



Annual Financial Report

For the Period from 1st of January to 31st of December 2010

In accordance with Law 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**(According to article 4, par 2, of Law no. 3556/2007)**

The Members of the Board of Directors of the Société Anonyme with the trade name SIDENOR STEEL PRODUCTS MANUFACTURING COMPANY S.A. and the 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 22-03-11

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

The company and consolidated financial statements of SIDENOR SA., for the fiscal year 01.01.2010-31.12.2010, which have been compiled according to the International Financial Reporting Standards, provide a true and fair view of the assets and the liabilities, the own capital and the financial results of SIDENOR S.A., as well as the entities included in the consolidated financial statements, taken as a whole. Furthermore, it is confirmed to the best of our knowledge, that the Board of Directors' Annual Report presents in a true way the progress, the performance and the net equity position of the Company, as well as the companies included in the consolidation in total, with a description of the major risks and uncertainties they confront.

Also, the Board of Directors' Annual Report contains the Corporate Governance Statement presenting information as stated in the paragraph 3d article 43a of Codified Law 2190/1920.

Athens, March 28nd, 2011

The certifying persons,

**The Chairman of the
BoD**

Kalfarentzos
George
ID no. F 147183

**The Chief Executive &
Member of the BoD**

Milios
Sarrantos
ID no. AI 647195

**The Member
designated by the BoD**

Passas
George
ID no. F 020251

B. Board of Directors' Annual Report

The Annual Report of the Board of Directors, which follows (to be hereby referred as «Report»), concerns the financial year 2010 (01.01.2010 - 31.12.2010). The Report has been prepared and is in accordance with the relevant provisions of the Law 3556/2007 (GG 91A/30.4.2007) and with the executive decisions issued thereunder by the Capital Market Commission and in particular with decision nr. 7/448/11.10.2007 of the BoD of the Capital Market Commission, as well as the provisions of Law 3873/2010.

The current Report includes all information relevant and necessary by law, in order to provide material information regarding the activities of the reference period of the 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 S.A.	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.	98,85%	Full consolidation	2006 - 2010
AEIFOROS S.A.	90,00%	Full consolidation	2010
PROSAL S.A.	100,00%	Full consolidation	2007 - 2010
TEPRO STEEL EAD	100,00%	Full consolidation	2008 - 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 - 2010
ETIL S.A.	69,99%	Full consolidation	2004 - 2010
PRAKSYS S.A.	51,00%	Full consolidation	2010
DIA.VI.PE.THIV. S.A.	70,10%	Full consolidation	2010
AEIFOROS BULGARIA SA	90,00%	Full consolidation	2007 - 2010
VET S.A.	61,80%	Full consolidation	2010
VEAT S.A.	40,78%	Full consolidation	2003 - 2010
SIGMA S.A.	69,28%	Full consolidation	2005 - 2010
ARGOS S.A.	69,28%	Full consolidation	2009 - 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	2010
V.EPE.M. S.A.	50,00%	Net balance	2003 - 2010
METALWORKS OF ATTICA S.A.	50,00%	Net balance	2007 - 2010
EL.K.E.ME. S.A.	20,00%	Net balance	2010
DOMOPLEX LTD	45,00%	Net balance	2007 - 2010
DOJLAN STEEL LLCOP	75,00%	Full consolidation	2009 - 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 S.A.	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 SVILOSA 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
JOSTDEX LTD	94,00%	Full consolidation	2010

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

A. Important events in the financial year 2010

The most important events that took place during the financial year 2010 are the following:

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.

On 31/8/2010 the merger of its subsidiaries companies "ERLIKON S.A." and "ETAL S.A." was completed, which was realized through the absorption of the latter by the former pursuant to the provisions of Law 2166/1993 and Law 2190/1920. December 31, 2009 was determined as the date for the transition balance sheet accounts.

In December 2010 a share capital increase of €2,000,000 for the 100% subsidiary company SIDEROM STEEL SRL, was completed.

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

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 € 2.657 thousand.

B. Significant transactions with Associates

The transactions of associates primarily concern the trading 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 associated persons during 2010 have been performed under market terms and in the context of normal business activities. The transactions between associates within the context of IAS 24 are analyzed as follows:

Transactions with Subsidiaries

(amounts in thousands €.)

	Sales of goods and services	Purchases	Products - services consolidated	Receivables	Liabilities	Income from dividends
SUBSIDIARIES						
SIDENOR S.A.	124.780	51.616	114	60.007	63.209	35
SOVEL S.A.	6.735	41.323	344	61.109	1.350	-
DEPAL S.A.	1.134	261	-	2.614	10	37
STOMANA INDUSTRY S.A.	65.832	33.489	7.181	2.147	18.760	-
ERLIKON WIRE PROCESSING S.A.	979	9.454	-	32	2.825	-
AEIFOROS S.A.	2.870	870	19	498	313	205
ETAL S.A.	291	669	-	-	-	-
PROSAL S.A.	-	2.227	-	-	1.532	-
TEPRO STEEL LEAD	1.405	320	62	681	77	-
BOZETTI LTD	-	97	-	-	97	-
ETIL S.A.	9.478	274	-	995	145	-
PRAKSYS S.A.	422	31	-	79	111	-
DIA.VI.PE.THIV. S.A.	994	435	-	725	5.830	-
AEIFOROS BULGARIA SA	1.023	153	-	595	5	-
VET S.A.	4.409	53	-	73	15	-
SIGMA S.A.	6.203	362	10	2.346	101	-
ARGOS S.A.	4.339	59	-	476	25	-
CORINTH PIPEWORKS S.A.	1.016	1.341	7	3.771	832	-
DOJLAN STEEL LLCOP	6.833	38.048	-	341	22.398	-
SIDERAL SHPK	-	6.795	-	-	12.068	-
SIDEROM STEEL SLR	12	42.703	-	33	6.114	-
PROSAL TUBES S.A.	2.348	854	10	345	345	-
PORT SVISHTOV WEST SA	44	2	4	528	363	-
PRISTANISHTEN KOMPLEX SVILOSIA EOOD	-	-	3	-	528	-
SIDEBALK STEEL DOO	-	1.922	-	-	342	-
	241.147	233.358	7.754	137.396	137.396	276

The majority of transactions with subsidiary companies have been realized by SIDENOR, SOVEL, STOMANA, ETIL, SIGMA and DOJLAN and concern sale and purchase transactions for finished and semi-finished steel products.

SIDENOR's dividend income derive from BOZETTI (€33) thousand and from ETIL (€2) thousand.

Respectively, DEPAL's dividend income is derived from ETIL (€37 thousand), and AEIFOROS' dividend income is derived from AEIFOROS BULGARIA S.A. (€205 thousand).

Transactions with Affiliates

(amounts in thousand €)

	Sales of goods and services	Purchases	Receivables	Liabilities	Income from dividends
AFFILIATES					
SIDENOR S.A.	4.796	2.332	10.292	633	615
SOVEL S.A.	-	310	-	214	255
STOMANA INDUSTRY S.A.	11.795	282	1.163	44	-
ERLIKON WIRE PROCESSING S.A.	296	315	913	61	-
AEIFOROS S.A.	2	-	1	-	-
PROSAL S.A.	-	136	776	28	-
ETIL S.A.	13	210	1	63	-
PRAKSYS S.A.	-	-	24	-	109
VET S.A.	-	25	-	27	-
SIGMA S.A.	-	57	-	15	-
ARGOS S.A.	-	92	-	27	-
CORINTH PIPEWORKS S.A.	18	215	982	48	440
SIDERAL SHPK	-	64	-	-	-
PROSAL TUBES S.A.	25	117	-	88	-
	16.946	4.154	14.152	1.248	1.419

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

SIDENOR's dividend income is derived from DOMOPLEX (€495 thousand), and from ATTICA METALLURGY (€120 thousand). SOVEL's dividend income derives from BIODIESEL (€255 thousand). PRAKSYS' dividend income is derived from AWM (€109 thousand), and CORINTH PIPEWORKS' dividend income is derived from ZAO (€ 440 thousand).

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.	19.003	12.436	14.483	1.386	-
SOVEL A.E.	67	66.078	48	5.551	119
STOMANA INDUSTRY S.A.	4.485	11.420	7.347	2.189	-
CORINTH PIPEWORKS S.A.	3.485	2.189	2.771	291	-
ERLIKON WIRE PROCESSING S.A.	2.034	400	823	103	-
AEIFOROS S.A.	887	12	28	1	-
DEPAL S.A.	81	1	-	-	-
PROSAL S.A.	-	17	121	3	-
ETIL S.A.	99	30	236	2	-
ARGOS S.A.	-	3	-	-	-
VET S.A.	-	2	-	2	-
PRAKSYS S.A.	-	15	-	2	-
BOZETTI LTD	204	-	109	-	-
TEPRO STEEL LEAD	-	26	-	24	-
AEIFOROS BULGARIA SA	-	71	-	103	-
SIGMA A.E.	133	38	12	64	-
PROSAL TUBES S.A.	-	5	-	4	-
DOJLAN STEEL LLCOP	-	26	-	2	-
DIA.VI.PE.THIV. S.A.	179	2	75	683	-
SIDEROM STEEL SLR	16	456	-	49	-
SIDERAL SHPK	-	306	-	82	-
SIDEBALK STEEL DOO	-	16	-	1	-
	30.674	93.549	26.053	10.543	119

Transactions with other associates are realized mainly by SIDENOR, STOMANA and DOJLAN. The companies they cooperate with are mainly METAL AGENCIES (trade in finished products), ANAMET and METAL VALUES (raw materials purchasing).

SOVEL's dividend income is derived from STEELMET (€119 thousand).

Directors and Senior Officers Remuneration

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

(amounts in € thousand)

	CONSOLIDATED		COMPANY	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Total remuneration of Executives & Directors of the Board	2.365	3.692	673	1.231
Compensation for termination of employment	157	185	-	-
Obligations to Executives & Directors of the Board (earnings distribution)	342	2.712	-	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 2010, despite the ongoing recession of the domestic economy and the subdued construction activity, SIDENOR Group maintained the sales volumes, mainly due to its strategy of differentiation in value added products (i.e. special steels, flat products), which are directed to the West and Central European markets, as well as its penetration in the new markets of North Africa and Southeast Mediterranean countries (eg Algeria, Israel).

At the same time, the competitive cost base of the Group's plants, the ongoing improvement of the operating cost, as is evident from the reduction of 17% of operating expenses, the sustainable low working capital requirements, as well as the capitalization of the investments in the Balkans, have offset the adverse impact of the financial crisis and the subsequent recession of the Greek market and have contributed to the improvement of the Group's financial results vs. FY 2009.

Consolidated sales of the SIDENOR Group amounted to €993 million in 2010 compared to €938 million in 2009. Earnings before taxes amounted in 2010 to € (30) million compared to €59 million in 2009, while earnings before interest, taxes, depreciations and amortizations (EBITDA) amounted to €51 million compared to €22 million in 2009. Lastly, consolidated profit after taxes and minority interests amounted to € (23) million compared to €71 million in the 2009 financial year.

The Group's administrative and selling expenses amounted to €104 million in 2010 compared to €123 million in 2009, while financial results remained unchanged amounting to €20 million.

Regarding the parent company SIDENOR S.A., turnover amounted to EUR 254 million, compared to 211 million in 2009, while net loss amounted to EUR 12 million compared to EUR (40) million in 2009.

With the implementation of the SIDENOR Group's investment program for 2010, it made investments totaling 42 million Euros. The SIDENOR Group's investment program is in accordance with the broader strategy for further improvement of production plant productivity, reinforcement of safety at the work place, and sustainable growth.

Finally, the subsidiary CORINTH PIPEWORKS S.A. proceeded to an impairment of 50% of delayed trade receivables amounting to EUR 18,6 million. A series of legal and non legal measures are taken in Greece and abroad in order to ensure the prompt collection of due amount. Based on the all data collected, management expects that the potential loss will not exceed the impaired amount of EUR 9,5 million.

The following tables reflect the growth of the Group's major financial ratios:

	31-Dec-10	31-Dec-09
Leverage ratio	0,83	0,72
Current ratio	1,12	1,26
	31-Dec-10	31-Dec-09
EBITDA margin	5,04%	2,37%
EBITDA / Equity	8,03%	3,55%

The total personnel employed as at 31/12/2010 for the Group was 3,002 employees and for the parent company 322. On 31/12/2009, the Group had 2,980 employees, while the parent company had 338.

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 and financing lines 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.

If, as at 31.12.2010, the EURO was appreciated/ depreciated by 10% compared to RUR, with other variables remaining fixed, the Group's net worth, as affected by the subsidiary CORINTH PIPEWORKS S.A., would be increased/ decreased by EURO 2,519,000 and EURO 3,079,000 respectively.

If, as at 31/12/2010, USD was appreciated/ depreciated by 10% compared to the EURO, with the other variables remaining fixed, profit after taxes of the Group would be increased/ decreased by €4,297,041 (2009: decreased by €4,079,618) and €5,252,161 (2009: increased by € 4,986,200) respectively, mainly due to the currency losses/gains occurring from the conversion to EURO of the receivables, liabilities and cash and cash equivalents in USD. Net Assets would be respectively affected.

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).

If, as at 31/12/2010, interest rates were increased (decreased) by 0.25% / (-0.25%), the Group's profits before taxes effect would be (loss) / profit equal to (-€1,401 thousand) / €1,401 thousand. Under the same scenario, the company's profits before taxes effect would be (loss) / profit equal to (-€452 thousand) / €452 thousand. Group and company net assets would be affected proportionally.

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.

As of January 1st 2009, the Group applies the revised IFRS 7 regarding the presentation of financial data in financial position statements at fair value. A table is cited in note 15 breaking down the financial assets presented at fair value based on the valuation method.

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 2011

Regarding 2011, SIDENOR Group's key objectives focus on maintaining and increasing market shares, seeking new geographic markets and expanding into new products, while maintaining high productivity rates in the production plants.

Moreover, CORINTH PIPEWORKS contribution is expected to be significant during 2011, since there is an increase in the investment projects of the energy groups following the increased demand for energy and the recovery of oil prices.

SIDENOR Group is closely monitoring the developments in the international economy and remains flexible and alert in order to capitalize any opportunities that might arise.

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.

Information according to article 4, par. 7, of Law no. 3556/2007)

a) Structure of the Company's Share Capital

The company's share capital amounts to Euro 39,460,002.28, divided into 96,243,908 common registered shares with a nominal value of € 0.41 each. All shares are listed for trading in the Athens Stock Exchange market, in the Large Capitalization class. The Company shares are intangible, registered shares with voting rights.

Based on the Company's Articles, the shareholders' rights and obligations are as follows:

- A right on the dividend from the Company's annual profits. Each share's dividend is paid to its holder within two (2) months from the date of the General Meeting which approved the financial statements. The right to collect the dividend expires upon lapse of five (5) years from the end of the year during which the dividend allocation was approved by the General Meeting.
- A pre-emption right (option to purchase) in any share capital increase and acquisition of new shares.
- A right to participate in the General Shareholders' Meeting.
- The capacity of shareholder entails ipso jure the acceptance of the Company's Articles and the decisions taken by its administrative bodies that are consistent with them and the law.
- The Company shares are indivisible and the Company recognizes only one holder for each share. All indivisible co-holders of a share, as well as those enjoying the usufruct or bare ownership

thereof, are represented in the General Meeting by only one person nominated by them by agreement. In case of dispute, the above share is not represented.

- Shareholders are not involved beyond each share's nominal amount.

b) Restrictions to the transfer of Company's shares

The transfer of shares is subject to the provisions of law and no restrictions apply to transfer under the Company's Articles of Association.

c) Significant direct or indirect holdings within the meaning of articles 9 to 11 of Law no. 3556/2007

Significant (more than 5%) holdings as at 31/12/2010 (direct and indirect) were as follows:

- VIOHALKO S.A. : 73.11% of the voting rights and 73.11% of the share capital.

d) Shares granting special controlling rights

There are no company shares granting their holders special controlling rights.

e) Restrictions to Voting Rights

The Company's Articles do not provide for restrictions to the voting rights emanating from its shares. The rules of the Company's Articles of Association regulating the voting issues are included in article 24 thereof and provide for as follows:

- Each share provides one right to vote at the General Meeting.
- Shareholders, in order to acquire the right to attend the General Meeting, shall be obliged, at least five (5) days before the date of the meeting, to produce at the Company's offices, a certification by the Athens Central Securities Depository stating the number of shares registered in their name and the blocking of such shares until the date of the General Meeting. Within the same period, proxies assigned to shareholders' representatives must be also produced at the Company offices.

f) Agreements between Company Shareholders

To the Company's best knowledge, there are no agreements between shareholders entailing restrictions to the transfer of its shares or to the exercise of the voting rights emanating from its shares.

g) Rules for the appointment and replacement of BoD members and amendment to the Articles of Association.

The rules provided for by the Company's Articles both as to the nomination and replacement of BoD members and as to amendments thereto are no different from those provided for by C.L. no 2190/1920.

h) Board of Directors' competence to issue new shares or purchase own shares

In accordance with the provision of article 13, par. 1, of C.L. no. 2190/1920, article 6, par. 1, of the Articles states that, within the first five years from the Company's incorporation or within five (5) years from the General Meeting decision granting such a right, the Board of Directors, by its decision taken by majority of two thirds (2/3) of its total members, may increase in total or in part the share capital by issuing new shares by an amount not greater than the initially paid-up share capital or the share capital paid-up on the date that such a decision was taken by the General Meeting. This power of the Board of Directors may be renewed by the General Meeting for a period which shall not exceed five (5) years for each renewal. Such increases in the share capital shall not constitute amendments to the Articles.

The Board of Directors may proceed to the acquisition of own shares only in the context of a decision taken by the General Meeting pursuant to article 16, par. 5 to 13, of C.L. no 2190/1920.

In application of par. 9, article 13, of C.L. no. 2190/1920 and the decision taken by the General Meeting on 26/6/2002, the Company's Board of Directors, in December 2006 to 2013, shall increase the Company's share capital with no amendment to its Articles, by issuing new shares in the context of implementation of the Stock Option Plan approved by the same General Meeting, analytical data of which are laid down in note 19 to the 2010 Annual Financial Report.

i) Significant agreements that enter into effect, are modified or expire in case of a change in control.

