form an integral part of these interim financial statements.

The company comprehensive earnings after taxes, for the periods presented, as analyzed as follows:

COMPANY DATA	Share Capital & Share Premium Reserve	Fair Value Reserve	Other reserves	Results carried forward	Consolidated currency exchange differences	Total	Minority interest	Total Shareholders Equity
Profits/(losses) after taxes	-	-	-	-16.530.816	-	-16.530.816	-	-16.530.816
Profit / (Loss) after taxes from change in the fair value of cash flow hedging	-	-141.581	-	-	-	-141.581	-	-141.581
1 Jan 2009 - 30 Jun 2009	-	-141.581	-	-16.530.816	-	-16.672.397	-	-16.672.397
Profits/(losses) after taxes	-	-	-	-22.995.088	-	-22.995.088	-	-22.995.088
Profit / (Loss) after taxes from change in the fair value of cash flow hedging	-	-14.838	-	-	-	-14.838	-	-14.838
1 Jul 2009 - 31 Dec 2009	-	-14.838	-	-22.995.088	-	-23.009.927	-	-23.009.927
Profits/(losses) after taxes	-	-	-	-4.582.755	-	-4.582.755	-	-4.582.755
Profit / (Loss) after taxes from change in the fair value of cash flow hedging	-	-42.800	-	-	-	-42.800	-	-42.800
1 Jan 2010 - 30 Jun 2010	-	-42.800	-	-4.582.755	-	-4.625.556	-	-4.625.556

Statement of Cash Flows

	Note	CONSOLIDATED DATA		COMPANY DATA	
		1/1 to 30/6/2010	1/1 to 30/6/2009	1/1 to 30/6/2010	1/1 to 30/6/2009
<i>Amounts in Euro</i>					
Cash flows from operating activities					
Cash flows from operating activities	10	-11.423.627	115.685.339	-36.513.725	62.146.182
Interest paid		-9.357.946	-16.146.891	-2.185.226	-5.431.616
Income tax paid		-4.922.778	-5.858.358	-3.889.428	-2.681.706
Net cash flows from operating activities		-25.704.352	93.680.091	-42.588.378	54.032.860
Cash Flows from investing activities					
Purchase of property, plant and equipment		-17.726.661	-24.710.016	-945.114	-4.564.601
Purchase of intangible assets		-54.264	-23.089	-	-
Sale of property, plant and equipment		275.581	97.651	4.576	1.500
Dividends received		206.907	313.625	-	1.546.000
Interest received		26.488	-	-	-
Increase - acquisition of participation in associates		-	-2.600.882	-	-1.835.764
Increase - acquisition of participation in subsidiaries		-22.260	-768.904	-131.160	-61.442.543
Return of subsidiary capital		-	-	-	58.279.106
Net Cash Flows from investing activities		-17.294.208	-27.691.615	-1.071.698	-8.016.301
Cash flow from financing activities					
Dividends distributed to shareholders of the parent company		-	-300	-	-300
Proceeds from borrowings		230.705.553	122.177.940	83.504.447	927.383
Repayment of borrowings		-174.152.805	-213.786.924	-31.889.951	-54.250.000
Repayment of finance lease obligations		-	-640	-	-
Dividends distributed to minority		-9.486	-46.344	-	-
Other		971.190	2.419.896	124.413	193.429
Net Cash flow from financing activities		57.514.452	-89.236.371	51.738.909	-53.129.487
Net (decrease) / increase in cash and cash equivalents		14.515.892	-23.247.895	8.078.833	-7.112.928
Cash and cash equivalents at the beginning of the year		29.145.546	35.420.254	10.506.818	8.895.036
Foreign exchange differences in cash and cash equivalents		537.866	-6.284	-	-
Cash and cash equivalents at the end of the period		44.199.304	12.166.074	18.585.651	1.782.108

The notes on pages 21 to 51 form an integral part of these interim financial statements.

B. Notes on the interim financial information

1 General Information

These current interim financial statements include the interim company financial statements of SIDENOR STEEL PRODUCTS MANUFACTURING COMPANY S.A. (the Company”) and the interim consolidated financial statements of the Company and its subsidiaries (together the “Group”) for the first half of 2010.

The main activities of the Group are the production and sale of steel construction and industrial products and steel pipes.

The Group operates in Greece, in the broader region of the Balkans and Europe, as well as in the United States of America. The Company’s shares are listed on the Athens Stock Exchange. The SIDENOR Group of companies is a member of the VIOHALCO Group of companies.

The Company is registered in Athens, Greece, 2-4 Mesogheion Ave., Attiki. The Company’s website address is www.sidenor.gr.

The current interim financial statements have been approved for issue by the Board of Directors on 25.08 2010.

2 Summary of significant accounting policies

The principal accounting policies applied by the Group in the preparation of these interim financial statements, are the same with the previous annual financial statements that are set out below. These policies have been consistently applied to all the years presented.

2.1 New standards, amendments to standards and interpretations

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current reporting period and subsequent reporting periods. The Group’s evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards effective for year ended 31 December 2010

IFRS 3 (Revised) “Business Combinations” and IAS 27 (Amended) “Consolidated and Separate Financial Statements”

The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition-related costs and recognizing subsequent changes in fair value of contingent consideration in the profit or loss. The amended IAS 27 requires that a change in ownership interest of a subsidiary to be accounted for as an equity transaction. The amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Furthermore the acquirer in a business combination has the option of measuring the non-controlling interest, at the acquisition date, either at fair value or at the amount of the percentage of the non-controlling interest over the net assets acquired. The Group has applied the revised and amended standards from 1 January 2010.

IFRS 1 (Amendment) “First-time adoption of International Financial Reporting Standards” – additional exemptions

This amendment provides additional clarifications for first-time adopters of IFRSs in respect of the use of deemed cost for oil and gas assets, the determination of whether an arrangement contains a lease and the decommissioning liabilities included in the cost of property, plant and equipment. This amendment does not have an impact on the Group’s financial statements since it has already adopted IFRSs.

IFRS 2 (Amendment) “Share-based Payment”

The purpose of the amendment is to clarify the scope of IFRS 2 and the accounting for group cash-settled share-based payment transactions in the separate or individual financial statements of the entity receiving the goods or services, when that entity has no obligation to settle the share-based payment transaction. This amendment does not have an impact on the Group’s financial statements.

IAS 39 (Amendment) “Financial Instruments: Recognition and Measurement”

This amendment clarifies how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation should be applied in particular situations. This amendment is not applicable to the Group as it does not apply hedge accounting in terms of IAS 39.

IFRIC 12 – Service Concession Arrangements (EU endorsed for periods beginning on or after 30 March 2009)

This interpretation applies to companies that participate in service concession arrangements. This interpretation is not relevant to the Group’s operations.

IFRIC 15 - Agreements for the construction of real estate (EU endorsed for use from 1 January 2010)

This interpretation addresses the diversity in accounting for real estate sales. Some entities recognise revenue in accordance with IAS 18 (i.e. when the risks and rewards in the real estate are transferred) and others recognise revenue as the real estate is developed in accordance with IAS 11. The interpretation clarifies which standard should be applied to particular. This interpretation is not relevant to the Group’s operations.

IFRIC 16 - Hedges of a net investment in a foreign operation (EU endorsed for use from 1 July 2009)

This interpretation applies to an entity that hedges the foreign currency risk arising from its net investments in foreign operations and qualifies for hedge accounting in accordance with IAS 39. The interpretation provides guidance on how an entity should determine the amounts to be reclassified from equity to profit or loss for both the hedging instrument and the hedged item. This interpretation is not relevant to the Group, as the Group does not apply hedge accounting for any investment in a foreign operation.

IFRIC 17 “Distributions of non-cash assets to owners”

This interpretation provides guidance on accounting for the following types of non-reciprocal distributions of assets by an entity to its owners acting in their capacity as owners: (a) distributions of non-cash assets and (b) distributions that give owners a choice of receiving either non-cash assets or a cash alternative. This interpretation does not have an impact on the Group’s financial statements.

IFRIC 18 “Transfers of assets from customers” (EU-endorsed for use annual periods beginning on or after 31 October 2009)

This interpretation clarifies the requirements of IFRSs for agreements in which an entity receives from a customer an item of property, plant and equipment that the entity must then use to provide the customer with

an ongoing supply of goods or services. In some cases, the entity receives cash from a customer which must be used only to acquire or construct the item of property, plant and equipment. This interpretation is not relevant to the Group.

Amendments to standards that form part of the IASB's 2009 annual improvements project

The amendments set out below describe the key changes to IFRSs following the publication in July 2009 of the results of the IASB's annual improvements project. The following amendments are effective for the current financial period / year. In addition, unless otherwise stated, the following amendments do not have a material impact on the Group's financial statements.

IFRS 2 "Share-Based payment"

The amendment confirms that contributions of a business on formation of a joint venture and common control transactions are excluded from the scope of IFRS 2.

IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations"

The amendment clarifies disclosures required in respect of non-current assets classified as held for sale or discontinued operations.

IFRS 8 "Operating Segments"

The amendment provides clarifications on the disclosure of information about segment assets.

IAS 1 "Presentation of Financial Statements"

The amendment provides clarification that the potential settlement of a liability by the issue of equity is not relevant to its classification as current or non-current.

IAS 7 "Statement of Cash Flows"

The amendment requires that only expenditures that result in a recognized asset in the statement of financial position can be classified as investing activities.

IAS 17 "Leases"

The amendment provides clarification as to the classification of leases of land and buildings as either finance or operating.

IAS 18 "Revenue"

The amendment provides additional guidance regarding the determination as to whether an entity is acting as a principal or an agent.

IAS 36 "Impairment of Assets"

The amendment clarifies that the largest cash-generating unit to which goodwill should be allocated for the purposes of impairment testing is an operating segment as defined by paragraph 5 of IFRS 8 (that is before the aggregation of segments).

IAS 38 "Intangible Assets"

The amendments clarify (a) the requirements under IFRS 3 (revised) regarding accounting for intangible assets acquired in a business combination and (b) the description of valuation techniques commonly used by entities when measuring the fair value of intangible assets acquired in a business combination that are not traded in active markets.

