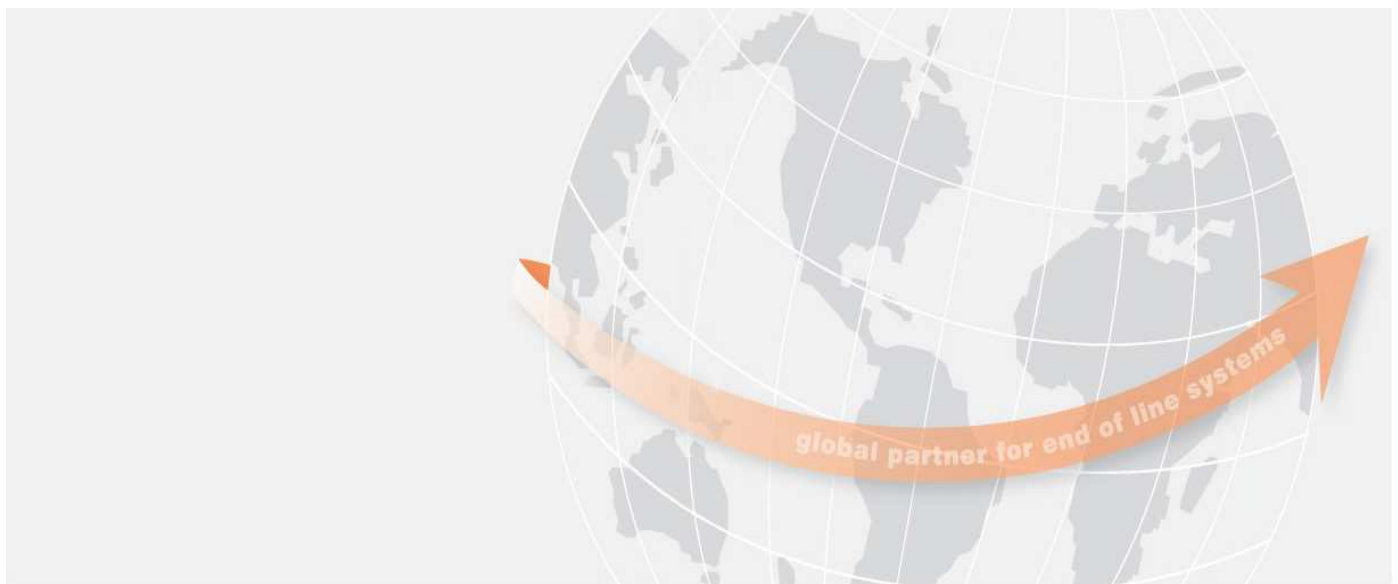


**M.J.MAILLIS GROUP  
INTERIM FINANCIAL REPORT  
30 SEPTEMBER 2010**



The 9 month Interim Financial Statements have been approved by the Board of Directors of M.J.MAILLIS SA on 16 November 2010 and are available on the company's website [www.maillis.com](http://www.maillis.com)

*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.*

**M.J.MAILLIS S.A.  
INDUSTRIAL PACKAGING  
SYSTEMS & TECHNOLOGIES  
P.C.S.A.2716/06/B/86/43  
XENIAS 5 & CHARILAOU TRIKOUPH  
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## BALANCE SHEET

<i>Amounts in Euro '000</i>		GROUP		COMPANY	
		30/09/2010	31/12/2009	30/09/2010	31/12/2009
<b>ASSETS</b>	<b>Note</b>				
<b>Non Current Assets</b>					
Tangible assets		111,729	117,766	67,296	71,603
Intangible assets		94,885	95,689	94	207
Investments in subsidiaries and joint ventures	4			173,131	171,531
Deferred tax assets		16,542	14,916	8,770	7,539
Other receivables		4,185	4,097	186	186
		<b>227,341</b>	<b>232,468</b>	<b>249,477</b>	<b>251,067</b>
<b>Current Assets</b>					
Inventories		57,319	55,069	12,220	14,768
Trade and other receivables		65,804	56,913	83,731	76,533
Deferred tax assets		1,133	1,296		
Cash and cash equivalents		10,207	10,214	1,457	1,533
		<b>134,463</b>	<b>123,492</b>	<b>97,408</b>	<b>92,834</b>
<b>Total Assets</b>		<b>361,804</b>	<b>355,960</b>	<b>346,885</b>	<b>343,901</b>
<b>EQUITY</b>					
<b>Equity Attributable to Company's Shareholders</b>					
Share capital		55,614	55,614	55,614	55,614
Share premium		139,203	139,203	139,203	139,203
Reserves		19,594	19,855	18,558	18,558
Retained losses / earnings		-189,841	-171,904	-69,912	-58,168
Translation differences reserve		-5,393	-6,209		
		<b>19,177</b>	<b>36,559</b>	<b>143,463</b>	<b>155,207</b>
Minority interest		189	492		
<b>Total Equity</b>		<b>19,366</b>	<b>37,051</b>	<b>143,463</b>	<b>155,207</b>
<b>LIABILITIES</b>					
<b>Non Current Liabilities</b>					
Loans	5	2,801	3,679	356	748
Deferred tax liabilities		7,943	6,725	5,792	4,603
Retirement and termination benefit obligations		6,785	6,152	1,596	1,364
Government grants		4,543	4,980	2,772	3,046
Other non current liabilities		716	859		90
		<b>22,788</b>	<b>22,395</b>	<b>10,517</b>	<b>9,851</b>
<b>Current Liabilities</b>					
Trade and other payables		47,227	33,015	15,827	10,794
Deferred tax liabilities		3,944	3,841		
Current tax liabilities		3,277	1,534	1,121	483
Loans	5	260,111	252,121	175,276	166,883
Provisions		5,091	6,004	682	682
		<b>319,649</b>	<b>296,515</b>	<b>192,906</b>	<b>178,843</b>
<b>Total Liabilities</b>		<b>342,438</b>	<b>318,910</b>	<b>203,422</b>	<b>188,693</b>
<b>Total Equity and Liabilities</b>		<b>361,804</b>	<b>355,960</b>	<b>346,885</b>	<b>343,901</b>