The bank loan agreements concluded by both the Company and the companies consolidated in the Group, which are referred to in note 21 to the annual financial statements (on a consolidated basis, € 186 million of long term and € 313 million of short term loans and, at company level, €68 million of long term and €132 million of short term loans) contain a clause regarding change in the control that provides the debenture holding lenders with a right of early termination thereof.

No other agreements exist that enter into effect, are modified or expire in the event of change in the Company's control.

j) Agreements with Board of Directors' members or the Company's staff

There are no agreements between the Company and the members of its Board of Directors or its staff that provide for the payment of compensation especially in the event of resignation or dismissal without material cause or end of tenure or employment.

G. STATEMENT OF CORPORATE GOVERNANCE

The present statement has been drafted in accordance with the provisions of Law 3873/2010.

In particular, in regard to the provisions of article 2 of Law 3873/2010, we note the following:

1. Code of Corporate Governance

The Company implements Corporate Governance practices in its administration and operation, as they have been defined under the legislative framework in effect as well as in the Code of Corporate Governance recently published by SEV (Hellenic Federation of Enterprises) (hereinafter the "Code"), which is available online at:

http://www.sev.org.gr/Uploads/pdf/KED_SEV_InternetVersion_updatednew2132011.pdf

In the framework of drafting the Board of Directors' Annual Report, the Company reviewed the Code. From this review, the Company concluded that, overall, it complies with the specific practices applicable to listed companies, which are cited and described in the SEV Code of Corporate Governance, **with the exception of the following practices, which - due to the very recent publication of the Code - it is currently carefully examining and assessing its capacity to attain compliance therewith.**

- **Section A.II.2.2 & 2.3: Size and composition of the BoD.** The number of independent non-executive members of the current Board of Directors is two (2), out of a total of nine (9) and, as such, it represents less than one third of the total number of Board members, as stipulated under the Code. Moreover, the Board of Directors does not consist of non-executive members in its majority.
- **Section A.III.3.3 - Role and mandatory capacities of the Chairperson of the BoD.** The Deputy Chairperson of the current Board of Directors does not have the capacity of

independent non-executive member, despite the fact that the Chairperson is an executive member.

- **Section A.V.5.5. - Screening prospective candidates for membership of the Board of Directors.** No committee for screening prospective candidates had been set up until the drafting of the present Statement.
- **Section A.VII.7.1.-7.3. – Evaluation of the Board of Directors and its Committees.** The Company had not applied the collective procedure for evaluating the effectiveness of the Board of Directors and its Committees until the drafting of the present Statement.
- **Section B.II.1.4.-Specific practices applicable to listed companies.** The audit committee is exclusively composed of non-executive members, but they are not independent in their majority.
- **Section C.I.1.6. Amount and structure of remuneration.** No remuneration committee had been set up until the drafting of the present Statement.

The Company does not implement corporate governance practices beyond the specific practices of the SEV Code of Corporate Governance and the provisions laid down under applicable effective legislation.

2. The main characteristics of the Internal Audit and Risk Management Systems in relation to the Procedure followed in Drafting the Financial Statements and financial reports.

i. Description of the main characteristics and information included in the Internal Audit and Risk Management Systems, in relation to the procedure followed in drafting financial statements

The Company's Internal Audit System encompasses audit procedures pertaining to the operation of the Company, its compliance with the requirements of supervisory authorities, risk management and financial reporting.

The Internal Audit Department verifies the proper implementation of every procedure and internal audit system, regardless of whether it is of an accounting nature or otherwise, and performs an evaluation of the Company through reviewing its activities, operating as a company unit reporting to Management.

The Internal Audit System aims at, among others, ensuring the comprehensiveness and reliability of the data and information required for ascertaining the financial standing of the Company, in an accurate and timely manner, and the production of reliable financial statements.

In regard to the procedure followed in drafting the financial statements, the Company states that the financial reporting system of 'SIDENOR Steel Products Manufacturing Company S.A.' makes use of an accounting system that is adequate for the purposes of reporting, both to Management as well as to external users. Financial statements, as well as other analysis reports addressed to management on a quarterly basis, are drawn up at company and consolidated level in accordance with International Financial Reporting Standards, as they have been adopted by the European Union, for the purposes of reporting to management as well as of publication, in accordance with effective regulations and on a quarterly basis. Both administrative reporting, as well as financial reporting intended for publication, include all required information foreseen under an up-to-date internal audit system, which encompasses breakdowns of sales, costs/expenses, operating profits, as well as other data and indexes. All reports to management include the data of the current fiscal period, which are cross-checked against respective entries in the budget approved by the Board of Directors, as well as against data of the corresponding period of the financial year preceding the year of the report.

All published interim and annual financial statements include all the necessary amounts and disclosures relating to the financial statements, in accordance with International Financial Reporting Standards, as they have been adopted by the European Union. They are reviewed by the Audit Committee and approved in their entirety by the Board of Directors, respectively.

Safety measures are in place in regard to: (a) The identification and evaluation of risks as to the reliability of the financial statements; (b) administrative planning and follow-up in relation to financial figures; (c) the prevention and detection of fraud; (d) the roles/duties of executives; (e) the procedure followed for closing a fiscal year, including consolidation (such as recorded procedures, access authorisations, approvals, consistencies etc.) and (f) safeguarding the data in computerised systems.

The preparation of internal memos to Management and of reports, required under Codified Law 2190/1920 and supervisory authorities, is performed by the Financial Division, which disposes of suitable and experienced staff entrusted with this task. Management ensures that these members of staff are properly informed of any changes in accounting and taxation matters affecting the Company and the Group.

The Company has established separate procedures for the collection of necessary audit evidence from its subsidiaries. Moreover, it ensures consistency throughout all its transactions and the application of the same accounting principles by the above companies.

ii. Annual evaluation of corporate strategy, primary business risks and Internal Audit Systems

The Company's Board of Directors declares that it has examined the primary business risks to which the Company is exposed, as well as its Internal Audit Systems. The Board of Directors re-evaluates the corporate strategy, primary business risks and Internal Audit Systems on an annual basis.

iii. Provision of non-auditing services to the Company by its lawful auditors and assessment of the impact this may exert on the objectivity and effectiveness of the mandatory audit, examined in conjunction with the provisions of Law 3693/2008

The Company's lawful auditors for financial year 2010, 'PricewaterhouseCoopers Audit S.A. Company', which was elected by the Ordinary General Shareholders' Meeting of the Company held on 15 June 2010, have provided non-audit services to the Company and its subsidiaries in accordance with the provisions of applicable legislation.

The Company uses other auditors for certain of its subsidiaries, who also provided non-audit services in the total value of 4,000 Euro.

3. Public Acquisition Offers - Information

- There are no binding acquisition offers and/or regulations calling for the mandatory transfer and mandatory purchase of shares in the Company, nor any provision in the Articles of Association in regard to acquisitions.
- There have been no public offers by third parties for the acquisition of the share capital of the Company during the preceding and current financial year.
- In the event the Company participates in such a procedure, it will do so in line with effective legislation.

4. General Shareholders' Meeting and rights of shareholders

The General Meeting is convened and operates in accordance with the provisions of the Articles of Association and the relevant provisions of Codified Law 2190/1920, as amended and currently in force. The Company complies with its reporting obligations, abiding by the provisions of Law 3884/2010 and, in general, takes all necessary measures in view of ensuring the timely and comprehensive briefing of shareholders regarding the exercise of their rights. The latter is ensured by publishing the invitations to General Meetings and posting them on the Company's website. The text of these invitations includes a detailed description of shareholders' rights and the manner of the exercise thereof.

5. Composition and operation of the Board of Directors, Supervisory Bodies and Committees of the Company**Duties and responsibilities of the Board of Directors**

The Company's Board of Directors is responsible for the long-term strategy and business targets of the Company and, in general, has control and decision-making powers in the framework of the provisions of Codified Law 2190/1920 and of the Articles of Association as well as compliance with the principles of corporate governance.

The Board of Directors meets in session as frequently as required in order to effectively performing its duties.

The duties and responsibilities of the Board of Directors are summarised below:

- Supervision and monitoring the Company's operations, as well as verifying the achievement of company goals and long-term plans;
- Formulating and defining the primary principles and targets of the Company;
- Ensuring harmonisation of the adopted strategy with the targets of the Company;
- The Board of Directors, in accordance with the policies for managing conflicts of interest among its members and in the Company, ensures that there are no cases of conflict of interest and examines any such manifestations or cases of non-compliance with the Company's confidentiality policy.
- Ensuring the credibility and approval of the Company's Financial Statements prior to their final approval by the Ordinary General Meeting;
- Ensuring the proper day-to-day operations of the Company, through a system of special authorisations, while the performance of its other duties is implemented through special decisions.
- The Secretary of the Board of Directors has the main responsibility of supporting the Chairperson and the overall operation of the body.

The current Board of Directors of the Company consists of 9 members (9-member Board), of which:

- 5 are executive members (Chairperson & Member)
- 2 are non-executive members (Vice Chairperson and other Members)
- 2 are independent non-executive members (Remaining members)

The composition of the current Board of Directors of 'SIDENOR Steel Products Manufacturing Company S.A.', is provided below:

1. Georgios Kalfarentzos, Chairperson, Executive Member
2. Nikolaos Koudounis, Vice-Chairperson, Executive Member
3. Sarantos Milios, Executive Member
4. Vassilios Papantoniou, Executive Member
5. George Passas, Executive Member
6. Dimitrios Paraskevopoulos, Non-Executive Member
7. Ioannis Ikononou, Non-Executive Member
8. Andreas Kyriazis, Independent Non-Executive Member
9. Efstathios Strimber, Independent Non-Executive Member

Brief Curriculum Vitae of the members of the Board of Directors are provided below.

Georgios Kalfarentzos, Chairman of the Board of Directors

Mr. Kalfarentzos has been the Chairman of SIDENOR's Board since 2004. From 1960 to 1967, Mr. Kalfarentzos was the Commercial Manager of ARIZONA S.A. and HELLASCAN S.A. From 1967 to 1996, he held senior executive positions in SIDENOR S.A. He became a member of SIDENOR's Board in 1997 and was appointed Vice-Chairman in 2001. Currently, he is a member of the Board of Directors of SOVEL and of many companies of the VIOHALCO Group.

Nikolaos Koudounis, Vice-Chairman of the Board of Directors

Mr. Koudounis is a graduate of the Athens University of Economics and Business (former ASOEE). He has worked at the VIOHALCO Group since 1968 and as Financial Manager of ELVAL S.A. (1983), as General Manager of ELVAL S.A. (2000) and as Managing Director of FITCO S.A. (2004). In addition, he is executive consultant on the Boards of Directors of ELVAL S.A., HALCOR S.A., DIAVIPETHIV S.A. (Chairman of the BoD) and of many other companies of VIOHALCO Group. He is also Chairman of the BoD of the Viotia Industries Association.

Sarantos Milios, Member of the Board of Directors

Mr. Milios is an electrical engineer, graduate of the Aristotelio University of Thessaloniki. He also holds an MSc from Imperial College, London and an MBA from the Institute of Management Development, IMD (Lausanne, Switzerland). Prior to joining VIOHALCO Group, Mr. Milios held various managerial positions, at British Petroleum (BP) International PLC in the United Kingdom from 1989 to 1994, at Emerson Electric from 1996 to 1998, at A.T. Kearney from 1998 to 1999 and at McKinsey & Company from 2000 to 2001. He was Manager of SIDENOR's Pipes & Tubes Division from 2001 to 2005 and CEO of CORINTH PIPEWORKS S.A. from 2005 to 2007. He currently holds the position of CEO of SIDENOR Group.

Dimitrios Paraskevopoulos, Member of the Board of Directors

Mr. Paraskevopoulos is a chemical engineer, graduate of the National Technical University of Athens and holds an MSc from Imperial College, London. Before joining SIDENOR, Mr. Paraskevopoulos worked for IBM from 1990 to 1998, where he held various positions in finance-planning and sales, before becoming Director of the PC Business Unit in Greece and Cyprus. Mr. Paraskevopoulos was Commercial Manager of SIDENOR from 1998 to 2003, Deputy General Manager from 2003 to 2005 and General Manager of SIDENOR from 2005 to 2007.

Vassilios Papantoniou, Technical Director of Production Units

Mr. Papantoniou has been SIDENOR's Production Units Technical Director since 2005. He is a mechanical engineer, graduate of the Aristotelio University of Thessaloniki. Mr. Papantoniou worked as Head of the Maintenance Department of the Meltshop in Thessaloniki (1989-1990) and

in the Production Department of the Meltshop in Thessaloniki (1993-1997). In 1997, he was appointed Director of the Thessaloniki Meltshop and, in 2001, Technical Manager of the Thessaloniki and Almyros Meltshops, a position he held until undertaking his current position of Technical Director of Production Units.

George Passas, Member of the Board of Directors

Mr. Passas has been a member of SIDENOR's Board since 2008. He is a graduate of AUEB (Athens University of Economics and Business). He has been working for VIOHALCO since 1969 and has occupied various managerial positions within the Group. From 1973 to 1983, he was Chief Financial Officer at ELVAL S.A., from 1983 to 1987 Chief Financial Officer at HALCOR S.A., while from 1987 to 2004 he worked as General Manager at HELLENIC CABLES S.A. Mr. Passas is also member of the Board of several other companies of the VIOHALCO Group.

Ioannis Ikonou, Member of the Board of Directors

Mr. Ikonou has been a member of SIDENOR's Board since 2005. He is a graduate of the Athens University of Economics and Business and of the Law School of Athens University. From 1960 to 1964, he worked for KERAMEIKOS S.A. and from 1964 to 1965 for TITAN S.A. He has been an executive at the VIOHALCO Group since 1965. He is General Manager and Chairman of the Board of Directors of SYMETAL S.A.

Andreas Kyriazis, Member of the Board of Directors

Mr. Kyriazis has been a member of SIDENOR's Board since 2005. He is a graduate of the Chemistry, Physics & Mathematics Faculty of Athens University. He has served as Chairman of the Central Union of Greek Chambers, the Union of Balkan Chambers, the Athens Chamber of Commerce and Industry, the Hellenic Productivity Centre, the Greek Society of Business Administration and the Wood Processing Association. He was also Vice-Chairman of the Association of European Chambers of Commerce and Industry and General Secretary of the Association of Greek Chemists.

Efstathios Strimber, Member of Board of Directors

Mr. Strimber has been a member of SIDENOR's Board since 2002. He is a graduate of the Law School of Athens University. Since 2002, he has also been an independent, non-executive member of the Board of Directors of many companies of the VIOHALCO Group.

Board members are elected for a one-year term by the General Shareholders' Meeting. The current Board of Directors of the Company was elected by the Ordinary General Shareholders' Meeting of 15 June 2010, and its tenure expires on 30 June 2011.

The Board of Directors met in session sixty (60) times within 2010, and its sessions were attended by all its members in person.

Audit Committee

i. Description of the composition, operation, duties, responsibilities and description of topics discussed at Committee meetings

The Audit Committee, which is elected and operates in accordance with Law 3693/2008 (no. 37), consists of three non-executive members of the Board of Directors, of which one is independent and has the primary duty, in the framework of the obligations described in the above Law, of providing support to the Company's Board of Directors in regard to the fulfilment of the latter's mandate pertaining to ensuring the effectiveness of accounting and financial systems, audit mechanisms, management systems for business risks, ensuring compliance with the legislative and regulatory framework and the effective application of the principles of Corporate Governance.

Specifically, the Audit Committee is entrusted with the following responsibilities:

Responsibilities

- Assess the effectiveness of all levels of the Management hierarchy, in relation to the latter's safeguarding of the resources under their management and their compliance with the established policy and procedures of the Company;
- Evaluate procedures and amounts for their adequacy, in regard to the achievement of goals, as well as appraise the policy and programme cited in the activity undergoing evaluation;
- Periodically audit the various operations of the different divisions or departments, in such a manner as to ensure that their diverse activities are conducted smoothly, comply with Management instructions, Company policy and procedures, and that they are aligned with Company objectives and Management best practices.
- Examine internal audit reports and, in particular:
 - Assess their adequacy, in regard to the extent of information therein provided
 - Verify the accuracy of the reports
 - Examine the adequacy of audit evidence in regard to the results of the audit

The Audit Committee receives the following reports pertaining to audit procedures:

- Extraordinary
- Quarterly financial audit reports
- Annual regular audit reports
- Corporate Governance reports

The Audit Committee examines and ensures the independence of External Auditors of the Company; it is notified of their findings as well as of the findings of the Audit Reports on the annual or interim Financial Statements of the Company. At the same time, it recommends corrective actions and measures, in view of addressing any findings or flaws in the Financial Reporting or other significant operations of the Company.

In accordance with its Internal Regulation, the Audit Committee consists of one independent, non-executive member of the Board of Directors and two non-executive members, who dispose of the necessary knowledge and experience for fulfilling the duties of the Committee.

The current composition of the Audit Committee is the following:

Members: Dimitrios Paraskevopoulos, Non-Executive Board Member

Ioannis Ikonou, Non-Executive Board Member

Andreas Kyriazis, Independent Non-Executive Board Member

ii. Number of meetings of the Committee and frequency of attendance of each member at meetings

The Audit Committee convened in session four (4) times within 2010, achieving full quorum, but was not attended by the regular auditors as foreseen under the Code.

iii. Assessment of the Committee's effectiveness and performance

Up to the time of drafting the present Statement, no specific procedures had been established for assessing the effectiveness of the Audit Committee of the Board of Directors. The Management of the Company will establish such procedures in the future.

Athens, 28 March 2011

The BoD Chairman

Kalfarentzos Georgios
ID Card no. F 147183

C. Independent Auditor's Report

To the Shareholders of "SIDENOR STEEL PRODUCTS MANUFACTURING COMPANY S.A."