IAS 39 “Financial Instruments: Recognition and Measurement”

The amendments relate to (a) clarification on treating loan pre-payment penalties as closely related derivatives, (b) the scope exemption for business combination contracts and (c) clarification that gains or losses on cash flow hedge of a forecast transaction should be reclassified from equity to profit or loss in the period in which the hedged forecast cash flow affects profit or loss.

IFRIC 9 “Reassessment of Embedded Derivatives”

The amendment clarifies that IFRIC 9 does not apply to possible reassessment, at the date of acquisition, to embedded derivatives in contracts acquired in a business combination between entities under common control.

IFRIC 16 “Hedges of a Net Investment in a Foreign Operation”

The amendment states that, in a hedge of a net investment in a foreign operation, qualifying hedging instruments may be held by any entity within the group, including the foreign operation itself, as long as certain requirements are satisfied.

Standards and Interpretations effective from 1 January 2011**IFRS 9 “Financial Instruments”** (effective for annual periods beginning on or after 1 January 2013)

IFRS 9 is the first part of Phase 1 of the Board’s project to replace IAS 39. The IASB intends to expand IFRS 9 during 2010 to add new requirements for classifying and measuring financial liabilities, derecognition of financial instruments, impairment, and hedge accounting. IFRS 9 states that financial assets are initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, particular transaction costs. Subsequently financial assets are measured at amortised cost or fair value and depend on the basis of the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. IFRS 9 prohibits reclassifications except in rare circumstances when the entity’s business model changes; in this case, the entity is required to reclassify affected financial assets prospectively. IFRS 9 classification principles indicate that all equity investments should be measured at fair value. However, management has an option to present in other comprehensive income unrealised and realised fair value gains and losses on equity investments that are not held for trading. Such designation is available on initial recognition on an instrument-by-instrument basis and is irrevocable. There is no subsequent recycling of fair value gains and losses to profit or loss; however, dividends from such investments will continue to be recognised in profit or loss. IFRS 9 removes the cost exemption for unquoted equities and derivatives on unquoted equities but provides guidance on when cost may be an appropriate estimate of fair value. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Group cannot currently early adopt IFRS 9 as it has not been endorsed by the EU. Only once approved will the Group decide if IFRS 9 will be adopted prior to 1 January 2013.

IAS 24 (Amendment) “Related Party Disclosures” (effective for annual periods beginning on or after 1 January 2011)

This amendment attempts to relax disclosures of transactions between government-related entities and clarify related-party definition. More specifically, it removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities, clarifies and simplifies the definition of a related party and requires the disclosure not only of the relationships, transactions and outstanding balances between related parties, but of commitments as well in both the consolidated and the

individual financial statements. The Group will apply these changes from their effective date. This amendment has not yet been endorsed by the EU.

IAS 32 (Amendment) “Financial Instruments: Presentation” (effective for annual periods beginning on or after 1 February 2010)

This amendment clarifies how certain rights issues should be classified. In particular, based on this amendment, rights, options or warrants to acquire a fixed number of the entity’s own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. This amendment is not expected to impact the Group’s financial statements.

IFRS 1 (Amendment) “First-time adoption of International Financial Reporting Standards” – financial instrument disclosures (effective for annual periods beginning on or after 1 July 2010)

This amendment provides first-time adopters with the same transition provisions as included in the amendment to IFRS 7 regarding comparative information for the new three-level fair value classification disclosures. This amendment will not impact the Group’s financial statements since it has already adopted IFRSs.

IFRIC 19 “Extinguishing Financial Liabilities with Equity Instruments” (effective for annual periods beginning on or after 1 July 2010)

This interpretation addresses the accounting by the entity that issues equity instruments to a creditor in order to settle, in full or in part, a financial liability. This interpretation is not relevant to the Group. This amendment has not yet been endorsed by the EU.

IFRIC 14 (Amendment) “The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction” (effective for annual periods beginning on or after 1 January 2011)

The amendments apply in limited circumstances: when an entity is subject to minimum funding requirements and makes an early payment of contributions to cover those requirements. The amendments permit such an entity to treat the benefit of such an early payment as an asset. This interpretation is not relevant to the Group. This amendment has not yet been endorsed by the EU.

Amendments to standards that form part of the IASB’s 2010 annual improvements project

The amendments set out below describe the key changes to IFRSs following the publication in May 2010 of the results of the IASB’s annual improvements project. Unless otherwise stated the following amendments are effective for annual periods beginning on or after 1 January 2011. In addition, unless otherwise stated, the following amendments will not have a material impact on the Group’s financial statements.

IFRS 1 “First-time adoption of International Financial Reporting Standards”

The amendments relate to: (i) additional disclosure requirements if an entity changes its accounting policies or its use of IFRS 1 exemptions after it has published a set of IAS 34 interim financial information; (ii) exemptions when the revaluation basis is used for the purposes of ‘deemed cost’; and (iii) exemptions for entities that are subject to rate regulation to use previous GAAP carrying amounts for property, plant and equipment or intangible assets as ‘deemed cost’.

IFRS 3 “Business Combinations”

The amendments provide additional guidance with respect to: (i) contingent consideration arrangements arising from business combinations with acquisition dates preceding the application of IFRS 3 (2008); (ii)

measuring non-controlling interests; and (iii) accounting for share-based payment transactions that are part of a business combination, including un-replaced and voluntarily replaced share-based payment awards.

IFRS 7 “Financial Instruments: Disclosures”

The amendments include multiple clarifications related to the disclosure of financial instruments.

IAS 1 “Presentation of Financial Statements”

The amendment clarifies that entities may present an analysis of the components of other comprehensive income either in the statement of changes in equity or within the notes.

IAS 27 “Consolidated and Separate Financial Statements”

The amendment clarifies that the consequential amendments to IAS 21, IAS 28 and IAS 31 resulting from the 2008 revisions to IAS 27 are to be applied prospectively.

IAS 34 “Interim Financial Reporting”

The amendment places greater emphasis on the disclosure principles that should be applied with respect to significant events and transactions, including changes to fair value measurements, and the need to update relevant information from the most recent annual report.

IFRIC 13 “Customer Loyalty Programmes”

The amendment clarifies the meaning of the term ‘fair value’ in the context of measuring award credits under customer loyalty programmes.

2.2 Basis of preparation

These interim summary financial statements have been prepared under IAS 34, based on the historical cost convention, as modified by the revaluation of available-for-sale financial assets and financial assets and liabilities at fair value through profit or loss.

The summary interim financial information for the six month period were prepared according to the same accounting policies followed for the preparation and presentation of the financial statements for the Company and the Group for 2009.

The summary interim financial information must be taken into account in conjunction with the audited financial statements of the Company and the Group for the year ended 31 December 2009, posted on the Company's web site, which were prepared in accordance with IFRS.

Tax on profits in the summary interim financial information is calculated by means of the tax rate which shall apply for annual profits.

2.3 Financial statements*(a) Subsidiary companies*

Subsidiaries are all entities which the Group has the power to govern. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group

controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the income statement.

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The company registers the investments to its affiliates at the cost of acquisition less the impairments.

(b) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognized at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The Group's share of its associates' post-acquisition profits or losses is recognized in the income statement, and its share of post-acquisition movements in reserves is recognized in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

The company registers the investments to its affiliates at the cost of acquisition less the impairments.

(c) Increase of equity participation in subsidiaries

When there is an increase of the Group's equity interest in subsidiaries, goodwill is calculated based on the book value of the subsidiary's assets. The impact on the retained earnings and the minority interests due to change in the equity participation rate is treated as a transaction between the equity holders of the Group and therefore is recorded directly in equity.

2.4 Segment Reporting

Operational sectors are presented in line with internal financial reports to the head of Corporate Decision making (General Manager) who is responsible for their performance evaluation and asset allocation.

2.5 Foreign exchange conversions

(a) *Functional and presentation currency*

Items included in the financial statements of each of the Groups entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency).

The consolidated financial statements are presented in Euros, which is the parent Company's functional and presentation currency.

(b) *Transactions and balances*

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

(c) *Group Companies*

The results and financial position of all group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet.

Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions). The resulting exchange differences are recognized in equity reserve and are transferred to profit and loss when these enterprises are sold as part of profit or loss after the sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.6 Property, Plant and Equipment

All property, plant and equipment, is shown at cost less subsequent depreciation and impairment. Acquisition cost may also include expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

- Buildings	10-33	Years
- Machinery	5-20	Years
- Vehicles	6-7	Years
- Furniture, fittings and equipment	3-8	Years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

When an asset's carrying amount is greater than its estimated recoverable amount, the difference (impairment) is written down immediately to results.

Upon sale of tangible fixed assets, any difference between the proceeds and their book value is recorded as profit or loss in the operating results.

Financial assets concerning the construction of assets are being capitalized for the period needed until the completion of the construction. All other financial expenses are recognized in the income statement.

2.7 Intangible Assets

Computer Software

Acquired computer software licenses are valued at the acquisition cost less any accumulated depreciation, less any accumulated impairment. These costs are amortized based on the fixed amortization method over their estimated useful lives (three to five years).

Costs associated with developing or maintaining computer software programmes are recognized as an expense in the Income Statement as incurred.

Development Expenses

Research expenditure is recognized as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognized as intangible assets when it is probable that the project will be successful, considering its commercial and technological feasibility, and also the costs can be measured reliably. Other development expenditures, that do not satisfy the standards above, are recognized as an expense in the income statement as incurred. Development costs that have been capitalized are amortized from the commencement of their production on a straight line basis over the period of its useful life, not exceeding 5 years.

2.8 Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as assets held for sale and stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through a continuing use.

2.9 Offset of Financial Data

Financial assets and liabilities are offset and the net amount is presented in the balance sheet, in so far as there is a legal right to offset and the intention to settle them on a net basis or to recognize the asset and to settle the liability at the same time.

2.10 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The cost of impairment is recognized as cost at the Income Statement during the fiscal year of the impairment.

2.11 Financial assets

The Group classifies its financial assets in the following categories. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

(a) Financial assets at fair value through profit or loss

This category includes financial assets held for sale in a short time period. Moreover, it includes derivatives, unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realized within 12 months of the balance sheet date.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets.