The notes on pages 8 to 23 are an integral part of the interim financial statements

## INCOME STATEMENT

	Note	GROUP				COMPANY			
		01/01/2010-30/09/2010	01/01/2009-30/09/2009	01/07/2010-30/09/2010	01/07/2009-30/09/2009	01/01/2010-30/09/2010	01/01/2009-30/09/2009	01/07/2010-30/09/2010	01/07/2009-30/09/2009
<i>Amounts in Euro '000</i>									
Sales	3	192,523	157,264	63,713	53,851	59,994	46,197	19,205	17,201
Cost of sales		-158,935	-135,955	-53,033	-44,194	-54,192	-44,908	-18,002	-14,932
Gross profit		33,588	21,309	10,681	9,656	5,802	1,289	1,203	2,269
Other operating income		7,588	3,485	3,073	-960	3,077	2,239	433	20
Administrative expenses		-13,043	-16,137	-3,902	-5,515	-5,807	-7,368	-1,888	-2,553
Distribution costs		-21,954	-20,148	-7,375	-6,633	-4,021	-3,061	-1,259	-1,091
Other operating expenses		-10,704	-9,995	-4,935	-1,574	-2,550	-3,094	-1,847	-1,266
Earnings/(loss) before tax and financial and investment results		-4,525	-21,486	-2,458	-5,026	-3,499	-9,994	-3,359	-2,621
Gains/Losses on termination of interest rate swaps transferred from hedging reserve			-2,665		285		-2,665		285
Financial income	9	6,160	9,882	3,446	5,807	4,357	8,617	2,622	4,710
Financial expenses	9	-18,633	-15,282	-1,280	-4,229	-12,603	-10,424	764	-3,359
Earnings before tax		-16,999	-29,551	-292	-3,163	-11,745	-14,466	27	-986
Current tax and other tax		-1,705	-922	-607	-364	-40	-61	-40	-40
Earnings/(loss) after current tax for the period		<b>-18,704</b>	<b>-30,473</b>	<b>-899</b>	<b>-3,528</b>	<b>-11,786</b>	<b>-14,527</b>	<b>-14</b>	<b>-1,026</b>
Deferred tax		191	1,977	-55	-85	41	2,766	-9	183
Earnings/(loss) after current tax and deferred tax for the period		<b>-18,513</b>	<b>-28,496</b>	<b>-954</b>	<b>-3,612</b>	<b>-11,744</b>	<b>-11,761</b>	<b>-23</b>	<b>-844</b>
<b>Allocated to:</b>									
Company shareholders		-18,197	-27,909	-865	-3,424	-11,744	-11,761	-23	-844
Minority interest		-315	-587	-88	-189				
Basic and Diluted Earnings/(loss) after tax per share (expressed in €)	10	-0.2487	-0.3814	-0.0118	-0.0468	-0.1605	-0.1607	-0.0003	-0.0115
<b>Other information</b>									
Depreciation		9,060	11,782	2,741	3,698	4,573	5,683	1,493	1,704
Earnings/(loss) before tax, financial expenses, amortisation and depreciation (EBITDA)		<b>4,535</b>	<b>-9,705</b>	<b>283</b>	<b>-1,328</b>	<b>1,073</b>	<b>-4,312</b>	<b>-1,866</b>	<b>-917</b>

The notes on pages 8 to 23 are an integral part of the interim financial statements

## STATEMENT OF OTHER COMPREHENSIVE INCOME

	Note	GROUP				COMPANY			
		01/01/2010-30/09/2010	01/01/2009-30/09/2009	01/07/2010-30/09/2010	01/07/2009-30/09/2009	01/01/2010-30/09/2010	01/01/2009-30/09/2009	01/07/2010-30/09/2010	01/07/2009-30/09/2009
<i>Amounts in Euro '000</i>									
Earnings/(loss) after current tax and deferred tax for the period		-18,513	-28,496	-954	-3,612	-11,744	-11,761	-23	-844
Exchange differences		828	6	-1,110	-29				
Cash flow hedges			9		0	0	9		0
Other comprehensive income/(loss) after tax		828	15	-1,110	-29	0	9	0	0
Total comprehensive income/(loss) after tax		-17,685	-28,481	-2,064	-3,641	-11,744	-11,752	-23	-844
<b>Allocated to:</b>									
Company shareholders		-17,382	-27,894	-1,984	-3,453	-11,744	-11,752	-23	-844
Minority interest		-303	-587	-80	-189				

The notes on pages 8 to 23 are an integral part of the interim financial statements

## STATEMENT OF CHANGES IN EQUITY

Amounts in Euro '000	GROUP						COMPANY					
	Attributable to the Parent Company's Shareholders					Minority Interest	Total Equity	Attributable to the Parent Company's Shareholders				Total Equity
	Share Capital	Share Premium	Other Reserves	Currency Translation Reserve	Retained Losses			Share Capital	Share Premium	Other Reserves	Retained Losses	
<b>Balance at 01/01/2009</b>	55,614	139,203	20,004	-6,976	-115,335	1,165	93,675	55,614	139,203	18,549	-23,938	189,428
Earnings / (Losses) per income statement					-27,909	-587	-28,496				-11,761	-11,761
Exchange difference adjustments				5	1		6					0
Cash flow hedges			9				9			9		9
<b>Total comprehensive income</b>			9	5	-27,908	587.1441459	-28,481			9	-11,761	-11,752
Reserves movement			-149		149							
<b>Balance at 30/09/2009</b>	55,614	139,203	19,864	-6,971	-143,094	578	65,194	55,614	139,203	18,558	-35,699	177,676
Earnings / (Losses) per income statement					-28,931	-93	-29,024				-22,469	-22,469
Exchange difference adjustments			9	-5	-1		3					
Cash flow hedges			-9	877	3	7	878					
<b>Total comprehensive income</b>			0	872	-28,929	-86	-28,143				-22,469	-22,469
Reserves movement			-9	-111	120							
<b>Balance at 31/12/2009</b>	55,614	139,203	19,855	-6,210	-171,903	492	37,051	55,614	139,203	18,558	-58,168	155,207