Report on the Separate and Consolidated Financial Statements

We have audited the accompanying separate and consolidated financial statements of SIDENOR STEEL PRODUCTS MANUFACTURING COMPANY S.A. and its subsidiaries which comprise the separate and consolidated statement of financial position as of 31 December 2010 and the separate and consolidated income statement and statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these separate and consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the separate and consolidated financial statements present fairly, in all material respects, the financial position of the SIDENOR STEEL PRODUCTS MANUFACTURING COMPANY S.A. and its subsidiaries as at December 31, 2010, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Reference on Other Legal and Regulatory Matters

- a) Included in the Board of Directors' Report is the corporate governance statement that contains the information that is required by paragraph 3d of article 43a of Codified Law 2190/1920.

- b) We verified the conformity and consistency of the information given in the Board of Directors' report with the accompanying separate and consolidated financial statements in accordance with the requirements of articles 43a, 108 and 37 of Codified Law 2190/1920.

Athens, 28 March 2011



PricewaterhouseCoopers SA
268 Kifissias Avenue, 152 32 Halandri
AM SOEL 113

Dimitris Sourbis
Chartered Accountant
AM SOEL 16891



Annual Financial Statements for the year ended 31 December 2010
Prepared in accordance to International Financial Reporting
Standards (IFRS)

SIDENOR STEEL PRODUCTS
MANUFACTURING COMPANY S.A.
S.A.Reg.No: 2310/06/B/86/20 2-4 Mesogheion Ave. Athens

D. Annual Financial Statements

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Statement of Financial Position

<i>Amounts in Euro</i>	Note	CONSOLIDATED DATA		COMPANY DATA	
		31/12/2010	31/12/2009	31/12/2010	31/12/2009
ASSETS					
Non-current assets					
Land & Buildings	6	250.920.881	259.877.583	55.893.866	57.652.581
Machinery	6	434.538.422	453.457.277	74.747.833	83.040.999
Other tangible assets	6	77.134.083	71.889.396	4.005.305	4.657.240
Intangible assets	6	671.876	661.701	30.004	54.536
Investments in associates	8	29.360.776	28.983.897	10.929.011	10.929.011
Investments in subsidiaries	9	-	-	212.338.804	210.089.260
Available for sale financial assets	10	1.683.592	1.485.009	1.553.562	1.354.368
Deferred tax assets	12	14.523	100.780	-	-
Other receivables	14	15.155.540	4.552.574	4.961.288	3.844.839
		809.479.693	821.008.217	364.459.673	371.622.834
Current Assets					
Inventories	13	277.280.210	278.674.913	60.151.508	68.409.489
Trade and other receivables	14	194.989.169	169.946.332	141.228.275	117.863.134
Tax receivables	14	8.262.378	8.409.872	7.743.370	7.742.617
Derivative financial instruments	16	506.951	788.549	-	-
Financial assets at fair value through profit or loss	11	7.337	7.337	-	-
Cash and cash equivalents	17	69.003.735	29.145.546	30.230.061	10.506.818
		550.049.780	486.972.550	239.353.214	204.522.058
Total Assets		1.359.529.473	1.307.980.767	603.812.887	576.144.892
EQUITY					
Capital and reserves attributable to equity holders					
Share capital	18	39.460.002	39.460.002	39.460.002	39.460.002
Share premium	18	120.406.136	120.406.136	120.406.136	120.406.136
Currency translation adjustments	20	-2.087.103	-3.132.400	-	-
Other reserves	20	105.252.350	105.511.985	59.148.585	59.187.445
Retained earnings		229.813.631	253.453.729	58.892.458	71.272.835
Total		492.845.016	515.699.453	277.907.181	290.326.418
Minority interest		107.647.864	111.110.803	-	-
Total Equity		600.492.880	626.810.256	277.907.181	290.326.418
LIABILITIES					
Non-current liabilities					
Borrowings	21	186.087.467	203.199.630	67.833.336	78.750.000
Derivative financial instruments	16	1.028.303	93.862	77.480	26.700
Deferred tax liabilities	12	60.121.235	67.393.900	14.300.172	18.291.324
Retirement benefit obligations	22	5.764.665	5.647.264	1.778.733	1.724.326
Government Grants	23	10.775.945	11.863.613	143.373	223.010
Provisions for other liabilities and charges	25	3.232.113	6.281.527	914.629	266.630
Other non-current liabilities	24	804.656	791.506	-	-
		267.814.384	295.271.302	85.047.724	99.281.990
Current liabilities					
Trade and other payables	24	171.715.535	125.638.376	106.821.558	124.612.653
Current tax liabilities		3.074.370	8.737.967	-	7.778.867
Borrowings	21	313.384.443	245.653.441	132.395.807	52.541.935
Other current liabilities	21	1.479.707	1.458.771	1.479.707	1.458.771
Derivative financial instruments	16	944.024	1.017.533	-	-
Retirement benefit obligations	22	355.152	199.683	160.910	144.258
Provisions for other liabilities and charges	25	268.978	3.193.441	-	-
		491.222.209	385.899.209	240.857.982	186.536.484
Total liabilities		759.036.593	681.170.511	325.905.706	285.818.474
Total equity and liabilities		1.359.529.473	1.307.980.767	603.812.887	576.144.892

The notes on pages 30 to 84 form an integral part of these annual financial statements.

Income Statement

<i>Amounts in Euro</i>	Note	CONSOLIDATED DATA		COMPANY DATA	
		12 months until 31/12/2010	12 months until 31/12/2009	12 months until 31/12/2010	12 months until 31/12/2009
Sales	5	993.418.032	937.994.023	253.867.213	210.705.519
Cost of sales	26	-891.973.223	-840.824.161	-232.381.323	-209.742.132
Gross profit		101.444.809	97.169.862	21.485.890	963.387
Selling expenses	26	-74.320.591	-94.030.888	-19.427.836	-18.725.094
Administrative expenses	26	-30.071.861	-31.102.373	-11.890.995	-12.650.823
Other operating income	30	7.117.269	6.760.484	12.055.878	12.171.500
Other operating expenses	30	-15.066.691	-15.623.341	-12.572.042	-11.886.514
Operating results		-10.897.065	-36.826.255	-10.349.105	-30.127.543
Financial Income	28	1.675.678	2.045.672	226.797	276.923
Financial Expenses	28	-21.699.554	-21.916.306	-6.838.151	-5.995.542
Dividend income	30	118.647	94.314	650.570	2.830.778
Profits/ (losses) from participations	30	-49.728	-154.465	-49.720	2.946
Profits /(losses) from subsidiaries	8	873.601	-2.078.133	-	-
Profits/(losses) before taxes		-29.978.420	-58.835.172	-16.359.608	-33.012.438
Income tax expense	29	3.504.515	-16.004.085	3.979.231	-6.513.467
Profits/(losses) after taxes		-26.473.905	-74.839.257	-12.380.377	-39.525.905
Attributable to:					
Equity holders of the company	36	-23.008.930	-71.324.684	-12.380.377	-39.525.905
Minority interest		-3.464.975	-3.514.573	-	-
		-26.473.905	-74.839.257	-12.380.377	-39.525.905
Earnings per share attributable to the equity holders of the Company during the year (expressed in Euro per share)					
Basic	36	(0,2391)	(0,7419)	(0,1286)	(0,4111)
Diluted	36	(0,2391)	(0,7416)	(0,1286)	(0,4110)

Statement of Comprehensive Income

	CONSOLIDATED DATA		COMPANY DATA	
	12 months until 31/12/2010	12 months until 31/12/2009	12 months until 31/12/2010	12 months until 31/12/2009
Profits/(losses) after taxes	-26.473.905	-74.839.257	-12.380.377	-39.525.905
Other Comprehensive Income after taxes				
Exchange differences translation of the financial statements from international business operations	1.236.988	-1.119.680	-	-
Profit / (loss) after tax from the change of the fair value of the cash flow hedging	-918.526	5.514.238	-38.859	-156.419
Comprehensive income after tax	318.461	4.394.557	-38.859	-156.419
Cumulative Comprehensive results after taxes	-26.155.444	-70.444.699	-12.419.236	-39.682.324
Attributable to:				
Equity holders of the company	-22.675.809	-68.041.764	-12.419.236	-39.682.324
Minority interest	-3.479.635	-2.402.935	-	-
	-26.155.444	-70.444.699	-12.419.236	-39.682.324

The subsidiary CORINTH PIPEWORKS S.A. has reclassified, for comparison purposes, foreign exchange differences relating to 2009, (figures are analyzed in the financial statements in Note. 42).

The notes on pages 30 to 84 form an integral part of these annual 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	328.717.858,38	-2.154.242	584.240.412	112.520.630	696.761.042
Cumulative Comprehensive earnings after taxes	-	4.261.078	-	-71.324.684	-978.158	-68.041.764	-2.402.935	-70.444.699
Total recognised net profit for the year	-	4.261.078	-	-71.324.684	-978.158	-68.041.764	-2.402.935	-70.444.699
Employee stock options	-	-	-	-	-	-	-	-
Income from share issue	-	-	-	-	-	-	-	-
Share Capital issuance / (decrease)	406.180	-	-	-	-	406.180	1.463.343	1.869.523
Increase - decrease participation percentage in subsidiary	-	-	-523	89.175	-908.181	-819.529	-444.154	-1.263.682
Transfer of reserves	-	-	2.945.417	-2.945.417	-	-	-	-
Dividend taxes	-	-	-	-85.847	-	-85.847	-26.737	-112.584
Dividend	-	-	-	-	-	-	656	-
	406.180	-523	3.034.592	-3.939.445	-	-499.195	993.108	493.914
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								
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	-	-712.177	-	-23.008.930	1.045.298	-22.675.809	-3.479.635	-26.155.444
Total recognised net profit for the year	-	-712.177	-	-23.008.930	1.045.298	-22.675.809	-3.479.635	-26.155.444
Share Capital Issuance / (decrease)	-	-	-	-	-	-	5.460	-
Increase - decrease participation percentage in subsidiary	-	-	-3.104	-175.523	-	-178.627	34.198	-144.429
Transfer of reserves	-	-	455.645	-455.645	-	-	-	-
Dividend	-	-	-	-	-	-	-22.962	-22.962
	-	-	452.542	-631.168	-	-178.627	16.696	-161.931
Balance as of 31 December 2010	159.866.138	-898.713	106.151.064	229.813.631	-2.087.103	492.845.016	107.647.864	600.492.880

The consolidated comprehensive earnings after taxes, for the years 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	-	-	-	-71.324.684	-	-71.324.684	-3.514.573	-74.839.257
Exchange differences from activities abroad	-	-	-	-	-978.158	-978.158	-141.522	-1.119.680
Profit / (Loss) after taxes from change in the fair value of cash flow hedging	-	4.261.078	-	-	-	4.261.078	1.253.159	5.514.238
1 Jan 2009 - 31 Dec 2009	-	4.261.078	-	-71.324.684	-978.158	-68.041.764	-2.402.935	-70.444.699
Profits/(losses) after taxes	-	-	-	-23.008.930	-	-23.008.930	-3.464.975	-26.473.905
Exchange differences from activities abroad	-	-	-	-	1.045.298	1,045.298	191.690	1.236.988
Profit / (Loss) after taxes from change in the fair value of cash flow hedging	-	-712.177	-	-	-	-712.177	-206.350	-918.526
1 Jan 2010 - 31 Dec 2010	-	-712.177	-	-23.008.930	1.045.298	-22.675.809	-3.479.635	-26.155.444

COMPANY DATA	Attributable to shareholders of the parent company			Results carried forward	Total Shareholders Equity
	Share Capital & Share Premium Reserves	Fair Value Reserve	Other reserves		
Balance as of 1 January 2009	159.459.958	136.394	56.333.539	113.672.671	329.602.561
Cumulative Comprehensive earnings after taxes	-	-156.419	-	-39.525.905	-39.682.324
Total recognised net profit for the year	-	-156.419	-	-39.525.905	-39.682.324
Income from share issue	406.180	-	-	-	406.180
Transfer of reserves	-	-	2.873.931	-2.873.931	-
	406.180	-	2.873.931	-2.873.931	406.180
Balance as of 31 December 2009	159.866.138	-20.025	59.207.470	71.272.835	290.326.418
Balance as of 1 January 2010					
Balance as of 1 January 2010	159.866.138	-20.025	59.207.470	71.272.835	290.326.418
Cumulative Comprehensive earnings after taxes	-	-38.859	-	-12.380.377	-12.419.236
Total recognised net profit for the year	-	-38.859	-	-12.380.377	-12.419.236
Balance as of 31 December 2010	159.866.138	-58.885	59.207.470	58.892.458	277.907.181

The notes on pages 30 to 84 form an integral part of these annual financial statements.

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

COMPANY DATA	Share Capital & Share Premium Reserve	Fair Value Reserve	Other reserves	Results carried forward	Total Share holders Equity
Profits/(losses) after taxes	-	-	-	-39.525.905	-39.525.905
Profit / (Loss) after taxes from change in the fair value of cash flow hedging	-	-156.419	-	-	-156.419
1 Jan 2009 - 31 Dec 2009	-	-156.419	-	-39.525.905	-39.682.324
Profits/(losses) after taxes	-	-	-	-12.380.377	-12.380.377
Profit / (Loss) after taxes from change in the fair value of cash flow hedging	-	-38.859	-	-	-38.859
1 Jan 2010 - 31 Dec 2010	-	-38.859	-	-12.380.377	-12.419.236

Statement of Cash Flows

	Note	CONSOLIDATED DATA		COMPANY DATA	
		1/1 to 31/12/2010	1/1 to 31/12/2009	1/1 to 31/12/2010	1/1 to 31/12/2009
<i>Amounts in Euro</i>					
Cash flows from operating activities					
Cash flows from operating activities	31	57.329.368	157.406.595	-32.126.428	97.162.610
Interest paid		-21.036.817	-25.019.541	-6.331.058	-7.929.194
Income tax paid		-9.916.957	-12.695.212	-7.778.856	-8.822.807
Net cash flows from operating activities		26.375.594	119.691.842	-46.236.343	80.410.609
Cash Flows from investing activities					
Purchase of property, plant and equipment	6	-41.857.834	-45.354.001	-2.169.176	-8.013.947
Purchase of intangible assets	6	-165.541	-35.492	-30.000	-
Sale of property, plant and equipment	6	2.057.929	2.497.424	1.300.399	1.129.022
Sale of participations	31	-	246.500	-	143.150
Dividends received		947.925	1.075.084	143.095	2.093.126
Available for sale financial assets increase		-200.192	-	-200.192	-
Sale of financial assets at fair value through results		-	46.949	-	-
Interest received		-	38.634	-	-
Increase - acquisition of participation in associates	8	-	-2.611.137	-	-1.846.019
Increase - acquisition of participation in subsidiaries		-22.260	-1.301.996	-2.326.544	-64.113.558
Return of subsidiary capital		1.610	-	77.997	58.279.106
Net Cash Flows from investing activities		-39.238.364	-45.398.035	-3.204.420	-12.329.121
Cash flow from financing activities					
Issue of common shares	18	-	406.180	-	406.180
Dividends distributed to shareholders of the parent company		-	-550	-	-550
Proceeds from borrowings		398.523.426	358.788.196	164.377.741	20.847.739
Repayment of borrowings		-347.903.827	-442.784.463	-95.440.533	-88.000.000
Repayment of finance lease obligations		-	-640	-	-
Dividends distributed to minority		-26.161	-202.832	-	-
Proceeds from Share Capital increase (minority stake)		5.460	1.463.343	-	-
Other		1.675.678	2.007.038	226.797	276.923
Net Cash flow from financing activities		52.274.576	-80.323.729	69.164.005	-66.469.707
Net (decrease) / increase in cash and cash equivalents		39.411.806	-6.029.922	19.723.242	1.611.782
Cash and cash equivalents at the beginning of the year	17	29.145.546	35.420.254	10.506.819	8.895.037
Foreign exchange differences in cash and cash equivalents		446.383	-244.787	-	-
Cash and cash equivalents at the end of the period		69.003.735	29.145.546	30.230.061	10.506.818

The subsidiary CORINTH PIPEWORKS S.A. has reclassified, for comparison purposes, foreign exchange differences relating to 2009, (figures are analyzed in the financial statements in Note. 42).

The notes on pages 30 to 84 form an integral part of these annual financial statements.

1 General Information

These current financial statements include the annual separate financial statements of SIDENOR STEEL PRODUCTS MANUFACTURING COMPANY S.A. (the Company”) and the annual consolidated financial statements of the Company and its subsidiaries (together the “Group”) that are subject to approval by the Company’s Annual General Meeting to take place on 14/6/2011.

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.

These financial statements have been approved for issue by the Board of Directors on March 28th, 2011.

2 Summary of significant accounting policies

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

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 financial year and subsequent years. The Group’s evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

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 revised 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 standards from 1 January 2010.

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. The Group applies the changes from January 1, 2010.

IFRIC 12 – Service Concession Arrangements (EU endorsed for annual 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 annual periods beginning on or after 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 annual periods beginning on or after 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” (EU endorsed for annual periods beginning on or after 1 July 2009)

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 annual periods beginning on or after 1 November 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 April 2009 of the results of the IASB's annual improvements project. The following amendments are effective for the current financial 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 periods beginning on or after 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 12 (Amendment) “Income Taxes” (effective for annual periods beginning on or after 1 January 2012)

The amendment to IAS 12 provides a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in IAS 40 “Investment Property”. Under IAS 12, the measurement of deferred tax depends on whether an entity expects to recover an asset through use or through sale. However, it is often difficult and subjective to determine the expected manner of recovery with respect to investment property measured at fair value in terms of IAS 40. To provide a practical approach in such cases, the amendments introduce a presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The presumption cannot be rebutted for freehold land that is an investment property, because land can only be recovered through sale. This amendment has not yet been endorsed by the EU.

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

This amendment attempts to reduce 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.

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 7 (Amendment) “Financial Instruments: Disclosures” – transfers of financial assets (effective for annual periods beginning on or after 1 July 2011)

This amendment sets out disclosure requirements for transferred financial assets not derecognised in their entirety as well as on transferred financial assets derecognised in their entirety but in which the reporting entity has continuing involvement. It also provides guidance on applying the disclosure requirements. This amendment has not yet been endorsed by the EU.

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.

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.

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. The amendments have not yet been endorsed by the EU.