(c) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity.

(d) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

The purchase and sales of investments are recorded for on the trade-date, which is the date on which the Group commits to purchase or sell the asset. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the income statement. Investments are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Then, the available-for-sale financial assets are evaluated at fair value and the relevant profits or losses are recorded in the reserves of equity until these assets are sold or impaired. During the sale or when designated as impaired, the profits and losses are carried over to the results. Impairment losses being recognized in profit or loss shall not be reversed through the results.

Realized and non-realized profits or losses arising from the changes in the fair values of the financial assets evaluated at fair value through profit or loss are presented in the income statement in the period in which they arise.

The fair values of quoted investments are based on current bid prices. As regards non traded assets, their fair value is established using measurement techniques such as analysis of recent transactions, comparable assets traded and cash flow discounting.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If impairment is demonstrated, accumulated loss in equity which is the difference between the cost of acquisition and the fair value shall be carried over to results. Impairment

losses recognized in the income statement on equity instruments are not reversed through the income statement.

2.12 Derivative Financial Instruments

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognized in equity. The gain or loss relating to the ineffective portion is recognized immediately in the income statement.

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item affects profit or loss. The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognized in the income statement within finance costs.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement within other gains/(losses) – net.

2.13 Inventories

Inventories are estimated at the lower value between their acquisition cost and their net realizable value. The acquisition cost is determined based on the average monthly weighted cost method. Financial expenses are not included in the acquisition cost. The net realizable value is estimated based on the stock's current sales price, within the framework of ordinary business activities, less any possible selling expenses, wherever such a case concurs.

2.14 Trade Receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the assets carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognized in the income statement.

2.15 Cash and equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks.

2.16 Share capital

Ordinary shares are classified as equity.

Direct expenses attributable to the issue of new shares appear following the subtraction of the relevant income tax, as a deduction from the proceeds. Expenses directly linked to new share issued for the acquisition of companies, are included in the acquisition cost of these companies.

Treasury share acquisition cost is deducted from equity attributable to the Company's equity holders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included as reserves in equity attributable to the Company's equity holders.

2.17 Suppliers

The claims from suppliers are accounted for initially at fair value and are subsequently evaluated at the net value using the effective rate method.

2.18 Borrowings

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

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date. In this case borrowings are classified as non-current liabilities.

2.19 Deferred Income Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither the accounting or the taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

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

Deferred income tax is recognized for temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

2.20 Income Tax

Income tax is calculated based on the tax rates enacted and in effect in the countries where the Group operations take place, and is recognized as an expense during the year in which the related income arises.

2.21 Employee benefits

(a) Pension obligations

The employee benefits after their retirement include defined contribution programs and defined benefit programs.

The accrued cost of defined contribution programs is recognized as expense during the relevant period.

The liability recognized in the balance sheet in respect of defined benefit pension plans is the current value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with

adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

Cumulative actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions in excess of the greater of 10% of the value of plan assets or 10% of the defined benefit obligation are spread to income over the employees expected average remaining working lives. Past-service costs are recognized immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortized on a straight-line basis over the vesting period.

(b) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

(c) Short term benefits

Short term employee benefits both in money and kind are accounted for as expense when they occur.

2.22 Government Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognized in the income statement over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the income statement on a straight line basis over the expected lives of the related assets.

2.23 Share Options Plan to Employees

The company has granted prior to 2002, rights for the acquisition of shares (Share Option Plans) to certain executives which are vesting gradually from year 2002 up to year 2011. The exercise price of the right was fixed as the mid-closing price of the share on the Athens Stock Exchange. The company did not account for these Share Options in accordance with provisions of IFRS 2 “Share Based Payments”, since they were granted before November 7, 2002, the effective date which IFRS 2 provisions become applicable, apart from the paragraphs 44 and 45 of the IFRS 2.

2.24 Provisions

A provision shall be recognized when:

- i. an entity has a present obligation (legal or constructive) as a result of a past event;
- ii. it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- iii. a reliable estimate can be made of the amount of the obligation.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2.25 Revenue Recognition

Revenue comprises the fair value of the sale of goods and services, net of value-added tax, rebates and discounts. Intercompany revenues within the Group are fully written off in the consolidated financial statements. Revenue is recognized as follows:

(a) Sales of goods

Sales of goods are recognized when a Group entity has delivered products to the customer; the customer has accepted the products; and collectability of the related receivables is reasonably assured.

(b) Sales of services

Sales of services are recognized in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

(c) Interest income

Interest income is recognized on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues accreting the discount as interest income. Thereafter, interests are calculated by using the same rate on the impaired value (new accounting value).

(d) Dividends

Dividends are recognized when the right to receive payment is established.

2.26 Leases

Leases of property, plant and equipment on which the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the leases inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The property, plant and equipment acquired under finance leases is depreciated over the assets useful life.

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

2.27 Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the Groups financial statements in the period in which the dividends are approved by the Company's shareholders.

2.28 Rounding

The numbers contained in these financial statements have been rounded to Euros. Accordingly in certain cases, the sum of the numbers in a column may not conform to the total figure given for that column or the figure presented in the notes may differ to the number shown in the primary financial statements.

2.29 Earnings per Share

The basic earnings per share calculated by dividing the profits attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the company and held as treasury shares.

The diluted earnings per share are calculated by dividing the net profit given to the shareholders of the parent company (since first subtracting the interest rate on the convertible ordinary shares, after taxes) with the weighted average number of ordinary shares (adjusted by the influence of the diluted converted shares).

3 Financial Risk Management

The Group is exposed to Credit Risk, Liquidity Risk and Market Risk arising from the use of its financial instruments. This memo provides information regarding the exposure of the Group to each of the above risks, the goals of the Group, its risk assessment and management policies and procedures, as well as the Group's capital management. More quantitative information on these notifications is included throughout the Financial Statements.

The Groups risk management policies are implemented in order to identify and analyse risks faced by the Group as well as to set risk-taking limits and implement controls thereon. Risk management policies and related systems are periodically monitored, in order to ensure that they incorporate the changes in market conditions and in the Groups activities.

The Internal Audit department is responsible for monitoring compliance with risk management policies and procedures. The department carries out regular as well as special audits in order to ascertain compliance with proper procedures and its findings are communicated to the Board of Directors.

3.1 Credit Risk

Credit risk refers to the Group's risk of incurring a loss in the event a customer or third party fails to fulfil his contractual obligations under a financial instrument agreement. It is related to receivables from customers and investment securities.

3.2 Customers and Other Receivables

The Group's exposure to credit risk is mainly affected by the specific characteristics of each customer. The demographic characteristics of the Group's customer base, including the risk of payment default characterizing the specific market and country wherein customers operate, do not affect credit risk to the same extent, as no correlation between geographic location and credit risk has been observed. No customer exceeds 10% of sales and, as a result, market risk is divided among a large number of customers.

The Board of Directors has established a credit policy whereby each new customer is individually checked for creditworthiness before the usual payment terms are proposed. Credit limits are set on a customer by customer basis and are re-estimated according to current trends and if necessary the sales and collection terms are readjusted. Customer credit lines are mainly determined based on the insurance limits set by the insurance companies based on which the company proceeds with insuring the receivables.

When monitoring customer credit risk, customers are classified in accordance with their credit profile, the maturity of their receivables and any prior collection problems they may have displayed. Customers and other receivables mainly concern wholesale customers of the Group. Customers characterized as “high risk” are placed on a special list and future sales have to be prepaid. Depending on the customer’s prior record and profession, the Group reserves the right to demand tangible or other guarantees (such as letters of guarantee).

The Group records a depreciation provision which represents its assessment of losses incurred in relation to customer liabilities, other receivables and investments in securities. This provision mainly consists of losses due to the devaluation of specific receivables that were deemed realizable in relation to specific conditions but which have not as yet been finalized.

3.3 Investments

Investments are classified by the Group based on the purpose for which they were acquired. Management decides on the suitable classification of the investment at the time of its purchase and re-examines said classification on each presentation date.

Management estimates that there will be no payment default on these investments.

3.4 Guarantees

The policy of the Group is not to offer guarantees, except only to subsidiaries or affiliated companies and then only by decision of the Board of Directors.

3.5 Liquidity Risk

Liquidity risk is the risk whereby the Group may be unable to fulfil its financial obligations when these become due. The approach adopted by the Group regarding liquidity management is to ensure, by maintaining minimum necessary cash reserves and sufficient credit limits from the banks with which it cooperates, that it will always have enough liquidity in order to fulfil its financial liabilities when those become due, under normal as well as exceptional circumstances, without incurring unacceptable losses or risking the Group’s reputation.

In order to avoid liquidity risks, the Group anticipates annual cash flows when drafting the annual budget, as well as a rolling monthly provision for a period of three months, in order to ensure that it will always have enough cash reserves in order to cover its operational costs, including the fulfilment of its financial obligations. The effect of unforeseeable extreme circumstances is not taken into consideration in this policy.

3.6 Market Risk

The main market risk is the risk of fluctuations in the prices of raw materials (scrap), which determine to a great extent the final price of the products. Additionally, exchange and interest rates affect the Groups financial results or the value of its financial instruments.

The purpose of risk management against market conditions is to control the Group’s exposure to those risks, within the framework of acceptable parameters while optimizing results.

3.7 Currency Risk

The Group operates in Europe, and consequently the greater part of the Group’s transactions are carried out

in Euros. However, part of the Group's purchases is denominated in US Dollar.

To avoid this risk the Group makes use of forward contracts and pay his vendors promptly.

The loan interest is in the same currency as that used in the cash flows relating to the Group's operational activities, which is mainly Euro.

The Groups investments in other subsidiaries are not hedged, as these are regarded as long-term currency investments and have mainly been carried out in Euros.

3.8 Interest Rate Risk

The Group finances its investments and its cash flow requirements through bank and bond loans, which result in interest expense that charges its financial results. Upward trends in interest rates will have adverse effects on results, as the Group will incur additional cost of debt.

Interest rate risk is contained, as part of the Group's loans is subject to fixed interest rates, or directly with the use of financial instruments (interest rates Swaps).

