



Semi-annual Financial Report

For the period from 1 January 2009 to 30 June 2009

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

MANUFACTURING COMPANY S.A.

SIDENOR STEEL PRODUCTS

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

Table of contents	Page
A. Board of Directors Statements	3
B. Board of Directors Semi-Annual Report	4
C. Report on review of interim financial information	12
D. Interim Financial Information	15
E. Figures and information	49

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

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

1. George Kalfarentzos, son of Christos, Chairman of the Board of Directors,
2. Sarantos Milios, son of Konstantinos, Managing Director and BoD member,
3. George Passas, son of Nikolaos, BoD member as per decision of the Company's Board of Directors, dated 27.08.29

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

(a) the attached corporate and consolidated financial statement for SIDENOR STEEL PRODUCTS MANUFACTURING COMPANY S.A. (the Company) as at 30 June 2009, the relevant corporate and consolidated summary profit and loss statements, comprehensive income, changes in equity and cash flow statements for the six month period that ended on this date, as well as the selected explanatory notes that comprise the summary interim financial information, which have been compiled according to I.A.S. 1, depict the actual details and figures of the assets and liabilities, the net assets and the profit and loss of SIDENOR S.A., as well as the companies included in the consolidation in total, pursuant to the stipulations of paragraphs 3 through 5, of article 5 of Law no. 3556/2007, and

(b) the Board of Directors' Report of SIDENOR S.A. for fiscal period 01.01.2009 – 30.06.2009 depicts the actual details of the evolution, performance and position of SIDENOR S.A., as well as the companies included in the Group consolidation in total, including the description of the main risks and uncertainties these are confronted with, on the basis of par. 6 of article 5 of Law no. 3556/2007.

Athens, 27 August 2009

The certifying persons,

**The Chairman of the
BoD**Kalfarentzos
George
ID Card No. Φ
147183**The Managing Director
and BoD Member**Milios
Sarantos
ID Card No. Π
998326**The Member
Appointed by the BoD**Passas
George
ID no. F 020251

B. Board of Directors Semi-Annual Report

The Semi-Annual Report of the Board of Directors which follows (hereby referred to as "Report"), pertains to the 1st half of current fiscal year 2009 (01.01.2009 - 30.06.2009). The Report has been prepared in accordance and in line with the respective provisions of Law no. 3556/2007 (Government Gazette Issue 91A/30.4.2007) and the executive decisions issued pursuant to it by the Capital Market Commission and, in particular, Decision no. 7/448/11.10.2007 of the BoD of the Capital Market Commission.

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

Company	Participation	Consolidation method	unaudit fiscal years
SIDENOR SA	-	-	2007 - 2009
SOVEL SA	62.56%	Full consolidation method	2006 - 2009
DEPAL SA	100.00%	Full consolidation method	2007 - 2009
STOMANA INDUSTRY S.A.	100.00%	Full consolidation method	2005 - 2009
ERLIKON EPEKSERGASIA SIRMATON SA	98.92%	Full consolidation method	2006 - 2009
AEIFOROS SA	90.00%	Full consolidation method	2007 - 2009
ETAL SA	98.43%	Full consolidation method	2007 - 2009
PROSAL SA	100.00%	Full consolidation method	2007 - 2009
TEPRO STEEL EAD	100.00%	Full consolidation method	2002 - 2009
ELMONTE HOLDINGS LIMITED	100.00%	Full consolidation method	2008 - 2009
BOZETTI LTD	100.00%	Full consolidation method	2008 - 2009
BEMET SA	100.00%	Full consolidation method	2003 - 2009
ETIL SA	69.99%	Full consolidation method	2004 - 2009
PRAKSIS SA	51.00%	Full consolidation method	2007 - 2009
DIA.VI.PE.THIV. SA	68.76%	Full consolidation method	2003 - 2009
AEIFOROS BULGARIA SA	90.00%	Full consolidation method	2007 - 2009
BET SA	61.62%	Full consolidation method	2007 - 2009
BEAT SA	40.66%	Full consolidation method	2003 - 2009
SIGMA SA	69.28%	Full consolidation method	2004 - 2009
ARGOS SA	69.28%	Full consolidation method	2005 - 2009
CORINTH PIPEWORKS SA	78.55%	Full consolidation method	2008 - 2009
SIDIREMPORIKI MAKEDONIAS SIDMA SA	24.18%	Net equity method	2006 - 2009
DIAPEM SA	33.35%	Net equity method	2003 - 2009
V.EPE. M. SA	50.00%	Net equity method	2003 - 2009
METTALOURGIA ATTIKIS SA	50.00%	Net equity method	2002 - 2009
EL.KE.ME SA	20.00%	Net equity method	2007 - 2009
DOMOPLEX LTD	45.00%	Net equity method	2007 - 2009
DOJLAN STEEL LLCOP	75.00%	Full consolidation method	2008 - 2009
PROSAL TUBES S.A.	100.00%	Full consolidation method	2007 - 2009
SIDERAL	100.00%	Full consolidation method	2006 - 2009
SIDEROM	100.00%	Full consolidation method	2007 - 2009
ZAO TMK - CPW	38.49%	Net equity method	2007 - 2009
BIODIESEL A.E.	15.64%	Net equity method	2006 - 2009
AWM SPA	29.10%	Net equity method	2008 - 2009
PORT VIDIN SOUTH SA	90.00%	Full consolidation method	2008 - 2009

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

A. Significant Events of the first half of 2009

The most important events that took place during the 1st half of 2009 are the following:

Investments in subsidiaries

In January of 2009 the parent company acquired an additional 74,398 shares of subsidiary PROSAL S.A. and as a result it owns 100% of its shares as well as of its subsidiary (Prosal Tubes).

During the current period the Italian company A.W.M. S.p.A. is being consolidated for the first time using the equity method since as of January 2009 Sidenor S.A. and its subsidiary PRAXIS S.A. acquired 24% and 10% of its share capital respectively. As a result the indirect participation of the Group in the said company currently stands at 29.1%.

On 25/06/2009 SIDENOR S.A. participated in a share capital increase of subsidiary company ETAL S.A. through capitalization of liabilities (equal amount of monetary debt) of the subsidiary towards SIDENOR S.A. The participation of SIDENOR S.A. in this subsidiary is now 95.79%.

In April 2009 SIDENOR S.A. purchased from its subsidiary company ELMONTE HOLDINGS LIMITED 95,089,856 shares of its subsidiary CORINTH PIPEWORKS SA without changing its indirect participation in the latter company. (78,55%).

Decisions of the Annual General Meeting

During the Annual General Meeting of the Company's Shareholders that took place in Athens, on June 16th, 2009 at 12.30 pm, the following were decided:

(a) Approval of the annual financial statements of financial year 2008 and the relevant Board of Directors Report and the Chartered Accountant/ Auditor's Report.

(b) Release of the BoD members and the Chartered Accountant-Auditor from any compensation liabilities for financial year 2008.

(c) Decision made for distribution of the profits for the year 2008, in the framework of which it was decided not to distribute dividends.

(d) Appointment of audit firm "PriceWaterHouseCoopers" as auditors for financial year 1/1-31/12/2009 with their remuneration to be fixed following their pertinent proposal.

(e) 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 2010 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. ATHANASSIOS MITROPOULOS, NON-EXECUTIVE MEMBER
7. SARANTOS MILIOS, EXECUTIVE MEMBER
8. DIMITRIOS PARASKEVOPOULOS, NON-EXECUTIVE MEMBER
9. ANDREAS KYRIAZIS, NON-EXECUTIVE AND INDEPENDENT MEMBER

(f) Members of the monitoring committee under article 37 of Law no. 3693/2008 were appointed the following:

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

Inventories valuation

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

B. Significant transactions with Associates

The transactions of associates concern primarily the trade and processing of steel products (finished and semi finished). Through these transactions the companies are able to achieve economies of scale by taking advantage of the Group's size. The Group's commercial transactions with its associates (persons or entities) during the 1st half of 2009 have been performed under market terms and in the context of the usual business activity. The transactions between affiliates within the meaning of IAS 24 are analyzed as follows:

Transactions with Subsidiaries

(amounts in thousand €)

SUBSIDIARIES	SALES OF GOODS & SERVICES	PURCHASES	PPE PRODUCTS - SERVICES	RECEIVABLES	PAYABLES	DIVIDEND INCOME
SIDENOR SA	54,894	29,355	93	46,774	67,338	2,200
SOVEL SA	4,371	18,991	154	66,881	196	-
STOMANA INDUSTRY S.A.	35,855	17,716	162	10,764	16,929	-
CORINTH PIPEWORKS SA	268	724	-	4,119	711	-
ERLIKON EPEKSERGASIA SIRMATON SA	902	4,386	-	136	4,396	-
AEIFOROS SA	1,096	273	8	272	24	-
DEPAL SA	681	130	-	2,638	7	255
PROSAL SA	-	1,279	-	-	2,468	-
ETIL SA	3,994	130	1	664	599	174
ARGOS SA	2,544	26	-	371	2	-
BET SA	2,583	24	-	60	4	-
PRAKSIS SA	224	4	-	16	24	-
ETAL SA	71	594	-	-	211	-
TEPRO STEEL LEAD	535	123	55	869	71	-
AEIFOROS BULGARIA SA	430	108	-	159	3	-
SIGMA SA	2,061	177	48	595	65	-
PROSAL TUBES S.A.	1,436	21	-	696	158	-
DOJRAN STEEL LLCOP	1,851	18,974	-	41	19,005	-
DIA.VLPE THIV. SA	617	248	-	471	7,408	-
SIDEROM SA	-	20,501	11	21	11,991	-
SIDERAL SA	-	-	98	-	3,503	-
TOTAL	114,414	113,785	629	135,546	135,113	2,629

The majority of the transactions with subsidiary companies have been carried out by Sidenor, Sovel, Stomana, Dojran and Siderom and concern purchase and sell transactions on finished and semi-finished steel products.

