ALUMIL MILONAS
ALUMINIUM EXTRUSION INDUSTRY S.A.
GROUP OF COMPANIES

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

IN ACCORDANCE WITH ARTICLE 4 OF THE LAW 3556/2007

Contents

A. Statements of Members of the Board
(in accordance to article 4 par. 2 of the law 3556/2007)

The members of the Board of Directors of ALUMIL MILONAS S.A.
1. George Milonas, Chairman of the Board of Directos and Chief Executive Officer
2. Evagelia Milona, Vice Chairman of the Board of Directors and Chief Executive officer
3. George Doukidis, Board Member, having been specifically assigned by the Board of Directors.

DECLARE THAT

According to our knowledge:

a. the enclosed financial statements of the Company "ALUMIL MILONAS S.A." for the period 1st January 2008 to 31/12/2008, prepared according to the International Financial Reporting Standards, present truly and fairly the assets and liabilities, the equity and the financial results of the Group and the Company, as well as of the consolidated companies, for the period then ended, according to par. 3 - 5 of article 5 of L. 3556/2007.
and
b. the enclosed report of the Board of Directors reflects in a true manner the development, performance and financial position of ALUMIL MILONAS S.A., and of the businesses included in Group consolidation, taken as a whole, including the description of the principal risks and uncertainties.

Kilkis, March 26th 2009

The certifying persons,

Chairman of the Board of Directors & Chief Executive Officer	Vice- Chairman and Chief Executive Officer	Member of the Board of Directors
George A. Milonas	Evagelia A. Milona	George I. Doukidis

B. Annual Board of Directors Management Report

ANNUAL BOARD OF DIRECTORS MANAGEMENT REPORT
of
ALUMIL MILONAS ALUMINIUM EXTRUSION INDUSTRY S.A.
Company and Consolidated Accounts
FOR THE PERIOD 01/01/2008 - 31/12/2008

This report summarizes financial information for the Group and the Company "ALUMIL MILONAS S.A." for the period ended 31 December 2008, significant events during that period and their effect on the Annual financial statements. It also presents the main risks and uncertainties that the Group companies may face till the end of the year and significant related party transactions. The report was prepared according to L. 3556/2007 and related decisions of the Board of the Hellenic Capital Committee.

I. GENERAL INFORMATION

Consolidated Balance Sheet and Consolidated Income Statement derived from the consolidation of the financial statements of the companies: "ALUMIL MILONAS - ALUMINIUM EXTRUSION INDUSTRY S.A." and its subsidiaries: 1. ALUKOM S.A., 2. ALUNEF S.A., 3. ALUSYS S.A., 4. ALUFIL S.A., 5. G.A. PLASTICS S.A., 6. METRON AUTOMATIONS S.A., 7. ALUMIL EGYPT FOR ALUMINIUM S.A.E., 8. ALUMIL EGYPT FOR ACCESSORIES S.A.E., 9. ALUMIL ALBANIA Sh.P.K., 10. ALUMIL BULGARIA S.R.L., 11. ALUMIL VARNA S.R.L., 12. ALUMIL FRANCE S.A.S., 13.ALUMIL DEUTZ GM.B.H., 14. ALUMIL ITALY S.R.L., 15. ALUMIL MILONAS CYPRUS LTD, 16. ALUMIL CY LTD, 17. ALUMIL MOLDAVIA S.R.L., 18. ALUMIL HUNGARY K.F.T., 19. ALUMIL UKRANIA S.R.L., 20. ALUMIL POLSKA S.R.L., 21. ALUMIL ROM INDUSTRY S.A., 22. ALUMIL YU INDUSTRY S.A., 23. ALUMIL SRB D.O.O., 24. ALUMIL COATING S.R.B., 25. ALUMIL SKOPJE D.O.O. and 26. ALUMIL GULF FZC, 27. ALUMIL GROUP LTD and 28. EGYPTIAN FOR ALUMINIUM TRADE. Consolidation method is defined on a Parent Company-subsidiaries method.

It is noted that Consolidated Financial Statements include also Consolidated Financial Statements of subsidiary ALUMIL ROMANIA (drafts Consolidated Financial Statements including subsidiary ALUMIL EXTRUSION (holds 100%)), subsidiary ALUMIL YU (drafts Consolidated Financial Statements including ALPRO VLASENICA A.D. (holds 61.37%)), subsidiary ALUMIL SRB (drafts Consolidated Financial Statements including ALUMIL MONTENEGRO D.O.O. (holds 100%)), and subsidiary EGYPTIAN FOR ALUMINIUM TRADE (drafts Consolidated Financial Statements including ALUMINIUM MISR FOR TRADING (holds 99.5%)) There are no Company's own shares owned by the Company, or by any other Company included in the consolidation.

II. ECONOMIC ENVIRONMENT

International economic environment

According to 2008-2009 Bank of Greece Monetary Report, the external environment of the Greek economy has vigorously worsen during the second semester of 2008, due to the fact that the world economy faces the most unfavorable economic conditions since the second World War, confronting a double crisis, in financial and credit terms. According to the IMF, the world GDP growth rate, which moved in fast pace for four consecutive years, declined significantly during 2008 (at 3.4% from 5.2% in 2007). GDP growth rate in the developed economies slowed down in 2008 (at 1.0% from 2.7% in 2007). During 2008, economies like the United States, the Euro zone, Japan and the United Kingdom moved into recession (technically). GDP growth rate for the developing economies also retreated during 2008, nevertheless remained relatively high (6.3%, from 8.3% in 2007). The economies of China, India, Russia and Brazil, which produce 21% of world's product, despite the fact that they slowed down, continued to support the world economic activity, since their GDP growth rates during 2008 ranged between 5.8% and 9.0%.

Euro Zone

According to the same report,, the GDP growth rate significantly declines during 2008 at 0.9% (from 2.7% in 2007), as the consequences from the international financial and credit crisis became more noticeable, especially during the second semester of 2008. The negative GDP growth rates that most euro zone countries faced during the last trimesters of 2008 are expected to continue at least for the first semester of 2009. The increase in price of commodities and the risk that inflationary expectations will be established, has already led the Central Banks of many major economies (Euro Zone, United Kingdom, Chine etc.) to increase interest rates during the period 2006-2007. This policy prevented the further increase of inflation in 2008. The rapid retreat in price of basic commodities during the second semester of 2008 led to the de-escalation of the inflation rate, allowing for the decrease of basic interest rates by many Central Banks. This development contributed to the more efficient confrontment of the financial and credit crisis (in the U.S. the intervention interest rates of the Federal Reserve Bank reached zero during December 2008.

Basic Macroeconomic Figures - 2008				
	GDP %	**Harm. Inflation**	**€/$**	**Oil**
Greece	3%	3%	1,392	39,5 $
Eurozone	0,9%	2,10%	1,392	39,5 $
Estimates on Basic Macroeconomic Figures - 2009				
	GDP %	**Harm. Inflation**	**€/$**	**Oil**
Greece	0,5%	1,8%	1,47	44 $
Eurozone	-2%	1%	1,47	44 $

Greek economy

The international crisis negatively affects the financial and credit system as well as the "real economy" of Greece, since the lack of liquidity in international markets steadily affects the liquidity of Greek banks, which reflects to the financing of households and businesses. Additionally, the enfeeblement of world economic activity and trade also hits the country's exports of goods and services. According to the estimates of the Bank of Greece, the annual GDP growth rate, which has already considerably declined in 2008 (at about 3%, from 4,0% in 2007), during 2009 will decline further reaching 0,5%. In the Euro Zone as a whole and in the EU GDP is expected to decline by almost 2%. Moreover, the annual inflation rate considerably increased in 2008, mainly due to the significant increase in prices of liquid fuel and food internationally. The decrease in prices resulted in the retreat of the inflation rate, which in December reached its lowest levels since 2000. The decrease of international prices of oil and commodities along with the hypotonic total demand will keep compressing inflation, whose average level is expected to remain under 2% during 2009. nevertheless, the core of inflation is estimated to present only slight decrease and remain higher than the corresponding figure in the Euro Zone.

As far as construction activity (private and public), it is noted that according to the latest figures provided by the National Statistics Agency, there has been a reduction by 15.4% in the number of construction licenses, by 17.9% in surface and by 17.1% in volume, from January to December 2008 compared to 2007.