3.9 Capital Management

The policy of the Board of Directors consists of the preservation of a solid capital base, in order to maintain investor, creditor and market confidence in the Group and to allow the future expansion of its activities. The Board of Directors monitors the return on capital, which is defined by the Group as the net results divided by the total net position, excluding non-convertible preferred shares and minority interests into consideration. The Board of Directors also monitors the level of dividends paid to the holders of ordinary shares.

The Board of Directors tries to maintain a balance between, on the one hand, higher returns which would have been possible under higher borrowing levels and, on the other hand, the advantages associated with the security that a strong and healthy capital position would provide.

The Group does not have a specific own share buyback plan.

No changes occurred insofar as the approach adopted by the group in relation to capital management during the fiscal period being reported.

3.10 Fair value estimation

Since 1st January 2009, the group has applied the revised IFRS 7 with regards to the financial data appearing in financial statements in fair value.

The different levels have been defined as follows:

First level: Based on prices that refer to organized markets

Second Level: Based on price inputs apart from prices in organized markets included in the first level, which inputs are used directly (as prices) or indirectly (as price results).

Third Level: Based on inputs which are not a result of organized markets (non-observable prices).

The fair value of financial instruments traded in active markets (stock exchanges) (such as trading, bonds and available-for-sale securities) is based on quoted market prices at the balance sheet date. The offer price is used for financial assets, while the bid price is used for financial liabilities.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques and assumptions that are based on market conditions existing at each balance sheet date.

The nominal value less impairment provision of trade receivables is assumed to approximate their fair value. The fair value of financial liabilities for disclosure purposes is estimated by the present value of the discounted future cash flows of specific contracts at the current market interest rate prices that is available to the Group for similar financial instruments.

4 Accounting estimates and assumptions

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

4.1 Significant accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

a) Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

b) The Group recognizes provisions for anticipated negative outcome of legal cases based on assessments performed the Group's Legal Department.

c) Also, provisions are recognized, based on historical information and past experience, for estimated losses that are expected to arise in the future due to customer claims for contractual obligations undertaken by the Group.

d) The Group recognizes provisions for impairments to investments taking into account the future gains from those investments.

e) Employee benefits

The current value of the employee benefit commitments is based on a number of factors specified actuarially using some assumptions. The assumptions used to define the net expenditure of employee benefits include discount rates, future pay raises as well as inflation rates. Possible changes in these assumptions would affect the accounting value of the commitment.

4.2 Critical judgments in applying the entity's accounting policies

Pursuant to the provisions of IAS 2 according to which inventories are valued at the lowest price between the acquisition cost and the net realizable value, subsidiary CORINTH PIPWORKS S.A. recognized the impairment of inventories in the amount of €(166) thousand. The above amount charged the results of the period

5 Segment Information

Primary reporting format – business sectors

The Group is divided into two business sectors:

- (1) Steel Construction and Industrial Products
- (2) Steel Pipe Products

The results per segment for the 6 months till 30 June 2010 are as follows:

6 months ended 30 June 2010 <i>(Amounts in Euro)</i>	Steel Construction		
	Products	Pipes	Total
Total gross sales per segment	494.000.855	84.846.738	578.847.593
Intra-company sales	-100.549.088	-5.351.505	-105.900.593
Net sales	393.451.767	79.495.233	472.947.000
Operating results	646.385	9.538.319	10.184.704
Financial income	832.136	185.535	1.017.671
Financial expenditures	-8.354.361	-1.506.166	-9.860.527
Participation income	74.445	-	74.445
Profits/losses of associates	-34.701	-	-34.701
Share results by subsidiaries	-645.344	847.051	201.707
Profits / (losses) before taxes	-7.481.441	9.064.740	1.583.299
Income tax expense	3.452.714	-3.447.696	5.018
Net profits/(losses)	-4.028.727	5.617.044	1.588.316

30/6/2010 <i>(Amounts in Euro)</i>	Steel Construction		
	Products	Pipes	Total
Assets (apart from investments in associates)	1.114.817.546	244.823.672	1.359.641.218
Investments in Associates	18.979.199	11.206.694	30.185.893
Total Assets	1.133.796.745	256.030.366	1.389.827.111
Total liabilities	670.611.659	88.784.906	759.396.565

Other items per segment included in the results for the 6 months till 30 June 2010 are as follows:

6 months ended 30 June 2010 <i>(Amounts in Euro)</i>	Steel Construction		
	Products	Pipes	Total
Depreciation of property, plant and equipment	24.451.327	6.100.061	30.551.387
Depreciation of intangible assets	78.569	3.191	81.760
Total depreciation	24.529.896	6.103.252	30.633.148
Impairment of receivables	937	30.141	31.078
Impairment of inventories	3.020.946	6.859.626	9.880.572
Investments in tangible, intangible assets and investments in fixed assets	16.652.537	1.128.387	17.780.925

The results per segment for the 6 months till 30 June 2009 are as follows:

6 months ended 30 June 2009 (Amounts in Euro)	Steel		
	Construction Products	Pipes	Total
Total gross sales per segment	449.218.667	201.516.970	650.735.637
Intra-company sales	-83.505.340	-25.334.121	-108.839.460
Net sales	365.713.327	176.182.850	541.896.177
Operating results	-44.022.446	13.929.911	-30.092.535
Financial income	1.386.344	1.033.552	2.419.896
Financial expenditures	-10.536.598	-3.283.250	-13.819.847
Participation income	91.473	2.032	93.505
Profits/losses of associates	-168.904	5.200	-163.704
Share results by subsidiaries	-3.127.556	1.218.232	-1.909.324
Profits / (losses) before taxes	-56.377.686	12.905.677	-43.472.009
Income tax expense	2.620.134	-534.083	2.086.051
Net profits/(loss)	-53.757.552	12.371.594	-41.385.958

31/12/2009 (Amounts in Euro)	Steel		
	Construction Products	Pipes	Total
Assets (apart from investments in associates)	1.022.920.903	256.075.966	1.278.996.870
Investments in Associates	19.785.555	9.198.342	28.983.897
Total Assets	1.042.706.458	265.274.308	1.307.980.767
Total liabilities	575.517.470	105.653.041	681.170.511

Other items per segment included in the results for the 6 months till 30 June 2009 are as follows:

6 months ended 30 June 2009 (Amounts in Euro)	Steel		
	Construction Products	Pipes	Total
Depreciation of property, plant and equipment	23.374.354	5.904.677	29.279.031
Depreciation of intangible assets	128.506	61.569	190.075
Total depreciation	23.502.860	5.966.246	29.469.106
Impairment of receivables	-	53.767	53.767
Impairment of inventories	-1.443.811	-3.309.541	-4.753.352
Investments in tangible, intangible assets and investments in fixed assets	23.714.623	1.018.482	24.733.104

Pursuant to the provisions of IAS 2 according to which inventories are valued at the lowest price between the acquisition cost and the net realizable value, subsidiary CORINTH PIPEWORKS S.A. recognized the impairment of inventories in the amount of €(166) thousand. The above amount charged the results of the period.

The expenses per segment have been defined by the operating activities of each segment.

Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions, similar to those applicable for transactions with unrelated third parties.

6 Investments in associates

Amounts in €	CONSOLIDATED DATA		COMPANY DATA	
	30/6/2010	31/12/2009	30/6/2010	31/12/2009
Beginning of the year	28.983.897	30.584.715	10.929.011	9.082.992
Share in profit / (loss) after tax	201.707	-2.078.133	-	-
Income from dividends (-)	-629.751	-1.473.943	-	-
Foreign exchange differences	1.630.039	-659.879	-	-
Additions	-	2.611.137	-	1.846.019
Balance at the year end	30.185.893	28.983.897	10.929.011	10.929.011

The affiliated companies that are consolidated using the equity method are the following:

Company	Country	Participation Rate		
		30-Jun-10	31-Dec-09	
SIDMA S.A.	Greece	24,23%	24,23%	
DIAPEM S.A.	Greece	33,35%	33,35%	
V.EPE.M. S.A.	Greece	50,00%	50,00%	
METALOURGIA ATTIKIS S.A.	Greece	50,00%	50,00%	
EL.K.E.ME. S.A.	Greece	20,00%	20,00%	
DOMOPLEX LTD	Cyprus	45,00%	45,00%	
BIODIESEL S.A.	Greece	15,69%	15,69%	
ZAO TMK-CPW	Russia	38,49%	38,49%	
AWM SPA	Italy	29,10%	29,10%	
Condensed financial information of Associates		30-Jun-10	31-Dec-09	30-Jun-09
Assets		270.235.299	238.060.345	-
Liabilities		187.828.557	157.770.813	-
Revenues (Sales)		94.918.275	-	92.480.308
Profit/ (loss) after tax		-529.271	-	-7.481.917

7 Investments in subsidiaries

Amounts in €	COMPANY DATA	
	30/6/2010	31/12/2009
Beginning of the year	210.089.260	203.318.871
Additions	131.160	65.189.295
Sales	-	-139.800
Reductions	-	-58.279.106
Balance at the period end	210.220.420	210.089.260

Investments in subsidiaries, which are fully consolidated, are as follows:

Company	Country of Establishment	Direct Participation %	Indirect Participation %	Direct & Indirect Participation %	Activity sector
2010					
SOVEL S.A.	Greece	62,74%	0,00%	62,74%	Steel Construction Products
DEPAL S.A.	Greece	100,00%	0,00%	100,00%	Steel Construction Products
STOMANA INDUSTRY S.A.	Bulgaria	100,00%	0,00%	100,00%	Steel Construction Products
ERLIKON WIRE PROCESSING S.A.	Greece	98,92%	0,00%	98,92%	Steel Construction Products
AEIFOROS S.A.	Greece	90,00%	0,00%	90,00%	Steel Construction Products
ETAL S.A.	Greece	95,79%	2,64%	98,43%	Steel Construction Products
PROSAL S.A.	Greece	100,00%	0,00%	100,00%	Pipes
PROSAL TUBES S.A.	Bulgaria	0,00%	100,00%	100,00%	Pipes
TEPRO STEEL EAD	Bulgaria	100,00%	0,00%	100,00%	Steel Construction Products
DOJLAN STEEL LLCOP	Skopje	75,00%	0,00%	75,00%	Steel Construction Products
ELMONTE HOLDINGS LIMITED	Cyprus	100,00%	0,00%	100,00%	Steel Construction Products
BOZETTI LTD	Cyprus	100,00%	0,00%	100,00%	Steel Construction Products
VEMET S.A.	Greece	100,00%	0,00%	100,00%	Steel Construction Products
ETIL S.A.	Greece	3,89%	66,10%	69,99%	Steel Construction Products
PRAKSYS S.A.	Greece	51,00%	0,00%	51,00%	Steel Construction Products
DIA.VLPE.THIV. S.A.	Greece	53,01%	17,09%	70,10%	Pipes
AEIFOROS BULGARIA SA	Bulgaria	0,00%	90,00%	90,00%	Steel Construction Products
VET S.A.	Greece	0,00%	61,80%	61,80%	Pipes
VEAT S.A.	Greece	0,00%	40,78%	40,78%	Steel Construction Products
SIGMA S.A.	Bulgaria	0,00%	69,28%	69,28%	Steel Construction Products
ARGOS S.A.	Greece	0,00%	69,28%	69,28%	Steel Construction Products
SIDERAL SHPK	Albania	100,00%	0,00%	100,00%	Steel Construction Products
SIDEROM STEEL SLR	Romania	100,00%	0,00%	100,00%	Steel Construction Products
PORT SVISHTOV WEST SA	Bulgaria	0,00%	73,09%	73,09%	Steel Construction Products
PRISTANISHTEN KOMPLEX SVILOSA EOOD	Bulgaria	0,00%	73,09%	73,09%	Steel Construction Products
SIDEBALK STEEL DOO	Serbia	100,00%	0,00%	100,00%	Steel Construction Products
CORINTH PIPEWORKS S.A.	Greece	78,55%	0,00%	78,55%	Pipes

Company	Country of Establishment	Direct Participation %	Indirect Participation %	Direct & Indirect Participation %	Activity sector
2009					
SOVEL A.E.	Greece	62,74%	0,00%	62,74%	Steel Construction Products
DEPAL S.A.	Greece	100,00%	0,00%	100,00%	Steel Construction Products
STOMANA INDUSTRY S.A.	Bulgaria	100,00%	0,00%	100,00%	Steel Construction Products
ERLIKON WIRE PROCESSING S.A.	Greece	98,92%	0,00%	98,92%	Steel Construction Products
AEIFOROS S.A.	Greece	90,00%	0,00%	90,00%	Steel Construction Products
ETAL S.A.	Greece	95,79%	2,64%	98,43%	Steel Construction Products
PROSAL S.A.	Greece	100,00%	0,00%	100,00%	Pipes
PROSAL TUBES S.A.	Bulgaria	0,00%	100,00%	100,00%	Pipes
TEPRO STEEL EAD	Bulgaria	100,00%	0,00%	100,00%	Steel Construction Products
DOJRAN STEEL LLCOP	Skopje	75,00%	0,00%	75,00%	Steel Construction Products
ELMONTE HOLDINGS LIMITED	Cyprus	100,00%	0,00%	100,00%	Steel Construction Products
BOZETTI LTD	Cyprus	100,00%	0,00%	100,00%	Steel Construction Products
VEMET S.A.	Greece	100,00%	0,00%	100,00%	Steel Construction Products
ETIL S.A.	Greece	3,89%	66,10%	69,99%	Steel Construction Products
PRAKSYS S.A.	Greece	51,00%	0,00%	51,00%	Steel Construction Products
DIA.VIPE.THIV. S.A.	Greece	53,01%	17,09%	70,10%	Pipes
AEIFOROS BULGARIA SA	Bulgaria	0,00%	90,00%	90,00%	Steel Construction Products
VET S.A.	Greece	0,00%	61,80%	61,80%	Pipes
VEAT S.A.	Greece	0,00%	40,78%	40,78%	Steel Construction Products
SIGMA S.A.	Bulgaria	0,00%	69,28%	69,28%	Steel Construction Products
ARGOS S.A.	Greece	0,00%	69,28%	69,28%	Steel Construction Products
SIDERAL SHPK	Albania	100,00%	0,00%	100,00%	Steel Construction Products
SIDEROM STEEL SLR	Romania	100,00%	0,00%	100,00%	Steel Construction Products
PORT SVISHTOV WEST SA	Bulgaria	0,00%	73,09%	73,09%	Steel Construction Products
PRISTANISHTEN KOMPLEX SVILOSA EOOD	Bulgaria	0,00%	73,09%	73,09%	Steel Construction Products
SIDEBALK STEEL DOO	Serbia	100,00%	0,00%	100,00%	Steel Construction Products
CORINTH PIPEWORKS S.A.	Greece	78,55%	0,00%	78,55%	Pipes

During the current period there was no change in the composition of the group.

Neither the subsidiaries and associates of SIDENOR S.A., nor their subsidiaries and associates, hold any shares of in the parent company.

8 Derivative Financial Instruments

	CONSOLIDATED DATA		COMPANY DATA	
	30/6/2010	31/12/2009	30/6/2010	31/12/2009
<i>Amounts in €</i>				
Current assets				
Forward foreign exchange contracts for cash flow hedging	138.411	788.549	-	-
Total	138.411	788.549	-	-
Long term liabilities				
Interest rate swaps for cash flow hedging	312.023	93.862	82.665	26.700
Total	312.023	93.862	82.665	26.700
Short term liabilities				
Forward foreign exchange contracts for cash flow hedging	700.980	1.017.533	-	-
Total	700.980	1.017.533	-	-
Amounts recorded in the results as income or (expense)	-4.778.923	-4.320.941	-	-
Details of interest rate swaps				
	30/6/2010	31/12/2009	30/6/2010	31/12/2009
Nominal value of interest rate swaps (in €)	18.750.000	18.750.000	8.750.000	8.750.000
Nominal value of forward foreign exchange (\$)	16.317.500	-	2.136.000	-
Nominal value of forwards (in USD)	37.628.021	53.530.585	-	-
Nominal value of forwards (in GBP)	-	173.521	-	-

The above derivative financial instruments cover foreign exchange risk from purchases (US Dollar) as well as interest rate risk.

Profit and loss relating to forward foreign exchange contracts recognized in equity (hedging reserve) on 30.06.2010 will be recognized in comprehensive income during the next period. The amounts accounted for in the other comprehensive income statement after tax are EUR -425 thousand for the consolidated figures and EUR -43 thousand for the corresponding corporate figures.

9 Borrowings

<i>Amounts in €</i>	CONSOLIDATED DATA		COMPANY DATA	
	30/6/2010	31/12/2009	30/6/2010	31/12/2009
Long term borrowings				
Bank loans	48.650.387	59.949.630	-	-
Bond Loans	135.166.668	143.250.000	76.166.668	78.750.000
Total long term borrowings	183.817.055	203.199.630	76.166.668	78.750.000
Current Borrowings				
Credit limits bank accounts	55.612.624	38.520.350	23.656.432	1.291.935
Bank loans	265.976.139	207.133.091	83.083.332	51.250.000
Total current borrowings	321.588.763	245.653.441	106.739.764	52.541.935
Total borrowings	505.405.818	448.853.070	182.906.432	131.291.935
Total Cash and Cash Equivalents	44.199.304	29.145.546	18.585.651	10.506.818
Net Debt	461.206.514	419.707.525	164.320.780	120.785.118

The maturity dates of long term loans, excluding finance lease obligations, are as follows:

<i>Amounts in €</i>	CONSOLIDATED DATA		COMPANY DATA	
	30/6/2010	31/12/2009	30/6/2010	31/12/2009
Between 1 and 2 years	111.173.172	102.349.049	57.583.332	51.250.000
Between 2 and 5 years	72.643.884	100.850.581	18.583.336	27.500.000
	183.817.055	203.199.630	76.166.668	78.750.000

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

	CONSOLIDATED DATA		COMPANY DATA	
	30/6/2010	31/12/2009	30/6/2010	31/12/2009
Bank loans (long-term)	2,86%	2,91%	-	-
Bank loans (short-term)	3,99%	3,85%	5,03%	3,26%
Bond Loans	2,18%	2,18%	2,10%	2,38%

The maturity dates of all the group's borrowings, including finance lease obligations, are as follows:

<i>Amounts in €</i>	CONSOLIDATED DATA		COMPANY DATA	
	30/6/2010	31/12/2009	30/6/2010	31/12/2009
Up to 1 year	321.588.763	245.654.081	106.739.764	52.541.935
Between 1 and 2 years	111.173.172	102.349.049	57.583.332	51.250.000
Between 2 and 5 years	72.643.884	100.849.941	18.583.336	27.500.000
Total	505.405.818	448.853.070	182.906.432	131.291.935

	CONSOLIDATED DATA		COMPANY DATA	
	Current value		Current value	
	Beginning of year	End of period	Beginning of year	End of period
Long term Borrowing				
Bank loans	60.165.246	48.777.051	-	-
Bond Loans	143.250.000	135.166.668	78.750.000	76.166.668
Total	203.415.246	183.943.719	78.750.000	76.166.668
	CONSOLIDATED DATA		COMPANY DATA	
	30/6/2010	31/12/2009	30/6/2010	31/12/2009
Total borrowings (per currency)				
Euro	463.870.445	390.625.761	182.469.245	130.000.494
GBP	437.186	1.291.441	437.186	1.291.441
BGL	41.098.187	56.935.868	-	-
Total	505.405.818	448.853.070	182.906.432	131.291.935

The repeat ordinary general meeting that took place on 26/06/2008 decided upon the issue of € 60 m., of which 30 m. have been acquired.

Moreover SIDENOR S.A. informs that, pursuant to article 16, par.3 of Law 3556/2007 and following the respective resolution of SOVEL's Extraordinary Shareholders Meeting dated 19/1/2010, subsidiary SOVEL SA proceeded on 3/3/2010 to the issue of a common bond loan amounting euro 10 mil with NATIONAL BANK OF GREECE S.A. and NATIONAL BANK OF GREECE (CYPRUS) LTD as bond holders, with a three year maturity in order to refinance the Company's outstanding debt.