SIDENOR's dividend income derive from Bozetti (€1,718 thousand), from Aeiforos (€413 thousand), from Praksis (€54 thousand) and from Etil (€15 thousand).

Accordingly, Depal's dividend income concerns dividend from Etil (€255 thousand) and Etil's from Argos (€174 thousand).

Transactions with Affiliates

(amounts in thousand €)

AFFILIATES	SALES OF GOODS & SERVICES	PURCHASES	PPE PRODUCTS - SERVICES	RECEIVABLES	PAYABLES	DIVIDEND INCOME
SIDENOR SA	551	1,161	-	10,227	160	120
SOVEL SA	-	61	-	-	118	200
STOMANA INDUSTRY S.A.	4,544	145	-	1,086	33	-
CORINTH PIPEWORKS SA	60	111	-	717	34	-
ERLIKON EPEKSERGASIA SIRMATON SA	189	176	-	2,373	125	-
PROSAL SA	-	73	-	1,063	36	-
ETIL SA	1	119	6	-	84	-
ARGOS SA	-	27	-	-	18	-
BET SA	-	12	-	-	13	-
PRAKSIS SA	485	360	-	73	54	-
SIGMA SA	-	25	-	2	23	-
PROSAL TUBES S.A.	11	-	-	-	-	-
Total	5,839	2,269	6	15,541	699	320

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

Sidenor's dividend income is mainly sourced from Attica Metallurgy (€120 thousand) and Sovel's from Biodiesel (€200 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 & SERVICES	PURCHASES	PPE PRODUCTS - SERVICES	RECEIVABLES	PAYABLES	DIVIDEND INCOME
SIDENOR SA	5,589	8,363	20	15,096	1,421	-
SOVEL SA	16	14,807	101	20	372	146
STOMANA INDUSTRY S.A.	3,854	2,583	-	5,057	2,274	-
CORINTH PIPEWORKS SA	814	935	-	1,906	577	2
ERLIKON EPEKSERGASIA SIRMATON SA	685	171	-	1,146	139	-
AEIFOROS SA	26	5	9	-	11	-
DEPAL SA	41	2	-	-	1	-
PROSAL SA	-	16	-	134	5	-
ETIL SA	107	19	1	331	3	-
ARGOS SA	4	1	-	4	-	-
BET SA	-	1	-	-	1	-
PRAKSIS SA	-	15	-	1	1	-
TEPRO STEEL EAD	-	4	-	-	12	-
AEIFOROS BULGARIA SA	-	45	-	-	18	-
SIGMA SA	192	9	-	5	27	-
PROSAL TUBES S.A.	-	1	-	-	9	-
BOZETTI LTD	93	-	-	11	-	-
DOJIRAN STEEL LLCOP	418	32	-	59	33	-
DIA.VI.PE.THIV.SA	35	1	-	15	814	-
SIDEROM SA	-	196	-	-	64	-
TOTAL	11,874	27,204	133	23,786	5,779	148

The transactions with the other affiliates are mainly carried out by Sidenor, Stomana and Dojran. The companies they mainly cooperate with are Metal Agencies (trade of readymade products), Anamet and Metal Values (raw material purchases).

Sovel's dividend income is mainly sourced from Steelmet (€146 thousand) and Corinth Pipeworks' from Viohalco (€2 thousand).

Directors and Senior Officers Remuneration

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

(amounts in thousand €)

Amounts in euro

Management executive fees

Employment termination fees

Management executive liabilities

	GROUP		COMPANY	
	30/6/2009	30/6/2008	30/6/2009	30/6/2008
Management executive fees	1,691,309	2,830,254	854,369	1,210,697
Employment termination fees	-	-	-	-
Management executive liabilities	3,847,526	3,127,000	2,097,946	1,500,000

C. Company Branches

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

D. Group Trends and Performance

The intensively negative environment during the 1st half of 2009, was a result of the international economic recession, which also had an adverse effect on the results of the SIDENOR group. The slow-down in international activity and the decrease of investments, in conjunction with the particularly low price levels of products are the main reasons for the group's adverse results.

SIDENOR Group consolidated sales for the first half of 2009 amount to EUR 542 million, decreased by 36.84% compared to the corresponding period of 2008. The total sales volume was 957 million tons, compared to 1,236 million tons in the corresponding period of 2008. Pretax loss for the first half of 2009 amounts to EUR 43 million compared to EUR 124 million in the first half of 2008, while EBITDA was EUR -1 million. Finally, the net consolidated loss, after taxes and minority interests, amounted to EUR 38 million, compared to EUR 78 million in the first half 2008.

Selling and administrative expenses for the Group in the first half of 2009 amounted to EUR 69 million compared to EUR 73 million in the first half of 2008, while financial results amounted to EUR 11 million compared to EUR 17 million in the first half of 2008.

Regarding the parent company SIDENOR S.A., turnover in the first half of 2009 amounted to EUR 119 million, showing a decrease of 51.23%, while net loss amounted to EUR 16 million compared to EUR 96 million in the first half of 2008.

As the SIDENOR Group implemented its investment program during the first half of 2009, it made investments totaling EUR 25 million. The SIDENOR Group's investment program is in accordance with the broader strategy for further improvement of production plant productivity and the reinforcement of safety at the work place.

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

	30/6/2009	31/12/2008
Leverage ratio	0.67	0.76
Current ratio	1.35	1.33

	30/6/2009	30/6/2008
Return on Equity	-6.30%	11.81%
EBITDA Margin	-0.12%	19.21%

The total personnel employed as at 30/06/2008 for the Group was 3,113 employees and for the parent company 348. On 30/06/2008, the Group had 3,831 employees, while the parent company had 364.

The continuous effort to effectively manage the working capital, in conjunction with the cost cutting strategy resulted in a significant decrease of net borrowing by EUR 68 million, from EUR 497.4 million in December of 2008 to EUR 429 million in June of 2009.

E. Primary Risks

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 Group's 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.

Credit Risk

Credit risk refers to the Group's risk of incurring a loss in the event 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.

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 its creditworthiness before the usual payment terms are proposed. The creditworthiness audit that the Group conducts includes banking and other third party credit rating services, if available. Credit limits are set on a customer by customer basis and are re-examined 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.

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 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 only 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 these 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 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 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.

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.

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).

Capital Management

The policy of the Board of Directors consists in 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, not taking 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.

Fair value estimation

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.

F. Development of Activities in Second Half of 2009

In the 2nd half of 2009, SIDENOR Group, in order to adapt itself to the new adverse international market conditions, continues to set as top priorities the effective management of working capital, the production of positive cash flows, the reduction in production costs and the maintenance of an efficient activity indicator.

The Pipeworks segment in his phase is operating as a counterbalance and benefits from the favorable conditions of low prices in materials and freights. In the middle and long-term this segment, with the aid of its healthy financial structure, the broad range of products, its excellent quality and particularly competitive cost basis is preparing in order to manage the adverse conditions created by the international financial recession.

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

C. Report on review of interim financial information

To the Shareholders of SIDENOR S.A.

Introduction

We have reviewed the accompanying company and consolidated condensed statement of financial position of SIDENOR S.A. (the “Company”) as of 30 June 2009 and the related company and consolidated condensed income statement, statements of comprehensive income, changes in equity and cash flows for the six-month period then ended and the selected explanatory notes, that comprise the interim condensed financial information and which form an integral part of the six-month financial report as required by article 5 of L.3556/2007. The Company’s Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as they have been adopted by the European Union and applied to interim financial reporting (International Accounting Standard “IAS 34”). Our responsibility is to express a conclusion on this interim condensed financial information based on our review..

Scope of review

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

Review conclusion

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

Reference to Other Legal Requirements

Based on our review, we concluded that the information included in the six-month financial report as required by article 5 of L.3556/2007 is consistent with the accompanying interim condensed financial information.

PRICewaterhouseCOOPERS 

Athens, 28 August 2009

PricewaterhouseCoopers S.A.

THE CERTIFIED AUDITOR

268 Kifissias Avenue

152 32 Halandri

SOEL Reg. No. 113

Dimitris Sourbis

SOEL Reg. No. 1689

Interim Financial Information

For the period from 1 January 2009 to 30 June 2009

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

MANUFACTURING COMPANY S.A.