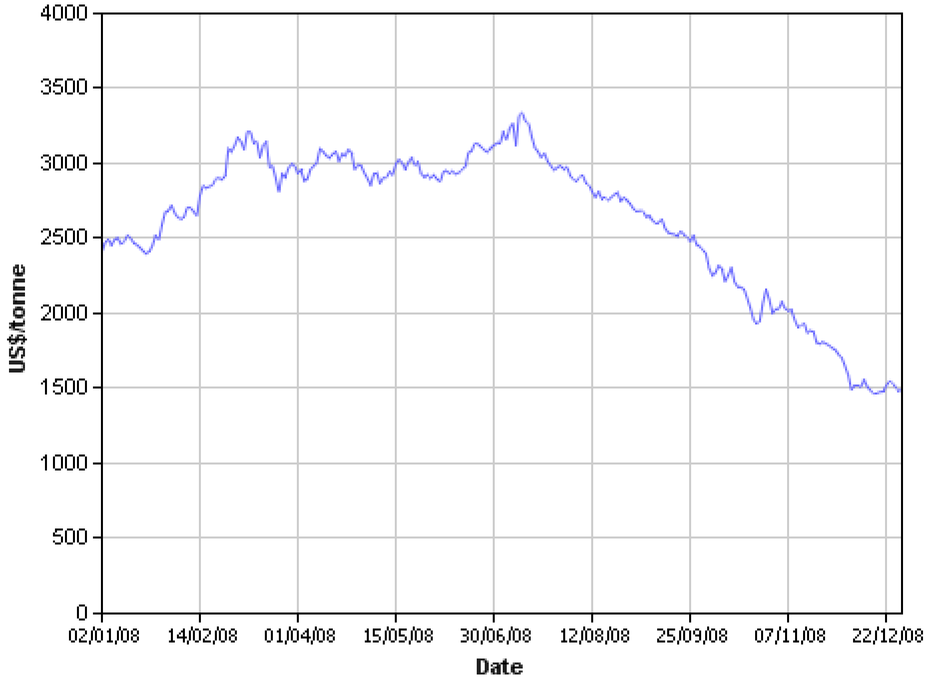
In particular, the reduction in construction activity concerns every prefecture of the country, with the prefecture of southern Aegean as the only exception, where there was an increase of 3.5%. On the contrary, in the prefecture of Attiki, the reduction reaches 23.1%, in eastern Macedonia and Thrace 17.3%, in Crete 16.4%, in Thessaly 16.1%, in the prefecture of the Ionian islands 12% and in the region of Sterea Ellada 12.1%. furthermore, in Central Macedonia the reduction reached 10.1% and in western Macedonia and Epirus 6.4%.

<u>South Eastern Europe</u>

In 2008, despite the unfavorable international economic environment, the countries of this region the growth rates remained sound, in average during 2008, mostly due to the fact that during the first semester the internal demand remained high, supplied by the increase of "real" wages and the pace of the credit expansion, which remained high. The second semester though, the GDP growth rates declined, affected by the turbulence of the world economy due to the continuation of the financial and credit crisis.

<u>Aluminium Sector</u>

Regarding the evolution of the price of the Company's raw material, aluminium billets (rods), it should be noted that during 2008, the aluminium price as it appears in the graph below, moved with high volatility –yet for another year- due to the exceptionally volatile conditions in international markets, to weak global demand, to the significant decline in oil prices by the end of 2008, bdut also due to speculative movements. From about $ 2.500,00/ton in the beginning of 2008, it closed at about $ 1.500/ton in the end of 2008, recording an annual decline of about 66%.



commenting on fundamental parameters, the consumption growth rate of primary aluminium in China is expected to decline further during the first semester of 2009. the demand from the automotive industry will also decline, while the exports of aluminium products towards the U.S. and European markets will continue to be limited. The local aluminium association “Antaike” estimates that China’s consumption will increase only by 3% in 2009 and 8.5% in 2009, after a growth rate of over 30% in 2008.

Reported Global Primary Aluminium Production (Thousand of Metric Tons)								
Year	**Africa**	**N. America**	**Latin America**	**Asia**	**W. Europe**	**East/Central Europe**	**Oceania**	**Total**
2004	1.711	5.110	2.356	2.735	4.295	4.139	2.246	**22.592**
2005	1.753	5.382	2.391	3.139	4.352	4.194	2.252	**23.463**
% Change	2,5%	5,3%	1,5%	14,8%	1,3%	1,3%	0,3%	**3,9%**
2006	1.864	5.333	2.493	3.493	4.182	4.230	2.274	**23.869**
% Change	6,3%	-0,9%	4,3%	11,3%	-3,9%	0,9%	1,0%	**1,7%**
2007	1.815	5.642	2.558	3.717	4.305	4.460	2.315	**24.812**
% Change	-2,6%	5,8%	2,6%	6,4%	2,9%	5,4%	1,8%	4,0%
2008	1.715	5.783	2.660	3.923	4.618	4.658	2.297	**25.654**
% **Change**	-5,5%	2,5%	4,0%	5,5%	7,3%	4,4%	-0,8%	3,4%

Source: www.world-aluminium.org

III. PERFORMANCE AND FINANCIAL POSITION

Turnover

Group turnover reached € 285.1 mil. from € 287.6 mil. in 2007, reduced by 0.9%. gross profit reached € 69.6 mil. While gross profit margin is 24.4% on sales, increased by 3.8% compared to 2007.

Parent Company turnover reached € 204 mil. from € 238 mil. in 2007, reduces by 14.3% which is mainly due to the servicing of subsidiaries in Romania and Bulgaria from the Greek subsidiary "ALUNEF S.A.", due to its better geographical positioning, as well as to the decrease in economic activity in Greece and the European Union. Gross profit reached € 28.4 mil. Gross profit margin reached 13.1%, reduced by 8.9% compared to 2007.

Earnings before taxes

Earnings Before Interest, Tax, Depreciation, Amortization (EBITDA), reached € 37 mil., from € 42.9 mil., in 2007, reduced by 13.7%. earnings before taxes declined by 49% and reached € 8.7 mil. from € 17 mil. in 2007 while the Group's Net profitability (earnings after taxes and minorities) declined by 50%, reaching € 4.7 mil. from € 9.5 mil. in 2007.

The increase in financial expenses for the Group and Company, compared to the respective amount in the previous year is due to the increase in total bank debt and to the existence of exchange differences from debt obligations in foreign currency from subsidiaries located abroad. Net debt has increased from € 154 mil. to € 175 mil., a significant amount of this increase is attributed to Group investments, which are analyzed below. It is worth mentioning that this amount of debt came from the use of existing unused credit limits.

Operating expenses have increased significantly by 15% due to the increase in the number of personnel by 4,5% for the Group , and the increase in payroll, as well as to the considerable increase in distribution expenses, caused by the increase in third party and marketing expenses, aiming to increase sales.

The Group's tax surcharge for 2008 was particularly low due to the decrease in the results of the Parent Company and some of the Groups subsidiaries, as well as to the decrease of deferred tax for the Parent Company and the Group's Greek subsidiaries by almost € 1.9 mil., due to the reduction of tax coefficients for companies by 1 percent for each year from 2010 until 2014.

Cash flow

Cash flow from operating activities are negative for the Parent Company in 2008 due to the decrease in profitability, the increase in trade and other claims and the decrease in trade liabilities due to the decrease in purchases during the last trimester of 2008. cash flow from operating activities for the Group remain positive but they have been heavily affected by the reduced profitability and the decrease in trade liabilities. Cash flow from investing activities have improved due to the reduction in purchases of assets. The reduced cash flow from operating and investing activities as well as the settlement of long term debt was covered with the issuance of new long term debentures.

Assets– liabilities

Group assets on the 31st of December 2008 reached approximately € 420.7 mil. reduced by approximately € 2 mil., that is 0.5%.

The most significant changes are as follows:
a) The reduction in tangible assets is due to the depreciation charges for the period of approximately € 13.8 mil., and to the conversion exchange differences of approximately € 4.5 mil. The reduction has been offset by the increase in assets due to investments in fixed assets of € 16.3 mil. As analyzed below.

b) The stabilization of the Group's inventories, in a time period characterized by the decreasing pace of sales due to the economic crisis, which would normally cause an increase in inventories, is the outcome of a concerted effort for the adjustment of the Group to the new economic environment.

c) The stabilization of trade claims is the capping-stone of a great effort in this field, in a competitive environment, given the extreme liquidity malfunctions that the markets are facing.

d) The increase in other claims is mainly due to the increase in prepayments to suppliers.

e) The increase in long term debt obligation is mainly due to the receipt of new debentures of € 35 mil. as analyzed below. The increase would be greater but it has been offset by the settlement of installments of approximately € 17.8 mil.

f) The reduction in trade liabilities is due to the reduction in purchases of raw materials during the last trimester of 2008.

The Group's policy is to evaluate its results and overall performance on a monthly basis, being able to timely and effectively detect and deal with any declinations from its initial goals.

Indicative financial ratios reflecting Group financial position are presented below. The "Change%" column expresses the percentage change from the previous economic year

LIQUIDITY	**31.12.2007**	**31.12.2008**	**% Change.**
Direct or Quick (times)	**0,91**	**1,02**	**11,5%**
Current (times)	**1,62**	**1,79**	**10,8%**
CAPITAL GEARING RATIOS			
Total bank debt/ Equity	**1,16**	**1,28**	**10,9%**
Net debt / EBITDA	**3,60**	**4,72**	**31,5%**
Interest coverage (EBITDA/Net Interest expenses)	**3,65**	**2,26**	**-38,1%**
ACTIVITY RATIOS			
Inventory Days (average)	**141**	**166**	**18,1%**
Receivables Days (average)	**127**	**130**	**2,2%**
Payables Days (average)	**81**	**82**	**1,2%**
PROFITABILITY			
Net earnings / Equity %	**6,4%**	**3,2%**	**-49,7%**
Net earnings / Sales %	**3,3%**	**1,7%**	**-50,3%**

Note: the "Change%" could appear slight deviations due to rounding's.