10 Operating Cash Flows

Amounts in €	Note	CONSOLIDATED DATA		COMPANY DATA	
		1/1 to 30/6/2010	1/1 to 30/6/2009	1/1 to 30/6/2010	1/1 to 30/6/2009
Profit for the Period		1.588.316	-41.385.958	-4.582.755	-16.530.816
Adjustments for:					
Income tax		-5.018	-2.086.051	-560.317	-589.864
Depreciation of tangible fixed assets		30.551.387	29.279.031	5.335.067	5.333.417
Depreciation of intangible assets		81.760	190.075	27.268	27.268
Impairment		166.287	7.728.421	-	-
(Profits)/losses from the sale of tangible assets		-141.138	-35.543	-4.575	-1.500
(Profit) / loss from sale of participating interests		-	168.904	-	-
Profit/ (loss) from ,financial assets at fair value through profit or loss		-	-5.200	-	-
Interest (income)		-1.017.671	-2.419.896	-124.413	-193.429
Interest expenses		9.860.527	13.819.847	2.377.980	4.055.812
Dividend (income)		-74.445	-93.505	-122.328	-2.319.529
Amortisation of grants		-542.689	-546.896	-39.818	-39.818
(Profit) / losses from the acquisition of a affiliated companies	6	-201.707	1.909.324	-	-
Loss from fixed asset destruction		-170.310	10.323	-	-
Fixed asset impairment		39.483	-	-	-
Other		158.143	233.487	13.879	48.583
		40.292.925	6.766.362	2.319.987	-10.209.876
Changes in working capital					
(Increase)/Decrease in inventory		-36.157.358	130.113.915	-13.838.013	27.307.149
(Increase)/Decrease in receivables		-43.293.806	112.982.665	-39.426.113	65.522.212
Increase /(decrease) of liabilities		27.198.504	-137.629.414	14.346.434	-20.487.772
Increase /(decrease) of provisions		433.569	3.596.024	-	-
Increase / (decrease) in personnel benefits due to retirement		102.538	-144.213	83.980	14.470
		-51.716.553	108.918.977	-38.833.712	72.356.058
Net cash flows from operating activities		-11.423.627	115.685.339	-36.513.725	62.146.182
<i>Profits /(losses) from sale of tangible assets include:</i>					
Amounts in €					
Net book value		134.443	62.108	1	-
Profit /(losses) from sale of tangible assets		141.138	35.543	4.575	1.500
Income from sale of tangible assets		275.581	97.651	4.576	1.500
<i>Profits from other financial assets include:</i>					
Amounts in €					
Profit /(losses) from sale - valuation of other financial assets		-	5.200	-	-

A share retention agreement guaranteeing not to alter the level of its participation in its subsidiary company “Stomana Industry S.A.”, based in Bulgaria, has been made between the company and the “International Finance Corporation”, so that the said subsidiary may be granted a long term loan.

On the 1st of April 2010, the Court of First Instance issued their judgment on litigated tax differences pertaining to the fiscal year of 2000, for the subsidiary company ETIL S.A.. According to this judgment, an amount of €217 thousand was found to be tax differences, for which the company had already created a provision of €268 thousand, which covers the aforementioned amount.

On the 1st of January 2010, subsidiary Stomana Industry S.A. had recognized a provision of €339 thousand against lawsuits by former employees due to dismissals and labour accidents. During the year, €22 thousand have been used. The current amount of the provision is €317 thousand.

Moreover subsidiary Corinth Pipeworks S.A. on 30.06.2010 recognized a provision of €7,600 thousand. (of which €167 thousands regards cases in court or under arbitration of a total amount of €202 thousand). Moreover, the company has made other provisions of €7,433 thousand regarding losses that may occur as a result of the company’s contractual obligations to its customers. The provision was estimated based on historical figures and statistics for the settlement of similar cases in the past. The current period additional provisions have been posted in the selling expenses.

A provision of €806 thousand for the Group and €267 thousand for the Company respectively has been made for unaudited tax years.

There is also a balance of other provisions amounting to €35 thousand concerning general expenses of subsidiary SIGMA S.A.

The total amount of provisions that have been made is deemed sufficient and no additional charge is expected to arise.

13 Existing Collaterals

There are mortgages and liens on the immovable property of subsidiary Corinth Pipeworks S.A. amounting to €73.200 thousand in favour of banks for loans with outstanding balance €16,055 thousand and STOMANA S.A. amounting to €55,000 thousand in favour of banks for loans with outstanding balance €18,686 thousand.

14 Related Parties

The under mentioned transactions are mostly being referred to transactions with companies of VIOHALCO Group.

<i>Amounts in €</i>	CONSOLIDATED DATA		COMPANY DATA	
	30/6/2010	30/6/2009	30/6/2010	30/6/2009
Sales of goods				
Subsidiaries	-	-	47.818.432	41.690.943
Affiliates	7.870.904	5.837.492	1.807.087	549.093
Other Related Parties	12.756.742	11.312.847	8.528.019	5.526.472
	20.627.646	17.150.339	58.153.537	47.766.508
Sales of services				
Subsidiaries	-	-	5.253.514	13.202.969
Affiliates	62.889	1.670	1.550	1.550
Other Related Parties	485.828	561.175	72.946	62.380
	548.717	562.845	5.328.010	13.266.899
Sales of fixed assets				
Subsidiaries	-	-	100	-
Other Related Parties	2.221	17.300	403.758	-
	2.221	17.300	403.858	-
Purchases of goods				
Subsidiaries	-	-	30.015.919	27.261.096
Affiliates	242.598	612.291	922	19.349
Other Related Parties	39.086.463	22.420.630	4.838.115	6.150.523
	39.329.061	23.032.921	34.854.957	33.430.968
Purchases of services				
Subsidiaries	-	-	355.508	2.093.519
Affiliates	1.728.346	1.656.529	1.168.585	1.141.498
Other Related Parties	4.731.619	4.782.950	2.186.340	2.212.410
	6.459.966	6.439.479	3.710.433	5.447.427
Purchases of fixed assets				
Subsidiaries	-	-	58.562	129.962
Affiliates	44.349	20.050	-	-
Other Related Parties	1.331.466	823.728	584.942	19.913
	1.375.815	843.778	643.504	149.875
Board of Directors' and Senior Officers' Remuneration				
<i>Amounts in €</i>				
Salaries and other benefits to directors and key management	940.926	1.691.309	306.414	854.369
	940.926	1.691.309	306.414	854.369
Liabilities to senior Management and Board Members	30/6/2010	30/6/2009	30/6/2010	30/6/2009
	2.189.281	2.712.290	550.000	550.000

Balances, as of period end, that relate to the sales and purchases of goods, services, fixed assets, etc. with the companies of VIOCHALCO Group.

<i>Amounts in €</i>	CONSOLIDATED DATA		COMPANY DATA	
	30/6/2010	30/6/2009	30/6/2010	30/6/2009
Receivables from related parties:				
Subsidiaries	-	-	51.544.560	40.896.400
Affiliates	18.862.464	11.164.756	11.529.971	7.095.614
Other associates	19.166.570	17.457.353	13.151.003	12.694.199
	38.029.034	28.622.109	76.225.534	60.686.213
Prepayments for Share Capital Increase				
Subsidiaries	-	-	5.550.000	3.200.000
	-	-	5.550.000	3.200.000
<i>Amounts in €</i>				
Advances for inventory purchases				
Subsidiaries	-	-	-	116.567
Other associates	-	15.168	-	-
	-	15.168	-	116.567
Liabilities to associates:				
Subsidiaries	-	-	98.095.499	94.365.842
Affiliates	1.086.126	766.444	478.420	451.728
Other associates	10.694.759	9.094.118	2.204.349	1.698.183
	11.780.885	9.860.561	100.778.268	96.515.752

The services and sales/purchases of goods to and from related parties are carried out on the basis of the price catalogues valid for non affiliated parties. There are no special rules of payment and no interest is charged.

15 Earnings per share

<i>Amounts in Euro</i>	CONSOLIDATED DATA				COMPANY DATA			
	30/6/2010	3 months 1/4/2010 until 30/6/2010	30/6/2009	3 months 1/4/2009 until 30/6/2009	30/6/2010	3 months 1/4/2010 until 30/6/2010	30/6/2009	3 months 1/4/2009 until 30/6/2009
Basic								
Profits attributable to parent company shareholders	-211.103	7.342.078	-38.173.782	-26.777.752	-4.582.755	-598.036	-16.530.816	-10.575.293
Weighted average number of shares	96.243.908	96.243.908	96.129.491	96.129.491	96.243.908	96.243.908	96.129.491	96.129.491
Basic earnings per share (Euros per share)	-0,0022	0,0763	-0,3971	-0,2786	-0,0476	-0,0062	-0,1720	-0,1100
Diluted								
Profits attributable to parent company shareholders	-211.103	7.342.078	-38.173.782	-26.777.752	-4.582.755	-598.036	-16.530.816	-10.575.293
Weighted average number of shares	96.243.908	96.243.908	96.129.491	96.300.131	96.243.908	96.243.908	96.129.491	96.129.491
<i>Adjustments for rights in shares</i>								
Total weighted average number of shares for diluted earnings per share	96.243.908	96.243.908	96.129.491	96.129.491	96.243.908	96.243.908	96.129.491	96.129.491
Diluted earnings per share (Euro per share)	-0,0022	0,0763	-0,3971	-0,2786	-0,0476	-0,0062	-0,1720	-0,1100

The basic and diluted earnings per share are calculated by dividing the profit attributable to shareholders of the parent company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the company and held as treasury shares.

16 Fiscal Years non-audited by tax authorities

Several of the Group's subsidiary companies have not been audited by tax authorities for various fiscal years from 2002 until 2010.