SIDENOR STEEL PRODUCTS

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

D. Interim Financial Information

Table of contents	Page
A. Interim Financial Information	17
B. Notes on the interim financial information	22
1 General Information	21
2 Summary of significant accounting policies	21
3 Financial Risk Management	31
4 Accounting estimates and assumptions	33
5 Segment Information	35
6 Investments in associates	36
7 Investments in subsidiaries	38
8 Derivative Financial Instruments	39
9 Borrowings	39
10 Finance leases	41
11 Operating Cash Flows	41
12 Commitments	42
13 Contingent Liabilities	42
14 Existing Collaterals	43
15 Associates	44
16 Earnings per share	45
17 Fiscal Years non-audited by tax authorities	46
18 Number of Personnel	47
19 Events after the Balance Sheet date	47
20 Significant Events	47
21 Reclassifications	48

A. Interim Financial Information

Summary Statement of Financial Position

<i>Amounts in Euro</i>	note	GROUP		COMPANY	
		30/6/2009	31/12/2008	30/6/2009	31/12/2008
ASSETS					
Non-current assets					
Land & Buildings		262,199,280	263,987,369	58,875,544	59,719,234
Machinery		450,411,937	469,774,095	80,287,736	83,924,307
Other tangible assets		83,325,608	67,220,007	8,549,714	4,838,853
Intangible assets		783,497	951,546	81,805	109,073
Investment in associates	6	30,335,633	30,584,715	10,918,756	9,082,992
Investments in subsidiaries	7	-	-	206,482,308	203,318,871
Available for sale financial assets		1,485,009	1,485,009	1,354,368	1,354,368
Deferred tax assets		21,453	133,198	-	-
Derivative financial instruments	8	-	181,859	-	181,859
Other receivables		4,573,973	4,576,130	3,859,288	3,861,428
		833,136,390	838,893,928	370,409,519	366,390,985
Current Assets					
Inventories		253,552,346	391,394,682	57,999,020	85,306,169
Trade and other receivables		232,330,091	343,789,471	157,708,187	222,454,729
Tax receivables		2,369,715	2,369,715	-	-
Derivative financial instruments	8	1,479,865	3,324,973	-	-
Financial assets at fair value through profit or loss		53,737	48,537	-	-
Cash and cash equivalents		12,166,074	35,420,254	1,782,108	8,895,037
		501,951,827	776,347,632	217,489,314	316,655,934
Total assets		1,335,088,218	1,615,241,560	587,898,833	683,046,919
EQUITY					
Capital and reserves attributable to equity holders					
Share capital		39,413,091	39,413,091	39,413,091	39,413,091
Share premium		120,046,867	120,046,867	120,046,867	120,046,867
Currency translation adjustments		-2,927,435	-2,154,242	-	-
Other reserves		103,182,637	98,216,837	59,202,283	56,469,933
Retained earnings		287,214,219	328,717,858	94,267,923	113,672,671
Total		546,929,378	584,240,411	312,930,164	329,602,561
Minority interest		109,723,423	112,520,630	-	-
Total equity		656,652,801	696,761,041	312,930,164	329,602,561
LIABILITIES					
Non-current liabilities					
Borrowings	9	225,158,806	252,561,628	93,750,000	110,000,000
Derivative financial instruments	8	6,916	379,178	6,916	-
Deferred tax liabilities		56,216,178	58,486,846	18,971,796	19,608,853
Retirement benefit obligations		5,053,236	4,992,436	1,637,375	1,622,906
Government grants		12,410,509	12,957,405	262,828	302,647
Provisions for other liabilities and charges		5,706,337	4,495,838	266,629	266,629
Other non-current liabilities		817,206	817,448	-	-
		305,369,190	334,690,780	114,895,544	131,801,035
Current liabilities					
Trade and other payables		121,420,323	264,428,687	94,670,464	116,486,341
Current tax liabilities		15,605,048	18,929,635	13,883,724	16,565,430
Borrowings	9	216,081,548	280,287,709	51,371,580	88,444,196
Other current liabilities		9,238,144	6,194,998	-	-
Finance lease liabilities	10	-	640	-	-
Derivative financial instruments	8	5,611,706	10,802,817	-	-
Retirement benefit obligations		308,181	513,195	147,357	147,356
Provisions for other liabilities and charges		4,801,276	2,632,057	-	-
		373,066,226	583,789,739	160,073,125	221,643,323
Total liabilities		678,435,416	918,480,519	274,968,669	353,444,358
Total equity and liabilities		1,335,088,218	1,615,241,560	587,898,833	683,046,919

The notes on pages 22 to 48 form an integral part of this financial information.

Summary Income Statement

Amounts in €	note	GROUP				COMPANY			
		6 months till 30/6/2009	3 months from 1/4 till 30/6/2009	6 months till 30/6/2008	3 months from 1/4 till 30/6/2008	6 months till 30/6/2009	3 months from 1/4 till 30/6/2009	6 months till 30/6/2008	3 months from 1/4 till 30/6/2008
Sales		541,896,177	258,065,082	857,940,418	471,502,327	119,008,955	71,059,843	244,022,274	138,681,589
Cost of sales		-499,043,721	-248,635,480	-654,083,741	-339,548,906	-120,224,949	-73,384,267	-194,870,333	-105,832,085
Gross profit		42,852,456	9,429,602	203,856,677	131,953,421	-1,215,995	-2,324,424	49,151,942	32,849,504
Selling expenses		-53,166,417	-23,363,104	-57,011,055	-28,938,507	-9,025,129	-4,923,743	-13,559,598	-7,284,078
Administrative expenses		-15,996,563	-8,107,416	-15,901,484	-7,185,363	-6,434,019	-3,151,639	-7,180,210	-3,768,160
Other operating Income		12,725,790	4,743,628	12,943,751	5,961,675	6,724,615	4,016,313	9,636,998	5,486,100
Other operating Expenses		-16,507,801	-7,271,647	-7,384,804	-4,694,843	-5,627,300	-3,417,756	-8,851,032	-5,395,380
Operating results		-30,092,535	-24,568,936	136,503,085	97,096,383	-15,577,827	-9,801,249	29,198,100	21,887,986
Finance Income		2,419,896	1,527,730	1,043,439	560,957	193,429	166,817	24,135	11,271
Finance Expenses		-13,819,847	-6,024,552	-17,725,261	-9,401,618	-4,055,812	-1,861,362	-7,453,231	-3,883,149
Dividend income		93,505	93,505	85,932	85,932	2,319,529	601,458	103,986,250	102,494,191
Profit/(loss) from participations	6	-163,704	-155,504	-35,918	-50	-	-	98	-
Profit/(loss) from subsidiaries		-1,909,324	-818,939	4,073,097	2,413,047	-	-	-	-
Profit before taxes		-43,472,009	-29,946,696	123,944,374	90,754,650	-17,120,680	-10,894,337	125,755,352	120,510,299
Income tax expense		2,086,051	1,467,085	-33,905,068	-28,415,339	589,864	319,044	-29,449,602	-28,009,720
Net Profit for continuing operations		-41,385,958	-28,479,611	90,039,306	62,339,311	-16,530,816	-10,575,293	96,305,750	92,500,579
Attributable to :									
Equity holders of the company		-38,173,782	-26,777,752	77,809,298	52,969,926	-16,530,816	-10,575,293	96,305,750	92,500,579
Minority interest		-3,212,176	-1,701,859	12,230,008	9,369,385	-	-	-	-
		-41,385,958	-28,479,611	90,039,306	62,339,311	-16,530,816	-10,575,293	96,305,750	92,500,579
Earnings per share attributable to the equity holders of the Company during the year (expressed in Euro per share)									
Basic		-0.3971	-0.2786	0.8094	0.5510	(0.172)	(0.110)	1.0018	0.9622
Diluted		-0.3971	-0.2786	0.8079	0.5500	(0.173)	(0.110)	1.0000	0.9605

The notes on pages 22 to 48 form an integral part of this financial information.

Summary Statement of Comprehensive Income

	GROUP				COMPANY			
	6 months till 30/6/2009	3 months from 1/4 till 30/6/2009	6 months till 30/6/2008	3 months from 1/4 till 30/6/2008	6 months till 30/6/2009	3 months from 1/4 till 30/6/2009	6 months till 30/6/2008	3 months from 1/4 till 30/6/2008
Profit (losses) after taxes	-41,385,958	-28,479,611	90,039,306	62,339,311	-16,530,816	-10,575,293	96,305,750	92,500,579
Other Comprehensive Income								
Exchange differences on translation of the financial statements from international business operations	-924,946	-109,317	-487,469	-181,723	-	-	-	-
Profit/(loss) after tax from the change of the fair value of the cash flow hedging	2,652,305	3,642,186	38,378	-73,016	-141,581	-111,863	-58,727	-20,431
Comprehensive income after tax	1,727,359	3,532,868	-449,092	-254,739	-141,581	-111,863	-58,727	-20,431
Cumulative Comprehensive results for the period	-39,658,599	-24,946,743	89,590,214	62,084,572	-16,672,397	-10,687,157	96,247,023	92,480,148
Attributable to :								
Equity holders of the company	-36,939,344	-24,080,228	77,394,069	52,789,560	-16,672,397	-10,687,157	96,247,023	92,480,148
Minority interest	-2,719,255	-866,515	12,196,145	9,295,012	-	-	-	-
	-39,658,599	-24,946,743	89,590,214	62,084,572	-16,672,397	-10,687,157	96,247,023	92,480,148

The notes on pages 22 to 48 form an integral part of this financial information.