Amounts in Euro '000	GROUP						COMPANY					
	Attributable to the Parent Company's Shareholders					Minority Interest	Total Equity	Attributable to the Parent Company's Shareholders				Total Equity
	Share Capital	Share Premium	Other Reserves	Currency Translation Reserve	Retained Losses			Share Capital	Share Premium	Other Reserves	Retained Losses	
<b>Balance at 01/01/2010</b>	55,614	139,203	19,855	-6,210	-171,903	492	37,051	55,614	139,203	18,558	-58,168	155,207
Earnings / (Losses) per income statement					-18,197	-315	-18,513				-11,744	-11,744
Exchange difference adjustments			-261	817	259	12	828					0
<b>Total comprehensive income</b>			-261	817	-17,938	-303	-17,685				-11,744	-11,744
<b>Balance at 30/09/2010</b>	55,614	139,203	19,594	-5,393	-189,841	189	19,366	55,614	139,203	18,558	-69,912	143,463

The notes on pages 8 to 23 are an integral part of the interim financial statements

## CASH FLOW STATEMENT

	Note	GROUP		COMPANY	
		30/09/2010	30/09/2009	30/09/2010	30/09/2009
<i>Amounts in Euro '000</i>					
<b><u>Cash Flows from Operating Activities</u></b>					
Earnings before tax		-16,999	-29,551	-11,745	-14,466
Adjustments for:					
Depreciation and amortisation		9,496	12,242	4,847	5,980
Impairment of tangible and intangible fixed assets		0	1,010		60
Provisions		-569	-3,430	197	-3,219
Exchange differences		-4,742	-8,950	-802	-7,897
(Gain) / Loss from investing activities		-6,651	-1,024	-4,638	-1,401
Interest payable and related expenses		18,633	17,947	12,603	13,089
Working capital changes					
Decrease / (Increase) in inventories		-2,407	17,800	2,549	9,490
Decrease / (Increase) in receivables		-4,313	15,283	-5,719	-870
Increase / (Decrease) in payables (excluding banks)		16,293	-10,268	5,581	-3,903
Less:					
Interest paid and other related expenses		-3,499	-7,171	-1,611	-4,138
Tax paid		88	-1,736	-40	-61
<b>Total Cash Inflows / (Outflows) from Operating Activities (a)</b>		<b>5,333</b>	<b>2,152</b>	<b>1,218</b>	<b>-7,336</b>
<b><u>Cash Flows from Investing Activities</u></b>					
Acquisition of subsidiary, related companies, joint ventures and other investments					0
Proceeds of selling of subsidiaries					
Purchase of intangible assets, property, plant and equipment		-1,425	-3,956	-427	-3,517
Proceeds of sale of tangible and intangible assets		617	1,407		1,281
Interest received		524	432	136	223
Dividends received					
<b>Total Cash Inflows / (Outflows) from Investing Activities (b)</b>		<b>-283</b>	<b>-2,118</b>	<b>-291</b>	<b>-2,014</b>
<b><u>Cash Flows from Financing Activities</u></b>					
Proceeds of issuance of share capital			0		0
Proceeds of loans issued		-1,373	2,966	-1,002	9,397
Repayments of borrowings					
Payments of finance lease liabilities		-252	-707		
Dividends paid		0	0	0	0
<b>Total Cash Inflows / (Outflows) from Financing Activities (c)</b>		<b>-1,625</b>	<b>2,259</b>	<b>-1,002</b>	<b>9,397</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents (a) + (b) + (c)</b>		<b>3,424</b>	<b>2,293</b>	<b>-75</b>	<b>47</b>
<b>Cash and Cash Equivalents in Beginning of Period</b>		<b>10,214</b>	<b>9,328</b>	<b>1,533</b>	<b>3,427</b>
Exchange differences adjustment		-3,431	640		
<b>Cash and Cash Equivalents at End of Period</b>		<b>10,207</b>	<b>12,262</b>	<b>1,457</b>	<b>3,474</b>

The notes on pages 8 to 23 are an integral part of the interim financial statements

## NOTES ON THE FINANCIAL STATEMENTS

### 1. General information

M.J.Maillis SA (the “Company”) and its subsidiaries (together the “Group”) are involved in the manufacture and distribution of end of line industrial solutions. The Group operates in Greece and in countries in Europe, North America & India.

The Company is located in Greece, Xenias 5, 14 562 Kifissia. The website of the Company is [www.maillis.gr](http://www.maillis.gr). The shares of the Company are publicly traded on the Athens Stock Exchange.

### 2. Basis of preparation of the Interim Financial Statements

The Interim Financial Statements of the Company and the Group for the 9 month period of 2010 have been prepared in accordance with the International Financial Reporting Standards (IFRS) and specifically in accordance with IAS 34 “Interim Financial Statements”.

The accounting principles that have been used in the preparation of the interim Financial Statements are in accordance with those used for the preparation of the Company and Group Financial Information as at 31/12/2009.

This information has to be acknowledged in comparison to the annual Financial statements as at 31/12/2009 that were published in the internet site of the company.

There have been no changes to the accounting principles used when compared to those used for the preparation of the annual financial statements as at 31/12/2009.

The preparation of financial statements in terms of IFRS requires the use of calculations and assumptions which affect the balances of the assets and liabilities, the acknowledgment of contingencies and the amounts of the income and expenses relating to the period from 1<sup>st</sup> January 2009 to 30<sup>th</sup> September 2010. These calculations are based to the best knowledge of the Company and the Group in relation to the current situation.