Company	Unaudited years
SIDENOR S.A.	2007 - 2010
SOVEL S.A.	2009 - 2010
DEPAL S.A.	2007 - 2010
STOMANA INDUSTRY S.A.	2005 - 2010
ERLIKON WIRE PROCESSING S.A.	2006 - 2010
AEIFOROS S.A.	2009 - 2010
ETAL S.A.	2007 - 2010
PROSAL S.A.	2007 - 2010
TEPRO STEEL EAD	2002 - 2010
ELMONTE HOLDINGS LIMITED	2008 - 2010
BOZETTI LTD	2008 - 2010
VEMET S.A.	2003 - 2009
ETIL S.A.	2004 - 2010
PRAKSYS S.A.	2007 - 2010
DIA.VI.PE.THIV. S.A.	2003 - 2010
AEIFOROS BULGARIA SA	2007 - 2010
VET S.A.	2007 - 2010
VEAT S.A.	2003 - 2010
SIGMA S.A.	2004 - 2010
ARGOS S.A.	2005 - 2010
CORINTH PIPEWORKS S.A.	2008 - 2010
SIDMA S.A.	2007 - 2010
DIAPEM S.A.	2007 - 2010
V.EPE.M. S.A.	2003 - 2010
METALOURGIA ATTIKIS S.A.	2007 - 2010
EL.K.E.ME. S.A.	2007 - 2010
DOMOPLEX LTD	2007 - 2010
DOJLAN STEEL LLCOP	2008 - 2010
PROSAL TUBES S.A.	2008 - 2010
SIDERAL SHPK	2006 - 2010
SIDEROM STEEL SLR	2007 - 2010
ZAO TMK-CPW	2007 - 2010
BIODIESEL S.A.	2009 - 2010
AWM SPA	2006 - 2010
PORT SVISHTOV WEST SA	2008 - 2010
PRISTANISHTEN KOMPLEX SVILOSA EOOD	2004 - 2010
SIDEBALK STEEL DOO	2009 - 2010

On a regular basis, Group's companies calculate the annual income tax according to the relevant tax laws. Under these circumstances, the Group management believes that there will be no significant additional taxes imposed in the future due to audits carried out by the tax authorities.

17 Number of Personnel

Number of personnel employed at the end of the current period: Group: 3,031 and Company: 332. In the respective 2009 period, Group's personnel amounted to 3,113 employees and Company's to 348 employees.

18 Events after the Balance Sheet date

There are no significant events after the Balance Sheet date

19 Significant Events

The most important events that took place during the 1st half of 2010 are the following:

Investments in subsidiaries

In February 2010 the scheduled tax audit of the subsidiary company SOVEL S.A. for the fiscal years of 2006, 2007 and 2008 was completed. The company was charged with €197 thousand in extra taxes and €50 thousand in penalties, i.e. €247 thousand in total, for which a provision of €300 thousand had been set aside. Therefore, no additional charges to the company's economic results and equity are expected, for the current period.

Decisions of the Annual General Meeting

During the Annual General Meeting of the Company's Shareholders that took place in Athens, on June 15th, 2010 at 11.00 pm, the following were decided:

- (i) Approval of the annual financial statements of financial year 2009 and the relevant Board of Directors Report and the Chartered Accountant/ Auditor's Report.
- (ii) Release of the BoD members and the Chartered Accountant-Auditor from any compensation liabilities for financial year 2009.
- (iii) Appointment of audit firm "PriceWaterHouseCoopers" as auditors for financial year 1/1-31/12/2010 with their remuneration to be fixed following their pertinent proposal.
- (iv) Approval of the following parties as new members of the new Board of Directors for one year (this tenure of the members of the Board of Directors will begin on the day following the election and will end on the day that the 2011 Annual General Meeting is convened).

1. GEORGE KALFARENTZOS, BOD CHAIRMAN, EXECUTIVE MEMBER
2. NIKOLAOS KOUDOUNIS, BOD VICE-CHAIRMAN, EXECUTIVE MEMBER
3. EFSTATHIOS STRIMBER, NON-EXECUTIVE AND INDEPENDENT MEMBER
4. GEORGE PASSAS, EXECUTIVE MEMBER
5. IOANNIS IKONOMOU, NON-EXECUTIVE MEMBER
6. VASSILIOS PAPANTONIOU, EXECUTIVE MEMBER
7. SARANTOS MILIOS, EXECUTIVE MEMBER
8. DIMITRIOS PARASKEVOPOULOS, NON-EXECUTIVE MEMBER
9. ANDREAS KYRIAZIS, NON-EXECUTIVE AND INDEPENDENT MEMBER

The General Meeting approved and ratified the election of mr. Vassilios Papantoniou, as a new member of the Board of Directors, in replacement of the late member of the board Athanassios Mitropoulos.

- (v) The General Meeting also approved the amounts to be paid to the Board members as remuneration
- (vi) The General Meeting approved the issuance of common bond loans, according to Law 3156/2003, up to a total amount of seventy million euro and granted the authority to the Board of Directors to further define all specific terms of the loans and the appropriate procedure for the issuance.
- (vii) Members of the monitoring committee under article 37 of Law no. 3693/2008 were appointed the following:

1. DIMITRIOS PARASKEVOPOULOS, NON-EXECUTIVE MEMBER
2. IOANNIS IKONOMOU, NON-EXECUTIVE MEMBER
3. ANDREAS KYRIAZIS, NON-EXECUTIVE AND INDEPENDENT MEMBER

Inventories valuation

Pursuant to the provisions of IAS 2 according to which inventories are valued at the lowest price between the acquisition cost and the net realizable value, subsidiary CORINTH PIPEWORKS S.A. recognized the impairment of inventories in the amount of €(6,285) thousand. The above amount charged the results of the period.

Extraordinary Social Contribution Tax according to the Law no. 3845/2010

According to the Law no. 3845/2010, an Extraordinary Social Contribution Tax was applied retrospectively on comprehensive net income for the 2009 fiscal year. The Groups financial results were charged with the amount of € 2.437 thousand.

20 Reclassifications

To the previous period company current liabilities, has been transferred from the “Trade and other payables” account to “Other current liabilities” account, the amount of € 1.459 thousand.

Athens, August 25 2010

The Chairman
of the Board of
Directors

The Chief Executive
Officer

The Financial Manager

Kalfarentzos Georgios
ID Card no. F 147183

Milios Sarantos
ID Card no. P 998326

Thomadakis Stratos
LICENCE NO. 0065081
CLASS A

E. Figures and Information

2-4 Mergoniu str, Athens 115 27				
Summary Financial Results for the period 01/01/10 - 30/06/2010				
(In terms of Article 4:007:26.02/2009 of the H.C.M.C.'s Board of Directors)				
The figures illustrated below, aim at providing summary information about the financial position and results of "SIDENOR Steel Products Manufacturing Company SA" and the "SIDENOR Group". Readers are suggested before making any investment or other transaction with the company to be formed by the company's website where the interest financial statements and the auditors report, where needed, are posted.				
Company's Website: www.sidenor.gr				
Date of approval of the financial statements from the Board of Directors: August 25 2010				
Auditor: Dimitris Sotiriadis (Reg. No. SOEL 10891)				
Audit Firm: ΠΡΩΤΟΝΥΤΕΡΗΣ/ΣΕΒΕΡΙΑΝΟΣ & ΣΥΝΕΡΓΑΤΕΣ Α.Ε.				
Type of Audit Report: Without qualification				
CONDENSED STATEMENT OF FINANCIAL POSITION (Group & Company) Amounts in €				
	Group		Company	
	30 Jun 2010	31 Dec 2009	30 Jun 2010	31 Dec 2009
ASSETS				
Land and Buildings	254,643,912	259,877,583	56,789,539	57,652,531
Machinery	433,214,134	453,457,277	78,783,065	83,040,999
Other Assets for own use	83,126,073	71,889,396	5,374,363	4,657,240
Intangible Assets	623,400	665,701	27,268	56,836
Investments in Associates	30,185,893	28,983,897	221,149,431	221,834,271
Available for sale financial assets	1,485,009	1,485,009	1,354,368	1,354,368
Other Tangible Assets	3,521,097	4,653,354	3,522,221	3,844,839
Investments	314,352,981	278,474,913	82,247,502	68,409,489
Trade Receivables	141,408,075	107,220,252	41,999,747	38,904,906
Other Assets	126,805,430	101,077,383	122,899,683	97,117,613
TOTAL ASSETS	1,989,627,111	1,907,980,766	633,110,227	676,144,892
EQUITY AND LIABILITIES				
Share Capital	39,460,002	39,460,002	39,460,002	39,460,002
Share Premium	120,400,136	120,400,136	120,400,136	120,400,136
Other Shareholders Equity	357,349,488	355,833,134	124,834,724	130,460,280
Total Shareholders Equity (a)	517,219,626	515,693,272	284,704,862	290,320,418
Minority Interest (b)	113,214,921	113,110,885	-	-
Total Equity (c) = (a) + (b)	630,434,547	628,804,157	284,704,862	290,320,418
Long Term Borrowings	163,847,085	261,199,438	76,164,689	78,700,860
Deferred Tax Liabilities	64,297,127	67,393,900	17,717,842	18,291,324
Provisions (Other Long Term Liabilities)	26,768,567	24,677,772	2,327,933	2,246,668
Short Term Borrowings	321,588,763	245,633,441	106,739,764	52,541,931
Other Short Term Liabilities	167,924,623	140,245,769	144,657,167	113,981,549
Total liabilities (d)	759,398,568	681,170,412	348,698,365	285,814,274
TOTAL EQUITY AND LIABILITIES (e) = (c) + (d)	1,389,833,115	1,309,974,569	633,403,227	676,144,892
CONDENSED STATEMENT OF CHANGES IN EQUITY (Group & Company) Amounts in €				
	Group		Company	
	1 Jan - 30 Jun 2010	1 Jan - 30 Jun 2009	1 Jan - 30 Jun 2010	1 Jan - 30 Jun 2009
Equity balance at the beginning of the period (1:1/2010 & 1:1/2009 respectively)	591,219,626	590,701,681	290,320,418	290,460,943
Total comprehensive income after taxes for the period	3,527,499	39,638,599	-14,622,536	-16,672,397
Dividend	630,367,746	657,101,442	283,700,862	112,939,164
Decrease in participation in subsidiaries	62,800	-164,535	-	-
Income % of participation in subsidiaries	-	282,100	-	-
Total Equity of the period (2010:2010 & 2010:2009 respectively)	630,434,546	630,434,546	284,704,862	317,818,764
CASH FLOW STATEMENT (Group & Company) Amounts in € - Indirect Method				
	Group		Company	
	1 Jan - 30 Jun 2010	1 Jan - 30 Jun 2009	1 Jan - 30 Jun 2010	1 Jan - 30 Jun 2009
Cash Generated from operations				
Profits/(Losses) before taxes (Continuing Operations)	1,863,299	-43,472,809	-5,143,072	-17,120,680
Adjustments for:				
Depreciations	30,633,148	29,469,106	5,362,335	5,360,685
Fixed asset impairment	39,483	-	-	-
Provisions	256,107	3,481,830	83,880	14,470
(Gains)/expenses & (profits)/losses from investment activities	-385,893	-118,724	-126,963	-2,321,029
Income payable & related expenses	9,866,527	13,939,847	2,377,980	-4,055,812
Other adjustments	-1,437,638	7,068,143	-150,353	-184,664
Plus/minus adjustments for working capital changes or related to operating activities:				
Decrease/(increase) in investments	-56,157,538	130,113,915	-13,838,613	27,307,349
Decrease/(increase) in receivables	-43,293,806	112,982,665	-39,426,113	65,522,212
Decrease/(increase) in liabilities (except banks)	27,198,504	-137,629,414	14,346,434	-20,487,772
Minus:				
Interest payable & related expenses	-9,357,940	-16,146,890	-2,187,226	-5,811,018
Tax Paid	-4,622,728	-5,538,336	-1,889,624	-2,461,700
Total Cash Generated from Operating Activities (a)	-25,784,582	93,680,893	-42,988,578	54,623,868
Cash generated from Investment Activities				
Acquisition - sale of subsidiaries, associates, joint ventures and other investments	-22,280	-3,369,786	-131,160	-63,278,307
Enterprise's acquisition (merging/acquiring company)	-	-	-	98,279,106
Purchase of tangible and intangible assets	-17,780,825	-24,733,105	-464,134	-4,561,603
Sales income from tangible and intangible assets	275,581	97,451	4,576	1,900
Interest Income	26,488	-	-	-
Dividends received	206,387	113,626	-	1,840,000
Total cash generated from investing activities (b)	-17,264,239	-27,693,815	-1,873,618	-8,016,261
Cash generated from Financing Activities				
Proceeds from borrowings	236,765,553	122,177,940	83,504,447	927,383
Repayment of Borrowings	-174,152,805	-213,786,924	-131,889,951	-184,200,000
Repayment of Financial Lease	-	-440	-	-
Income from securities	971,190	2,419,896	124,413	193,429
Dividends paid	-630,666	-66,644	-	-706
Total Cash Generated from financing activities (c)	67,983,372	-92,266,172	51,738,909	-87,126,894
Net increase/(decrease) in cash & equivalent for the period (d) = (a) + (b) + (c)	14,514,892	-21,247,295	8,078,832	-11,512,927
Cash & equivalent accounts at the beginning of the period	29,145,546	35,429,274	10,566,818	8,399,074
Financial Transactions differences in Cash and cash and cash equivalent	-923,588	-	-	-
Cash & equivalent at the end of the period	42,736,856	14,181,979	18,585,650	6,886,147