Summary Statement of Changes in Shareholders' Equity

Amounts in euro	Attributable to the owners of the parent							Total own equity
	Share Capital & Share Premium Reserves	Reserves at fair value	Other reserves	Retained earnings	Foreign exchange differences	Total	Minority interest	
GROUP								
Balance as of 1 January 2008	159,459,958	779,528	100,144,881	315,209,093	-1,047,831	574,545,629	146,839,959	721,385,589
Cumulative Comprehensive earnings after tax	-	12,867	-2	77,809,298	-428,094	77,394,069	12,196,145	89,590,214
Share capital issue / (loss)	-	-	-	-	-	-	2,556	2,556
Increase - decrease participation percentage in subsidiaries	-	-	454,356	10,210,319	-	10,664,675	-29,350,456	-18,685,781
Transfer to reserves	-	-	1,967,597	-1,967,597	-	-	-	-
Dividend	-	-	-	-24,032,372	-	-24,032,372	-5,554,693	-29,587,065
	-	-	2,421,954	-15,789,651	-	-13,367,697	-34,902,592	-48,270,289
Balance as of 30 June 2008	159,459,958	792,395	102,566,833	377,228,741	-1,475,925	638,572,002	124,133,512	762,705,514
Cumulative Comprehensive earnings after tax	-	-5,239,488	2	-48,549,769	-678,317	-54,467,572	-11,134,757	-65,602,329
Share capital issue / (loss)	-	-	-	-	-	-	58,800	58,800
Increase - decrease participation percentage in subsidiaries	-	-	96,688	39,294	-	135,982	-625,839	-489,857
Transfer to reserves	-	-	407	-407	-	-	-	-
Dividend	-	-	-	-	-	-	88,913	88,913
	-	-	97,095	38,887	-	135,982	-478,125	-342,143
Balance as of 31 December 2008	159,459,958	-4,447,092	102,663,930	328,717,858	-2,154,242	584,240,411	112,520,630	696,761,041
Balance as of 1 January 2009	159,459,958	-4,447,092	102,663,930	328,717,858	-2,154,242	584,240,411	112,520,630	696,761,041
Cumulative Comprehensive earnings after tax	-	2,007,631	-	-38,173,782	-773,193	-36,939,344	-2,719,255	-39,658,599
Increase - decrease participation percentage in subsidiaries	-	-	12,862	-298,704	-	-285,842	736	-285,106
Transfer to reserves	-	-	2,945,306	-2,945,306	-	-	-	-
Dividend taxes	-	-	-	-85,847	-	-85,847	-26,737	-112,584
Dividend	-	-	-	-	-	-	-51,952	-51,952
	-	-	2,958,168	-3,329,858	-	-371,689	-77,953	-449,642
Balance as of 30 June 2009	159,459,958	-2,439,462	105,622,098	287,214,219	-2,927,435	546,929,378	109,723,423	656,652,801
COMPANY								
Balance as of 1 January 2008	159,459,958	439,371	54,955,215	78,259,258	-	293,113,802	-	293,113,802
Cumulative Comprehensive earnings after tax	-	-58,727	-	96,305,750	-	96,247,023	-	96,247,023
Transfer to reserves	-	-	1,378,324	-1,378,324	-	-	-	-
Dividend	-	-	-	-24,032,373	-	-24,032,373	-	-24,032,373
	-	-	1,378,324	-25,410,697	-	-24,032,373	-	-24,032,373
Balance as of 30 June 2008	159,459,958	380,644	56,333,539	149,154,312	-	365,328,452	-	365,328,452
Balance as of 30 June 2008	159,459,958	380,644	56,333,539	149,154,312	-	365,328,452	-	365,328,452
Cumulative Comprehensive earnings after tax	-	-244,250	-	-35,481,641	-	-35,725,891	-	-35,725,891
Balance as of 31 December 2008	159,459,958	136,394	56,333,539	113,672,671	-	329,602,561	-	329,602,561
Balance as of 1 January 2009	159,459,958	136,394	56,333,539	113,672,671	-	329,602,561	-	329,602,561
Cumulative Comprehensive earnings after tax	-	-141,581	-	-16,530,816	-	-16,672,397	-	-16,672,397
Transfer to reserves	-	-	2,873,931	-2,873,931	-	-	-	-
Balance as of 30 June 2009	159,459,958	-5,187	59,207,470	94,267,923	-	312,930,164	-	312,930,164

Cumulative Comprehensive earnings after tax

	Attributable to the owners of the parent							Total own equity
	Share Capital & Share Premium Reserves	Reserves at fair value	Other reserves	Retained earnings	Foreign exchange differences	Total	Minority interest	
GROUP								
Profit/ (losses) after taxes	-	-	-	77,809,298	-	77,809,298	12,230,008	90,039,306
Exchange differences from activities abroad	-	-	-	-	-428,094	-428,094	-59,376	-487,470
Profit / (losses) after tax from the change of fair value of the cash flow hedging	-	12,865	-	-	-	12,865	25,513	38,378
1 Jan 2008 - 30 June 2008	-	12,865	-	77,809,298	-428,094	77,394,069	12,196,145	89,590,214
Profit/ (losses) after taxes	-	-	-	-48,549,770	-	-48,549,770	-9,435,123	-57,984,893
Exchange differences from activities abroad	-	-	-	-	-678,318	-678,318	-312,347	-990,665
Profit / (losses) after tax from the change of fair value of the cash flow hedging	-	-5,239,484	-	-	-	-5,239,484	-1,387,287	-6,626,771
1 June 2008 - 31 Dec 2008	-	-5,239,484	-	-48,549,770	-678,318	-54,467,572	-11,134,757	-65,602,329
Profit/ (losses) after taxes	-	-	-	-38,173,782	-	-38,173,782	-3,212,176	-41,385,958
Exchange differences from activities abroad	-	-	-	-	-773,193	-773,193	-151,753	-924,946
Profit / (losses) after tax from the change of fair value of the cash flow hedging	-	2,007,631	-	-	-	2,007,631	644,674	2,652,305
1 Jan 2009 - 30 June 2009	-	2,007,631	-	-38,173,782	-773,193	-36,939,344	-2,719,255	-39,658,599
COMPANY								
Profit/ (losses) after taxes	-	-	-	96,305,750	-	96,305,750	-	96,305,750
Profit / (losses) after tax from the change of fair value of the cash flow hedging	-	-58,727	-	-	-	-58,727	-	-58,727
1 Jan 2008 - 30 June 2008	-	-58,727	-	96,305,750	-	96,247,023	-	96,247,023
Profit/ (losses) after taxes	-	-	-	-35,481,641	-	-35,481,641	-	-35,481,641
Profit / (losses) after tax from the change of fair value of the cash flow hedging	-	-244,250	-	-	-	-244,250	-	-244,250
1 June 2008 - 31 Dec 2008	-	-244,250	-	-35,481,641	-	-35,725,891	-	-35,725,891
Profit/ (losses) after taxes	-	-	-	-16,530,816	-	-16,530,816	-	-16,530,816
Profit / (losses) after tax from the change of fair value of the cash flow hedging	-	-141,581	-	-	-	-141,581	-	-141,581
1 Jan 2009 - 30 June 2009	-	-141,581	-	-16,530,816	-	-16,672,397	-	-16,672,397

Further analysis of the Statement of Changes in Equity was necessary due to the update of IAS 1

The notes on pages 22 to 48 constitute an integral part of this financial information.

Summary Cash Flow Statement

	NOTE	GROUP		COMPANY	
		1/1 till 30/6/2009	1/1 till 30/6/2008	1/1 till 30/6/2009	1/1 till 30/6/2008
<i>amounts in euro</i>					
Cash flow from operating activities					
Cash flow from operating activities	11	115,685,339	-50,301,069	62,146,182	-56,191,800
Interest paid		-16,146,891	-17,559,976	-5,431,616	-7,781,342
Income tax paid		-5,858,358	-10,784,901	-2,681,706	-2,983,312
Net cash flows from operating activities		93,680,091	-78,645,946	54,032,860	-66,956,453
Cash flows from investing activities					
Purchase of property, plant and equipment		-24,710,016	-32,025,919	-4,564,601	-7,190,224
Purchase of intangible assets		-23,089	-172,518	-	-
Sale of property, plant and equipment		97,651	1,303,071	1,500	5,381
Dividends received		313,625	85,932	1,546,000	102,612,988
Increase-acquisition of participation in associates		-2,600,882	-12,180	-1,835,764	-12,180
Increase-acquisition of participation in subsidiaries		-768,904	-18,691,064	-61,442,543	-28,991,144
Return of a subsidiary capital		-	-	58,279,106	21,239,893
Other		-	3,495	-	-
Net cash flows from investing activities		-27,691,615	-49,509,183	-8,016,301	87,664,714
Cash flow from financing activities					
Dividends distributed to the shareholders of the parent company		-300	-132	-300	-132
Proceeds from borrowings		122,177,940	342,232,786	927,383	23,570,048
Repayment of borrowings		-213,786,924	-225,829,595	-54,250,000	-43,090,909
Repayment of finance lease obligations		-640	-15,723	-	-
Dividends distributed to minority		-46,344	-5,438,620	-	-
Collections subsidies		-	74,263	-	-
Proceeds from Share Capital increase (minority stake)		-	2,556	-	-
Other		2,419,896	1,039,944	193,429	24,135
Net cash flows from financing activities		-89,236,371	112,065,479	-53,129,487	-19,496,858
Net (decrease)/increase in cash and cash equivalents		-23,247,895	-16,089,650	-7,112,928	1,211,402
Cash and cash equivalents at the beginning of the year		35,420,254	37,201,099	8,895,036	5,068,688
Foreign exchange differences in cash and cash equivalents		-6,284	-71,397	-	-
Cash and cash equivalents at the end of the period		12,166,074	21,040,052	1,782,108	6,280,090

The notes on pages 22 to 48 constitute an integral part of this financial information.