Liquidity ratios

The quick (1.02 in 2008, from 0.91 in 2007) and current (1.79 in 2008, from 1.62 in 2007) liquidity ratios present a clear improvement, by 11.5% and 10.8% respectively, compared to 2007.

Gearing ratios

The ratio of total bank debt to equity increased to 1.28 from 1.16 in 2007, mainly due to the increase of both long term and short term debt for the Group. Net debt ratio has also increased to 4.72 from 3.6 in 2007. Interest coverage ratio decreased to 2.26 from 3.65 in 2007.

Activity ratios

Inventory days (average) (166 days in 2008, from 141 in 2007) increased by 18% compared to 2007.
Receivables days (130 days in 2008, from 127 days in 2007) increased by 2.2% compared to 2007.

Profitability ratios

Net earnings to equity ratio decreased to 3.2% from 6.4 % in 2007. the Net earnings to sales ratio has also declined to 1.7% from 3.3% in 2007.

Investments

The Group, in its effort for constant leadership in the aluminium sector and in the production of innovative products, has proceeded to investments aiming to the expansion of its activities, the extension of its facilities and the enhancement of its mechanical equipment.

The Group's additions in assets reached approximately € 16.3 mil. for the year ended 31st December 2008. the most significant additions concern:

Parent Company:

Additional building facilities, purchase of machinery and enhancement of mechanical equipment, that is additional accessories, moulds and casts with a total value of approximately € 3.4 mil.

Greek subsidiaries:

Investments in subsidiary company METRON AUTOMATIONS, which concern the purchase of land and prepayments for the construction of building facilities and purchase of mechanical equipment, with a total value of approximately € 5.3 mil. the total investment cost reaches approximately € 6 mil. and it will be subsidized according to the development Law 3299/2004.
Investments in subsidiary company ALUFIL, with a total value of approximately € 1.4 mil., which mostly concern building facilities and mechanical equipment.
Investments in subsidiary company ALUNEF, which concerns the purchase of moulds and other mechanical equipment, with a total value of approximately € 1 mil.
Investments in subsidiary company ALUKOM, which mostly concerns the purchase of moulds, with a total value of approximately € 0.4 mil.

Foreign subsidiaries:

Investments in subsidiary company ALUMIL ROM INDUSTRY in Bucharest, which mostly concern purchase of land and construction of building facilities, with a total value of approximately € 1.6 mil.
Investments in subsidiary company ALUMIL YU INDUSTRY and in its subsidiary ALPRO AD, which mostly concern purchase of land and provision of mechanical equipment, with a total value of approximately € 0.9 mil.

Investments in subsidiary company ALUMIL ALBANIA, which mostly concern building facilities and purchase of mechanical equipment, with a total value of approximately € 0.4 mil.
Investments in subsidiary company ALUMIL BULGARIA, which mostly concern mechanical and other equipment with a total value of approximately € 0.6 mil.
Investments in subsidiary company ALUMIL SRB, which mostly concern construction of building facilities with a total value of € 0.5 mil.

Environment

ALUMIL Group, presenting a long experience and constant development in the aluminium extrusion sector, acknowledges that economic development could and should go along with a clean environment policy; therefore, it is one of management targets to combine the dynamic growth for the Company and the Group with the necessary respect towards the environment, its maintenance, protection and improvement.
With a continuous, systematic workby the Quality Management and Environment Department, the Company is certified since 2002 for the implementation of a complete system for environmental management, according to EN ISO 14001:1996 environmental standard, for the departments of extrusion, powder-coating and foundry. In this way, environmentally friendly production procedures are guaranteed along with pollution prevention and retention, saving energy, natural resources and various consumables, according to the Environmental Management Plan.

Incorporating environmentally-friendly actions in every day decisions, ALUMIL operates with clarity and increased sensitivity - above the standard law requirements - towards the achievement of specific objectives:

- Rational, sensible use of natural resources and energy.
- Adoption of a straightforward strategy to minimize environmental negative implications.
- Human health protection.
- Keeping track of the latest green technology developments in order to adopt new parameters.
- Promote Company’s environmental sensitivity to all interested parties.
- Grow an environmental sensitive culture to all relative parties, i.e. personnel, clients, suppliers, various stakeholders.

In order to successfully apply all the above, the Company has set a specific action plan:

- Define specific and countable targets, where possible, to evaluate its performance.
- Proceed into frequent environmental inspections and publish the results.
- Provide appropriate training to all relevant personnel.
- Apply an *industrial-waste-minimization* strategy and constantly improve recycling policy.

- Proceed with frequent energy use inspection and operate under energy saving procedures.
- Follow, where feasible, suppliers' environmental performance.
- Hold to environmental criteria and ethics in all new expansion and growth activities.
- Report all environmental incidents to the appropriate authorities.
- Set necessary procedures to reject properly and eliminate danger from all industrial disposals.
- Fund appropriate operations to implement its environmental strategy.

As a result of the environmental plan, the below is reported:

- At the vertical powder coating facility of the Parent Company, the installation of new equipment took place, necessary for the collection of fines (non-processible powder fines), with significant financial results for the Company and also for limited environmental implications. Decrease in powder fines reached 60% (to 4% from 10%), saving annually more than 26 tons of powder.
- The installation of an automated supply and monitoring system at the vertical powder coating, for chemicals concentration at the stage of chemical process, has reduced the consumption in chemicals by 20% since 2003.
- The replacement of old tanks and piping systems in all sewage units, made from stainless steel.

Health and safety

Group complexes use green powder coating colors, having as an objective the ultimate respect and attention towards the environment and Group personnel. In 2000, ALUMIL replaced all powder coating colors with a surcharge that reached up to 100%, over the harmful powder coating colors contained the dangerous TGIC and other heavy metals (lead, chromium, etc.). During the five year period from 2003-2007, work accidents remained at very low levels, varied from light to very light accidents.
The assurance for healthy and safe environment for all Group employees – adopting practices beyond the corresponding Law standards - constitutes a constant target and daily pursuit for Parent Company and the Group. Group administration is committed towards its employees and the societies within which it operates, for the responsible and safe operation of its facilities, according to the rules of justice and morality.

Administration commitment towards environment is proven through a series of actions, already completed:

- certification since January 2005, with the Health & Safety Management Certificate, according to ELOT 1801 standard,

- updating research and studies for assessing workplace perils, with a clear target to implement new production operations,
- standardization for the statistical process of labor accidents data including indicators analysis, according to the specifications set by the European Aluminium Association,
- software implementation for the maintenance and electronic impression of the liquid gas network and the detection system for probable leakage. Staff training over liquid gas issues in cooperation with the constructor and supplier Company,
- implementation of the program for the compliance with the current legislation for the obtainment of optimality certificates and the replacement of worn-out equipment regarding skid units, derricks and air-guardrooms,
- regular inspections for the detection of unsafe work conditions,
- measurements of various parameters (temperature / humidity, noise, dust and light sufficiency) in all working areas, to implement corrective measures,
- bimonthly measurements for the quality of public network, potable water,
- staff training in safety, health and fire-safety issues.

IV. SIGNIFICANT CORPORATE EVENTS IN 2008

Long term debentures

During 2008, the Parent company issued new debentures of approximately € 30 mil, from MARFIN EGNATIA BANK, NATIONAL BANK of GREECE and HSBC (€ 10 mil. from each) which were used for the refinancing of total debt and optimize working capital management. Additionally, subsidiary ALUKOM issued a debenture of € 5 mil. from "ALPHA BANK" which was used for the financing of the company's general corporate targets.

Decisions for the establishment of new companies

At December 2008 a new subsidiary company named "ALUMIL GROUP LTD" located in Cyprus was established. With the establishment of this new Company the Group aims to achieve a more rational articulation of its share capital, in tax terms. The company's share capital will sum up to € 1.000 and ALUMIL will participate with 100%.

At December 2008 a new holding company was established in Egypt, in order to participate in a newly established commercial company in the region. The new company with the distinctive title "EGYPTIAN FOR ALUMINIUM TRADE" (ALUMIL participates with 99% in its share capital). The company's initial share capital sums up to 100 thousand EGP (approximately € 14 thousand). After that, the commercial company "ALUMIL MISR FOR TRADING" was established ("EGYPTIAN FOR ALUMINIUM TRADE" participates with

99,5%, and it will aim to increase sales in the wider area) the company's initial share capital sums up to 500 thousand EGP (approximately € 72 thousand).

V. DESCRIPTION OF THE PROSPECTS AND MOST SIGNIFICANT RISKS AND UNCERTAINTIES FOR 2009

Prospects for 2009

According to the predictions of international financial organizations, prospects for 2009 are unfavorably affected by the ongoing global financial and credit crisis. The repercussions of the crisis have already transferred into the "real" economy, and many of the developed economies will fall into recession whereas a considerable proportion of developing economies will experience a significant slow down. With these unfavorable conditions it is impossible to make any realistic prediction for 2009.