Certain reclassifications have been made in the prior period figures in order to make them comparable to the current period's figures. Any differences between amounts in the financial statements and similar amounts detailed in the accounts are due to rounding of figures.

#### Going concern

This financial information has been prepared on the basis that the Company and the Group will continue to operate as a going concern and assumes that both the Company and the Group will have sufficient financial resources to meet the Company's and Group's financial and operating requirements for the foreseeable future.

As at 30 September 2010, and as presented in the financial statements of previous periods, the Group continues to be in breach of covenants related to its borrowings (refer to Note 5) as a result of the continued losses that are being generated. The impact of this breach is that all affected borrowings continue to be classified as current liabilities in terms of paragraph 74 of IAS 1.

Furthermore the Company has not obtained a waiver of covenants from the affected lenders. However the Board of Directors of MJ Maillis SA, in its meeting of 16 April 2010, accepted the main points of the restructuring solution proposed by the affected lenders and will continue the negotiation process on that basis aiming the signing of an agreement that will include all restructuring issues and will be mutually acceptable to the company and all its creditors. Management continues to negotiate with the affected lenders for the purpose of securing the continued operations of the Company and its subsidiaries. For further information refer also to Note 5 of the Interim Financial Statements.

Management is confident that the negotiations with the affected lenders will be finalised within the last quarter of 2010 to the benefit of the lenders and the Group as a whole. In light of the above information management has

concluded that the going concern basis used in the preparation of these financial statements continues to be relevant and appropriate.

In the event that the negotiations with the affected lenders are not successful the Group may not be able to continue as a going concern in the foreseeable future. There is therefore a material uncertainty which may cast doubt on the Group's ability to continue as a going concern.

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

Standards and Interpretations effective for the current financial period / 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 amended IAS 27 requires that a change in ownership interest of a subsidiary to be accounted for as an equity transaction. The amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Furthermore the acquirer in a business combination has the option of measuring the non-controlling interest, at the acquisition date, either at fair value or at the amount of the percentage of the non-controlling interest over the net assets acquired. The Group has applied the revised and amended standards from 1 January 2010.

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

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

**IFRS 2 (Amendment) "Share-based Payment"**

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

**IAS 39 (Amendment) "Financial Instruments: Recognition and Measurement"**

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

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

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

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

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

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

This interpretation applies to an entity that hedges the foreign currency risk arising from its net investments in foreign operations and qualifies for hedge accounting in accordance with IAS 39. The interpretation provides guidance on how an entity should determine the amounts to be reclassified from equity to profit or loss for both

the hedging instrument and the hedged item. This interpretation is not relevant to the Group, as the Group does not apply hedge accounting for any investment in a foreign operation.

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

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

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

This interpretation clarifies the requirements of IFRSs for agreements in which an entity receives from a customer an item of property, plant and equipment that the entity must then use to provide the customer with an ongoing supply of goods or services. In some cases, the entity receives cash from a customer which must be used only to acquire or construct the item of property, plant and equipment. This interpretation is not relevant to the Group.

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

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

**IFRS 2 “Share-Based payment”**

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

**IFRS 5 “ Non-current Assets Held for Sale and Discontinued Operations”**

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

**IFRS 8 “Operating Segments”**

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

**IAS 1 “Presentation of Financial Statements”**

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

**IAS 7 “Statement of Cash Flows”**

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

**IAS 17 “Leases”**

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

**IAS 18 “Revenue”**

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

**IAS 36 “Impairment of Assets”**

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

**IAS 38 “Intangible Assets”**

The amendments clarify (a) the requirements under IFRS 3 (revised) regarding accounting for intangible assets acquired in a business combination and (b) the description of valuation techniques commonly used by entities

when measuring the fair value of intangible assets acquired in a business combination that are not traded in active markets.

**IAS 39 “Financial Instruments: Recognition and Measurement”**

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

**IFRIC 9 “Reassessment of Embedded Derivatives”**

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

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

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

Standards and Interpretations effective from 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 24 (Amendment) “Related Party Disclosures”** (effective for annual periods beginning on or after 1 January 2011)

This amendment attempts to relax disclosures of transactions between government-related entities and clarify related-party definition. More specifically, it removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities, clarifies and simplifies the definition of a related party and requires the disclosure not only of the relationships, transactions and outstanding balances between related parties, but of commitments as well in both the consolidated and the individual financial statements. The Group will apply these changes from their effective date. This amendment has not yet been endorsed by the EU.

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

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

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

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

**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. This amendment has not yet been endorsed by the EU.

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

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

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

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

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

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

**IFRS 3 “Business Combinations”**

The amendments provide additional guidance with respect to: (i) contingent consideration arrangements arising from business combinations with acquisition dates preceding the application of IFRS 3 (2008); (ii) measuring non-controlling interests; and (iii) accounting for share-based payment transactions that are part of a business combination, including un-replaced and voluntarily replaced share-based payment awards.

**IFRS 7 “Financial Instruments: Disclosures”**

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

**IAS 1 “Presentation of Financial Statements”**

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

**IAS 27 “Consolidated and Separate Financial Statements”**

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

**IAS 34 “Interim Financial Reporting”**

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

**IFRIC 13 “Customer Loyalty Programmes”**

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

**3. Segment Information**

Management has determined the operating segments based on the reports reviewed by the executive directors that are used to make strategic decisions. The executive directors consider the business principally from a geographical perspective based on the geographical region in which the subsidiaries operate.

**Primary Segment Information – Business Segment**

The Group is divided in the following geographical segments for the purposes of the executive directors’ evaluation:

- Germany & West Europe
- Central Europe
- Greece & East Europe
- North America
- Italy (includes also Combi Packaging Systems)
- Other (includes also Europack SA)

The executive directors assess the performance of the operating segments based on a measure of EBITDA. EBITDA is calculated as follows:

- Profit/Loss before Tax
- Plus/Minus: Financial and Investment profit/loss
- Plus: Depreciation and Amortisation

Other information provided to the strategic steering committee is measured in a manner consistent with that in the financial statements.