B. Notes on the interim financial information

1 General Information

This interim financial information includes the corporate and consolidated summary financial statement for SIDENOR STEEL PRODUCTS MANUFACTURING COMPANY S.A. (the "Company") and its subsidiaries (the "Group") as at 30 June 2009, the relevant corporate and consolidated summary profit and loss statements, comprehensive income, changes in equity and cash flow statements for the six month period that ended on this date.

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 27.08.2009.

2 Summary of significant accounting policies

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

2.1 New standards and amendments of existing International Accounting Standards

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

Standards effective for year ended 31 December 2009

IAS 1 (Revised) "Presentation of Financial Statements"

IAS 1 has been revised to enhance the usefulness of information presented in the financial statements. The revised standard prohibits the presentation of items of income and expenses (that is 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All 'non-owner changes in equity' are required to be shown in a performance statement. Entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). The Group has elected to present two statements. The interim financial statements have been prepared under the revised standard requirements.

IFRS 8 “Operating Segments”

This standard supersedes IAS 14, under which segments were identified and reported based on a risk and return analysis. Under IFRS 8 segments are components of an entity regularly reviewed by the entity’s chief operating decision maker and are reported in the financial statements based on this internal component classification. This has resulted in no change in the number of reportable segments presented.

IAS 23 (Amendment) “Borrowing Costs”

This standard replaces the previous version of IAS 23. The main difference with the previous edition is the removal of the option of immediately recognizing as an expense borrowing costs that relate to assets, which need a substantial period of time to get ready for use or sale. This amendment shall have no effect on the Group because the entire borrowing cost that concerned assets that met the conditions has been capitalized.

IAS 39 (Amended) “Financial Instruments: Recognition and Measurement” – Eligible Hedged Items

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.

Standards effective after year ended 31 December 2009**IFRS 3 (Revised) “Business Combinations” and IAS 27 (Amended) “Consolidated and Separate Financial Statements” (effective for annual periods beginning on or after 1 July 2009)**

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. Furthermore the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The changes introduced by these standards must be applied prospectively and will affect future acquisitions and transactions with minority interests. The Group will apply these changes from their effective date.

Interpretations effective after year ended 31 December 2009**IFRIC 17 “Distributions of non-cash assets to owners” (effective 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. The Group will apply this interpretation from its effective date.

2.2 Basis of preparation

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

The summary interim financial information for the six month period were prepared according to the same accounting policies followed for the preparation and presentation of the financial statements for the Company and the Group for 2008.

The summary interim financial information must be taken into account in conjunction with the audited financial statements of the Company and the Group for the year ended 31 December 2008, posted on the Company's web site, which were prepared in accordance with IFRS.

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

2.3 Financial Information

(a) Subsidiary companies

Subsidiaries are all entities which the Group has the power to govern. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

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

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

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

(b) Associates

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

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

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

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

(c) Increase of equity participation in subsidiaries

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

2.4 Segment Reporting

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 Groups entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency).

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

(b) Transactions and balances

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

(c) Group Companies

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

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

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

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

2.6 Property, Plant and Equipment

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

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the

Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

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

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

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

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

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

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

2.7 Intangible Assets

Computer Software

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

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

Development Expenses

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

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

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

2.9 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, and when circumstances indicate that the carrying amount may be recoverable. 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.

2.10 Financial assets

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

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

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

(b) Loans and receivables

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

(c) Held-to-maturity investments

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

(d) Available-for-sale financial assets

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

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

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

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

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

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If impairment is demonstrated, accumulated loss in equity which is the difference between the cost of acquisition and the fair value shall be carried over to results. Impairment losses recognized in the income statement on equity instruments are not reversed through the income statement.

2.11 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.

2.12 Inventories

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

2.13 Trade Receivables

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

2.14 Cash and equivalents

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

2.15 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.

2.16 Suppliers

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

2.17 Borrowings

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

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

2.18 Deferred Income Tax

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

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

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

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

2.19 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.

2.20 Employee benefits

(a) Pension obligations

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

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

The liability recognized in the balance sheet in respect of defined benefit pension plans is the current value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

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

(b) *Termination benefits*

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

(c) *Short term benefits*

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

2.21 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.

2.22 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.

2.23 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.

2.24 Revenue Recognition

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

(a) Sales of goods

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

(b) Sales of services

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

(c) Interest income

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

(d) Dividends

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

2.25 Leases

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

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

2.26 Dividend distribution

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

2.27 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.

2.28 Earnings per Share

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

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

3 Financial Risk Management

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

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

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

3.1 Credit Risk

Credit risk refers to the Group's risk of incurring a loss in the event a customer or third party fails to fulfill 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. The creditworthiness audit that the Group conduct includes banking and other third party credit rating services that are available. 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 reexamines 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 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 enough cash reserves in order to cover its operational costs, including the fulfillment of its financial obligations. The effect of unforeseeable extreme circumstances is not taken into consideration in this policy.

3.6 Market Risk

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

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

3.7 Currency Risk

The Group operates in Europe, and consequently the greater part of the Group’s transactions are carried out in Euros. However, part of the Group’s purchases is denominated in US Dollar.

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

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

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

3.8 Interest Rate Risk

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

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

3.9 Capital Management

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

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

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

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

3.10 Fair value estimation

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

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

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

4 Accounting estimates and assumptions

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

4.1 Significant accounting estimates and assumptions

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

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

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

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

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

4.2 Critical judgments in applying the entity's accounting policies

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

5 Segment Information

Primary reporting format – business sectors

The Group is divided into two business sectors:

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

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

6 months till 30 June 2009 (Amounts in euro)	Steel		
	Construction Products	Pipes	Total
Total gross sales per segment	449,218,667	201,516,970	650,735,637
Intra-company sales	-83,505,340	-25,334,121	-108,839,460
Net sales	365,713,327	176,182,850	541,896,177
Operating results	-44,022,446	13,929,911	-30,092,535
Financial income	1,386,344	1,033,552	2,419,896
Financial expenditures	-10,536,598	-3,283,250	-13,819,847
Participation income	91,473	2,032	93,505
Profit / loss of associates	-168,904	5,200	-163,704
Share in results by subsidiaries	-3,127,556	1,218,232	-1,909,324
Profit before taxes	-56,377,686	12,905,677	-43,472,009
Income tax expense	2,620,134	-534,083	2,086,051
Profit for the year	-53,757,552	12,371,594	-41,385,958

30/6/2009 (Amounts in euro)	Steel		
	Construction Products	Pipes	Total
Assets (apart from investments in associates)	1,055,758,346	248,994,239	1,304,752,585
Investments in Associates	21,349,811	8,985,822	30,335,633
Total Assets	1,077,108,157	257,980,061	1,335,088,218
Total liabilities	570,228,105	108,207,311	678,435,416

Other items per segment included in the results for the 6 months ended 30 June 2009

6 months till 30 June 2009 (Amounts in euro)	Steel		
	Construction Products	Pipes	Total
Depreciation of property, plant and equipment	23,374,354	5,904,677	29,279,031
Depreciation of intangible assets	128,506	61,569	190,075
Total depreciation	23,502,860	5,966,246	29,469,106
Impairment of receivables	-	53,767	53,767
Impairment of inventories	-1,443,811	-3,309,541	-4,753,352
Investments in tangible and intangible assets and in fixed assets	23,714,623	1,018,482	24,733,104

The results per segment for the 6 months to 30 June 2009 as follows

6 months till 30 June 2008 (Amounts in euro)	Steel		
	Construction Products	Pipes	Total
Total gross sales per segment	912,924,828	144,479,303	1,057,404,130
Intra-company sales	-187,770,075	-11,693,637	-199,463,712
Net sales	725,154,752	132,785,666	857,940,418
Operating results	124,437,847	12,065,238	136,503,085
Financial income	681,074	362,365	1,043,439
Financial expenditures	-12,859,155	-4,866,106	-17,725,261
Participation income	85,932	-	85,932
Profit / loss of associates	-35,918	-	-35,918
Share in results by subsidiaries	2,744,215	1,328,882	4,073,097
Profit before taxes	115,053,996	8,890,378	123,944,374
Income tax expense	-32,322,892	-1,582,175	-33,905,068
Profit for the year	82,731,103	7,308,203	90,039,306

31/12/2008 (Amounts in euro)	Steel		
	Construction Products	Pipes	Total
Assets (apart from investments in associates)	1,197,355,119	387,301,726	1,584,656,845
Investments in Associates	21,547,040	9,037,675	30,584,715
Total Assets	1,055,508,418	340,991,437	1,615,241,560
Total liabilities	657,460,236	261,020,282	918,480,518

Other items per segment included in the results for the 6 months ended 30 June 2008