The Company acknowledges the severity of the circumstances and in its effort to cope in this unfavorable environment, proceeds with the actions that will produce positive cash flow, reduce operating and production cost, reduce stock, minimize debt and reinforce its effort to enter new markets with greater growth potential than those in the European Union.

In Greece, demand in the construction sector (which directly affects the Company) is expected to weaken even more, mostly due to the slow down of the housing market. The proposition for the increase in public investments which is currently discussed, as a measure to deal with the crisis cannot reverse the scenery, given the proportion between public and private investments which is 1 to 4.

According to the Bank of Greece, the unfavorable economic coincidence will heavily affect the countries in the region of South-Eastern Europe. A significant slow down of the production activity is expected and according to the latest predictions of the European Committee, it is noted that in Bulgaria and Romania (member countries of the EU), growth rates will decline to 1.8% in 2009 from 6.4% and 7.8% in 2008 respectively.

Financial risk factors

The Group is exposed to several financial risks, such as market risk (currency exchange rate fluctuation, interest rates, and market prices), credit risk and liquidity risk. The Group's complete Risk Management program aims at minimizing the negative effects these risks may have on the Group's financial efficiency.

Risk management is carried out by a central Financial Management department (Group's Financial Management department) that provides financial advisory services to the Group's different companies, coordinates access to financial markets at home and abroad, and manages the financial risks the Groups gets exposed to. This includes recognition and evaluation of financial risk and, if needed, hedging against financial risk. The Financial Management department doesn't perform profit-oriented trading, nor does trading that is not related to the Group's commercial, investing or borrowing activities.

The financial assets and obligations in the balance sheet include cash and cash equivalents, receivables, investments, available for sale financial assets as well as short term and long term liabilities. There is no difference between the fair values and the respective accounting values of the financial elements in assets or liabilities.

Risk management is carried out by a central Financial Management department (Group's Financial Management department) that provides financial advisory services to the Group's different companies, coordinates access to financial markets at home and abroad, and manages the financial risks the Groups gets exposed to. This includes recognition and evaluation of financial risk and, if needed, hedging against financial risk. The Financial Management department doesn't perform profit-oriented trading, nor does trading that is not related to the Group's commercial, investing or borrowing activities.

Currency exchange rate risk

The Group is active on international level and realizes transactions in foreign currency. Hence, it is exposed to exchange rate fluctuations. This exposure mainly relates to commercial transactions in foreign currencies, regarding imports or exports of goods and services, and from investments in countries whose net position is exposed to currency risk during conversion of their financial statements for consolidation purposes. The risk of carrying out transactions in foreign currency is dealt with according to approved directions, by subsidizing the product sale in a foreign currency with the raw material purchase in the same currency, and by using a limited amount of currency forward contracts.

The following table shows the changes of Income before Taxation and Shareholders' Equity, as a result of possible changes in exchange rate of Romanian Lei (RON), Serbian Dinar (RSD), Egyptian Pound (EGP), Albanian Lek (LEK) and of remaining currencies which include the Bulgarian Lev (BGN), FYROM Denar (MKD), Turkish Pound (TRY), Hungarian Forint (HUF), Polish Zloty (PLN), Moldavian Lei (MDL), United Arab Emirates Dirhams (AED) and Ukranian Hryvna (UAN) keeping all other variables stable:

Sensitivity analysis to exchange rate fluctuation:

(Amounts in thousand €)	**Foreign Currency**	**Increase/Decrease against €**	**Effect on Income before Taxation**	**Effect on Shareholders' Equity**
Amounts of FY 2008	RON	5%	240	822
		-5%	-240	-822
	RSD	5%	192	913
		-5%	-192	-913
	EGP	5%	-11	98
		-5%	11	-98
	LEK	5%	31	195
		-5%	-31	-195
	OTHER	5%	-52	93
		-5%	52	-93
Amounts of FY 2007	RON	5%	229	902
		-5%	-229	-902
	RSD	5%	188	891
		-5%	-188	-891
	EGP	5%	3	104

		-5%	-3	-104
	LEK	5%	31	195
		-5%	-31	-195
	OTHER	5%	-4	116
		-5%	4	-116

Note: The calculation of "Effect on Income before Taxation" is based on the fluctuation of the year's average exchange rate whereas the calculation of "Effects on Shareholders' Equity" is based on the fluctuation of the exchange rates at the Balance Sheet date.

Interest rate risk

The Group's operational profit and cash flow are not greatly influenced by the fluctuation of the interest rates. The interest rate risk exposure for liabilities and investments is reviewed on a budgetary basis. The Group's policy is to closely review the interest rate trends and the Group's financing needs.

The Group finances its investments and its working capital needs with bank loans and bonds, thus affecting its results with the respective interest. Increasing trends in interest rates
(change of the borrowing basis rates (EURIBOR)) will have a negative effect on the results, since the Group will be charged a higher cost of debt.

All short-term loans have been agreed upon with a floating interest rate. The renewal of the short-term loan interest rates counts for periods of 1-3 months and that of the long-term loan counts for a period of 3-6 months. This gives the Group the possibility to partially avoid the risk of big interest rate fluctuation.

The following Table shows the changes in the Group's Income before taxation (through the effects that the balance of loans with floating rates has on Profits, at the end of the fiscal year) for potential changes of interest rates, holding all other variables stable:

Sensitivity analysis of the Group's loans to interest rate fluctuation

(Amounts in thousand €)	**Foreign Currency**	**Increase/Decrease against €**	**Effect on Income before Taxation**
Amounts of FY 2008	EUR	1%	1.922
		-1%	-1.922
	BGN	1%	25
		-1%	-25
	LEK	1%	16
		-1%	-16
Amounts of FY 2007	EUR	1%	1.892
		-1%	-1.892
	BGN	1%	26
		-1%	-26
	LEK	1%	23
		-1%	-23

Sensitivity analysis of the Company's loans to interest rate fluctuation

(Amounts in thousand €)	Foreign Currency	Increase/Decrease against €	Effect on Income before Taxation
Amounts of FY 2008	EUR	1%	1.538
		-1%	-1.538
Amounts of FY 2007	EUR	1%	1.461
		-1%	-1.461

Note: The Table above doesn't include the positive effect of the deposit rate because the amounts are considered to be of minor magnitude.

Credit risk

The Group doesn't have a significant concentration of credit risk against other parties because of the wide range of its clientele. The credit risk exposure is being reviewed and evaluated on a constant basis.

A special computer-based application checks the size of credit and the credit limits of the customers who are set out based on regular evaluations and always in accordance with the limits defined by the management. For special credit risks there are provisions for doubtful debts. At the end of the year, the management presumed that there is no substantial credit risk which is not already covered from any assurance or from a prediction for doubtful debt. An extensive analysis of the commercial and other receivables is quoted in notes 14 and 15 of the Financial Statements.

Furthermore as far as deposit products are concerned the Group only does business with recognized financial institutions of high credit-receiving grade. An extensive analysis is quoted in note 16 of the Financial Statements.

Liquidity risk

The prudent liquidity management is achieved through the appropriate combination of available cash and approved bank credit.

The Group manages potential risks that may occur from lack of sufficient liquidity by catering for the existence of guaranteed bank credits.

The current available unused approved bank credits to the Group are sufficient to successfully cope with any potential lack of cash.

The following table summarizes the dates of expiration for the financial liabilities of December 31st 2008 and 2007 respectively, based on the payments projected by the relevant contracts and agreements, at non-predetermined prices:

GROUP

Amounts of FY 2008 (amounts in thousand €)	Less than 4 months	4 to 12 months	1 to 2 years	2 to 5 years	> 5 years	Total
Trade payables	39.661	134	-	-	-	**39.795**

Other short-term liabilities & accrued expenses	8.594	90	-	-	-	**8.684**
Debt	9.795	72.144	30.552	70.383	30.522	**213.396**
Other long-term liabilities	-	-	231	-	-	**231**
	58.050	**72.368**	**30.783**	**70.383**	**30.522**	**262.106**

Amounts of FY 2007

(amounts in thousand €)	Less than 4 months	4 to 12 months	1 to 2 years	2 to 5 years	> 5 years	Total
Trade payables	55.548	930	-	-	-	**56.478**
Other short-term liabilities & accrued expenses	8.620	57	-	-	-	**8.677**
Derivative financial instruments	9	-	-	-	-	**9**
Debt	19.943	57.442	25.366	54.124	38.402	**195.277**
Other long-term liabilities	-	-	40	49	20	**108**
	84.120	**58.429**	**25.406**	**54.173**	**38.422**	**260.549**

COMPANY

Amounts of FY 2008

(amounts in thousand €)	Less than 4 months	4 to 12 months	1 to 2 years	2 to 5 years	> 5 years	Total
Trade payables	26.711	69	-	-	-	**26.780**
Other short-term liabilities & accrued expenses	5.293	30	-	-	-	**5.323**
Other long term liabilities	-	-	59	-	-	**59**
Debt	8.317	44.738	27.419	64.610	30.522	**175.606**
	40.231	**44.837**	**27.478**	**64.610**	**30.522**	**207.768**

Amounts of FY 2007

(amounts in thousand €)	Less than 4 months	4 to 12 months	1 to 2 years	2 to 5 years	> 5 years	Total
Trade payables						
Other short-term liabilities & accrued expenses	41.143	1.804	-	-	-	**42.947**
Derivative financial instruments	3.865	21	-			**3.886**
Debt	9	-	-	-	-	**9**
	17.039	28.415	21.943	50.887	38.275	**156.559**
	62.056	**30.240**	**21.943**	**50.887**	**38.275**	**203.401**

Risk of raw material price fluctuation (aluminum)

The Group is exposed to the fluctuations of raw material (aluminum) and merchandise (industrial aluminium profile) market prices. For all contracts with clients on a yearly basis there is always a corresponding contract of raw material purchase. For sales made on demand and not on specific contracts, the protection is provided by the increase of selling price.