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 financial statements have been prepared under 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 preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Group’s accounting policies. Moreover, it requires the use of calculations and assumptions affecting the aforementioned assets and liabilities’ amounts, the disclosure of contingent receivables and liabilities existing on the financial statements’ preparation date and of the aforementioned income and expense amounts during the reported year. Although these calculations are based on the best possible knowledge of management with respect to the current conditions and activities, the actual results can eventually differ from these estimates.

These annual financial statements have been prepared by the management in accordance with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (IASB), including the International Accounting Standards (“IAS”) and Interpretations issued by the International Financial Reporting Interpretations Committee, as adopted by the European Union (EU).

All IFRS issued by the IASB, which apply to the preparation of these financial statements have been adopted by the European Council following an approval process undertaken by European Commission (“EC”), except for specific provisions of IAS 39 “Financial Instruments: Recognition and Measurement” that relate to hedging of deposit portfolios.

As the Group is not impacted by the provisions regarding deposit portfolio hedging that are not required by the IAS 39 edition as adopted by the EU, these financial statements have been prepared in compliance with IFRS that have been adopted by the EU and IFRS that have been issued by the IASB.

2.3 Financial statements

(a) Subsidiary companies

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. 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 deconsolidated from the date that control ceases. Total income is proportionally attributed to the owners of the parent company and to other shareholders, even if the balance attributed to the later ones is in debit.

The group uses the acquisition method to treat business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

If participation rights on the acquiree already existed, they are valued at fair value on the date of acquisition and any profit or loss is recognized in the statement of comprehensive income. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income. Financial assets or financial liabilities resulting from arrangements of contingent exchange are valued at their fair value and changes in this value are recognized in of statement of comprehensive income.

The effect on results carried forward and minority rights due to changes in holding percentages are deemed as transactions between the Group's shareholders and, consequently, are recognised directly in Equity.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Company records its investments in subsidiary companies, in its corporate financial statements, at cost less devaluation.

(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 rights 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

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that is subject to risks and returns that are different from those of segments operating in other economic environments.

2.5 Foreign exchange conversions

(a) *Functional and presentation currency*

Items included in the financial statements of each of the Group's 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 Company's functional and presentation currency.

(b) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are 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). All resulting exchange differences are recognized as a separate component of equity.

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 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

Stocks 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 asset's 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 for suppliers are accounted for initially at fair value and later on are 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 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 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 accounting nor 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 provided on temporary differences arising on investments in subsidiaries, joint ventures 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 present 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 — wholesale*

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 where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's 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 asset's 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 Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

2.28 Roundings

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 Group's 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 Group's 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.

If, as at 31.12.2010, the EURO was appreciated/ depreciated by 10% compared to RUR, with other variables remaining fixed, the Group's net worth, as affected by the subsidiary CORINTH PIPEWORKS

S.A., would be increased/ decreased by EURO 2,519,000 and EURO 3,079,000 respectively.

If, as at 31/12/2010, USD was appreciated/ depreciated by 10% compared to the EURO, with the other variables remaining fixed, profit after taxes of the Group would be increased/ decreased by €4,297,041 (2009: decreased by €4,079,618) and €5,252,161 (2009: increased by € 4,986,200) respectively, mainly due to the currency losses/gains occurring from the conversion to EURO of the receivables, liabilities and cash and cash equivalents in USD. Net Assets would be respectively affected.

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 Group's 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).

If, as at 31/12/2010, interest rates were increased (decreased) by 0.25% / (-0.25%), the Group's profits before taxes effect would be (loss) / profit equal to (-€1,401 thousand) / €1,401 thousand. Under the same scenario, the company's profits before taxes effect would be (loss) / profit equal to (-€452 thousand) / €452 thousand. Group and company net assets would be affected proportionally.

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 table in note 15 analyses the financial instruments showing their fair value and based on the valuation method used.

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 Critical 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.

The present value of the defined benefits is calculated based on the appropriate discount rate (Bond index "iBoxx AA-rated Euro corporate bond 10+year"). Another fundamental assumption is related to the salaries' increase. The assumptions used are further illustrated in Note 22.

4.2 Critical judgments in applying the entity's accounting policies

By application of the provisions of IAS 2, according to which inventories are valued at the lower of the acquisition cost and the net realizable value, a depreciation of EUR (896) thousand for the Group and EUR (962) thousand for the parent company took place. The above amount burdened 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 year ended 31 December 2010 are as follows:

	Steel		
	Construction		
	Products	Pipes	Total
12 months ended 31 December 2010 (<i>Amounts in Euro</i>)			
Total gross sales per segment	1.054.198.363	166.755.710	1.220.954.073
Intra-company sales	-218.032.591	-9.503.450	-227.536.041
Net sales	836.165.772	157.252.260	993.418.032
Operating results	-13.881.520	2.984.455	-10.897.066
Financial income	1.629.024	46.655	1.675.678
Financial expenditures	-19.290.864	-2.408.690	-21.699.554
Participation income	118.647	-	118.647
Profits/losses of associates	-49.728	-	-49.728
Share results by subsidiaries	-972.078	1.845.679	873.601
Profits / (losses) before taxes	-32.446.519	2.468.098	-29.978.421
Income tax expense	7.911.710	-4.407.194	3.504.516
Net profits/(losses)	-24.534.810	-1.939.095	-26.473.905
	Steel		
	Construction		
	Products	Pipes	Total
31/12/2010 (<i>Amounts in Euro</i>)			
Assets (apart from investments in associates)	1.079.586.046	250.582.651	1.330.168.697
Investments in Associates	17.862.975	11.497.801	29.360.776
Total Assets	1.097.449.020	262.080.452	1.359.529.473
Total liabilities	655.127.545	103.909.047	759.036.592

Other items per segment included in the results for the year ended 31 December 2010

12 months ended 31 December 2010 (Amounts in Euro)	Steel		
	Construction Products	Pipes	Total
Depreciation of property, plant and equipment	48.645.500	12.125.368	60.770.868
Depreciation of intangible assets	146.663	6.383	153.046
Total depreciation	48.792.162	12.131.751	60.923.913
Impairment of receivables	-1.833.064	33.428	-1.799.636
Impairment of inventories	2.058.946	7.091.856	9.150.802
Investments in tangible, intangible assets and investments in fixed assets	40.971.516	1.051.859	42.023.375

The results per segment for the year ended 31 December 2009 are as follows:

12 months ended 31 December 2009 (Amounts in Euro)	Steel		
	Construction Products	Pipes	Total
Total gross sales per segment	828.786.538	296.402.312	1.125.188.850
Intra-company sales	-146.323.504	-40.871.322	-187.194.826
Net sales	682.463.034	255.530.989	937.994.023
Operating results	-66.029.702	29.203.445	-36.826.257
Financial income	1.966.254	1.332.666	3.298.920
Financial expenditures	-17.858.093	-5.311.459	-23.169.552
Participation income	91.742	2.572	94.314
Profits/losses of associates	-160.209	5.744	-154.465
Share results by subsidiaries	-3.927.342	1.849.209	-2.078.133
Profits / (losses) before taxes	-85.917.350	27.082.178	-58.835.172
Income tax expense	-8.145.069	-7.859.016	-16.004.085
Net profits/(loss)	-94.062.419	19.223.162	-74.839.257

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 year ended 31 December 2009

12 months ended 31 December 2009 (Amounts in Euro)	Steel		
	Construction Products	Pipes	Total
Depreciation of property, plant and equipment	46.889.330	11.875.347	58.764.677
Depreciation of intangible assets	221.693	102.829	324.522
Total depreciation	47.111.023	11.978.176	59.089.199
Impairment of receivables	2.119.057	42.041	2.161.098
Impairment of inventories	-3.020.946	-4.050.844	-7.071.790
Investments in tangible, intangible assets and investments in fixed assets	43.552.949	1.836.543	45.389.493

Pursuant to the provisions of IAS 2 according to which inventories are valued at the lower of the acquisition cost and the net realizable value, an impairment of inventories in the amount of €(896) thousand occurred for the Group. An amount of € (962) thousand relates to the steel sector and an amount of € (66) thousand relates to the pipes sector.

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

Services to and from the segments, as well as sales/purchases of goods, are conducted in accordance with prevailing market conditions. There are no special rules of payment for amounts due and no interest is charged.

Secondary Reporting Format – Geographical Segment

<i>Amounts in Euro</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Sales				
Greece	280.960.215	353.772.614	112.256.276	108.368.427
European Union	472.062.994	344.322.813	79.533.921	57.703.944
Other European countries	122.765.186	61.403.088	46.568.138	38.393.281
Asia	20.073.510	42.929.859	142.458	11.057
America	50.524.893	82.117.625	9.827.937	723.721
Africa	47.031.234	53.448.025	5.538.483	5.505.089
Total	993.418.032	937.994.023	253.867.213	210.705.519
Analysis of sales per category				
<i>Amounts in Euro</i>	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Sales of merchandise & products	1.150.655.444	1.066.569.228	231.905.442	194.540.391
Income from services	49.354.119	44.242.269	15.214.776	11.770.853
Other	21.801.009	14.377.353	6.746.994	4.394.276
Intra-company	-228.392.541	-187.194.826	-	-
Total	993.418.032	937.994.023	253.867.213	210.705.519
Total assets other than Associates	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Greece	1.005.004.413	997.366.677	592.883.876	565.215.881
Abroad	325.164.284	281.630.193	-	-
Total	1.330.168.697	1.278.996.869	592.883.876	565.215.881
Investments in Associates				
Greece	12.598.973	14.097.743	7.694.659	5.858.895
Abroad	16.761.804	14.886.155	3.234.352	5.070.117
Total	29.360.777	28.983.897	10.929.011	10.929.011
Total Assets	1.359.529.473	1.307.980.767	603.812.887	576.144.892
Investments in property, plant and equipment and intangible assets	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Greece	25.846.750	25.862.092	2.199.176	8.013.947
Abroad	16.176.625	19.527.400	-	-
Total	42.023.375	45.389.493	2.199.176	8.013.947

6 Property, plant and equipment and intangible assets

Property, plant and equipment

CONSOLIDATED DATA							
<i>Amounts in Euro</i>	Land	Buildings	Machinery	Vehicles	Furniture & fittings	Assets under construction	Total
Cost							
Balance as at January 1st 2009	91.214.126	218.274.152	663.458.939	6.282.032	15.305.674	62.365.718	1.056.900.641
Foreign exchange differences	-147.145	-26.991	-30.169	-2.302	-9.030	-60.484	-276.121
Additions	1.762.413	1.644.710	15.919.376	344.474	687.913	24.995.114	45.354.001
Sales	-843.963	-	-457.368	-225.582	-26.201	-	-1.553.114
Write-offs	-	-	-52.222	-65.773	-13.607	-25.000	-156.602
Impairment	-	-	-	-	-	-78.966	-78.966
Spare part consumption	-	-	-1.079.410	-	-	-89.227	-1.168.636
Reclassifications	-	4.146.157	15.522.499	-	226.010	-19.894.665	-
Balance as at December 31st 2009	91.985.432	224.038.028	693.281.645	6.332.849	16.170.758	67.212.491	1.099.021.203
Accumulated depreciation							
Balance as at January 1st 2009	-	-45.500.909	-193.684.844	-4.016.591	-12.716.826	-	-255.919.170
Foreign exchange differences	-	-588	-1.083	-54	5.353	-	3.628
Depreciation for the year	-	-10.644.380	-46.737.220	-407.847	-975.230	-	-58.764.677
Sales	-	-	42.344	207.030	13.261	-	262.634
Write-offs	-	-	37.230	53.479	13.338	-	104.047
Impairment	-	-	3.040	-90.585	87.970	-	425
Spare part consumption	-	-	516.165	-	-	-	516.165
Balance as at December 31st 2009	-	-56.145.876	-239.824.368	-4.254.569	-13.572.134	-	-313.796.947
Net book value as at December 31st 2009	91.985.432	167.892.152	453.457.277	2.078.281	2.598.624	67.212.491	785.224.256

<i>Amounts in Euro</i>	Land	Buildings	Machinery	Vehicles	Furniture & fittings	Assets under construction	Total
Cost							
Balance as at January 1st 2010	91.985.432	224.038.028	693.281.645	6.332.849	16.170.758	67.212.491	1.099.021.203
Foreign exchange differences	-21.880	-128.799	-163.244	-1.666	7.333	-51.761	-360.017
Additions	49.526	1.509.415	13.790.451	78.183	913.224	25.537.035	41.877.834
Sales	-	-	-2.256.818	-90.977	-159.094	-	-2.506.890
Write-offs	-	-	-	-	-11.713	-	-11.713
Adjustments	-	-	-	-	-	-362.201	-362.201
Transfer to current assets	-	-42.878	-	-	-	-837.738	-880.616
Spare part consumption	-	-	-1.085.900	-	-	-	-1.085.900
Reclassifications	-	606.237	18.004.369	520	-77.045	-18.554.082	-20.000
Sales of Subsidiaries	-	-	-	-	-5.292	-	-5.292
Balance as at December 31st 2010	92.013.077	225.982.003	721.570.504	6.318.909	16.838.171	72.943.743	1.135.666.407
Accumulated depreciation							
Balance as at January 1st 2010	-	-56.145.876	-239.824.368	-4.254.569	-13.572.134	-	-313.796.947
Currency exchange differences	-	8.512	21.648	312	-6.573	-	23.899
Depreciation for the year	-	-10.937.179	-48.489.677	-419.986	-924.026	-	-60.770.868
Sales	-	-	870.692	56.185	110.070	-	1.036.946
Write-offs	-	-	-	-	11.791	-	11.791
Adjustments	-	-7.073	-150.862	-	237	-	-157.697
Transfer to current assets	-	9.402	-	-	-	-	9.402
Spare part consumption	-	-	566.262	-	-	-	566.262
Reclassifications	-	-1.986	-25.776	90.078	-62.316	-	-
Sales of Subsidiaries	-	-	-	-	4.191	-	4.191
Balance as at December 31st 2010	-	-67.074.200	-287.032.082	-4.527.979	-14.438.761	-	-373.073.021
Net book value as of December 31st 2010	92.013.077	158.907.803	434.538.422	1.790.930	2.399.410	72.943.743	762.593.386

COMPANY DATA

<i>Amounts in Euro</i>	Land	Buildings	Machinery	Vehicles	Furniture & fittings	Assets under construction	Total
Cost							
Balance as at January 1st 2009	31.108.358	36.149.060	123.850.950	615.549	6.531.168	4.261.828	202.516.913
Additions	-	19.651	5.290.795	5.500	139.849	2.558.152	8.013.947
Sales	-403.758	-	-	-118.177	-10.493	-	-532.428
Write-offs	-	-	-1.170	-2.013	-7.572	-	-10.754
Spare part consumption	-	-	-299.259	-	-	-	-299.259
Reclassifications	-	44.844	2.555.966	-	-	-2.600.810	-
Balance as at December 31st 2009	30.704.600	36.213.556	131.397.282	500.859	6.652.952	4.219.170	209.688.418
Accumulated depreciation							
Balance as at January 1st 2009	-	-7.538.184	-39.926.643	-590.738	-5.978.954	-	-54.034.519
Depreciation for the year	-	-1.727.390	-8.573.587	-7.842	-268.408	-	-10.577.227
Sales	-	-	-	118.177	2.438	-	120.616
Write-offs	-	-	185	2.013	7.572	-	9.769,27
Spare part consumption	-	-	143.762	-	-	-	143.762,37
Balance as at December 31st 2009	-	-9.265.574	-48.356.283	-478.389	-6.237.352	-	-64.337.599
Net book value as at December 31st 2009	30.704.600	26.947.981	83.040.999	22.470	415.600	4.219.170	145.350.820
Cost							
Balance as at January 1st 2010	30.704.600	36.213.556	131.397.282	500.859	6.652.952	4.219.170	209.688.418
Additions	-	3.640	1.640.076	-	213.730	331.730	2.189.176
Sales	-	-	-1.263.137	-21.064	-110.286	-	-1.394.487
Transfer to current assets	-	-42.878	-	-	-	-837.738	-880.616
Spare part consumption	-	-	-224.912	-	-	-	-224.912
Reclassifications	-	-	80.576	-	-	-100.576	-20.000
Balance as at December 31st 2010	30.704.600	36.174.317	131.629.884	479.795	6.756.396	3.612.586	209.357.579
Accumulated depreciation							
Balance as at January 1st 2010	-	-9.265.574	-48.356.283	-478.389	-6.237.352	-	-64.337.599
Depreciation for the year	-	-1.728.879	-8.646.315	-7.572	-240.396	-	-10.623.162
Sales	-	-	-	21.064	99.175	-	120.238
Transfer to account "Buildings on third parties land"	-	9.402	-	-	-	-	9.402
Spare part consumption	-	-	120.545	-	-	-	120.545
Balance as at December 31st 2010	-	-10.985.052	-56.882.052	-464.898	-6.378.574	-	-74.710.575
Net book value as of December 31st 2010	30.704.600	25.189.266	74.747.833	14.898	377.822	3.612.586	134.647.004

Mortgages and underwriting in favor of banks amounting to a total of €128,200 thousand for loans of €34,240 thousand in the current balance sheet are outstanding on the fixed assets of subsidiary companies.

The income statement includes rents amounting to a total of €3,242 thousand (2009: €2,853 thousand) and €975 thousand (2009: €749 thousand) for the Group and the Company respectively, with regard to lease of vehicles, machinery and buildings (note 26).