Balance sheet items are allocated to the operating segments based on the operations of the segment and the physical location of the asset.

The segment results for the 9 months ended at 30<sup>th</sup> September 2010 and 30<sup>th</sup> September 2009 are as follows:

**9 months to 30 September 2010**

	<b>Germany &amp; West Europe</b>	<b>Central Europe</b>	<b>Greece &amp; East Europe</b>	<b>North America</b>	<b>Italy</b>	<b>Other</b>	<b>Total</b>
<i>Amounts in Euro '000</i>							
Total Sales	54,808	36,129	36,282	23,963	39,732	1,608	<b>192,523</b>
Operating Income	-1,990	1,492	-8,718	2,679	2,640	-627	<b>-4,525</b>
Financial Cost - Net	1,148	13	9,047	85	792	1,388	<b>12,474</b>
<b>Earnings before Tax</b>	<b>-3,139</b>	<b>1,479</b>	<b>-17,766</b>	<b>2,594</b>	<b>1,848</b>	<b>-2,015</b>	<b>-16,999</b>
Income tax and Deferred tax	80	-49	-182	811	777	77	1,514
<b>Net Profit</b>	<b>-3,218</b>	<b>1,528</b>	<b>-17,584</b>	<b>1,783</b>	<b>1,070</b>	<b>-2,092</b>	<b>-18,513</b>
<b>EBITDA</b>	<b>-1,357</b>	<b>2,749</b>	<b>-3,978</b>	<b>3,366</b>	<b>3,769</b>	<b>-13</b>	<b>4,535</b>

## 9 months to 30 September 2009

	Germany & West Europe	Central Europe	Greece & East Europe	North America	Italy	Other	Total
<i>Amounts in Euro '000</i>							
Total Sales	47,197	27,286	30,602	20,671	30,253	1,254	157,264
Operating Income	-3,200	264	-16,789	1,532	-2,772	-520	-21,486
Financial Cost - Net	1,275	-355	5,283	-309	1,011	1,159	8,065
<b>Earnings before Tax</b>	<b>-4,476</b>	<b>619</b>	<b>-22,073</b>	<b>1,841</b>	<b>-3,784</b>	<b>-1,679</b>	<b>-29,551</b>
Income tax and Deferred tax	127	64	-3,222	765	1,209	2	-1,055
<b>Net Profit</b>	<b>-4,603</b>	<b>555</b>	<b>-18,851</b>	<b>1,076</b>	<b>-4,992</b>	<b>-1,681</b>	<b>-28,496</b>
<b>EBITDA</b>	<b>-2,295</b>	<b>1,437</b>	<b>-10,282</b>	<b>2,460</b>	<b>-1,041</b>	<b>16</b>	<b>-9,705</b>

The other elements of the income statement are as follows:

## 9 months to 30 September 2010

	Germany & West Europe	Central Europe	Greece & East Europe	North America	Italy	Other	Total
<i>Amounts in Euro '000</i>							
Depreciation and amortisation	633	1,256	4,740	687	1,129	614	9,060
Provisions for bad debt and obsolete stock	-639	-34	-34	85	50	18	-554

## 9 months to 30 September 2009

	Germany & West Europe	Central Europe	Greece & East Europe	North America	Italy	Other	Total
<i>Amounts in Euro '000</i>							
Depreciation and amortisation	906	1,173	6,507	929	1,731	537	11,782
Provisions for bad debt and obsolete stock	-288	-36	-3,386	346	986		-2,378

Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties.

The segment assets and liabilities at 30<sup>th</sup> September 2010 and at 31<sup>st</sup> December 2009 are as follows:

## 9 months to 30 September 2010

	Germany & West Europe	Central Europe	Greece & East Europe	North America	Italy	Other	Total
<i>Amounts in Euro '000</i>							
<b>Assets</b>	65,725	38,746	119,219	38,084	92,307	7,724	361,804
<b>Capital expenditure</b>	49	82	489	56	3,113	3	3,792
<b>Liabilities</b>	10,736	26,185	218,001	4,815	31,247	51,454	342,438

31<sup>st</sup> December 2009

	Germany & West Europe	Central Europe	Greece & East Europe	North America	Italy	Other	Total
<i>Amounts in Euro '000</i>							
<b>Assets</b>	71,712	34,715	126,699	34,718	90,518	7,998	<b>366,360</b>
<b>Capital expenditure</b>	36	219	3,935	104	858	11	<b>5,163</b>
<b>Liabilities</b>	10,155	22,476	204,214	3,095	29,569	49,400	<b>318,910</b>

Segment assets consist primarily of property, plant and equipment, intangible assets, inventories, receivables and operating cash.

Segment liabilities comprise operating liabilities.

#### 4. Investments in subsidiaries and joint ventures

Below are listed the Group companies that are included in the consolidated financial statements, with their respective addresses and the percentage of ownership:

	% of Investment		
	Direct	Indirect	
<b>Full Consolidation method</b>			
M.J.MAILLIS SA, Kifissia, Athens, Greece			Parent
STRAPTECH SA, Kifissia, Athens, Greece	100.00%		
M.J.MAILLIS BULGARIA EOOD, Sofia, Bulgaria	100.00%		
M.J.MAILLIS ROMANIA S.A., Bucurest, Romania	81.66%		
M.J.MAILLIS FRANCE SAS, Saint Ouen L'Amone, France	99.99%	0.01%	(through STRAPTECH A.E)
MARFLEX M.J.MAILLIS POLAND SP ZOO, Karzcew, Poland	100.00%		
M.J.MAILLIS ESPANA SL, Barcelona, Spain	100.00%		
M.J.MAILLIS CZECH SRO, Prague, Czech	100.00%		
EUROPACK SA, Luxembourg	100.00%		
COLUMBIA SRL, Milan, Italy	100.00%		
M.J.MAILLIS HUNGARY PACKING SYSTEMS LTD, Budapest, Hungary	100.00%		
M.J.MAILLIS OSTERREICH GMBH, Vienna, Austria	100.00%		
M.J.MAILLIS FINLAND OY, Vantaa, Finland	100.00%		(under liquidation)
MAILLIS HOLDING GMBH, Wuppertal, Germany	100.00%		
MAILLIS STRONG STRAP PRIVATE Ltd, Mumbai, India	13.07%	36.93%	(through EUROPACK SA)
M.J.MAILLIS UK LTD, Nottingham, UK	100.00%		(through EUROPACK SA)
WULFTEC INTERNATIONAL INC, Ayer's Cliff, Canada	100.00%		(through EUROPACK SA)
MAILLIS STRAPPING SYSTEMS USA Inc. Fountain Inn, USA	100.00%		(through EUROPACK SA)
MJ MAILLIS SYSTEMS SRL, Varese, Italy	100.00%		(through EUROPACK SA)
3L Srl, Modena, Italy	100.00%		(through EUROPACK SA)
SIAT SPA, Como, Italy	100.00%		(through EUROPACK SA & COLUMBIA)
SICME SRL, Varese, Italy	100.00%		(through SIAT SPA)
SIAT BENELUX, Wvaalwijk, Holland	51.00%		(through SIAT SPA)
TAM SRL, Milan, Italy	71.00%		(through SIAT SPA)
SIAT USA, Delaware, USA	100.00%		(through SIAT SPA)
IMMOBILIARE LEO SRL, Milan, Italy	100.00%		(through COLUMBIA SRL)
MAILLIS SANDER GMBH, Wuppertal, Germany	100.00%		(through EUROPACK SA)
SANDER GMBH & CO KG, Wuppertal, Germany	100.00%		(through MAILLIS HOLDING GMBH & MAILLIS SANDER GMBH)
M.J. MAILLIS BENELUX NV, Dendermonde, Belgium	100.00%		(through MAILLIS SANDER GMBH)
<b>Proportionate consolidation method</b>			
COMBI PACKAGING SYSTEMS, Canton, USA		50.00%	(through SIAT SPA)

The terms of the joint venture agreement state that the Group has management control of MAILLIS STRONG STRAP PRIVATE Ltd and therefore in terms of IFRS it has been consolidated using the full consolidation method.

The values of the above listed companies in the Balance Sheet of the parent company are as follows:

		30/9/2010	31/12/2009	
<i>Amounts in Euro '000</i>		Book value	Book value	Investment %
Straptech SA	Greece	4,975	4,975	100%
Europack SA	Luxembourg	78,810	78,810	100%
M.J Maillis Osterreich Gmbh	Austria	3,448	3,448	100%
Columbia SRL	Italy	10,038	10,038	100%
M.J.Maillis Finland OY	Finland	0	0	100%
M.J.Maillis Bulgaria EOOD	Bulgaria	325	325	100%
M.J.Maillis Romania SA	Romania	1,292	1,292	81.7%
Marflex MJ Maillis Poland SP ZOO	Poland	22,047	22,047	100%
MJ Maillis Czech SRO	Czech	4,084	4,084	100%
MJ Maillis France SAS	France	6,020	6,020	99.9%
M.J. Maillis Hungary KFT	Hungary	2,130	2,130	100%
Maillis Holding GMBH	Germany	29,112	29,112	100%
Maillis Strong Strap Private Ltd	India	172	172	13.1%
M.J. Maillis Espana SL	Spain	10,678	9,078	100%
		<b>173,131</b>	<b>171,531</b>	

## 5. Borrowings

<i>Amounts in Euro '000</i>	GROUP		COMPANY	
	30/09/2010	31/12/2009	30/09/2010	31/12/2009
<b>Long Term Borrowings</b>				
Bank Borrowings	151,324	139,489	105,876	93,898
Hedges of Currency and Interest rate swaps relating to bank borrowings denominated in US\$	5,428	11,033	5,428	11,033
Total bank borrowings	156,752	150,522	111,303	104,931
Less: Bank borrowings reflected as short term (refer Covenants note below)	-156,203	-149,424	-110,947	-104,183
Finance Lease Liabilities	2,252	2,581		
<b>Total Long Term Borrowings</b>	<b>2,801</b>	<b>3,679</b>	<b>356</b>	<b>748</b>
<b>Short Term Borrowings</b>				
Long term bank borrowings reflected as short term (refer Covenants note below)	156,203	149,424	110,947	104,183
Short Term Bank Borrowings and bank overdrafts	80,143	88,835	46,633	52,888
Accrued interest	23,204	13,103	17,696	9,812
Finance Lease Liabilities	561	759		
<b>Total Short Term Borrowings</b>	<b>260,111</b>	<b>252,121</b>	<b>175,276</b>	<b>166,883</b>
<b>Total Borrowings</b>	<b>262,912</b>	<b>255,800</b>	<b>175,632</b>	<b>167,632</b>

### Covenants

The bank borrowings referred to above are subject to the Group meeting of certain financial covenants that are as follows:

- Consolidated Priority indebtedness : Consolidated Total assets (i.e. Priority indebtedness ratio)
- Consolidated EBITDA : Consolidated Net interest expense (i.e. Interest coverage ratio)
- Consolidated Indebtedness : Consolidated Total capitalisation (i.e. Leverage ratio)

As set out in Note 2, at 30 September 2010, and as presented in the financial statements of previous periods, the Group continues to be in breach of covenants related to its borrowings as a result of the continued losses that are being generated. Specifically a net loss of €18,513 thousand (30/09/2009: € 28,496 thousand) and €11,744 thousand (30/09/2009: €11,761 thousand) has been incurred by the Group and the Company respectively for the year ended 30 September 2010. The impact of this breach is that all affected borrowings continue to be classified as current liabilities in terms of IAS 1. The classification has been undertaken on the basis that at 30 September 2010 the Group and the Company does not have an unconditional right to defer the settlement of these borrowings for at least twelve months after 30 September 2010.