Capital management

The Group's basic target of capital management is to maintain its high credit-receiving grade and its healthy capital ratios, so that the Group's activities are supported and extended, and its share value is maximized.

The Board of Directors is trying to maintain a balance between higher returns, achievable with higher levels of loans, and the advantages and security a powerful and healthy capital position can guarantee.

The Group doesn't have a specific plan for own shares purchase.

There have been no changes in the approach adopted by the Group for capital management during current fiscal year.

The Group and Company control the sufficiency of equity by using the net debt to operating profit ratio and the total debt to equity ratio. Operating profit (EBITDA) is the earnings before interest, tax and total depreciation. Net debt includes interest bearing loans minus cash and cash equivalents.

VI. SIGNIFICANT RELATED PARTY TRANSACTIONS

From the consolidated Income Statement, income, costs and expenses from transactions between Company and its subsidiaries have been eliminated. Those transactions relate to sales and purchases of products, services and tangible assets during the normal activity of the companies. Total purchases and sales between Company and its subsidiaries, open balances due and other transactions eliminated as at 31st December 2008 and 2007 are analyzed as follows (in thousand euros):

31st December 2008 **Subsidiary**	***Sales to Related parties***	***Purchases from Related parties***	***Expenses to Related parties***	***Sales – (Purchases) tangibles & intangibles with Related parties***	***Income from Related parties***	***Receivables from Related parties***	***Payables to Related parties***
ALUKOM S.A.	6.904	3.557	-	150	154	-	829
ALUNEF S.A..	11.819	22.758	-	150	199	4.448	-
ALUSYS S.A.	2.184	4	-	-	41	1.402	-
ALUFYL S.A.	3.403	6.837	1.159	-	3	11.339	-
G.A. PLASTICS S.A.	96	315	159	-	36	-	578
METRON AUTOMATIONS S.A.	833	1.274	7	-	75	753	458
ALUMIL EGYPT ALUMINIUM	124	-	-	-	3	130	-
ALUMIL ALBANIA	10.307	910	-	-	-	10.661	-
ALUMIL BULGARIA	6.471	231	-	-	-	5.800	-
ALUMIL VARNA	1.434	-	-	-	-	2.007	-
ALUMIL FRANCE SAS	-	-	191	-	186	-	24
ALUMIL DEUTZ	1.331	231	77	-	-	7.826	-
ALUMIL ITALY SRL	-	-	-	-	-	1.993	-
ALUMIL CY LTD	4.955	101	-	-	5	5.164	101
ALUMIL HUNGARY K.F.T.	704	-	-	-	-	844	-
ALUMIL UKRANIA	2.888	70	-	-	-	3.600	70
ALUMIL POLSKA S.R.L.	3.399	-	-	-	117	1.599	-
ALUMIL EXTRUSION	-	513	-	-	-	-	128
ALUMIL ROM INDUSTRY SA	9.216	947	-	-	-	4.150	579
ALUMIL YU INDUSTRY	9.074	-	17	-	-	4.880	10
ALPRO VLASENICA	3.038	837	-	-	-	3.194	-
ALUMIL SRB	3.049	-	44	-	-	1.915	-
ALUMIL MONTENEGRO	888	-	-	-	-	106	-
ALUMIL COATING S.R.B	451	-	-	-	-	329	-
ALUMIL SKOPJE	1.054	22	-	-	-	666	22
ALUMIL GULF	1.337	-	-	-	38	1.660	-
ALUMIL GROUP LTD	-	-	-	-	-	2	-
Total	**84.959**	**38.607**	**1.654**	**300**	**857**	**74.469**	**2.799**

For consolidation purposes as at 31st December 2008, transactions among subsidiaries have been eliminated amounting to approximately € 24.522 thousand (31.12.2007: € 18.067 thousand), receivables – payables of approximately € 10.263 thousand (31.12.2007: € 13.515 thousand) and income-expenses of approximately € 248 thousand (31.12.2007: € 398 thousand).

Open balances at the end of the year are not secured and settled in cash. No guarantees are signed for the these receivables. For the year ended in 31st December 2008, Parent Company has recorded accumulated provision for doubtful debts of approximately € 6.332 thousand (31.12.2007: € 5.571 thousand), related to amounts due from subsidiaries with negative Shareholders' Equity.

It is noted that there are no special agreements between the Company and its subsidiaries and all related transactions are settled under the usual terms, within the framework and the particularities of each market.

The Group has conducted from the beginning of the fiscal year, sales towards "INTERNO S.A.", to which the Parent company participates with 6.34% and it is indirectly under common control with the Parent company, of approximately € 690 thousand (31.12.2007: approximately € 1 mil.), purchases of approximately € 360 thousand (31.12.2007: approximately € 246 thousand), while it has a net claim of approximately 2.5 mil. (31.12.2007: € 2.7 mil.). Furthermore, Parent company has granted guarantees of approximately € 4.1 mil. (31.12.2007: € 2.4 mil.) to secure bank obligations of an unsettled amount due by 31.12.2008 of approximately €4 mil. (31.12.2007: approximately € 3.8 mil.).

The Group has a receivable from «ALUFONT S.A.», in which parent company holds 19%, reaching approximately € 4.3 mil, that was used to finance company's needs, to settle obligations from investments in tangible assets, which is expected to be settled within 2009 when the investment is complete and grant has been collected. The company's revenues reached approximately € 354 thousand. Furthermore, the Parent Company has granted guarantees of approximately € 8.8 mil. (31.12.2007: approximately € 6 mil.) to secure bank obligations of an unsettle amount due by 31.12.2008 of approximately € 6.3 mil. (31.12.2007: approximately € 4 mil.).

There is no parent company - under a legal entity form – participating in ALUMIL MILONAS S.A., as the majority of the share capital (69,93% of common ordinary shares as at 31st December 2008) belongs to Mr. George Milonas (48,37%) and Mrs. Evangelia Milona (21,56%) and there are no other major shareholders holding significant part of the Company's share capital.

Board of Directors remuneration

During the fiscal year ended in 31st December 2008, 2 executive Members of the Parent Company's Board of Directors received gross salaries of approximately € 72.7 thousand (31.12.2007: € 64.4 thousand) for services rendered due to salaried relationship with the Company and gross payments of € 6 thousand to a non-executive Member, exclusively for his participation in the ordinary Board Meetings (31.12.2007: € 6 thousand).

Additionally, 3 Members of Parent Company's Board of Directors received remunerations of € 280 thousand from the earnings' distribution of the preceding fiscal year (31.12.2007: € 280 thousand), approved by the Ordinary General Shareholders' Assembly; Board Members of subsidiary «ALUKOM S.A.» received remunerations of € 108 thousand (31.12.2007: € 108 thousand) from the earnings' distribution of the preceding fiscal year (Note 5e).

The Group and the Company paid to managers salaries and bonus amounting to approximately € 1.078,3 thousand (31.12.2007: € 772.8 thousand) and approximately € 227.4 thousand (31.12.2007: € 253,7 thousand).

Finally, in the recorded provision for staff leaving indemnities for the Group and the Company, approximately € 71.5 thousand (31.12.2007: € 56.1 thousand) and approximately € 65.1 thousand (31.12.2007: € 51.2 thousand) correspondingly is included, related to ALUMIL's Executive Board Members and Group managers respectively.

VII. DIVIDEND POLICY

On 6th June 2008, the Annual General Shareholders' Assembly approved dividend payout from 2007 earnings equal to € 3.082.275 namely € 0.14 per share. Dividends were paid during June 2008.

On 26th March 2009, the Company's Board of Directors proposed dividend payout from 2008 earnings equal to € 1.959.446,25 (€ 0.089 per share). This proposal has to be approved from the 2008 Annual General Shareholders' Assembly.

It should be noted that the Company's dividend policy is directly associated to the financial performance of the Group and Parent company, the strategic development and capital needs.