6 months till 30 June 2008 (Amounts in euro)	Steel		
	Construction Products	Pipes	Total
Depreciation of property, plant and equipment	22,659,720	5,502,935	28,162,655
Depreciation of intangible assets	117,667	59,175	176,842
Total depreciation	22,777,387	5,562,110	28,339,497
Impairment of receivables	-370,000	88,400	-281,600
Impairment of inventories	111,657	1,970,840	2,082,497
Investments in tangible and intangible assets and in fixed assets	29,152,674	3,045,763	32,198,437

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

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

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

6 Investments in associates

Amounts in €	GROUP		COMPANY	
	30/6/2009	31/12/2008	30/6/2009	31/12/2008
Beginning of the year	30,584,715	29,625,176	9,082,992	9,070,812
Share of profit/(loss) after tax	-1,909,324	3,590,392	-	-
Income from dividends (-)	-233,058	-955,072	-	-
Foreign exchange differences	-707,583	-1,733,245	-	-
Additions	2,600,882	12,180	1,835,764	12,180
Transfer from financial instruments available for sale	-	40,000	-	-
Investment increase in associate	-	5,284	-	-
Balance at the year end	30,335,633	30,584,715	10,918,756	9,082,992

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

Company	Country	Holding Percentgae		
		30-Jun-09	31-Dec-08	
SIDMA S.A.	Greece	24.18%	24.18%	
DIAPEM S.A.	Greece	33.35%	33.35%	
BEPEM S.A.	Greece	50.00%	50.00%	
METALLOURGIA ATTIKIS S.A.	Greece	50.00%	50.00%	
ELKEME S.A.	Greece	20.00%	20.00%	
DOMOPLEX LTD	Cyprus	45.00%	45.00%	
BIODIESEL S.A.	Greece	15.64%	15.64%	
ZAO TMK-CPW	Russia	38.49%	38.49%	
AWM SPA	Italy	29.10%	-	
Condensed financial information of Associates		30-Jun-09	31-Dec-08	30-Jun-08
Assets		267,042,354	282,312,605	-
Liabilites		181,324,104	187,216,862	-
Revenues (Sales)		92,480,308	-	146,960,054
Profit (loss) after tax		-7,481,917	-	11,703,362

During the current period the Italian company A.W.M. S.p.A. is being consolidated for the first time using the equity method since as of January 2009 Sidenor S.A. and its subsidiary PRAXIS S.A. acquired 24% and 10% of its share capital respectively. As a result the indirect participation of the Group in the said company is formed at 29.1%. The Italian company is active in the planning and development of tailor made high-tech mechanical applications in the steel processing and production sector.

7 Investments in subsidiaries

<i>Amounts in €</i>	COMPANY	
	30/6/2009	31/12/2008
Beginning of the year	203,318,871	195,269,484
Additions	61,442,543	30,004,394
Reductions	-58,279,106	-21,955,006
Balance at year end	206,482,308	203,318,871

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

Company	Country	Direct Participation Percentage	Indirect Participation Percentage	Direct & Indirect Particip.%	Activity sector
2009					
SOVEL S. A.	Greece	62.56%	0.00%	62.56%	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 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%	2.63%	98.43%	Steel Construction Products
PROSAL S.A.	Greece	100.00%	0.00%	100.00%	Pipes
PROSAL TUBES SA	Bulgaria	0.00%	100.00%	100.00%	Pipes
TEPRO STEEL EAD	Bulgaria	100.00%	0.00%	100.00%	Steel Construction Products
DOJRAN STEEL LLCOP	F. YR. O.M.	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 SA	Greece	100.00%	0.00%	100.00%	Steel Construction Products
ETIL SA	Greece	3.89%	66.10%	69.99%	Steel Construction Products
PRAKSYS SA	Greece	51.00%	0.00%	51.00%	Steel Construction Products
DIA.VI.PE.THIV. SA	Greece	51.97%	16.79%	68.76%	Pipes
AEIFOROS BULGARIA SA	Bulgaria	0.00%	90.00%	90.00%	Steel Construction Products
VET SA	Greece	0.00%	61.62%	61.62%	Pipes
VEAT SA	Greece	0.00%	40.66%	40.66%	Steel Construction Products
SIGMA SA	Bulgaria	0.00%	69.28%	69.28%	Steel Construction Products
ARGOS SA	Greece	0.00%	69.28%	69.28%	Steel Construction Products
SIDERAL SHPK (ANAMET AL 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 VIDIN SOUTH SA	Bulgaria	0.00%	90.00%	90.00%	Steel Construction Products
CORINTH PIPEWORKS SA	Greece	78.55%	0.00%	78.55%	Pipes

Company	Country	Direct Participation Percentage	Indirect Participation Percentage	Direct & Indirect Particip.%	Activity sector
2008					
SOVEL S. A.	Greece	62.56%	0.00%	62.56%	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 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	83.26%	10.47%	93.73%	Steel Construction Products
PROSAL S.A.	Greece	70.00%	0.00%	70.00%	Pipes
PROSAL TUBES SA	Bulgaria	0.00%	70.00%	70.00%	Pipes
TEPRO STEEL EAD	Bulgaria	100.00%	0.00%	100.00%	Steel Construction Products
DOJRAN STEEL LLCOP	F. YR. O.M.	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 SA	Greece	100.00%	0.00%	100.00%	Steel Construction Products
ETIL SA	Greece	3.89%	66.10%	69.99%	Steel Construction Products
PRAKSYS SA	Greece	51.00%	0.00%	51.00%	Steel Construction Products
DIA.VI.PE.THIV. SA	Greece	51.97%	16.79%	68.76%	Pipes
AEIFOROS BULGARIA SA	Bulgaria	0.00%	90.00%	90.00%	Steel Construction Products
VET SA	Greece	0.00%	61.62%	61.62%	Pipes
VEAT SA	Greece	0.00%	40.66%	40.66%	Steel Construction Products
SIGMA SA	Bulgaria	0.00%	69.28%	69.28%	Steel Construction Products
ARGOS SA	Greece	0.00%	69.28%	69.28%	Steel Construction Products
SIDERAL SHPK (ANAMET AL 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 VIDIN SOUTH SA	Bulgaria	0.00%	90.00%	90.00%	Steel Construction Products
CORINTH PIPEWORKS SA	Greece	1.97%	76.58%	78.55%	Pipes

In January of 2009 the parent company acquired an additional 74,398 shares of subsidiary PROSAL S.A. and as a result it owns 100% of its shares as well as of its subsidiary (Prosal Tubes).

On 25/06/2009 SIDENOR S.A. participated in a share capital increase of subsidiary company ETAL S.A. through capitalization of liabilities (equal monetary debt) of the subsidiary towards SIDENOR S.A. The participation of SIDENOR S.A. in this subsidiary is now 95.79%.

In April 2009 SIDENOR S.A. purchased from its subsidiary company ELMONTE HOLDINGS LIMITED 95,089,856 shares of its subsidiary CORINTH PIPEWORKS SA without changing its indirect participation in the latter company. (78,55%).

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

8 Derivative Financial Instruments

Derivative financial instruments	GROUP		COMPANY	
	30/6/2009	31/12/2008	30/6/2009	31/12/2008
<i>Amounts in €</i>				
Non Current Assets				
Interest rate swaps for cash flow hedging	-	181,859	-	181,859
Total	-	181,859	-	181,859
Current assets				
Interest rate swaps for cash flow hedging	-	53,369	-	-
Forwards for cash flow hedging	1,479,865	3,271,604	-	-
Total	1,479,865	3,324,973	-	-
Non-current liabilities				
Interest rate swaps for cash flow hedging	6,916	379,178	6,916	-
Total	6,916	379,178	6,916	-
Current liabilities				
Interest rate swaps for cash flow hedging	96,900	-	-	-
Forwards for cash flow hedging	5,514,806	10,169,059	-	-
Forward foreign exchange - available for trading	-	633,758	-	-
Total	5,611,706	10,802,817	-	-
Profit/(loss) recognised in the income statement	-2,667,710	-6,380,977	-	-
Interest rate swaps details on nominal value				
Interest rate swaps (in €)	39,250,000	124,700,000	28,750,000	99,500,000
Forward foreign exchange (\$)	-	15,165,602	-	1,800,000
Forwards (in USD)	99,008,086	140,549,000	-	-
Forwards (in GBP)	282,279	-	-	-

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

Profit and loss relating to forward foreign exchange contracts recognized in equity (hedging reserve) on 30.06.2009 will be recognized in comprehensive income during the next period. The amounts accounted for in the other comprehensive income statement after tax are EUR 2,652 thousand for the consolidated figures and EUR -142 thousand for the corresponding corporate figures.

On 30/06/2009, the fixed interest rates of long-term loans covered by interest rate swaps ranged from 3.21% to 4,15%. The basic floating rates are based on EURIBOR.

There is no nominal value of outstanding freight future contracts with regards to subsidiary CORINTH PIPEWORKS S.A. on 30.06.2009, which on 31.12.2008 it was USD 1,036,000.