Machinery and vehicles included in the above held under finance leases:

Machinery

<i>Amounts in Euro</i>	CONSOLIDATED DATA	
	31/12/2010	31/12/2009
Cost – Capitalised financial leases	9.069.380	9.069.380
Accumulated depreciation	-5.313.053	-4.763.346
Net book value	3.756.327	4.306.034

Vehicles

<i>Amounts in Euro</i>	CONSOLIDATED DATA	
	31/12/2010	31/12/2009
Cost – Capitalised financial leases	377.318	377.318
Accumulated depreciation	-294.281	-347.135
Net book value	83.037	30.183

Intangible assets

CONSOLIDATED DATA

<i>Amounts in Euro</i>	Development			
	Expenses	Software	Other	Total
Cost				
Balance as at January 1st 2009	355.093	1.344.133	449.328	2.148.554
Foreign exchange differences	-	-187	-421	-607
Additions	19.151	1.304	15.037	35.492
Balance as at December 31st 2009	374.244	1.345.250	463.944	2.183.438
Accumulated depreciation				
Balance as at January 1st 2009	-257.849	-939.160	1	-1.197.008
Foreign exchange differences	-	-86	-121	-207
Depreciation	-102.829	-205.589	-16.104	-324.522
Balance as at December 31st 2009	-360.678	-1.144.836	-16.223	-1.521.737
Net book value as at December 31st 2009	13.566	200.414	447.721	661.701
<i>Amounts in Euro</i>				
Cost				
Balance as at January 1st 2010	374.244	1.345.250	463.944	2.183.438
Foreign exchange differences	-	-988	-2.632	-3.620
Additions	-	62.491	83.050	145.541
Reclassifications	-	20.000	-	20.000
Balance as at December 31st 2010	374.244	1.426.753	544.362	2.345.359
Accumulated depreciation				
Balance as at January 1st 2010	-360.678	-1.144.836	-16.223	-1.521.737
Foreign exchange differences	-	603	697	1.300
Depreciation	-6.383	-117.452	-29.211	-153.046
Balance as at December 31st 2010	-367.061	-1.261.684	-44.737	-1.673.483
Net book value as of December 31st 2010	7.183	165.069	499.624	671.876

COMPANY DATA

<i>Amounts in Euro</i>	Software	Total
Cost		
Balance as at January 1st 2009	<u>315.943</u>	<u>315.943</u>
Balance as at December 31st 2009	<u>315.943</u>	<u>315.943</u>
Accumulated depreciation		
Balance as at January 1st 2009	<u>-206.871</u>	<u>-206.871</u>
Depreciation for the year	-54.536	-54.536
Balance as at December 31st 2009	<u>-261.407</u>	<u>-261.407</u>
Net book value as at December 31st 2009	<u>54.536</u>	<u>54.536</u>
<i>Amounts in Euro</i>	Software	Total
Cost		
Balance as at January 1st 2010	315.943	315.943
Προσθήκες	10.000	10.000
Reclassifications	<u>20.000</u>	<u>20.000</u>
Balance as at December 31st 2010	<u>345.943</u>	<u>345.943</u>
Accumulated depreciation		
Balance as at January 1st 2010	<u>-261.407</u>	<u>-261.407</u>
Depreciation for the year	-54.532	-54.532
Balance as at December 31st 2010	<u>-315.939</u>	<u>-315.939</u>
Net book value as of December 31st 2010	<u>30.004</u>	<u>30.004</u>

7 Non-Current Assets Available for Sale

The Group has no non-current assets available for sale.

8 Investments in associates

<i>Amounts in Euro</i>	<u>31/12/2010</u>	<u>31/12/2009</u>	<u>31/12/2010</u>	<u>31/12/2009</u>
Beginning of the year	28.983.897	30.584.715	10.929.011	9.082.992
Share in profit / (loss) after tax	873.601	-2.078.133	-	-
Income from dividends (-)	-1.419.242	-1.473.943	-	-
Foreign exchange differences	922.519	-659.879	-	-
Additions	-	2.611.137	-	1.846.019
Balance at the year end	29.360.776	28.983.897	10.929.011	10.929.011

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

Company	Country	Participation Rate	
		31-Dec-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			
	31-Dec-10	31-Dec-09	31-Dec-09
Assets	254.309.160	238.060.345	-
Liabilities	177.713.227	157.770.813	-
Revenues (Sales)	190.036.130	-	179.747.439
Profit/ (loss) after tax	-1.523.307	-	-11.211.845

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

9 Investments in subsidiaries

<i>Amounts in Euro</i>	COMPANY DATA	
	31/12/2010	31/12/2009
Beginning of the year	210.089.260	203.318.871
Additions	2.326.544	65.189.295
Sales	-	-139.800
Reductions	-77.000	-58.279.106
Balance at the period end	212.338.804	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	98,45%	0,40%	98,85%	Steel Construction Products
AEIFOROS S.A.	Greece	90,00%	0,00%	90,00%	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.VI.PE.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 SVILOSIA EOOD	Bulgaria	0,00%	73,09%	73,09%	Steel Construction Products
SIDEBALK STEEL DOO	Serbia	100,00%	0,00%	100,00%	Steel Construction Products
JOSTDEX LTD	Cyprus	94,00%	0,00%	94,00%	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
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.VI.PE.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 SVILOSIA 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 this period, the parent company participated in the formation of JOSTDEX Ltd with a 94% contribution, by paying the amount of € 86 thousand.

Additionally a share capital increase for the 100% subsidiary companies SIDEROM STEEL SRL and SIDEBALK STEEL DOO, was completed for €2,000,000 and €90,000 respectively.

On 31/8/2010 the merger of its subsidiaries companies "ERLIKON SA" and "ETAL SA" was completed, which was realized through the absorption of the latter by the former pursuant to the provisions of Law 2166/1993 and Law 2190/1920. December 31, 2009 was determined as the date for the transition balance sheet accounts. Also a share capital increase for € 110 thousand was completed.

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

10 Financial assets available for sale

<i>Amounts in Euro</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
<u>Listed Securities</u>				
- Domestic participations	5.150	5.150	5.150	5.150
<u>Non-Listed securities</u>				
-Domestic participations	259.332	259.332	129.303	129.303
-Foreign participations	1.419.109	1.220.527	1.419.109	1.219.914
	1.683.592	1.485.009	1.553.562	1.354.368
Balance as at beginning of the year	1.485.009	1.485.009	1.354.368	1.354.368
Additions	200.192	-	200.192	-
Decrease due to capitalized losses	-1.610	-	-997	-
Balance as at year end	1.683.592	1.485.009	1.553.562	1.354.368
Non-Current Assets	1.683.592	1.485.009	1.553.562	1.354.368
	1.683.592	1.485.009	1.553.562	1.354.368

Unlisted securities are valued at their acquisition cost net of any impairment losses. Such financial assets are regularly assessed for impairment.

11 Financial Assets at Fair Value through Profit or Loss

Financial assets at fair value through profit or loss include the following:

Amounts in Euro

	<u>CONSOLIDATED</u>		<u>COMPANY DATA</u>	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Balance as at beginning of the year	7.337	48.537	-	-
Sales	-	-46.949	-	-
Fair value adjustment, increase/ (decrease)	-	5.749	-	-
Balance as at year end	7.337	7.337	-	-
Current assets	7.337	7.337	-	-
	7.337	7.337	-	-

Financial assets at fair value through profit or loss include the following:

	<u>CONSOLIDATED</u>		<u>COMPANY DATA</u>	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
<u>Non-Listed securities</u>				
- Domestic participations	7.337	7.337	-	-
	7.337	7.337	-	-
Fair value profit/ (loss) of other financial assets at fair value through profit or loss	-	5.749	-	-

12 Deferred Income Tax

<i>Amounts in Euro</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Deferred tax assets:				
Recoverable after 12 months	14.523	100.780	-	-
Total	14.523	100.780	-	-
Deferred tax liabilities:				
Recoverable after 12 months	-60.121.235	-67.393.900	-14.300.172	-18.291.324
Total	-60.121.235	-67.393.900	-14.300.172	-18.291.324
Net deferred tax (liability)/ asset	-60.106.712	-67.293.120	-14.300.172	-18.291.324

The total change in deferred income tax is as follows:

<i>Amounts in Euro</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Balance at beginning of fiscal year	-67.293.122	-58.353.649	-18.291.324	-19.608.853
Foreign exchange differences	7.806	-4.892	-	-
Income statement (debit)/ credit	6.954.598	-7.096.501	3.979.231	1.265.389
Tax (debited)/ credited to equity	224.004	-1.838.079	11.920	52.140
Balance at end of fiscal year	-60.106.713	-67.293.122	-14.300.173	-18.291.324

The movements in deferred tax assets and liabilities prior to offsetting are as follows:

CONSOLIDATED DATA	Depreciation difference	Difference in provisions	Non recognizable intangible assets	Tax losses	Other	Total
Balance as at January 1st 2009	-72.562.698	2.240.274	856.804	8.847.097	2.264.874	-58.353.649
Foreign exchange differences	-	-4.715	-	-177	-	-4.892
(Debit)/credit to income statement	482.508	1.340.273	-108.596	-7.675.102	-1.135.584	-7.096.501
(Debit)/ credit to Equity	-	-	-	-	-1.838.079	-1.838.079
Balance as at December 31st 2009	-72.080.190	3.575.832	748.209	1.171.817	-708.789	-67.293.120
Balance as at January 1st 2010	-72.080.190	3.575.832	748.209	1.171.817	-708.789	-67.293.121
Foreign exchange differences	-	8.746	-	-940	-	7.806
(Debit)/credit to income statement	9.506.724	-1.488.330	-97.731	-1.116.338	150.271	6.954.598
(Debit)/ credit to Equity	-	-	-	-	224.004	224.004
Balance as at December 31st 2010	-62.573.466	2.096.249	650.478	54.540	-334.514	-60.106.713
Deferred tax liabilities:						
COMPANY DATA	Depreciation difference	Difference in provisions	Non recognizable intangible assets	Tax losses	Other	Total
<i>Deferred tax liabilities:</i>						
Balance as at January 1st 2009	-19.665.692	96.570	-18.814	-	-20.916	-19.608.853
(Debit)/credit to income statement	1.128.355	13.640	6.272	-	117.123	1.265.389
(Debit)/ credit to Equity	-	-	-	-	52.140	52.140
Balance as at December 31st 2009	-18.537.337	110.210	-12.542	-	148.346	-18.291.324
Balance as at January 1st 2010	-18.537.337	110.210	-12.542	-	148.346	-18.291.324
(Debit)/credit to income statement	3.340.458	754.710	12.542	-	-128.479	3.979.231
(Debit)/ credit to Equity	-	-	-	-	11.920	11.920
Balance as at December 31st 2010	-15.196.880	864.920	-	-	31.788	-14.300.172

Deferred tax is determined using tax rates that are expected to apply when the deferred income tax asset is realised or liability is settled.

According to the Law 3842/2010, there has been a recalculation of the deferred tax, from previous years, which has created a deferred tax receivable of € 7.462 thousand for the Group and € 2.387 thousand for the Company.

The income tax rate applicable to companies transacting in Greece is 24%.

For the companies transacting in Cyprus, Bulgaria, Former Yugoslavic Republic of Macedonia, Albania and Serbia, the applicable tax rate is 10%.

Lastly, for the company transacting in Romania, the tax rate is 16%.

During FY 2009, the subsidiary CORINTH PIPEWORKS's Management re-estimated the possibility of offsetting tax losses carried forward with future tax gains and did not recognised deferred tax asset for the transfer of a portion of the tax losses amounting € 4,399 thousand.

The deferred tax recognized in the net position relates to deferred tax arising from the change in the fair value of corresponding derivatives designated as cash flow hedge instruments.

13 Inventories

<i>Amounts in Euro</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Merchandise	11.022.140	7.731.616	3.905.448	3.288.993
Finished products	101.754.533	113.924.130	29.355.258	36.697.334
Semi-finished products	46.347.916	51.584.292	7.583.404	6.768.742
By-products & residues	2.679.697	1.723.399	1.228.353	953.435
Work in progress	299.134	522.767	-	-
Raw materials-consumables-spare parts & packaging materials	114.897.313	112.035.571	18.903.632	19.733.617
Advance payments for purchase of inventories	1.175.536	1.199.998	137.413	967.368
Total	278.176.267	288.721.772	61.113.508	68.409.489
Minus: Provisions for inventory impairment:				
Finished products	-896.057	-10.046.859	-962.000	-
	-896.057	-10.046.859	-962.000	-
Total net realizable value	277.280.210	278.674.914	60.151.508	68.409.489

Cost of inventories recorded as an expense in the cost of sales amounts to €662,259 thousand (2009: €613,663) and €181,482 thousand (2009: €157,511 thousand) for the Group and the Company respectively.

By application of the provisions of IAS 2, according to which inventories are valued at the lower of the acquisition cost and the net realizable value, a depreciation of EUR (896) thousand for the Group and EUR (962) thousand for the parent company took place. The above amount burdened the results of the period.

The value of inventory impairment of the parent company amounted to €962 thousand and the subsidiary company CORINTH PIPEWORKS S.A. reversed the 31.12.2009 provision for a value of €66 thousand.

14 Trade & Other Receivables

Current Assets <i>Amounts in Euro</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Trade Receivables	105.004.619	108.481.763	47.759.348	39.955.359
Minus: Impairment provisions	-1.445.119	-1.261.511	-999.517	-960.403
Net Trade Receivables	103.559.500	107.220.252	46.759.831	38.994.956
Other Advances	191.988	120.511	64.204	34.106
Notes receivable	10.679.493	10.815.828	8.373.157	8.493.742
Receivables from related parties	38.842.580	28.622.109	83.069.420	61.789.151
Income tax receivables	8.262.378	8.409.872	7.743.370	7.742.617
Receivables from other affiliates	2.264	-	-	-
Current tax receivables	10.116.777	11.183.808	37.448	4.428.153
Other Debtors	28.611.490	12.971.776	5.606.292	5.344.218
Other current receivables concerning financial institution	5.835.300	-	-	-
Receivables from related parties dividends	760.282	-	-	-
Income tax prepayment	201.541	1.208.066	-	-
Minus: Impairment provisions	-3.812.045	-2.196.018	-2.682.077	-1.221.191
Total	203.251.548	178.356.204	148.971.645	125.605.751
Non-current assets				
Non-current trade receivables	18.627.586	-	-	-
Minus: Provisions	-9.497.740	-	-	-
Non-current receivables from related parties	647.116	-	2.213.629	2.213.629
Buildings on third parties land	2.272.576	-	1.430.068	-
Other non-current receivables	3.106.002	4.552.574	1.317.591	1.631.210
Total	15.155.540	4.552.574	4.961.288	3.844.839
Total Receivables	218.407.087	182.908.778	153.932.933	129.450.591
Receivables	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Guarantees to secure receivables from Customers	46.166.265	7.578.574	2.169.500	2.136.802
Other receivables	1.681.342	1.796.933	1.534.130	883.346
Total	47.847.608	9.375.507	3.703.630	3.020.147
Trade receivables (only for overdue receivables – there have not been made provisions for bad debt)	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Maturities				
Trade receivables				
0-3 months	10.611.098	9.357.977	55.476	-
3-6 months	763.168	19.080.027	509.452	891.589
>6 months	9.263.679	12.079.745	6.174.749	9.075.132
Total	20.637.946	40.517.749	6.739.677	9.966.720
Provisions for bad debts				
Beginning of year	-3.457.530	-5.618.628,14	-2.181.594	-4.248.552
Plus the year	-11.428.331	-231.711,04	-1.500.000	-105.000
Provision for impairment	136.749	2.389.906,44	-	2.171.958
Provision use	-5.794	2.903	-	-
End of year	-14.754.906	-3.457.530	-3.681.594	-2.181.594
Trade customers and other receivables (per currency)				
EURO	165.368.535	126.905.936	153.509.515	128.564.872
USD	17.816.045	32.389.291	64.801	247.782
BGL	25.591.206	16.273.733	-	-
DINAR	1.679.803	1.647.630	-	-
POUND STERLING	1.886.755	1.421.727	342.821	637.937
ROL	3.315.395	3.709.598	-	-
AED	13.001	934	-	-
ALL	2.501.196	559.928	-	-
OTHER	235.151	-	15.796	-
Total	218.407.087	182.908.778	153.932.933	129.450.591

During FY 2010 the subsidiary CORINTH PIPEWORKS S.A. proceeded to an impairment of a delayed trade receivable amounting to € 18,627,586 (\$ 24,864,102). A series of legal and non legal measures are taken in Greece and abroad in order to ensure the prompt collection of due amount. Based on the all the data collected, management expects that the potential loss will not exceed the impaired amount of EUR € 9,497,740.

Due to the estimation that collection of the aforementioned receivable will not take place within the next 12

months, the company discounted the non impaired portion of the receivable amounting to €9,313,793 , with a rate of 1.58% for 15 months. The discounting cost amounting to €183,947, is recognized in the distribution expenses and is included in the provision for impairment of trade receivables.

The subsidiary company has relative collateral for the total amount of the above mentioned receivables.

The non-current receivables from buildings on third parties land, worth € 2.273 thousand for the Group and € 1.430 for the Company, are related to the undepreciated part of expenses regarding improvements made in Company's buildings installations and are on operational lease. Because of these improvements, the Company's is charged with reduced lease. The expenses in question are amortized according to the length of the lease, which will cease at 01/07/2021, and are recognized in the statement of profit and loss as leasing fees.

With the ratification of the Implementation Act of the Regulatory Plan for the Industrial Region of Thisvi-Viotia No. 5931/28-9-2006 and the relevant decision taken by the General Secretary of the Region of Central Greece, the subsidiary company, DIA.VI.PE.THI.V S.A. (an organization of the Industrial Region of Thisvi-Viotia) acquired a total area of 195,000 m² and 281,000 additional m² to cover common needs of the companies/ users of the industrial area. The said areas have come from a respective concession of land from the companies located thereat. In the context of the above, SIDENOR S.A. has conceded an area of land of 192,271m² with a value of EURO 2,213,629, which has been recorded as a long-term receivable from DIAVIPETHIV S.A., given that, pursuant to Law no. 2545/97 (article 5), the said area shall be returned to the owners, if the designation of the organization is removed. CORINTH PIPERWORKS S.A. has also conceded an area of 145,471m² of 3,603,023 EUR in value.

The other non-current receivables relate to guarantees given to third parties in the normal course of business and have an indefinite maturity date. The Group and the Company estimate that the remaining amounts receivable approximate to their fair values.

Trade receivables of the subsidiary CORINTH PIPEWORKS S.A., which have expired more than 6 months and have impaired, amounted to €18,434 thousand.