VIII. OTHER INFORMATION

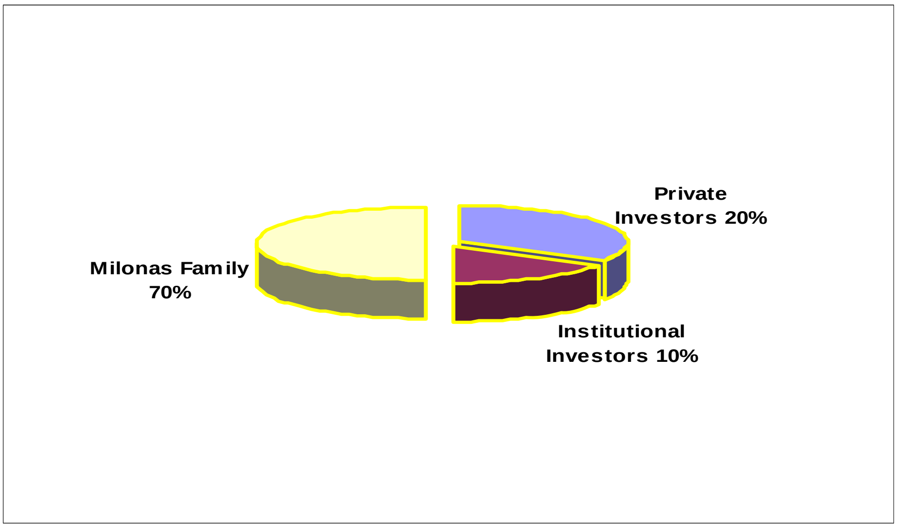
There have been no further events after the date of the Financial Statements of December 31st 2008 and until the time of their release, which are damaging and would require the need for adjustments of the Company's assets or liabilities figures of the Annual published financial statements or require their revelation at the financial statements of the closing period. Additionally, no future events that could be damaging are anticipated, which revelation to shareholders or to third party would be essential for the proper estimation of the Annual published financial statements.

IX. STOCK MARKET DATA

The shares of the Company[1] started negotiating at the Athens Stock Exchange on the 26th of January 1998. a share capital increase of € 29.3 mil, was realized in May 2000. the share capital composition follows, as at 31.12.2008:

Share capital composition	Number of Shares	Percentage%
George A. Milonas	10.648.976	48,37%
Evagelia A. Milona	4.746.887	21,56%
Institutional Investors & Legal Entities	1.713.778	7,78%
Private Investors	4.906.609	22,29%
Total	22.016.250	100,0%

[1] *(Symbols: ASE.: ALMY, Reuters: ALMr.AT, Bloomberg: ALMY GA, Telerate (Bloomberg): GR;ALMY, ISIN Code: GRS289103004)*

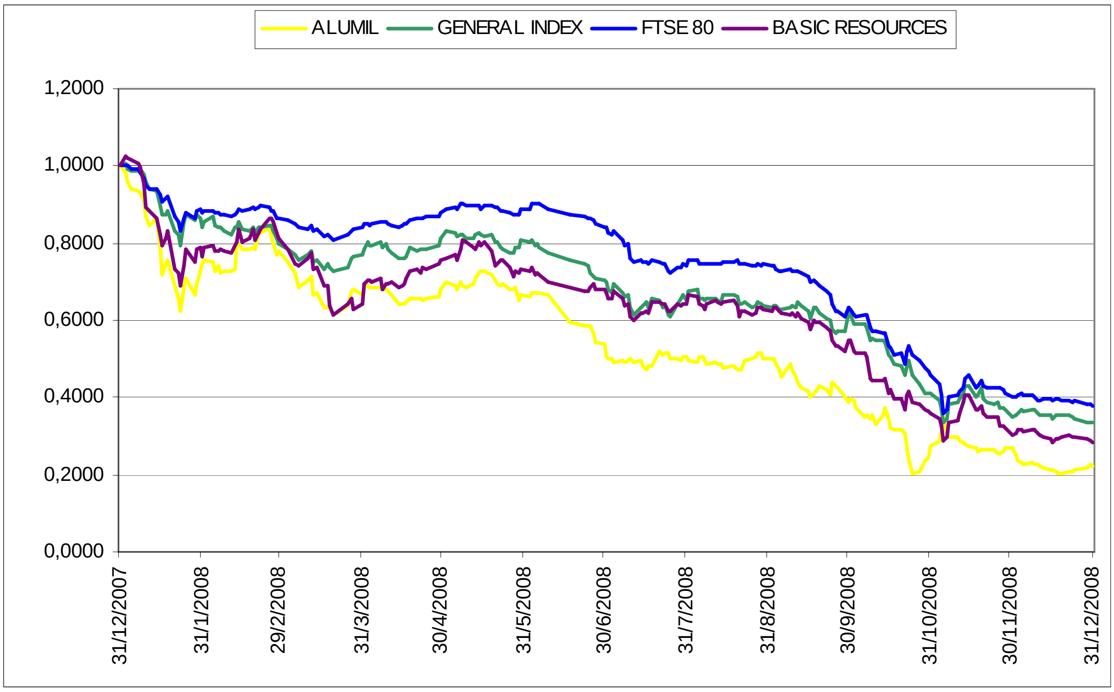


<u>Share price progress – Charts of historical data</u>

The share price at the end of 2008 stood at € 1.14 (31/12/2008) from € 5.10 at the end of 2007 (31/12/2007), decreased by approximately 77.6%; an outcome driven by the course of the Greek and international Capital Markets during 2008.

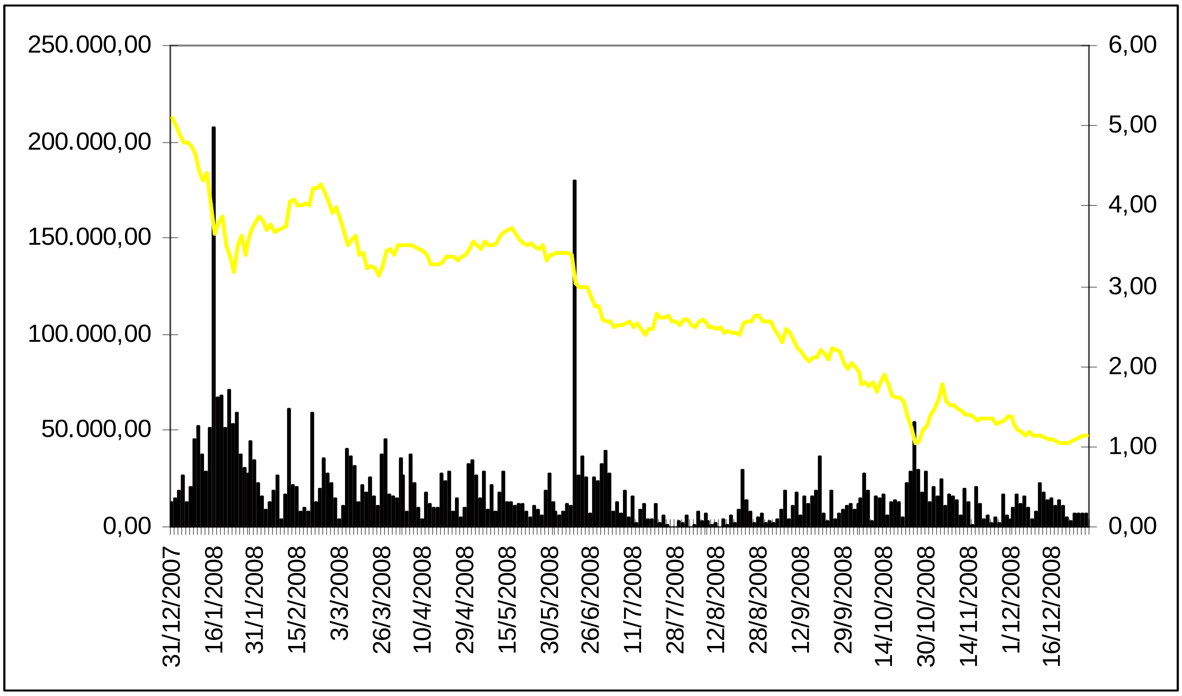
The evolution of the Company's share price is influenced by the General Index, Raw Material Sector index, the Aluminium extrusion subs-sector, the Groups performance and the general financial conditions. ALUMIL S.A. participates in the ATHEX Mid - SmallCap Price Index, in the FTSE/Athex SmallCap 80, in the FTSE/Athex 140, FTSE/Athex Basic Resources and in the Athex All Share Index. Up to December 2008, ALUMIL participated in the Big Cap index, from which it came out on the 1.12.2008, to enter the Mid and Small Cap index, according to the decision of the Athens Stock Exchange Board of Directors on the 08.10.2008

1. **The evolution of the share price of the Company with the relative indexes to which the share participates (the Company does not participate in the General Index)**



2. **The evolution of the share price of the Company and its competitors**

3. The evolution of the trading volume during 2008



The average daily volume for the share during 2008 was 18.000 shares.