9 Borrowings

<i>Amounts in €</i>	GROUP		COMPANY	
	30/6/2009	31/12/2008	30/6/2009	31/12/2008
Long term borrowings				
Bank loans	71,408,806	62,561,628	-	-
Bond loans	153,750,000	190,000,000	93,750,000	110,000,000
Total long term borrowings	225,158,806	252,561,628	93,750,000	110,000,000
Current Borrowings				
Credit Limits bank accounts	6,250,112	4,764,568	1,371,580	444,196
Bank loans	209,831,435	275,523,141	50,000,000	88,000,000
Finance lease liabilities	-	640	-	-
Total current borrowings	216,081,548	280,288,350	51,371,580	88,444,196
Total borrowings	441,240,354	532,849,978	145,121,580	198,444,196
Cash	12,166,074	35,420,254	1,782,108	8,895,037
Net borrowings	429,074,280	497,429,724	143,339,472	189,549,159

The maturity dates of non-current borrowings, excluding finance lease obligations, are as follows:

<i>Amounts in €</i>	GROUP		COMPANY	
	30/6/2009	31/12/2008	30/6/2009	31/12/2008
Between 1 and 2 years	83,806,933	83,222,537	41,250,000	41,250,000
Between 2 and 5 years	141,351,873	165,839,037	52,500,000	68,750,000
Over 5 years	-	3,500,054	-	-
Total	225,158,806	252,561,628	93,750,000	110,000,000

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

	GROUP		COMPANY	
	30/6/2009	31/12/2008	30/6/2009	31/12/2008
Bank Loans (long term)	3.30%	5.85%	-	6.72%
Bank Loans (short term)	3.55%	6.07%	2.24%	5.12%
Bond loans	2.45%	4.84%	2.63%	4.96%

The exposure of the group's borrowings to interest rate changes and the contractual repricing dates at the balances sheet dates are as follows:

<i>Amounts in €</i>	GROUP		COMPANY	
	30/6/2009	31/12/2008	30/6/2009	31/12/2008
Up to 1 year	216,082,188	280,288,349	51,371,580	88,444,196
Between 1 and 2 years	83,806,933	83,222,537	41,250,000	41,250,000
Between 2 and 5 years	141,351,233	165,839,037	52,500,000	68,750,000
Over 5 years	-	3,500,054	-	-
Total	441,240,354	532,849,978	145,121,580	198,444,196

	GROUP		COMPANY	
	Current Value		Current Value	
	Beginning	Ending	Beginning	Ending
Long term borrowings				
Bank loans	62,561,628	72,346,833	-	-
Bond loans	190,000,000	153,750,000	110,000,000	93,750,000
Total	252,561,628	226,096,833	110,000,000	93,750,000

	GROUP		COMPANY	
	30/6/2009	31/12/2008	30/6/2009	31/12/2008
Total Borrowings (per currency)				
Euro	414,889,710	498,671,522	145,121,580	198,444,196
Usd dollar	-	2,169,135	-	-
Leva	26,350,644	32,009,321	-	-
Total	441,240,354	532,849,978	145,121,580	198,444,196

On 27/06/2007, the repeat Company's General Meeting of the Ordinary Shareholders General Meeting approved the additional issue of bond loans up to €100 million which will be covered by banks. The issue of these loans will be used, mainly, to reschedule current short term bank debt with long term one, to finance investment activities as well as to participate in share capital increases of subsidiaries. Up to the date of financial statements issue, the amount of €45 million has been received by the company. The repeat

General Meeting of 26/06/2008 had approved the issue of bond loans up to €60 million which has been received in total.

10 Finance leases

Amounts in €

Finance lease liabilities - minimum lease payments

Up to 1 year

Total

Present value of finance lease liabilities

GROUP	
30/6/2009	31/12/2008
-	640
-	640
-	640

The current value of finance lease liabilities is as follows:

Up to 1 year

Present value of finance lease liabilities

-	640
-	640

11 Operating Cash Flows

<i>Amounts in €</i>	note	GROUP		COMPANY	
		1/1 till 30/6/2009	1/1 till 30/6/2008	1/1 till 30/6/2009	1/1 till 30/6/2008
Profits of year		-41,385,958	90,039,306	-16,530,816	96,305,750
Adjustments for:					
Income tax		-2,086,051	33,905,068	-589,864	29,449,602
Depreciation of property, plant and equipment		29,279,031	28,162,655	5,333,417	5,802,875
Amortisation of intangible assets		190,075	176,842	27,268	31,594
Impairment		7,728,421	285,110	-	-
(profits)/losses from the sale of property, plant & equipment		-35,543	-74,700	-1,500	-3,354
(Profits) / Losses from sale of an investment		168,904	-	-	-
Fair value losses of other financial assets at fair value through profit or loss		-5,200	59,400	-	-
Interest income		-2,419,896	-1,043,439	-193,429	-24,135
Interest expense		13,819,847	17,725,261	4,055,812	7,453,231
Income from dividends		-93,505	-85,932	-2,319,529	-103,986,250
Amortisation of grants		-546,896	-537,893	-39,818	-39,818
Income from associates	6	1,909,324	-4,073,097	-	-
Losses from destruction of asset		10,323	899,713	-	894,644
Other		233,487	479,024	48,583	-
		6,766,362	165,917,318	-10,209,876	35,884,138
Changes in working capital					
(Increase)/decrease in inventories		130,113,915	-97,324,361	27,307,149	-23,365,560
(Increase)/decrease in receivables		112,982,665	-182,377,473	65,522,212	-135,342,317
Increase/(decrease) in liabilities		-137,629,414	64,747,839	-20,487,772	66,174,918
Increase/(decrease) in provisions		3,596,024	-661,765	-	370,000
Increase/(decrease) in retirement benefit obligations		-144,213	-602,627	14,470	87,020
		108,918,977	-216,218,388	72,356,058	-92,075,938
Net cash flows from operating activities:		115,685,339	-50,301,069	62,146,182	-56,191,800
<i>Profits / (losses) from the sale of PPE include:</i>					
<i>Amounts in €</i>					
Net book value		62,108	1,228,370	-	2,027
Profits/(losses) from the sale of PPE		35,543	74,700	1,500	3,354
Income from the sale of PPE		97,651	1,303,071	1,500	5,381
<i>Profits from other financial instruments include:</i>					
<i>Amounts in €</i>					
Profits / (losses) from valuation or sale of other financial instruments		5,200	-33,800	-	-

For the Company ETILSA the appeal filed against the audit reports for the year 2000, which imposed additional taxes of € 1,946,905, which is divided in € 523,204 of main income tax and € 1,423,701 of accruals, is still pending (to 31/12/2008). The Company has submitted a request towards the Committee provided for by article 70 of Law no. 2238/94 aiming at exempting the service rendering sector from the off-balance sheet definition. The company's management's view is that the issue will be resolved with a significant reduction in the company's final liability. The subsidiary has recognized a provision of €258,573 against profit or loss, which is the amount payable if the company's request is approved. The amount of €11,813 has charged the current period results.

On the 1st of January 2009, subsidiary Stomana Industry SA had recognized a provision of €558 thousand against lawsuits by former employees due to dismissals and labour accidents. During the year, €70 thousand have been used. The current amount of the provision is €488 thousand.

Moreover subsidiary Corinth Pipeworks S.A. on 30.06.2009 recognized a provision of €8,766 thousand. (of which €1,914 thousands regards cases in court or under arbitration of a total amount of €2,136 thousand). Moreover, the company has made other provisions of €6,852 thousand regarding losses that may occur as a result of the company's contractual obligations to its customers. The provision was estimated based on historical figures and statistics for the settlement of similar cases in the past.

Subsidiary Tepro Steel EAD on 1st January 2009 had recognized provisions of € 3,6 thousand for cases in court or under arbitration for equal potential liabilities.

A provision of €929 thousand for the Group and €267 thousand for the Company respectively has been made for unaudited tax years.

There is also a balance of other provisions amounting to €62 thousand concerning general expenses of subsidiary SIGMA SA.

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

14 Existing Collaterals

There are mortgages and liens on the immovable property of subsidiary Corinth Pipeworks S.A. amounting to €73.200 thousand in favour of banks for loans with outstanding balance €23,461 thousand and STOMANA S.A. amounting to €55,000 thousand in favour of banks for loans with outstanding balance €33,010 thousand.