Financial instruments per Category

CONSOLIDATED DATA

Balances as at 31/12/2010

Amounts in Euro

Assets	Loans and Receivables	Assets at fair value through results	Derivatives for hedging	Available for sale	Total
Non-current financial assets available for sale	-	-	-	1.683.592	1.683.592
Trade and other receivables	178.137.305	-	-	-	178.137.305
Cash and cash equivalents	69.003.735	-	-	-	69.003.735
Current Derivative Financial Instruments	-	-	506.951	-	506.951
Current financial assets at fair value through profit or loss	-	7.337	-	-	7.337
Total	247.141.041	7.337	506.951	1.683.592	249.338.920

CONSOLIDATED DATA

Balances as at 31/12/2009

Amounts in Euros

Assets	Loans and Receivables	Assets at fair value through results	Derivatives for hedging	Available for sale	Total
Non-current financial assets available for sale	-	-	-	1.485.009	1.485.009
Trade and other receivables	158.977.503	-	-	-	158.977.503
Cash and cash equivalents	29.145.546	-	-	-	29.145.546
Current Derivative Financial Instruments	-	-	788.549	-	788.549
Current financial assets at fair value through profit or loss	-	7.337	-	-	7.337
Total	188.123.049	7.337	788.549	1.485.009	190.403.944

COMPANY DATA
Balances as at 31/12/2010
Amounts in Euro

Assets	Loans and Receivables	Available for sale	Total
Non-current financial assets available for sale	-	1.553.562	1.553.562
Trade and other receivables	141.990.619	-	141.990.619
Cash and cash equivalents	30.230.061	-	30.230.061
Total	172.220.679	1.553.562	173.774.242

COMPANY DATA
Balances as at 31/12/2009
Amounts in Euro

Assets	Loans and Receivables	Available for sale	Total
Non-current financial assets available for sale	-	1.354.368	1.354.368
Trade and other receivables	119.893.461	-	119.893.461
Cash and cash equivalents	10.506.818	-	10.506.818
Total	130.400.279	1.354.368	131.754.647

15 Fair value estimation

As of January 1st 2009, the Group applies the revised IFRS 7 regarding the presentation of financial data in financial position statements at fair value.

The following table breaks down the financial instruments presented at fair value based on the valuation method.

The various levels have been fixed as follows:

Level 1: Based on quoted prices in active organized markets

Level 2: Based on price inputs, other than quoted prices in organized markets falling under level 1, in which inputs are used directly (as prices) or indirectly (derived from prices).

Level 3: Inputs not based on observable organized market data (unobservable inputs)

Amounts in Euro

		CONSOLIDATED DATA								
		31/12/2010				31/12/2009				
Note		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
	Financial assets available for sale	10	5.150	1.678.442	-	1.683.592	5.150	1.479.859	-	1.485.009
	Financial assets at fair value	11	-	-	7.337	7.337	-	-	7.337	7.337
	Derivative financial assets	16	-	506.951	-	506.951	-	788.549	-	788.549
			5.150	2.185.393	7.337	2.197.880	5.150	2.268.408	7.337	2.280.895
	Derivative financial liabilities	16	-	-1.972.327	-	-1.972.327	-	-1.111.395	-	-1.111.395
			-	-1.972.327	-	-1.972.327	-	-1.111.395	-	-1.111.395

Amounts in Euro

		COMPANY DATA								
		31/12/2010				31/12/2009				
Note		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
	Financial assets available for sale	10	5.150	1.548.412	-	1.553.562	5.150	1.349.218	-	1.354.368
			5.150	1.548.412	-	1.553.562	5.150	1.349.218	-	1.354.368
	Derivative financial liabilities for cash flow hedging	16	-	-77.480	-	-77.480	-	-26.700	-	-26.700
			-	-77.480	-	-77.480	-	-26.700	-	-26.700

16 Derivative Financial Instruments

	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
<i>Amounts in Euro</i>				
Current assets				
Forward foreign exchange contracts for cash flow hedging	506.951	788.549	-	-
Total	506.951	788.549	-	-
Long term liabilities				
Interest rate swaps for cash flow hedging	291.003	93.862	77.480	26.700
Forward foreign exchange contracts for cash flow hedging	737.300	-	-	-
Total	1.028.303	93.862	77.480	26.700
Short term liabilities				
Forward foreign exchange contracts for cash flow hedging	944.024	1.017.533	-	-
Total	944.024	1.017.533	-	-
Amounts recorded in the results as income or (expense)	-4.388.515	-4.320.941	-	-
Forward foreign exchange contracts for cash flow hedging				
	CONSOLIDATED DATA 31/12/2010		CONSOLIDATED DATA 31/12/2009	
	<1 year	1 - 2 years	<1 year	1 - 2 years
Inflows	18.648.310	12.088.142	18.028.553	-
Outflows	-18.568.159	-12.491.045	-17.582.852	-
Total	80.151	-402.903	445.701	-
Details of interest rate swaps				
	31/12/2010	31/12/2009	31/12/2010	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 forwards (in USD)	75.647.393	53.530.585	-	-
Nominal value of forwards (in GBP)	619.000	173.521	-	-

The derivative financial asset rating based on the FITCH credit rating is as follows:

3. Derivative financial assets	CONSOLIDATED DATA		COMPANY DATA	
	Balance as at 31.12.10		Balance as at 31.12.10	
	Interest Rate Swaps	Currency Forwards	Interest Rate Swaps	Currency Forwards
BB+	-	506.951	-	-
Total	-	506.951	-	-

The above derivative financial instruments cover foreign exchange market risks (US Dollars) as well as interest rate fluctuation risks.

Profits and losses relating to forward foreign exchange contracts recognized in equity (hedging reserve) on 31/12/2010 will be recognized in profit or loss during the next financial year.

Foreign exchange forwards

The nominal value of outstanding foreign exchange forward contracts of the subsidiary CORINTH PIPEWORKS S.A., as of 31/12/2010, was USD 75,647,393 and GBP 619,000 compared to USD 53,530,585 and GBP 173,521 as of 31/12/2009. Profits and losses recognized in Equity (cash flow hedging reserve) from foreign exchange forward contracts, as of 31/12/2010, will be recognized in the income statement on various dates within the 12 months from the Balance Sheet date.

17 Cash & Cash Equivalents

<i>Amounts in Euro</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Cash in hand and in banks	38.137	66.078	16.367	15.663
Short-term bank deposits	68.965.599	29.079.467	30.213.694	10.491.155
Total	69.003.735	29.145.546	30.230.061	10.506.818

Cash rating based on FITCH credit rating is as follows:

	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
AAA	167.171	-	79.924	-
AA+	1.584.461	-	-	-
AA	34.552	426.053	4.860	13.682
AA-	62.702	-	22.277	-
A+	1.641.084	2.868.430	8.226	15.366
A	-	154.418	-	15.266
BBB+	43.209	25.490.247	10.657	10.442.366
BBB	14.164	16.021	-	4.476
BBB-	15.136	124.298	3.630	-
BB+	65.403.121	-	30.084.119	-
Total	68.965.599	29.079.467	30.213.694	10.491.155

18 Share Capital

<i>Amounts in Euro</i>	CONSOLIDATED DATA			
	Number of shares	Common shares	Share premium	Total
1 January 2009	96.129.491	39.413.091	120.046.867	159.459.958
Issuance of new shares / (decrease)	114.417	46.911	359.269	406.180
31 December 2009	96.243.908	39.460.002	120.406.136	159.866.138
31 December 2010	96.243.908	39.460.002	120.406.136	159.866.138

<i>Amounts in Euro</i>	COMPANY DATA			
	Number of shares	Common shares	Share premium	Total
1 January 2009	96.129.491	39.413.091	120.046.867	159.459.958
Issuance of new shares / (decrease)	114.417	46.911	359.269	406.180
31 December 2009	96.243.908	39.460.002	120.406.136	159.866.138
31 December 2010	96.243.908	39.460.002	120.406.136	159.866.138

19 Share Option Plan

The annual general meeting of the Company's shareholders on 26.06.2002 approved a stock option plan (the "Plan") relating to the offering of SIDENOR S.A. shares to the management and employees of the Company (and its associates). The Plan provided for the number of shares that will potentially be issued if all share options granted are exercised.

Every year, beginning in November 2002, the Company's Board of Directors has granted share purchase options which are assigned in a percentage of 10% per year, with the first year in which options may be

exercised being 2006. The share options are granted to directors, key management and other executive employees. The options are cancelled if the beneficiary's employment with the Company or the Group is terminated before these are vested or exercised.

The precise number of share options granted to each beneficiary is fixed by a decision of the Company's Board of Directors, based on the beneficiary's position and performance.

Exercise period: The options may exercised during November, following a written notification by the beneficiary to the Company, and simultaneous payment of the exercise price.

Total consideration is paid in full at the exercise of the options.

No vested options were exercised during 2010. An analysis of the share options is presented below:

Amounts in Euro

Year	Share Options provided for by the Plan		Options Exercised	Options to be exercised	Exercise Price	SCI	Share capital	Share Premium
	Options Vested	Options Vested	Exercised	exercised				
2006	901.900	521.400	500.207	-	3,55	1.775.735	205.085	1.570.650
2007	401.693	76.100	122.658	-	3,55	435.436	50.290	385.146
2008	279.035	76.100	-	50.735	3,55	-	-	-
2009	279.035	76.100	114.417	76.100	3,55	406.180	46.911	359.269
2010	164.618	76.100	-	76.100	3,55	-	-	-
2011	164.618	76.100	-	76.100	3,55	-	-	-
		901.900	737.282	279.035		2.617.351	302.286	2.315.065

20 Other Reserves

CONSOLIDATED DATA

<i>Amounts in Euro</i>	Statutory reserve	Fair Value Reserve	Untaxed reserves	Other reserves	Total	Currency exchange difference consolidation for foreign subsidiaries	Total
	Balance as of January 1st 2009	19.339.742	-4.447.093	80.553.889	2.770.273	98.216.837	-2.154.242
Currency translation differences	-	-	-	-	-	-978.158	-978.158
Transfer of reserves	2.945.417	-	-	-	2.945.417	-	2.945.417
Percentage increase of equity participation in subsidiaries	20.435	-523	68.382	358	88.653	-	88.653
Other	-	4.261.078	-	-	4.261.078	-	4.261.078
Balance as of December 31st 2009	22.305.595	-186.537	80.622.271	2.770.630	105.511.985	-3.132.400	102.379.585
Balance as of January 1st 2010	22.305.595	-186.537	80.622.271	2.770.630	105.511.985	-3.132.400	102.379.585
Currency translation differences	-	-	-	-	-	1.045.298	1.045.298
Transfer of reserves	437.980	-	-	-	437.980	-	437.980
Capitalization	8.726	-	-	-	8.726	-	8.726
Reserves distributed	8.939	-	-	-	8.939	-	8.939
Percentage increase / (decrease) of equity participation in subsidiaries	-113	-	-2.935	-	-3.104	-	-3.104
Other	-	-712.177	-	-	-712.177	-	-712.177
Balance as of December 31st 2010	22.761.127	-898.714	80.619.337	2.770.630	105.252.350	-2.087.103	103.165.248

COMPANY DATA

<i>Amounts in Euro</i>	Statutory reserve	Fair Value Reserve	Untaxed reserves	Other reserves	Total
Balance as of January 1st 2009	11.637.572	136.394	44.550.406	145.561	56.469.933
Transfer of reserves	2.873.931	-	-	-	2.873.931
Other	-	-156.419	-	-	-156.419
Balance as of December 31st 2009	14.511.503	-20.025	44.550.406	145.561	59.187.445
Balance as of January 1st 2010	14.511.503	-20.025	44.550.406	145.561	59.187.445
Other	-	-38.859	-	-	-38.859
Balance as of December 31st 2010	14.511.503	-58.885	44.550.406	145.561	59.148.585

Based on Greek tax legislation, tax-free reserves are exempted from income tax, provided that they are not distributed to the shareholders. The Group does not intend to distribute the tax-free reserves; therefore income tax that would arise if the tax-free reserves were distributed has not been estimated.

The amount from the currency differences for the consolidation of foreign enterprises, includes €122 thousand from subsidiary companies and €923 thousand from affiliated companies.

21 Borrowings

<i>Amounts in Euro</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Long term borrowings				
Bank loans	74.754.131	59.949.630	-	-
Bond Loans	111.333.336	143.250.000	67.833.336	78.750.000
Total long term borrowings	186.087.467	203.199.630	67.833.336	78.750.000
Current Borrowings				
Credit limits bank accounts	44.576.572	38.520.350	14.895.809	1.291.935
Bank loans	268.807.872	207.133.091	117.499.998	51.250.000
Total current borrowings	313.384.443	245.653.441	132.395.807	52.541.935
Total borrowings	499.471.911	448.853.070	200.229.143	131.291.935
Total Cash and Cash Equivalents	69.003.735	29.145.546	30.230.061	10.506.818
Net Debt	430.468.175	419.707.525	169.999.083	120.785.118

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

<i>Amounts in Euro</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Between 1 and 2 years	97.669.373	102.349.049	49.666.664	51.250.000
Between 2 and 5 years	88.418.094	100.850.581	18.166.672	27.500.000
	186.087.467	203.199.630	67.833.336	78.750.000

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

	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Bank loans (long-term)	2,67%	2,91%	-	-
Bank loans (short-term)	5,32%	3,85%	4,25%	3,26%
Bond Loans	2,88%	2,18%	3,91%	2,38%

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

<i>Amounts in Euro</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Up to 1 year	313.384.443	245.654.081	132.395.807	52.541.935
Between 1 and 2 years	97.669.373	102.349.049	49.666.664	51.250.000
Between 2 and 5 years	88.418.094	100.849.941	18.166.672	27.500.000
Total	499.471.911	448.853.070	200.229.143	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	74.760.362	-	-
Bond Loans	143.250.000	111.333.336	78.750.000	67.833.336
Total	203.415.246	186.093.698	78.750.000	67.833.336

	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Total borrowings (per currency)				
Euro	469.636.424	390.625.761	199.779.794	130.000.494
USD	290	-	290	-
GBP	449.060	1.291.441	449.060	1.291.441
BGL	29.386.137	56.935.868	-	-
Total	499.471.911	448.853.070	200.229.143	131.291.935

The exposure of the Group's loans to interest rate changes and contractual reset dates are as follows:

Repayment dates	31/12/2010	31/12/2009	31/12/2010	31/12/2009
< 6 months	60.595.778	58.199.096	20.916.666	16.250.000
6 to 12 months	56.598.906	43.219.097	38.333.332	25.000.000
1-5 years	185.629.823	190.883.311	67.833.336	78.750.000
Contractual reset dates	31/12/2010	31/12/2009	31/12/2010	31/12/2009
< 6 months	107.051.895	172.051.022	51.666.668	51.250.000
6 to 12 months	195.772.612	120.250.483	75.416.666	68.750.000

In the Ordinary General Meeting of the parent company dated 26/06/08, an issue of €60 mil was decided, of which the €50 mil have already been received.

In addition, the subsidiary SOVEL S.A., following the respective resolution of the Extraordinary Shareholders Meeting dated 19/1/2010, proceeded on 3/3/2010 to the issue of a common bond loan amounting Euro 10 million 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.

22 Employee Retirement Obligations

	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
<i>Amounts in Euro</i>				
Balance sheet liabilities for:				
Retirement benefits	6.119.817	5.846.947	1.939.643	1.868.584
<i>Amounts in Euros</i>				
Income statement charge				
Retirement benefits	1.369.364	1.382.343	283.433	333.790
Present value of unfunded obligations	6.162.092	6.511.724	2.229.918	2.450.647
Unrecognized actuarial (gains)/losses	147.247	-445.102	-257.933	-547.338
Unrecognised past service cost	-189.522	-219.675	-32.342	-34.725
	6.119.817	5.846.947	1.939.643	1.868.584
Balance sheet liability	6.119.817	5.846.947	1.939.643	1.868.584
Changes in the net liability recognised in the Balance Sheet				
Net liability at the beginning of the year	5.846.947	5.505.631	1.868.584	1.770.262
Benefits Paid	-1.096.494	-1.041.027	-212.374	-235.468
Total expenditure recognized in the income statement	1.369.364	1.382.343	283.433	333.790
Net liability at end of year	6.119.817	5.846.947	1.939.643	1.868.584
Additional expenses or (income)	154.769	55.069	32.342	34.725
Actuarial loss or (gains)	-147.247	596.277	257.933	547.338
Present value of liability at end of year	6.127.339	6.498.293	2.229.918	2.450.647
Analysis of expenses recognized in the income statement				
Current service	649.836	635.369	222.845	207.150
Interest cost	321.627	341.412	116.095	116.986
Cost of additional benefits	71.447	125.882	-42.723	22.890
Arrangement costs from employee transfers	346.469	297.110	-	-
Cutback profit from employee transfers	-36	-3.791	-	-
Actuarial loss or (gains)	-9.313	-8.364	-15.167	-15.619
Expenses	-28.065	-22.673	-	-
Past Service Cost during the year	17.399	17.399	2.383	2.383
Total expenditure recognized in the income statement	1.369.364	1.382.343	283.433	333.790
The main actuarial assumptions used for accounting purposes are the following:				
Discount interest rate	4,7% - 6,0%	7,0% - 5,0%	4,7%	5,0%
Future salary increases	2,0% - 4,5%	4,5% - 3,5%	3,5%	3,5%

23 Government Grants

	CONSOLIDATED		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
<i>Amounts in Euro</i>				
Balance at beginning of year	11.863.613	12.957.405	223.010	302.647
Amortization of grants	-1.087.668	-1.093.792	-79.637	-79.637
Balance at end of year	10.775.945	11.863.613	143.373	223.010

Government grants relate to investments in property, plant and equipment.