EXPLANATORY REPORT OF THE BOARD OF DIRECTORS

(according to paragraphs 7 and 8, article 4 of the Law 3556/2007)

a) Share Capital

The Company's share capital amounts to € 8,146,012.50; it is divided into 22,016,250 common nominal shares, with a par value of € 0.37 each. All Company shares are immaterial and traded in the cash market of Athens Stock Exchange, in the Mid and Small Capitalization segment. The Company's shares are common registered with a voting right. The responsibility of the shareholders is confined to the nominal value of the shares they possess. Purchase of own shares has not been made.

According to the Company's shareholders registry on 31.12.2008, share capital composition was as follows:

Shareholder:	No. of Shares	Percentage %
George A. Milonas:	10.648.976	48,37%
Evangelia A. Milona:	4.746.887	21,56%
Institutional & private investors:	6.620.387	30,07%
Total:	22.016.250	100,00%

b) Restriction on the transfer of shares of the Company

The transfer of shares of the Company is done in accordance with the Law and there are no restrictions on their transfer in the Articles of Association.

c) Important direct or indirect participations in accordance with the provisions of articles 9 to 11 of the Law 3556/2007.

On 31.12.2007, the below shareholders owned more than 5% of the total voting rights of the Company:
George Milonas: 48.37%
Evaggelia Milona: 21.56%
No other physical or legal person possesses more than 5% of the share capital of the Company.

d) Shares that provide special control rights

No shares of the Company exist that confer on their holders special control privileges.

e) Voting right restrictions

No restrictions of voting rights are foreseen in the Articles of Association of the Company.

f) Agreements between the shareholders of the Company, including confinements to the transaction of shares, or confinements in voting rights

The Company is not aware of any agreements of its shareholders, and the Company's Article of Association does not provide the potentiality for agreements which entail confinements to the transaction of the shares or confinements in voting rights.

g) Rules for appointing and replacing members of the Board of Directors and modifying the Articles of Association

The provisions in the Articles of Association of the Company concerning the appointment and replacement of the members of the Board of Directors and the modification of the Articles of Association do not deviate from the provisions of Common Law 2190/1920.

h) Responsibility of the Board of Directors or specific BoD members regarding the issuance of new shares or the purchase of own shares

The provisions in the Articles of Association of the Company concerning the responsibility of the Board of Directors or specific BoD members regarding the issuance of new shares, or the purchase of own shares, do not deviate from the provisions of Common Law 2190/1920.

i) Important agreement concluded by the Company, coming into effect, modified or expiring, in case there is a change in the control of the Company following a public offer and the effects of any such agreement.

No such agreement exists.

j) Agreements that the Company has concluded with Board of Directors' members, or with employees, which foresee compensation, especially in case of resignation or termination without cause, or termination of their employment or professional contract, as a result of a public offer

No such agreement exists.

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(English Translation from the Original Greek Independent Auditors' Report)

INDEPENDENT AUDITOR'S REPORT

To the shareholders of « ALUMIL MILONAS S.A.»

Report on the Financial Statements.

We have audited the accompanying company's and consolidated financial statements of «ALUMIL MILONAS S.A.» (the Company), which comprise the company's and consolidated balance sheets as of December 31st, 2008 and the income statements, statements of changes in shareholders' equity and cash flows statements for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

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

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

Opinion

In our opinion, the accompanying company's and consolidated financial statements present fairly, in all material respects, the financial position of the company and the Group as of December 31st, 2008, and of their financial performance and their cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements.

We confirm that the information given in the Directors' Report is consistent with the accompanying financial statements in the context of the requirements of articles 43a, 107 and 37 of Codified Law 2190/1920.

Athens, 27 March 2009

The Certified Auditor Accountant

NIKOS ARGHYROU
S.O.E.L. R.N. 15511
ERNST & YOUNG (HELLAS)
CERTIFIED AUDITORS ACCOUNTANTS S.A.
11TH KLM NATIONAL ROAD ATHENS – LAMIA,
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ERNST & YOUNG

D. Financial Statements for the Group and Company

ALUMIL MILONAS – ALUMINIUM EXTRUSION INDUSTRY S.A.
CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED
31 DECEMBER 2008
(All figures expressed in EURO, unless otherwise stated)

THE GROUP

	Note.	01/01 - 31/12/2008	01/01 - 31/12/2007
Sales	**5a**	285.109.472	287.627.933
Cost of Sales	**5c**	(215.499.803)	(220.559.837)
Gross Profit		**69.609.669**	**67.068.096**
Other Operating Income	**5b**	5.343.568	5.313.054
Selling and Distribution Expenses	**5d**	(33.948.816)	(30.129.216)
Administrative Expenses	**5e**	(14.881.779)	(12.669.200)
Research & Development Expenses	**5f**	(1.394.306)	(931.149)
Other Expenses	**5j**	(467.340)	-
Currency Exchange Gains/(Losses)		55.969	574.559
Operating Income		**24.316.965**	**29.226.144**
Finance Expenses	**5g**	(16.390.347)	(12.574.474)
Finance Income	**5g**	765.430	386.939
INCOME BEFORE TAXES		**8.692.048**	**17.038.609**
Income Tax Expense	**6**	(92.987)	(3.407.421)
INCOME AFTER TAXES		**8.599.061**	**13.631.188**
Attributed to:			
Parent Company's Shareholders		4.717.440	9.484.785
Minority Interests		3.881.621	4.146.403
		8.599.061	**13.631.188**
Earnings Per Share			
- Basic & Diluted	**7**	0,2143	0,4308

ALUMIL MILONAS – ALUMINIUM EXTRUSION INDUSTRY S.A.
COMPANY'S INCOME STATEMENT
FOR THE PERIOD ENDED
31 DECEMBER 2008
(All figures expressed in EURO, unless otherwise stated)

THE COMPANY

	Note.	01/01 - 31/12/2008	01/01 - 31/12/2007
Sales	5a	204.065.455	238.064.139
Cost of Sales	5c	(175.651.005)	(206.881.881)
Gross Profit		**28.414.450**	**31.182.258**
Other Operating Income	5b	3.095.857	1.390.150
Selling and Distribution Expenses	5d	(17.229.608)	(16.248.357)
Administrative Expenses	5e	(7.299.420)	(5.647.175)
Research & Development Expenses	5f	(915.535)	(644.163)
Currency Exchange Gains/(Losses)		(29.705)	774.034
Operating Income		**6.036.039**	**10.806.747**
Finance Expenses	5g	(9.792.634)	(8.939.477)
Finance Income	5g	5.945.814	4.909.679
INCOME BEFORE TAXES		**2.189.219**	**6.776.949**
Income Tax Expense	6	1.595.891	(1.762.815)
INCOME AFTER TAXES		**3.785.110**	**5.014.134**
Earnings Per Share			
- Basic & Diluted	7	0,1719	0,2277

ALUMIL MILONAS-ALUMINIUM EXTRUSION INDUSTRY S.A.
CONSOLIDATED AND COMPANY'S BALANCE SHEET
AS AT 31ST DECEMBER 2008
(All figures expressed in EURO, unless otherwise stated)

		THE GROUP		THE COMPANY	
	Note.	**31/12/2008**	**31/12/2007**	**31/12/2008**	**31/12/2007**
ASSETS					
Non-Current Assets:					
Tangible assets	**8**	189.527.927	192.011.184	66.673.874	69.526.969
Intangible assets	**9**	1.605.730	2.312.837	1.131.299	1.622.641
Investments in subsidiaries	**10**	-	-	42.181.244	40.397.466
Available for sale financial assets	**11**	550.539	293.931	549.636	293.931
Long-term receivables	**12**	793.399	929.069	3.710.439	3.559.270
Deferred tax assets	**6**	1.154.521	1.804.735	-	-
Total Non-Current Assets		**193.632.116**	**197.351.756**	**114.246.492**	**115.400.277**
Inventories	**13**	98.227.357	98.355.883	51.687.728	49.678.976
Trade receivables	**14**	101.502.374	101.175.372	116.449.536	120.169.326
Other receivables & prepayments	**15**	15.121.009	9.801.105	10.873.346	4.441.595
Cash & cash equivalents	**16**	12.195.233	16.079.368	1.791.872	2.800.787
Total Current Assets		**227.045.973**	**225.411.728**	**180.802.482**	**177.090.684**
TOTAL ASSETS		**420.678.089**	**422.763.484**	**295.048.974**	**292.490.961**
Share capital	**17**	8.146.012	8.146.012	8.146.012	8.146.012
Share premium account	**17**	33.153.265	33.153.265	33.153.265	33.153.265
Reserves	**18**	52.901.189	53.654.183	49.786.808	49.525.625
Retained earnings		34.151.597	34.237.524	11.557.191	11.115.539
		128.352.063	**129.190.984**	**102.643.276**	**101.940.441**
Minority interests		17.317.830	18.090.277	-	-
Total Equity		**145.669.893**	**147.281.261**	**102.643.276**	**101.940.441**
Long term debt	**20**	110.923.030	98.518.354	103.016.483	92.212.787
Provisions for staff leaving indemnities	**21**	1.584.398	1.438.007	1.023.296	867.902
Government grants	**22**	29.635.405	27.297.791	4.278.365	4.189.301
Other long-term liabilities	**23**	231.204	108.057	58.997	-
Deferred tax liabilities	**6**	5.978.149	8.827.497	3.566.218	5.376.047
Total long term liabilities		**148.352.186**	**136.189.706**	**111.943.359**	**102.646.037**
Trade payables	**24**	39.794.955	56.477.836	26.780.235	42.946.802
Other sort term liabilities and accrued expenses	**25**	8.683.953	8.676.598	5.322.508	3.885.719
Derivatives financial instruments	**26**	-	9.497	-	9.497
Short term debts	**27**	53.515.418	54.646.937	28.515.073	27.627.620
Current portion of long term debts	**20**	22.631.473	17.329.365	19.184.523	12.884.845
Income tax payable	**28**	2.030.211	2.152.284	660.000	550.000
Total current liabilities		**126.656.010**	**139.292.517**	**80.462.339**	**87.904.483**
Total liabilities		**275.008.196**	**275.482.223**	**192.405.698**	**190.550.520**
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		**420.678.089**	**422.763.484**	**295.048.974**	**292.490.961**