The Company has not obtained a waiver of covenants from the affected lenders. However the Board of Directors of MJ Maillis SA, in its meeting of 16.04.2010, accepted the main points of the restructuring solution proposed by the affected lenders and will continue the negotiation process on that basis aiming the signing of an agreement that will include all restructuring issues and will be mutually acceptable to the company and all its creditors. The basic points of the proposal are the following:

- Capitalization of outstanding loans: for an amount of Euro 70 million with issuance of new common shares of the listed parent company to the Group's lenders.
- For the re-financing of the remaining outstanding loans:
  - o A syndicated loan of Euro 110 million
  - o A bond loan, of Euro 50 million, with a capitalized (Pay-In-Kind) interest rate, convertible to new common shares of the listed parent company.
- New working capital facility: For an amount of Euro 16 million for the financing of the Group's growth.

At the date of approval of these financial statements management has received no indication from the affected lenders that the borrowings in question will have to be immediately settled (including the interest that has been capitalized).

Management is confident that the negotiations with the affected lenders will be finalised within this quarter of 2010 to the benefit of the lenders and the Group as a whole.

## 6. Contingencies

The Group has contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business. It is not anticipated that any material liabilities will arise from the contingent liabilities. The Group and the Company have given guarantees in the ordinary course of business amounting to € 1.1 million and € 68.7 million respectively (of which € 67.6 million refer to guarantees given by the parent company relating to loans undertaken by the Group's subsidiaries).

## 7. Encumbrances

As at 30 September 2010 no encumbrances exist on Company's and Group's assets with the exception of the following:

- Included in cash and cash equivalents of the Company are balances amounting to € K 77. that are restricted as they act as security for letters of credit provided to the Company.
- The Company has registered a first mortgage over its factory building situated at Inofita as security for the issuance of letters of credit up to the amount of € K 9,000.

## 8. Related Parties Transactions

The related party transactions are as follows:

	GROUP		COMPANY	
	01/01- 30/09/2010	01/01 - 30/09/2009	01/01- 30/09/2010	01/01 - 30/09/2009
<i>Amounts in Euro '000</i>				
<b>Sales of goods</b>				
- Subsidiaries			33,333	26,859
- Associate	1,713	697		
<b>Sales of services</b>				
- Subsidiaries			3,601	3,474
- Associate				
<b>Purchase of goods</b>				
- Subsidiaries			1,171	1,840
- Associate	64	25		
<b>Purchase of services</b>				
- Subsidiaries				
- Associate				
<b>Key Management compensation</b>				
Salaries and other short term benefits to key management and member of the board	2,929	1,839	1,588	1,286
	GROUP		COMPANY	
	30/9/2009	31/12/2008	30/9/2009	31/12/2008
<b>Year End Balances arising from purchases - sales of goods and services</b>				
Trade receivables from Subsidiaries			58,823	54,030
Trade receivables from Associate	574	505		
Loans receivable from Subsidiaries			16,574	15,867
Loans receivable from Associates				
Other receivables from Subsidiaries			100	100
Other receivables from Associates				
Payables to Subsidiaries			3,234	2,257
Payables to Associate	15	5		

## 9. Finance income/expenses

<i>Amounts in Euro '000</i>	GROUP		COMPANY	
	01/01/2010-30/09/2010	01/01/2009-30/09/2009	01/01/2010-30/09/2010	01/01/2009-30/09/2009
<b>Financial expenses</b>				
Interest expense	14,475	15,089	10,273	10,259
Foreign currency differences	4,158	193	2,330	165
	<b>18,633</b>	<b>15,282</b>	<b>12,603</b>	<b>10,424</b>
<b>Financial income</b>				
Interest income	525	525	906	682
Foreign currency differences	5,634	9,357	3,451	7,935
	<b>6,160</b>	<b>9,882</b>	<b>4,357</b>	<b>8,617</b>

## 10. Earnings per Share

### BASIC AND DILUTED

*Amounts in Euro '000*

Earnings/(Losses) attributable to the Company's shareholders

Weighted Average number of shares

Earnings/(Losses) per share (expressed in Euro)

	GROUP		COMPANY	
	1/1 - 30/09/10	1/1 - 30/09/09	1/1 - 30/09/10	1/1 - 30/09/09
Earnings/(Losses) attributable to the Company's shareholders	-18,197	-27,909	-11,744	-11,761
Weighted Average number of shares	73,176,746	73,176,746	73,176,746	73,176,746
Earnings/(Losses) per share (expressed in Euro)	<b>-0.2487</b>	<b>-0.3814</b>	<b>-0.1605</b>	<b>-0.1607</b>

*Amounts in Euro '000*

Earnings/(Losses) attributable to the Company's shareholders

Weighted Average number of shares for diluted earnings per share

Diluted Earnings/(Losses) per share (expressed in Euro)

	GROUP		COMPANY	
	1/7 - 30/09/10	1/7 - 30/09/09	1/7 - 30/09/10	1/7 - 30/09/09
Earnings/(Losses) attributable to the Company's shareholders	-865	-3,424	-23	-844
Weighted Average number of shares for diluted earnings per share	73,176,746	73,176,746	73,176,746	73,176,746
Diluted Earnings/(Losses) per share (expressed in Euro)	<b>-0.0118</b>	<b>-0.0468</b>	<b>-0.0003</b>	<b>-0.0115</b>

## 11. Personnel

The number of employees as at 30<sup>th</sup> September 2010 was 1,529 (30/09/2009: 1,569) for the Group and 316 (30/09/2009: 313). for the Company.

## 12. Unaudited tax years

From the tax audit of M.J. MAILLIS S.A. Packing Systems for the years 2005, 2006 and 2007 that was concluded on 20/2/2009, the remaining amount of € K 494 is a net liability towards the Greek State and will be paid in 11 equal interest free monthly instalments beginning on 30/4/2010.