24 Trade & Other Payables

<i>Amounts in Euro</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Trade payables	122.691.132	86.155.475	22.348.946	21.036.514
Notes Payable	85.656	297.860	-	-
Customer prepayments	23.641.575	7.916.628	14.878.062	3.398.582
Social security funds	3.103.908	3.177.698	678.554	724.038
Amounts owed to related parties	11.791.115	9.860.561	65.538.894	96.515.752
Liabilities to other associated companies	10.461	-	-	-
Dividends payable	27.390	27.390	27.390	27.390
Minority portion on dividends	1.671	11.157	-	-
Sundry creditors	2.974.086	3.920.541	1.003.032	713.235
Deferred income	29.000	33.155	22.300	22.150
Accrued expenses	5.397.091	10.758.398	1.557.695	1.365.555
Other accruals and deferred income	636.798	744.374	287.979	363.221
Other taxes and duties	1.996.431	3.392.766	478.706	446.217
Other current liabilities concerning financial institution	1.479.707	1.458.771	1.479.707	1.458.771
Other liabilities	133.877	133.877	-	-
Total	173.999.899	127.888.652	108.301.265	126.071.424
Long term liabilities	804.656	791.506	-	-
Short term liabilities	173.195.242	127.097.146	108.301.265	126.071.424
Total liabilities	173.999.898	127.888.652	108.301.265	126.071.424

Financial Instruments

Financial instruments

CONSOLIDATED DATA

31/12/2010

Liabilities	<1 year	1 - 2 years	2-5 years
Borrowings	313.385.202	101.531.545	90.220.108
Trade and other creditors	145.257.984	-	-
Derivatives	532.007	382.937	-
Other current liabilities concerning financial institution	1.479.707	-	-
Total	460.654.900	101.914.482	90.220.108

31/12/2009

Liabilities	<1 year	1 - 2 years	2-5 years
Borrowings	240.711.047	105.856.231	118.510.547
Trade and other creditors	111.942.789	-	-
Derivatives	829.942	1.017.533	-
Financial Leasing	1.458.771	-	-
Total	354.942.549	106.873.764	118.510.547

COMPANY DATA

31/12/2010

Liabilities	<1 year	1 - 2 years	2-5 years
Borrowings	132.395.807	51.668.152	19.198.600
Trade and other creditors	90.786.236	-	-
Other current liabilities concerning financial institution	1.479.707	-	-
Total	224.661.750	51.668.152	19.198.600

31/12/2009

Liabilities	<1 year	1 - 2 years	2-5 years
Borrowings	52.541.935	52.525.582	27.848.146
Trade and other creditors	121.502.587	-	-
Other current liabilities concerning financial institution	1.458.771	-	-
Total	175.503.293	52.525.582	27.848.146

Financial Instruments per category
CONSOLIDATED DATA
Balances as at 31/12/2010
Amounts in Euro

Liabilities	Derivatives for hedging	Other financial liabilities	Total
Long term loans	-	186.087.467	186.087.467
Long term Derivatives	1.028.303	-	1.028.303
Short term loans	-	313.384.443	313.384.443
Other current liabilities concerning financial institution	-	1.479.707	1.479.707
Trade and other creditors	-	145.257.984	145.257.984
Short term Derivatives	944.024	-	944.024
Total	1.972.327	646.209.601	648.181.928

Balances as at 31/12/2009
Amounts in Euro

Liabilities	Derivatives for hedging	Other financial liabilities	Total
Long term loans	-	203.199.630	203.199.630
Long term Derivatives	93.862	-	93.862
Short term loans	-	245.653.441	245.653.441
Other current liabilities concerning financial institution	-	1.458.771	1.458.771
Trade and other creditors	-	111.942.789	111.942.789
Short term Derivatives	1.017.533	-	1.017.533
Total	1.111.395	562.254.630	563.366.025

COMPANY DATA
Balances as at 31/12/2010
Amounts in Euro

Liabilities	Other financial liabilities	Total
Long term loans	67.833.336	67.833.336
Long term Derivatives	77.480	77.480
Short term loans	132.395.807	132.395.807
Other current liabilities concerning financial institution	1.479.707	1.479.707
Trade and other creditors	90.786.236	90.786.236
Total	292.572.566	292.572.566

Balances as at 31/12/2009
Amounts in Euros

Liabilities	Other financial liabilities	Total
Long term loans	78.750.000	78.750.000
Long term Derivatives	26.700	26.700
Short term loans	52.541.935	52.541.935
Other current liabilities concerning financial institution	1.458.771	1.458.771
Trade and other creditors	121.502.587	121.502.587
Total	254.279.993	254.279.993

25 Provisions

Long-term Provisions

CONSOLIDATED DATA

<i>Amounts in Euro</i>	Pending court cases	Compensation to customers	Other provisions	Total
January 1st 2009	561.375	2.709.447	1.225.015	4.495.838
Additional provisions for the fiscal year	41.622	1.768.947	212.765	2.023.334
Transfer to short term provisions	-	1.917.864	-	1.917.864
Reclassifications	246.760	-	-246.760	-
Used provisions for the fiscal year	-248.329	-1.713.318	-193.863	-2.155.510
December 31st 2009	601.429	4.682.940	997.157	6.281.527
Additional provisions for the fiscal year	16.574	1.089.821	723.457	1.829.852
Transfer to short term provisions	-	2.040.111	-	2.040.111
Reversal of unused provisions	-111.638	-6.150.000	-	-6.261.638
Used provisions for the fiscal year	-376.920	-24.585	-256.233	-657.739
December 31st 2010	129.445	1.638.288	1.464.381	3.232.113

COMPANY DATA

<i>Amounts in Euro</i>	Other provisions	Total
January 1st 2009	266.629	266.629
December 31st 2009	266.629	266.629
Additional provisions for the fiscal year	648.000	648.000
December 31st 2010	914.629	914.629

Short-Term provisions

CONSOLIDATED DATA

<i>Amounts in Euro</i>	Pending court cases	Compensation to customers	Other provisions	Total
January 1st 2009	2.242.866	-	389.191	2.632.057
Additional provisions for the fiscal year	295.000	2.665.717	45.781	3.006.498
Transfer from non-current provisions	-1.917.864	-	-	-1.917.864
Reversal of unused provisions	-255.000	-	-	-255.000
Reallocation at beginning	117.422	-	-117.422	-
Used provisions for the fiscal year	-160.000	-	-112.251	-272.251
December 31st 2009	322.424	2.665.717	205.300	3.193.441
Additional provisions for the fiscal year	-	-	55.155	55.155
Transfer from non-current provisions	-	-2.040.111	-	-2.040.111
Reversal of unused provisions	-151.435	-	-109.520	-260.955
Used provisions for the fiscal year	-12.364	-625.606	-40.582	-678.552
December 31st 2010	158.625	-	110.353	268.978

Pending litigations

The amount of the said provision is based on estimations of the Group's Legal Department. The additional provisions have been recognised as Administration Expenses of the statement of comprehensive income, while reversal of provisions as other income. The remaining provision is expected to be used within the next year. The Management of the Company considers that the formed provision is sufficient and no additional burden is expected to arise.

Indemnification to counterparties

The provision that has been formed refers to losses that may arise as a result of the Company's contractual obligations. The provision was estimated based on historical figures and statistics for the settlement of similar cases in the past. The additional provisions of the balance year are recognised in the "distribution expenses".

The subsidiary CORINTH PIPEWORKS S.A. reassessed the amount of provisions against potential liabilities and based on IAS 37, proceeded with a reduction of Eur 6.150.000 for the following reasons:

- a) There was a considerable improvement in the company's operations on multiple levels (production, logistics etc.) so that in the last 5 years, there was no any major claim related to contractual obligations.
- b) The amount, the geographical breakdown and the nature of the current contractual obligations do not require provisions beyond the formed amount.

Moreover, based on the principle of conservatism, the Group evaluates periodically the nature of the contractual obligations and proceeds with adjustments when required. The reverse of the said amount (Eur 6.150.000) has decreased distribution expenses.

26 Expenses per category

CONSOLIDATED DATA 31/12/2010

<i>Amounts in Euro</i>	Note	Cost of sales	Distribution expenses	Administrative expenses	Total
Employee Benefits	27	-44.355.882	-8.280.119	-11.906.012	-64.542.014
Cost of inventories recognised as an expense		-662.258.715	-761.689	-84.913	-663.105.317
Energy		-81.232.967	-195.880	-83.142	-81.511.989
Depreciation		-52.418.899	-1.303.999	-1.669.142	-55.392.040
Insurance Cost		-1.622.939	-3.849.367	-175.975	-5.648.281
Rents		-1.287.624	-585.015	-1.369.841	-3.242.480
Transportation		-3.377.658	-39.839.423	-284.200	-43.501.280
Third Parties Expenses		-38.617.596	-10.444.812	-10.273.036	-59.335.444
Provisions		-	3.743.272	-150.000	3.593.272
Other Expenses		-6.800.942	-3.305.818	-4.075.602	-14.182.362
Interests		-	-9.497.740	-	-9.497.740
Total		-891.973.223	-74.320.591	-30.071.861	-996.365.675

31/12/2009

<i>Amounts in Euro</i>	Note	Cost of sales	Distribution expenses	Administrative expenses	Total
Employee Benefits	27	-47.013.961	-8.706.154	-12.828.833	-68.548.948
Cost of inventories recognised as an expense		-613.663.077	-784.798	-1.728.148	-616.176.023
Energy		-73.960.327	-224.876	-78.066	-74.263.269
Depreciation		-52.300.402	-1.181.495	-2.005.311	-55.487.209
Insurance Cost		-1.624.615	-3.903.632	-227.597	-5.755.844
Rents		-866.596	-980.399	-1.005.612	-2.852.607
Transportation		-3.178.429	-43.591.073	-268.176	-47.037.678
Third Parties Expenses		-42.578.042	-13.737.869	-9.275.953	-65.591.864
Provisions		-7.785	-4.323.951	-295.000	-4.626.736
Other Expenses		-5.630.926	-16.596.207	-3.389.677	-25.616.810
Interests		-	-434	-	-434
Total		-840.824.161	-94.030.888	-31.102.373	-965.957.422

COMPANY DATA
31/12/2010

<i>Amounts in Euro</i>	Note	Cost of sales	Distribution expenses	Administrative expenses	Total
Employee Benefits	27	-7.233.866	-3.152.639	-4.900.234	-15.286.739
Cost of inventories recognised as an expense		-181.481.945	-89.819	-1.136	-181.572.900
Energy		-13.259.955	-	-	-13.259.955
Depreciation		-9.398.840	-126.710	-656.823	-10.182.373
Insurance Cost		-335.637	-1.393.304	-42.257	-1.771.198
Rents		-82.599	-208.111	-684.691	-975.402
Transportation		-516.537	-6.814.456	-97.952	-7.428.945
Third Parties Expenses		-19.699.258	-4.850.862	-4.015.548	-28.565.668
Provisions		-	-1.500.000	-	-1.500.000
Other Expenses		-372.686	-1.291.935	-1.492.354	-3.156.974
Total		-232.381.323	-19.427.836	-11.890.995	-263.700.154

31/12/2009

<i>Amounts in Euro</i>	Note	Cost of sales	Distribution expenses	Administrative expenses	Total
Employee Benefits	27	-7.549.520	-3.453.344	-5.416.144	-16.419.007
Cost of inventories recognised as an expense		-157.510.989	-76.238	-8.006	-157.595.233
Energy		-13.191.021	-	-	-13.191.021
Depreciation		-9.341.240	-104.200	-680.934	-10.126.374
Insurance Cost		-359.187	-1.165.503	-42.763	-1.567.453
Rents		-87.073	-211.205	-450.489	-748.767
Transportation		-536.935	-7.542.786	-113.900	-8.193.622
Third Parties Expenses		-20.548.310	-5.134.187	-4.632.473	-30.314.970
Provisions		-	-105.000	-	-105.000
Other Expenses		-617.857	-932.631	-1.306.114	-2.856.601
Total		-209.742.132	-18.725.094	-12.650.823	-241.118.049

The analysis of depreciation for Group and Company operations is as follows:

Depreciation	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Cost of sales	-52.418.899	-52.300.402	-9.398.840	-9.341.240
Selling expenses	-1.303.999	-1.181.495	-126.710	-104.200
Administrative expenses	-1.669.142	-2.005.311	-656.823	-680.934
Other Expenses	-5.531.872	-3.601.990	-495.322	-505.389
Total	-60.923.911	-59.089.199	-10.677.694	-10.631.763

The subsidiary CORINTH PIPEWORKS S.A. has reclassified, for comparison purposes, foreign exchange differences relating to 2009, (figures are analyzed in the financial statements in Note. 42).

27 Employee Benefit Expense

<i>Amounts in Euro</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Wages & salaries	51.956.488	55.208.917	13.422.779	15.129.307
Social security expenses	14.534.745	15.805.874	3.041.177	3.135.442
Cost of defined benefit Pension Plans	1.369.364	1.382.343	283.433	333.790
Other employee benefits	-	327.000	-	-
Total	67.860.597	72.724.134	16.747.389	18.598.539

Other employee benefits are analyzed as follows:

	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Other employee benefits				
To employees		250.000	-	-
Profits to BoD	-	77.000	-	-

The analysis of the above expenses for Group and Company operations is as follows:

Cost of sales	-44.355.882	-47.013.961	-7.233.866	-7.549.520
Selling expenses	-8.280.119	-8.706.154	-3.152.639	-3.453.344
Administrative expenses	-11.906.012	-12.828.833	-4.900.234	-5.416.144
Other Expenses	-3.318.583	-4.175.186	-1.460.650	-2.179.532
Total	-67.860.597	-72.724.134	-16.747.389	-18.598.539

28 Finance cost

<i>Amounts in Euro</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Income				
Interest income	320.414	806.752	129.731	171.289
Foreign exchange differences	1.257.213	1.123.468	-	-
Other	98.052	115.453	97.067	105.634
Total Income	1.675.678	2.045.672	226.797	276.923
Expenses				
Interest and related expenses	-18.048.268	-17.945.736	-6.818.958	-5.967.265
Promissory Notes	-39.937	-857.503	-	-
Finance leases	-636	-3.152	-	-
Foreign exchange differences	-1.385.432	-1.099.808	-19.193	-28.277
Other	-2.225.281	-2.010.107	-	-
Total Expenses	-21.699.554	-21.916.306	-6.838.151	-5.995.542

The subsidiary CORINTH PIPEWORKS S.A. has reclassified, for comparison purposes, foreign exchange differences relating to 2009, (figures are analyzed in the financial statements in Note. 42).

29 Income tax

<i>Amounts in Euro</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Current tax	-3.450.082	-8.907.584	-	-7.778.856,00
Deferred tax	6.954.598	-7.096.501	3.979.231,34	1.265.389,12
Total	3.504.516	-16.004.085	3.979.231	-6.513.467
Accounting profit before taxes	-29.978.421	-58.835.172	-16.359.608	-33.012.438
Applicable tax	7.194.821	14.708.793	3.926.306	8.253.109
Impact of permanent tax differences	-3.168.849	-17.922.014	-208.451	-118.758
Impact of previous years' tax loss offset against profits of the year	-3.405.015	-198.871	-1.806.812	-6.909.293
Tax-exempt income	-201.961	157.662	-	150.365
Impact of difference of income tax rate & deferred tax on temporary differences	-178.389	186.494	-318.507	-110.034
Plus previous years' tax audit adjustments	-261.327	-295.176	-	-
Income tax withheld from foreign dividends of previous years	44.709	91.077	-	-
Impact of differences of the year excl. income tax calculation	-	-18.207	-	-
Deferred tax receivable from tax losses of previous years not initially recognized	-1.169.915	-7.743.445	-	-
Impact on the deferred tax due to tax rate decrease in Greece	7.462.222	-	2.386.696	-
Supplementary tax	-3.030	-7.570	-	-7.778.856
Extraordinary contribution as per L. 3808/2009	-2.656.732	-8.315.794	-	-
Tax collection from sale of subsidiary recognized as expense in the previous years	-	730.473	-	-
Impact on the tax of the year from different income tax rate applicable to foreign subsidiaries	-152.018	2.622.492	-	-
Total income tax	3.504.516	-16.004.085	3.979.231	-6.513.467

According to N.3842/2010, for the fiscal years 2010-2014, tax rates will decrease by one unit per use, on any undistributed profits, i.e. from 24% to 20%, and for the distributed profits the tax will be 40%.

For the companies transacting in Cyprus, Bulgaria, Former Yugoslavic Republic of Macedonia, Albania and Serbia, the applicable tax rate is 10%.

Lastly, for the company transacting in Romania, the tax rate is 16%.

Pursuant to Law no. 3845/2010, an extraordinary social responsibility contribution on the profits for 2009 has been calculated. The amount burdening tax expenses and shareholders' equity of the Group amounts to € 2,657 thousand. The extraordinary contribution will be paid in installments during 2011.

According to the Law 3808/2009, the income tax of the previous year was charged with the Extraordinary Social Contribution Tax amounting to € 7,779 thousand for the company and € 8,316 thousand for the Group. The Extraordinary Social Contribution Tax was paid during the fiscal year of 2010.