15 Associates

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

<i>Amounts in Euro</i>	GROUP		COMPANY	
	30/6/2009	30/6/2008	30/6/2009	30/6/2008
Sale of goods				
Subsidiary companies	-	-	41,690,943	100,028,481
Affiliate companies	5,837,492	13,368,857	549,093	2,883,101
Other Related Parties	11,312,847	21,298,702	5,526,472	12,413,918
	17,150,339	34,667,559	47,766,508	115,325,500
Sale of services				
Subsidiary companies	-	-	13,202,969	18,229,161
Affiliate companies	1,670	95,242	1,550	78,603
Other Related Parties	561,175	2,196,749	62,380	167,949
	562,845	2,291,991	13,266,899	18,475,713
Sale of PPE				
Other Related Parties	17,300	38,409	-	-
	17,300	38,409	-	-
Purchase of goods				
Subsidiary companies	-	-	27,261,096	65,915,227
Affiliate companies	612,291	366,584	19,349	3,542
Other Related Parties	22,420,630	63,989,566	6,150,523	15,045,476
	23,032,921	64,356,150	33,430,968	80,964,246
Purchase of services				
Subsidiary companies	-	-	2,093,519	2,314,303
Affiliate companies	1,656,529	2,413,508	1,141,498	1,773,796
Other Related Parties	4,782,950	7,210,915	2,212,410	3,211,011
	6,439,479	9,624,423	5,447,427	7,299,110
Purchase of PPE				
Subsidiary companies	-	-	129,962	758,687
Affiliate companies	20,050	150,650	-	1,722
Other Related Parties	823,728	581,602	19,913	81,857
	843,778	732,252	149,875	842,266
<i>Amounts in Euro</i>				
	30/6/2009	30/6/2008	30/6/2009	30/6/2008
Salaries and other benefits to directors and key management	1,691,309	2,830,254	854,369	1,210,697
	1,691,309	2,830,254	854,369	1,210,697
Liabilities to senior Management and Board Members	30/6/2009	31/12/2008	30/6/2009	31/12/2008
	3,847,526	3,127,000	2,097,946	1,500,000

Balances at year end that relate to the sales and purchases of goods, services, fixed assets, etc with the companies of VIOHALCO Group

<i>Amounts in Euro</i>	GROUP		COMPANY	
	30/6/2009	31/12/2008	30/6/2009	31/12/2008
Receivables from related parties				
Subsidiary companies	-	-	43,036,971	46,701,741
Affiliate companies	15,540,853	19,711,197	10,227,481	13,598,119
Other Related Parties	23,786,259	37,862,563	15,095,790	21,961,476
	39,327,112	57,573,761	68,360,242	82,261,336
Prepayments for share capital increase				
Subsidiary companies	-	-	3,727,498	3,431,737
	-	-	3,727,498	3,431,737
<i>Amounts in Euro</i>				
Advances for inventory purchases				
Subsidiary companies	-	-	9,500	933,978
Other Related Parties	-	29,285	-	29,285
	-	29,285	9,500	963,264
Advances for inventory purchases				
Subsidiary companies	-	-	67,338,050	76,018,730
Affiliated	699,150	1,510,118	160,240	398,242
Other Related Parties	5,779,231	7,908,847	1,421,045	1,689,457
	6,478,380	9,418,964	68,919,335	78,106,429

The services and sales/purchases of goods to and from associates are carried out on the basis of the prevailing conditions in the market. There are no special payment rules for the amounts due.

16 Earnings per share

Continuing operations

<i>Amounts in Euro</i>	GROUP				COMPANY			
	30/6/2009	3 months from 1/4 till 30/6/2009	30/6/2008	3 months from 1/4 till 30/6/2008	30/6/2009	3 months from 1/4 till 30/6/2009	30/6/2008	1/4 till 30/6/2008
Basic								
Profits attributable to shareholders of the parent company	-38,173,782	-26,777,752	77,809,298	52,969,926	-16,530,816	-10,575,293	96,305,750	92,500,579
Weighted average number of shares	96,129,491	96,129,491	96,129,491	96,129,491	96,129,491	96,129,491	96,129,491	96,129,491
Basic earnings per share (euro per share)	-0.3971	-0.2786	0.8094	0.5510	-0.1720	-0.1100	1.0018	0.9622
Diluted								
Profits attributable to shareholders of the parent company	-38,173,782	-26,777,752	77,809,298	52,969,926	-16,672,397	-10,575,293	96,305,750	92,500,579
Weighted average number of shares	96,129,491	96,129,491	96,308,741	96,308,741	96,129,491	96,129,491	96,308,741	96,308,741
<i>Adjustment for option shares</i>								
Total Weighted average number of shares adjusted for option shares	96,129,491	96,129,491	96,308,741	96,308,741	96,129,491	96,129,491	96,308,741	96,308,741
Diluted earnings per share (euro per share)	-0.3971	-0.2786	0.8079	0.5500	-0.1734	-0.1100	1.0000	0.9605

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.

17 Fiscal Years non-audited by tax authorities

Several of the Group's subsidiary companies have not been audited by tax authorities for various fiscal years from 2002 until 2009:

Companies	Fiscal year
SIDENOR SA	2007 - 2009
SOVEL SA	2006 - 2009
DEPAL SA	2007 - 2009
STOMANA INDUSTRY S.A.	2005 - 2009
ERLIKON EPEKSERGASIA SIRMATON SA	2006 - 2009
AEIFOROS SA	2007 - 2009
ETAL SA	2007 - 2009
PROSAL SA	2007 - 2009
TEPRO STEEL EAD	2002 - 2009
ELMONTE HOLDINGS LIMITED	2008 - 2009
BOZETTI LTD	2008 - 2009
BEMET SA	2003 - 2009
ETIL SA	2004 - 2009
PRAKSIS SA	2007 - 2009
DIA.VI.PE.THIV. SA	2003 - 2009
AEIFOROS BULGARIA SA	2007 - 2009
BET SA	2007 - 2009
BEAT SA	2003 - 2009
SIGMA SA	2004 - 2009
ARGOS SA	2005 - 2009
CORINTH PIPEWORKS SA	2008 - 2009
SIDIREMPORIKI MAKEDONIAS SIDMA SA	2006 - 2009
DIAPEM SA	2003 - 2009
V.EPE. M. SA	2003 - 2009
METTALOURGIA ATTIKIS SA	2002 - 2009
EL.KE.ME SA	2007 - 2009
DOMOPLEX LTD	2007 - 2009
DOJLAN STEEL LLCOP	2008 - 2009
PROSAL TUBES S.A.	2007 - 2009
SIDERAL	2006 - 2009
SIDEROM	2007 - 2009
ZAO TMK - CPW	2007 - 2009
BIODIESEL A.E.	2006 - 2009
AWM SPA	2008 - 2009
PORT VIDIN SOUTH SA	2008 - 2009

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

18 Number of Personnel

Number of personnel employed at the end of the current period: Group: 3,113 and Parent Company: 348. In the corresponding period of 2008, the Group's personnel was 3,831 employees and the Company's 364 employees.

19 Events after the Balance Sheet date

In July of 2009 a subsidiary company was established, namely Warsaw Tubulars Trading sp. z.o.o., registered in Poland, with subject matter the commercial promotion of the products of Corinth Pipeworks S.A. and its participation in similar companies. The initial share capital was set at PLN 50,000, comprising 1000 company shares, of a nominal value PLN50 each. At the same time, a share capital increase of PLN2,733,750 was decided, by the issue of 54,675 company shares which shall be paid by CORINTH PIPIWORKS S.A. as follows: a) 53,444 company shares valued at PLN2,672,200, with contribution in kind, which comprises all the shares it owns (5,000 shares) to the 100% subsidiary company CPW AMERICA Co., registered in the USA, and b) 1,231 company shares, valued at PLN61,550, by payment in cash. After the above procedure is completed, the share capital of Warsaw Tubulars Tradings sp. z.o.o. shall amount to 55,675 company shares, of a total value of PLN 2,783,750.

20 Significant Events

The most important events that took place during the 1st half of 2009 are the following:

Investments in subsidiaries

In January of 2009 the parent company acquired an additional 74,398 shares of subsidiary PROSAL S.A. and currently owns 100% of its shares as well as of its subsidiary (Prosal Tubes).

During the current period the Italian company A.W.M. S.p.A. is being consolidated for the first time using the equity method since as of January 2009 Sidenor S.A. and its subsidiary PRAXIS S.A. acquired 24% and 10% of its share capital respectively. As a result the indirect participation of the Group in the said company is currently 29.1%.

On 25/06/2009 SIDENOR S.A. participated in a share capital increase of subsidiary company ETAL S.A. through capitalization of liabilities (equal monetary debt) of the subsidiary towards SIDENOR S.A. The participation of SIDENOR S.A. in this subsidiary is now 95.79%.

On 25/06/2009 SIDENOR S.A. participated in a share capital increase of subsidiary company ETAL S.A. through capitalization of liabilities (equal monetary debt) of the subsidiary towards SIDENOR S.A. The participation of SIDENOR S.A. in this subsidiary is now 95.79%.

Decisions of the Annual General Meeting

During the Annual General Meeting of the Company's Shareholders that took place in Athens, on June 16th, 2009 at 12.30 pm, the following were decided:

- (a) Approval of the annual financial statements of the financial year 2008 and the relevant Board of Directors Report and the Chartered Accountant/ Auditor's Report.
- (b) Release of the BoD members and the Chartered Accountant-Auditor from any compensation liabilities for the financial year 2008.
- (c) Decision made for distribution of the profits for the year 2008, in the framework of which it was decided not to distribute dividends.

(d) Appointment of audit firm “PriceWaterHouseCoopers” as auditors for financial year 1/1-31/12/2009 with their remuneration to be fixed following their pertinent proposal.

(e) 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 2010 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. ATHANASSIOS MITROPOULOS, NON-EXECUTIVE MEMBER
7. SARANTOS MILIOS, EXECUTIVE MEMBER
8. DIMITRIOS PARASKEVOPOULOS, NON-EXECUTIVE MEMBER
9. ANDREAS KYRIAZIS, NON-EXECUTIVE AND INDEPENDENT MEMBER

(f) Members of the monitoring committee under article 37 of Law no. 3693/2008 are the following:

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

Inventories valuation

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

21 Reclassifications

There were no reclassifications of funds in the depiction of the financial data of the previous period.

Athens, 27 August 2009

The Chairman of the BoD	The Managing Director	The Chief Financial Officer
Kalfarentzos George	Sarantos Milios	Natsis Constantinos
ID Card no. F 147183	ID Card no. P 998326	No. License 0039960 A' CLASS