CONDENSED INCOME STATEMENT (Group & Company) Amounts in €				
	Group		Company	
	1 Jan - 30 Jun 2010	1 Jan - 30 Jun 2009	1 Jan - 30 Jun 2010	1 Apr - 30 Jun 2009
Continuing Operations				
Turnover	472,947,800	541,896,177	265,681,826	258,065,826
Cost of Goods Sold	(112,331,343)	(109,043,721)	(22,800,901)	(24,833,020)
Gross Profit	360,616,457	432,852,456	242,880,925	233,232,806
Selling Expenses	(33,996,431)	(33,166,417)	(18,075,751)	(23,363,104)
Administrative Expenses	(15,715,012)	(15,996,563)	(7,032,634)	(8,107,416)
Other Income / (Expenses) - Net	(2,799,489)	(1,782,011)	(728,743)	(1,528,059)
Profits/(Losses) before taxes, financing & investment results	18,184,784	(30,892,535)	14,437,828	(24,568,536)
Profits/(Losses) before taxes, financing & investment & depreciation	40,837,882	(623,429)	18,214,816	(8,728,154)
Total Profits/(Losses) before Tax	1,983,299	(43,472,809)	9,328,236	(29,946,096)
Minus Taxes	5,018	2,088,011	1,667,744	(167,983)
Profits/(Losses) after taxes from continuing operations (A)	1,988,316	(41,384,798)	7,660,492	(30,114,079)
Profits/(Losses) after taxes per share - basic (in €)	(0,0022)	(0,3971)	0,0763	(0,7264)
Continuing Operations				
Discontinued				
Company's Shareholders	(211,103)	(34,173,782)	7,342,078	(26,777,752)
Minority Interest	1,799,420	(1,212,176)	1,824,364	(1,701,839)
Total comprehensive income for the period, after taxes (in €)	1,786,633	(45,586,660)	9,466,874	(28,479,611)
Other comprehensive income, after taxes (B)				
Total comprehensive income for the period, after taxes (A) + (B)	1,786,633	(45,586,660)	9,466,874	(28,479,611)

CONDENSED INCOME STATEMENT (Group & Company) Amounts in €				
	Group		Company	
	1 Jan - 30 Jun 2010	1 Jan - 30 Jun 2009	1 Jan - 30 Jun 2010	1 Apr - 30 Jun 2009
Continuing Operations				
Turnover	127,923,264	119,088,958	69,153,752	71,899,843
Cost of Goods Sold	(11,762,136)	(10,224,649)	(6,160,636)	(7,364,267)
Gross Profit	116,161,128	108,864,309	62,993,116	64,535,576
Selling Expenses	(6,484,960)	(6,025,129)	(4,873,990)	(4,923,743)
Administrative Expenses	(5,768,906)	(6,434,019)	(2,677,865)	(1,751,639)
Other Income / (Expenses) - Net	(1,027)	(1,027,516)	(60,444)	(59,027)
Profits/(Losses) before taxes, financing & investment results	99,899,235	95,776,618	54,581,807	57,751,167
Profits/(Losses) before taxes, financing & investment & depreciation	2,586,981	(18,217,141)	3,951,508	(9,083,280)
Total Profits/(Losses) before Tax	(4,143,872)	(17,120,680)	816,882	(18,944,337)
Minus Taxes	560,117	899,864	218,846	319,044
Profits/(Losses) after taxes from continuing operations (A)	(3,583,755)	(16,220,816)	598,036	(19,263,381)
Profits/(Losses) after taxes per share - basic (in €)	(0,0035)	(0,2729)	0,0052	(0,2888)
Other comprehensive income, after taxes (B)	(22,800)	(241,332)	(21,600)	(111,363)
Total comprehensive income for the period, after taxes (A) + (B)	(3,606,555)	(16,462,148)	576,436	(19,374,744)

Other important data and information:

- Company's financial statements are consolidated by VYHALCO Group with the following subsidiaries:

Company	Registered Office	Direct	Direct & Indirect	Consolidation Method
VYHALCO S.A.	Greece	64,4%	71,05%	Full Consolidation
- Parent Company has been audited from the tax authorities till the financial period of 2006. The unaudited financial periods for the subsidiaries are being mentioned at note No.16.
- By the publishing date of these annual financial statements the dispute against subsidiaries were amounted at € 799 thousand. The provision for any disputes against subsidiaries at 30.06.2010 is € 792 thousand for the Group. Furthermore the provision for tax unaudited years is analyzed as follows:

Group (EUR thousand)	Company (EUR thousand)	Other Group (provision at 30.06.2010) (EUR thousand)	Other (EUR thousand)
4,000	4,000	0	0
- Mortgages and statutory notices of mortgage in the amount of € 128,200 thousands in favor of banks, have been filed against the fixed assets of subsidiaries, while the current balance of the loans is € 34,741 thousand.
- Number of persons employed at 30.06.2010: Company 332 and Group 3,031 while at 30.06.2009: Company 348 and Group 3,113.
- Sales and purchases which have been accumulated from the beginning of the accounting period as well as the balance of the receivables and liabilities at the end of the current period, have arisen from transactions with entities, under the meaning of International Accounting Standard (IAS) 24, as follows:

	Group	Company
	2010	2009
(a) Sales of goods, services and fixed assets	21,179	17,730
(b) Purchases of goods, services and fixed assets	47,165	30,316
(c) Receivables from affiliated entities	38,629	28,497
(d) Liabilities towards affiliated entities	11,781	9,961
(e) Key Management Compensation	941	1,691
(f) Payables to directors and key management	2,189	2,712
- Other total incomes after taxes are as follows:

	Group	Company
	1 Jan - 30 Jun 2010	1 Jan - 30 Jun 2009
Currency translation differences	2,294,134	(924,946)
Cash flow hedges, net of tax	(423,010)	2,652,305
Total comprehensive income after taxes	1,909,174	1,727,359
- In Income Statements the "Tax Expense" is analyzed as follows:

	Group	Company
	2010	2009
Group 2010 Income Tax: € 0 (2010) thousand, deferred tax expense € 2,964 thousand - 2009: € 973 (2009) and € 3,097 thousand respectively.	2,964	3,097
Company 2010 Income Tax: € 0 thousand, deferred tax expense € 560 thousand - 2009: € 0 thousand and € 590 thousand, respectively.	560	590
- The consolidated income tax for the current period includes an Extraordinary one-off Social Contribution Tax, according to the Law 3845/2010, which comes to € 2,437 thousand.
- SIDENOR Group companies, and their according percentage participation, addresses, their capital and consolidation method are analyzed in Financial Statements Note No.6 & 7.
- December 2009 Board of Directors of the affiliate company ETELIN S.A. and ETAL S.A. decided to start merge procedures by the absorption of ETAL S.A. by ERELIN S.A. Transaction date is 31.12.2009.

THE CHAIRMAN OF THE BOARD OF DIRECTORS

GEORGE X. KALFARENTZOS
ID No: F 147183

MEMO, August 25, 2010

CHIEF EXECUTIVE OFFICER

SARANTOS K. MILOS
ID No: F 998125

THE FINANCIAL MANAGER

STRATOS P. THOMADAKIS
ID No: A0551391
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