Taxable (expenses)/ income relating to other total incomes are broken down as follows:

	CONSOLIDATED DATA					
	31/12/2010			31/12/2009		
	Before taxes	Tax (debit)/ credit	After taxes	Before taxes	Tax (debit)/ credit	After taxes
Currency exchange differences of foreign companies	1.236.988	-	1.236.988	-1.492.907	373.227	-1.119.680
Profit / (Loss) after taxes from change in the fair value of cash flow hedging	-694.522	224.004	-918.526	7.352.317	-1.838.079	5.514.238
	COMPANY DATA					
	31/12/2010			31/12/2009		
	Before taxes	Tax (debit)/ credit	After taxes	Before taxes	Tax (debit)/ credit	After taxes
Profit / (Loss) after taxes from change in the fair value of cash flow hedging	-50.779	11.920	-38.859	-208.559	52.140	-156.419

30 Other Operating income (expenses)

<i>Amounts in Euro</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Other income				
Subsidies for the year	17.074	227.670	3.935	59.576
Income from other activities	2.324.565	2.110.526	11.908.580	10.524.950
Depreciation of grants	1.042.101	1.042.359	79.637	79.637
Foreign exchange differences	2.664.496	797.250	-	738.367
Consultancy fees	9.000	7.000	-	-
Other Income	449.008	1.363.959	37.575	51.761
Total other income	6.506.243	5.548.764	12.029.727	11.454.292
Other Expenses				
Production Expenses not Costed	-3.844.430	-3.897.327	-	-
Impairment of fixed asset	-	-78.967	-	-
Foreign exchange differences	-	-211.308	-	-
Other Expenses	-11.199.221	-11.430.963	-12.572.041	-11.886.514
Total	-15.043.651	-15.618.565	-12.572.041	-11.886.514
Profits from sale of fixed assets	611.026	1.211.720	26.152	717.209
Losses from sale of fixed assets	-23.040	-4.776	-1	-
Other operating income - expenses (net)	-7.949.422	-8.862.856	-516.164	284.987
Dividend income	118.647	94.314	650.570	2.830.778
Profit / Loss from related companies				
Profits from related companies	1.514.346	1.578.338	-	-
Losses from related companies	-640.744	-3.656.470	-	-
Total	873.601	-2.078.133	-	-
Income from participating interests	118.647	94.314	650.570	2.830.778
Earnings from sale of participating interests	-	9.094	-	3.350
Profits from capitalized losses of subsidiary	1.514.346	1.578.338	-	-
Expenses associated with participating interests	-49.728	-404	-49.720	-404
Losses from sale of participating interests	-	-168.904	-	-
Losses from capitalized losses of subsidiary	-640.744	-3.656.470	-	-
Valuation differences in participating interests & securities	-	5.749	-	-
Total	942.520	-2.138.284	600.850	2.833.724

31 Operating Cash Flows

<i>Amounts in Euro</i>	Note	CONSOLIDATED DATA		COMPANY DATA	
		1/1 to 31/12/2010	1/1 to 31/12/2009	1/1 to 31/12/2010	1/1 to 31/12/2009
Profit for the Period		-26.473.905	-74.839.257	-12.380.377	-39.525.905
Adjustments for:					
Income tax	29	-3.504.516	16.004.085	-3.979.231	6.513.467
Depreciation of tangible fixed assets	6	60.770.867	58.764.677	10.623.162	10.577.227
Depreciation of intangible assets	6	153.046	324.522	54.532	54.536
Impairment	13	896.057	10.046.859	962.000	-
(Profits)/losses from the sale of tangible assets	6	-587.986	-1.206.945	-26.151	-717.209
(Profit) / loss from sale of participating interests		-	160.215	-	-3.350
Profit/ (loss) from financial assets at fair value through profit or loss		-	-5.749	-	-
Interest (income)	28	-1.675.678	-2.045.672	-226.797	-276.923
Interest expenses	28	21.699.554	21.916.306	6.838.151	5.995.542
Dividend (income)	30	-118.647	-94.314	-650.570	-2.830.778
Amortisation of grants	23	-1.087.668	-1.093.792	-79.637	-79.637
(Profit) / losses from the acquisition of a affiliated companies	6	-873.601	2.078.133	-	-
Loss from fixed asset destruction	6	-78	52.555	-	985
(Profit) / losses from subsidiary liquidation (minus cash and cash equivalents)		-170.310	-	-	-
Fixed asset impairment	6	-	78.966	-	-
Impairment of receivables from customers	14	9.497.740	-	-	-
Other		1.374.787	652.471	975.581	155.497
		59.899.661	30.793.059	2.110.662	-20.136.547
Changes in working capital					
(Increase)/Decrease in inventory		297.971	102.672.909	7.295.981	16.896.680
(Increase)/Decrease in receivables		-30.665.489	163.585.640	-25.474.868	90.851.828
Increase /(decrease) of liabilities		30.834.200	-142.019.670	-18.277.262	11.519.285
Increase /(decrease) of provisions		-3.309.846	2.033.340	2.148.000	-2.066.958
Increase / (decrease) in personnel benefits due to retirement		272.870	341.316	71.059	98.322
Συναλλαγματικές διαφορές		-2.570.293	126.613.535	-34.237.090	117.299.157
Net cash flows from operating activities		57.329.368	157.406.595	-32.126.428	97.162.610
<i>Profits /(losses) from sale of tangible assets include:</i>					
<i>Amounts in Euro</i>					
Net book value		1.469.943	1.290.479	1.274.248	411.813
Profit /(losses) from sale of tangible assets		587.986	1.206.945	26.151	717.209
Income from sale of tangible assets		2.057.929	2.497.424	1.300.399	1.129.022
<i>Profits from other financial assets include:</i>					
<i>Amounts in Euro</i>					
Profit /(losses) from sale - valuation of other financial assets		-	5.749	-	-

32 Commitments

Contractual commitments

<i>Amounts in Euro</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Tangible assets	236.784	199.003	-	-
	236.784	199.003	-	-

The aforementioned contractual commitments relate to contracts with suppliers in the context of investments made in the subsidiary company STOMANA INDUSTRY S.A.

The Group leases motor vehicles under operating leases agreements. The future aggregate minimum lease payments are as follows:

Amounts in Euro

	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Under 1 year	800.884	854.983	414.885	332.581
From 1-5 years	2.048.055	857.819	1.071.065	263.261
More than 5 years	2.464.669	577.052	564.817	-
	5.313.608	2.289.854	2.050.768	595.842
	31/12/2010	31/12/2008	31/12/2010	31/12/2008
Burden to Results	1.454.046	1.254.720	496.472	479.655

Capital commitments

The Group has no significant capital commitments as at the balance sheet date.

33 Contingent Liabilities

The Group has contingent liabilities and receivables in respect of banks, other guarantees and other matters arising in the ordinary course of business, as follows:

<i>Amounts in Euro</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Liabilities				
Guarantees for securing payables to suppliers	30.951.030	36.530.593	5.937.709	5.478.223
Good performance guarantees to customers	990.355	21.884.413	777.696	1.006.671
Counter-guarantees of loan from the European Investment Bank	12.218.511	19.802.422	-	-
Other contingent liabilities	6.248.957	12.955.374	914.629	266.629
Total	50.408.853	91.172.802	7.630.035	6.751.523

<i>Amounts in Euro</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Lawsuits of employees	131.490	278.520	-	-
Other lawsuits	248.985	2.563.305	-	-
Contractual obligations	1.642.194	5.644.275	-	-
Bank Letters of Guarantee	2.734.062	3.422.868	-	-
Tax liabilities	844.227	1.046.406	266.629	266.629
Other contingent liabilities	648.000	-	648.000	-
Total	6.248.957	12.955.374	914.629	266.629

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, the subsidiary STOMANA INDUSTRY S.A. had recognized a provision of €339 thousand against lawsuits by former employees due to dismissals and industrial accidents. During the year, the company made use of €114 thousand and increased the provision amount with the corresponding charge against financial results in the order of € 17 thousand and reversed the amount of 111 thousand . The current balance of the provision is €129 thousand.

Moreover subsidiary Corinth Pipeworks S.A. on 31.12.2010 recognized a provision of €1,847 thousand. An amount of € 159 thousand regards cases in court or under arbitration of a total amount of € 239 thousand. Moreover, the company has made other provisions of €1,638,288. The subsidiary company reassessed the amount of provisions on potential liabilities and based on the IAS 37, proceeded with a reduction of Eur 6.150.000 mainly because of considerable improvements in the company's operation on all levels. The formed provision is sufficient and no additional burden is expected to arise. On the 31/12/2010, the subsidiary Corinth Pipeworks S.A. had pending lawsuits against third parties. It is not possible to reliably estimate the economic for the Company and the Group of a positive outcome for these cases.

A provision of €866 thousand for the Group and €267 thousand for the Company respectively has been formed for unaudited tax years.

There is also a balance of other provisions amounting to €708 thousand related to receivables of the parent company of € 648 and general expenses of subsidiaries SIGMA SA. of € 55 thousand and ETILS.A. of € 5 thousand.

The total amount of provisions that have been formed is deemed sufficient and additional burden is expected to arise.

34 Existing Collateral

There are mortgages and underwritten amounts in favor of banks on the fixed assets of the subsidiary company CORINTH PIPEWORKS S.A. amounting to €73.200 thousand against loans with an outstanding balance of €12,019 thousand, whilst for STOMANA S.A. this amounts to €55,000 thousand in favor of banks for loans with an outstanding balance of €22,022 thousand.

35 Related Parties

The transactions below mostly relate to transactions with other companies of the VIOHALCO Group.

<i>Amounts in Euro</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Sales of goods				
Subsidiaries	-	-	98.334.485	76.450.389
Affiliates	16.873.518	11.152.195	4.792.977	1.564.902
Other Related Parties	29.507.260	18.967.710	18.786.146	9.593.369
	46.380.778	30.119.906	121.913.609	87.608.659
Sales of services				
Subsidiaries	-	-	26.445.609	21.672.811
Affiliates	71.997	6.592	3.100	3.100
Other Related Parties	1.166.603	1.035.259	216.799	151.803
	1.238.600	1.041.851	26.665.508	21.827.714
Sales of fixed assets				
Subsidiaries	-	-	1.293.533	4.200
Other Related Parties	1.496.443	1.306.058	1.496.443	403.758
	1.496.443	1.306.058	2.789.976	407.958
Purchases of goods				
Subsidiaries	-	-	47.713.476	44.581.216
Affiliates	671.592	1.723.417	76.991	840.769
Other Related Parties	81.916.396	47.503.306	7.181.157	10.580.964
	82.587.988	49.226.723	54.971.623	56.002.949
Purchases of services				
Subsidiaries	-	-	3.907.074	4.022.967
Affiliates	3.278.602	3.037.643	2.255.370	2.135.762
Other Related Parties	9.552.691	9.792.179	4.497.369	4.806.781
	12.831.293	12.829.822	10.659.813	10.965.511
Purchases of fixed assets				
Subsidiaries	-	-	120.822	178.114
Affiliates	204.604	16.636	-	-
Other Related Parties	2.080.238	2.627.813	757.151	858.346
	2.284.842	2.644.448	877.973	1.036.460
<i>Amounts in Euro</i>				
Salaries and other benefits to directors and key management	2.364.972	3.691.666	672.890	1.231.257
Compensations due to termination of employment	156.750	184.631	-	-
	2.521.722	3.876.297	672.890	1.231.257
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Liabilities to senior Management and Board Members	341.791	2.712.290	-	550.000

<i>Amounts in Euro</i>	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Receivables from related parties:				
Subsidiaries	-	-	53.907.252	40.896.400
Affiliates	14.151.581	11.164.756	10.292.341	7.095.614
Other associates	26.053.827	17.457.353	14.483.455	12.694.199
	40.205.408	28.622.109	78.683.049	60.686.213
Prepayments for Share Capital Increase				
Subsidiaries	-	-	6.600.000	3.200.000
	-	-	6.600.000	3.200.000
<i>Amounts in Euro</i>				
Advances for inventory purchases				
Subsidiaries	-	-	-	116.567
Other associates	44.571	15.168	-	-
	44.571	15.168	-	116.567
Liabilities to associates:				
Subsidiaries	-	-	63.210.004	94.365.842
Affiliates	1.247.489	766.444	633.293	451.728
Other associates	10.543.627	9.094.118	1.695.597	1.698.183
	11.791.115	9.860.561	65.538.894	96.515.752

Services provided to and received from associates and sales/purchases of goods are carried out on the basis of prevailing market conditions. There are no special rules of payment for amounts due and no interest is charged.

36 Earnings per share

Basic	CONSOLIDATED DATA		COMPANY DATA	
	12 months until 31/12/2010	12 months until 31/12/2009	12 months until 31/12/2010	12 months until 31/12/2009
<i>Amounts in Euro</i>				
Profits attributable to parent company shareholders	-23.008.930	-71.324.684	-12.380.377	-39.525.905
Weighted average number of shares	96.243.908	96.139.026	96.243.908	96.139.026
Basic earnings per share (Euros per share)	-0,2391	-0,7419	-0,1286	-0,4111
Diluted				
<i>Amounts in Euro</i>				
Profits attributable to parent company shareholders	-23.008.930	-71.324.684	-12.380.377	-39.525.905
Weighted average number of shares	96.243.908	96.171.493	96.243.908	96.171.493
<i>Adjustments for rights in shares</i>				
Total weighted average number of shares for diluted earnings per share	96.243.908	96.171.493	96.243.908	96.171.493
Diluted earnings per share (Euro per share)	-0,2391	-0,7416	-0,1286	-0,4110

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.

37 Fiscal Years Not Audited by Tax Authorities

Several of the Group's subsidiary companies have not been audited by tax authorities for various fiscal years from 2003 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.	2010
PROSAL S.A.	2007 - 2010
TEPRO STEEL EAD	2008 - 2010
ELMONTE HOLDINGS LIMITED	2008 - 2010
BOZETTI LTD	2008 - 2010
VEMET S.A.	2003 - 2010
ETIL S.A.	2004 - 2010
PRAKSYS S.A.	2010
DIA.VI.PE.THIV. S.A.	2010
AEIFOROS BULGARIA SA	2007 - 2010
VET S.A.	2010
VEAT S.A.	2003 - 2010
SIGMA S.A.	2005 - 2010
ARGOS S.A.	2009 - 2010
CORINTH PIPEWORKS S.A.	2008 - 2010
SIDMA S.A.	2007 - 2010
DIAPEM S.A.	2010
V.EPE.M. S.A.	2003 - 2010
METALOURGIA ATTIKIS S.A.	2007 - 2010
EL.K.E.ME. S.A.	2010
DOMOPLEX LTD	2007 - 2010
DOJLAN STEEL LLCOP	2009 - 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 SVILOSIA EOOD	2004 - 2010
SIDEBALK STEEL DOO	2009 - 2010
JOSTDEX LTD	2010

On a regular basis, the Group's companies calculate annual income tax according to the relevant tax laws regarding non-deductible tax expenses. Given these circumstances, it is estimated that there will be no significant additional taxes imposed in the future arising from audits carried out by the taxation authorities.

38 Number of Personnel

Number of personnel employed at the end of the current period: Group: 3,002 and Parent Company: 322. In the corresponding period of 2009, the Group's personnel was 2,980 employees and the Company's 338 employees.

39 Auditors' remunerations

The total remuneration charged in 2010 by the chartered auditors amounted to €539 thousand and €127 thousand for the Group and the company respectively. The remuneration related to:

Fees for annual audit of financial statements	517.470
Fees for other audit services	1.924
Tax consulting fees	10.300
Fees for non-audit services	9.750

40 Events after the Balance Sheet date

There are no significant events after the Balance Sheet date.

41 Important events in the financial year 2010

The most important events that took place during the nine month of 2010 are the following:

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.

On 31/8/2010 the merger of its subsidiaries companies "ERLIKON SA" and "ETAL SA" was completed, which was realized through the absorption of the latter by the former pursuant to the provisions Law 2166/1993 and Law 2190/1920. December 31, 2009 was determined as the date for the transition balance sheet accounts.

In December 2010 a share capital increase of €2,000,000 for the 100% subsidiary company SIDEROM STEEL SRL, was completed.

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

42 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.

It is noted that, relating to 2009, the subsidiary CORINTH PIPEWORKS S.A. has reclassified, for comparison purposes, foreign exchange differences related to assets, liabilities, Cash & Cash equivalent and gain/(losses) from FX FORWARDS, according to the following table:

Description	Group
Reclassification from:	
Other profits/(losses) reducing cost of sales	948.326
Other profits/(losses) increasing selling expenses	-5.191.452
Other income reducing selling expenses	3.531.913
Other income reducing cost of sales	3.856.856
Finance income reducing finance expenses	1.253.248

The BoD
Chairman

The Chief Executive
Officer

The Chief Finance
Officer

Kalfarentzos Georgios
ID Card no. F 147183

Milios Sarantos
ID Card no. P 998326

Thomadakis stratos
LICENCE NO. 0065081
CLASS A

E. Information as per article 10 of Law no. 3401/2005

This document contains the information provided for by article 10 of Law no. 3401/2005, which has been published by SIDENOR S.A. during the fiscal year 2010.

The complete text of the announcements is available at SIDENOR S.A.'s website at <http://www.sidenor.gr> (<http://www.sidenor.gr/PlainText.aspx?menutxid=171&lang=GR>)

Participation in a capital increase of a subsidiary	35501	10 Dec 10
End of period of exercising stock options from Company's executives	34931	3 Dec 10
Announcement regarding comments on financial/ accounting statements	32973	24 Nov 10
Financial Statement Figures based on IAS	32971	24 Nov 10
Financial Statement Figures based on IAS	32968	24 Nov 10
Publication of 9M 2010 Financial Results	32130	16 Nov 10
Bond Loan Issuance	31682	11 Nov 10
Listing of shares from share capital increase following exercise of stock	30832	2 Nov 10
Disclosure of Share Holding Change in a Listed Company	30147	26 Oct 10
Bond Loan Issuance	27736	1 Oct 10
Erlikon-Etal Merger	25297	3 Sept 10
Announcement regarding comments on financial/ accounting statements	23534	25 Aug 10
Financial Statement Figures based on IAS	23533	25 Aug 10
Financial Statement Figures based on IAS	23531	25 Aug 10
Publication of HY 2010 Financial Results	23064	19 Aug 10
Announcement of Other Significant Events	17895	22 Jun 10
Announcement of Other Significant Events	17214	15 Jun 10
General Meeting of Shareholders Resolutions	17213	15 Jun 10
Announcement of Other Significant Events	15632	2 Jun 10
Announcement regarding comments on financial/ accounting statements	13884	26 May 10
Financial Statement Figures based on IAS	13880	26 May 10
Financial Statement Figures based on IAS	13878	26 May 10
General Meeting of Shareholders Invitation	13026	19 May 10
Announcement of Other Significant Events	12802	18 May 10
Announcement of Change of BoD	11625	5 May 10
Presentation to the Association of Greek Institutional Investors	10833	28 Apr 10
Announcement regarding comments on financial/ accounting statements	6729	23 Mar 10
Financial Statement Figures based on IAS	6726	23 Mar 10
Financial Statement Figures based on IAS	6723	23 Mar 10
Financial Calendar 2010 (Correction)	6453	22 Mar 10
Financial Calendar 2010	6451	22 Mar 10
Announcement of Other Significant Events	6170	18 Mar 10
Announcement of Other Significant Events	5562	11 Mar 10
Announcement of Other Significant Events	5024	4 Mar 10
Announcement of Other Significant Events	2119	29 Jan 10
Announcement of Managerial Staff Changes	318	8 Jan 10