The unaudited tax years of the remaining companies of the Group are analysed as follows:

- STRAPTECH S.A. has been audited until FY 2004
- M.J.MAILLIS BULGARIA EOOD has been audited until FY 2008
- M.J.MAILLIS ROMANIA SA has been audited until FY 2007
- 3L has been audited until FY 2003
- M.J.MAILLIS ESPANA SL has been audited until FY 2004
- MARFLEX M.J.MAILLIS GROUP Sp Zoo has not been tax audited.
- SANDER GMBH & COKG has been audited until FY 2007
- M.J.MAILLIS FRANCE SAS has been audited until FY 2004
- SIAT SPA has been audited until FY 2009
- M.J.MAILLIS OSTERREICH GMBH has been audited until FY 2001
- M.J.MAILLIS HUNGARY PACKING SYSTEMS LTD has been audited until FY 2008
- M.J.MAILLIS CZECH SRO has been audited until FY 2004
- M.J.MAILLIS BENELUX NV has been audited until FY 2008
- WULFTEC INTERNATIONAL INC has been audited until FY 2002
- COLUMBIA has been audited until FY 2002
- M.J.MAILLIS UK has not been tax audited.
- MAILLIS STRAPPING SYSTEMS USA INC has not been tax audited.
- SICME SRL has been tax audited until FY 2003
- TAM SRL has been tax audited until FY 2003
- COMBI has been tax audited until FY 2004
- SIAT BENELUX BV has been tax audited until FY 2005

- SIAT USA, MJ MAILLIS FINLAND OY have not been tax audited
- MJ MAILLIS SYSTEMS SRL has been tax audited until FY 2006
- MAILLIS HOLDING GMBH has been tax audited until FY 1997
- MAILLIS SANDER GMBH has been tax audited until FY 2007
- EUROPACK SA has been tax audited until FY 2003
- MAILLIS STRONG STRAP PRIVATE LTD was formed in 2006 and has not been tax audited

### 13. Post Balance Sheet events

1) The Board of Directors of MJ MAILLIS, at the meeting of 06.10.2010, discussed and approved in principle, an agreement which will regulate all aspects of the restructuring of debt obligations Maillis Group, totalling approximately € 239.2 million, from all the existing debt of the Group (approximately EUR 250 million), providing the necessary authorizations for the finalization and signing.

The basic points of the proposal are the following:

- Capitalization of outstanding loans: for an amount of Euro 74.9 million with issuance of new common shares of the listed parent company to the Group's lenders.
- For the re-financing of the remaining outstanding loans:
  - o A syndicated loan of Euro 116.8 million
  - o A bond loan, of Euro 50 million, with a capitalized (Pay-In-Kind) interest rate, convertible to new common shares of the listed parent company.
- New working capital facility: For an amount of Euro 16 million for the financing of the Group's growth.
- and for the cover of short-term needs, a common bond loan of EUR 8 million will be issued, according to the legal statements of L. 3156/2003 and Law 2190/1920, which will be paid from this new line of working capital.

At the date of approval of these financial statements management has received no indication from the affected lenders that the borrowings in question will have to be immediately settled (including the interest that has been capitalized).

2) About M.I. MAILLIS SA announces that the Board meeting of 9.11.2010, approved an additional term of the forthcoming restructuring agreement, under which the banks involved in the € 242 million debt restructuring of the Group, will cover more new shares than their accounted for, in the proposed conversion / contribution to the capital of the parent company of the Group MAILLIS (from all participating creditors) of 74.9 million euro loan. Subsequently, the bond holders of the Group, will reduce their contribution by 1.9 million euros and the Company will recognise, additional liabilities amounting to 0.5 million euros . The acceptance of this condition was necessary to accelerate the signing of the restructuring agreement.

Other than the above matter, there are no significant post balance sheet events.

### 14. Seasonality

The Groups operations are not affected by seasonality. Revenues are generated thought the year based on customer demand.

The 9 month Interim Financial Statements have been approved by the Board of Directors of M.J.MAILLIS SA on 16 November 2010 and are available on the company's website [www.maillis.com](http://www.maillis.com)

**CHAIRMAN OF THE  
BOARD OF DIRECTORS**

**MICHAEL J. MAILLIS**  
Id. No Φ 020206

**VICE-CHAIRMAN OF  
THE BOARD OF  
DIRECTORS AND  
C.E.O.**

**IOANNIS M.  
KOUROUGLOS**  
PASS. No. AE  
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**FINANCIAL  
MANAGER OF  
GREECE**

**SPYRIDON D.  
PARGAS**  
Reg. No. 5293-  
A'Class

**[Translation from the original text in Greek]**

**Report on Review of Interim Financial Information**

**To the Shareholders of M.J. Maillis S.A.**

Introduction

We have reviewed the accompanying condensed company and consolidated balance sheet of M.J. Maillis S.A. and its subsidiaries (the "Group") as of 30 September 2010 and the related condensed company and consolidated statements of income and comprehensive income, changes in equity and cash flows for the nine-month period then ended and the selected explanatory notes. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as they have been adopted by the European Union and applied to interim financial reporting (International Accounting Standard "IAS" 34). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of Review

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

Conclusion

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

Emphasis of Matter

Without qualifying our review conclusion, we draw attention to Notes 2 and 5 in the condensed interim financial information which indicates that the Group continues the negotiations with its lenders in order to secure the continued future operations of the Company and its subsidiaries. As of 30 September 2010 the Group's current liabilities exceeded its current assets by € 185,186 thousand. Furthermore as of 30 September 2010 the Group's total liabilities exceeded its total assets, excluding goodwill, by € 67.153 thousand. These conditions, along with other matters as set forth in Notes 2 and 5, indicate the existence of a material uncertainty which may cast significant doubt about the Company's and the Group's ability to continue as a going concern.

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Athens, 17 November 2010  
THE CERTIFIED AUDITOR

Constantinos Michalatos  
SOEL Reg. No. 17701