ALUMIL MILONAS-ALUMINIUM EXTRUSION INDUSTRY S.A.
CONSOLIDATED AND COMPANY'S CASH FLOW STATEMENT
FOR THE PERIOD 1/1/2008 – 31/12/2008
(All figures expressed in EURO, unless otherwise stated)

	Note.	THE GROUP 01/01 - 31/12/2008	THE GROUP 01/01 - 31/12/2007	THE COMPANY 01/01 - 31/12/2008	THE COMPANY 01/01 - 31/12/2007
Cash Flows from Operating Activities					
Earnings before taxes		8.692.048	17.038.609	2.189.219	6.776.949
Adjustments for:					
Tangible assets' depreciation	**8**	13.812.218	13.352.396	6.000.738	5.996.155
Intangible assets' amortization	**9**	1.150.215	980.665	842.144	695.342
Net profits from disposals of tangible assets	**5b,5e**	(125.211)	(872.316)	(38.518)	(210.492)
Loss from impairment of assets	**5j, 8**	467.340	-	-	-
(Gains)/ Losses from unrealized exchange differences		3.775.728	(111.368)	73.651	10.712
Interest and related income	**5g**	(765.430)	(236.017)	(443.437)	(117.700)
Interest and related expenses	**5g**	12.767.101	11.763.086	9.792.634	8.939.477
Income from investments	**5g**	-	-	(5.502.377)	(4.791.979)
Loss reversal from impairment of investments	**5b, 5e**	-		(1.067.970)	
Government Grant depreciation	**5b, 22**	(2.258.238)	(1.743.418)	(448.810)	(327.037)
Net (gains)/losses from conversion exchange differences		685.853	(792.933)	-	-
Income from unused provisions	**5b**	(342.861)	(342.049)	-	
Provision for doubtful debts	**5d,14,15**	1.517.483	1.928.186	1.279.566	1.487.643
Provision for obsolete inventories	**5c, 13**	5.818.475	3.094.313	3.408.142	1.022.413
Provision for staff leaving indemnities	**5h, 21**	428.665	360.907	259.905	239.130
Operating results before working capital changes		**45.623.386**	**44.420.061**	**16.344.887**	**19.720.613**
(Increase) / Decrease in:					
Inventories		(5.689.949)	(31.152.969)	(5.416.894)	(13.321.090)
Trade receivables		(1.023.716)	(3.920.453)	2.552.895	(4.800.748)
Other receivables & prepayments		(3.197.423)	2.442.397	(3.400.459)	7.656.700
Other long-term receivables		(2.719)	(204.501)	(151.169)	(3.110.837)
Increase / (Decrease) in :					
Trade payables		(20.158.085)	14.787.363	(16.226.551)	(1.388.331)
Other short-term liabilities and accrued expenses		(422.408)	(2.622.173)	59.843	(3.214.947)
Other long-term liabilities		261.536	(16.444)	58.997	-
Personnel indemenities' payments	**21**	(267.950)	(120.001)	(104.511)	(90.883)
Minus:					
Interest and related expenses paid		11.152.930	9.833.149	8.425.186	7.213.620
Income taxes paid		2.923.188	2.470.616	188.425	21.699
Net Cash Flows from Operating Activities		**1.046.554**	**11.309.515**	**(14.896.573)**	**(5.784.842)**
Cash Flows from Investing Activities					
Purchases of tangible assets	**8**	(16.261.620)	(20.192.898)	(3.404.743)	(6.009.341)
Proceeds from disposal of tangible assets		788.119	1.988.783	245.618	1.335.757
Purchases of intangible assets	**9**	(442.921)	(676.180)	(300.802)	(588.597)
Proceeds from intangible assets	**9**	-	-	-	194.750
Interest and related income	**5g**	765.430	236.017	443.437	117.700
Income from investments	**5g**	-	-	5.502.377	4.791.979
Government grant collection	**22**	5.009.067	5.605.200	671.300	-
Investments in subsidiaries	**10**	-	-	(715.807)	(2.834.005)
Available-for-sale financial assets	**11**	(903)	(293.931)	-	(293.931)
Net Cash Flows from Investing Activities		**(10.142.828)**	**(13.333.009)**	**2.441.380**	**(3.285.688)**
Cash Flows from Financing Activities					
Net change in short-term debts		(1.131.520)	(3.022.369)	887.453	294.615
Long-term debt withdrawals	**20**	35.000.000	83.232.650	30.000.000	80.000.000
Long-term debt repayments		(17.830.204)	(74.882.955)	(12.896.625)	(69.093.274)
Financing to related parties		(3.462.275)	-	(3.462.275)	-
Proceeds from minorities' shareholders		357.540	8.370.047	-	-
Dividends paid to minority shareholders		(3.338.591)	(2.873.340)	-	-
Dividends paid to Parent Company's shareholders	**19**	(3.082.275)	(1.827.349)	(3.082.275)	(1.827.349)
Net Cash Flows from Financing Activities		**6.512.675**	**8.996.684**	**11.446.278**	**9.373.992**
Net change in cash and cash equivalents		**(2.583.599)**	**6.973.190**	**(1.008.915)**	**303.462**
Cash and cash equivalents as at 1st January	**16**	16.079.368	9.236.281	2.800.787	2.497.325
Foreign Exchange Differences on cash and cash equivalents		(1.300.536)	(130.103)	-	-
Cash and cash equivalents as at 31st December	**16**	**12.195.233**	**16.079.368**	**1.791.872**	**2.800.787**

ALUMIL MILONAS-ALUMINIUM EXTRUSION INDUSTRY S.A.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1/1/2008 – 31/12/2008

(All figures expressed in EURO, unless otherwise stated)

	Share Capital (Note 17)	Share Premium Account (Note 17)	Reserves (Note 18)	Exchange Differences (Note 18)	Retained Earnings	Total	Minority Interests	Total
Shareholders' Equity as at January 1st, 2008	8.146.012	33.153.265	54.297.040	(642.857)	34.237.524	129.190.984	18.090.277	147.281.261
Net earnings for the period 01/01-31/12/2008	-	-	-	-	4.717.440	4.717.440	3.881.621	8.599.061
Exchange differences	-	-	-	(1.553.534)	(920.538)	(2.474.072)	(1.673.031)	(4.147.103)
Distribution to reserves (Note. 18)	-	-	553.935	-	(553.935)	-	-	-
Transfer of subsidies' depreciation, Law. 3299/04 (Note 18)	-	-	246.605	-	(246.619)	(14)	14	-
Dividends payable (Note 19)	-	-	-	-	(3.082.275)	(3.082.275)	(3.338.591)	(6.420.866)
Subsidiaries share capital increase – Establishment of Companies (Note 10)	-	-	-	-	-	-	357.540	357.540
Shareholders' Equity as at 31st December 2008	8.146.012	33.153.265	55.097.580	(2.196.391)	34.151.597	128.352.063	17.317.830	145.669.893
Shareholders' Equity as at January 1st 2007	7.045.200	33.153.265	52.793.309	389.445	25.719.949	119.101.168	12.197.417	131.298.585
Net earnings for the period 01/01-31/12/2007	-	-	-	-	9.484.785	9.484.785	4.146.403	13.631.188
Exchange differences	-	-	-	(777.878)	-	(777.878)	(540.028)	(1.317.906)
Distribution to reserves (Note 18)	-	-	1.696.980	-	(1.696.980)	-	-	-
Transfer of subsidies' depreciation, Law. 3299/04 (Note 18)	-	-	90.157	-	(90.157)	-	-	-
Dividends payable	-	-	-	-	(1.827.349)	(1.827.349)	(2.873.340)	(4.700.689)
Share capital increase	1.100.812	-	(54.733)	-	(1.046.079)	-	-	-
Changes in minority interests	-	-	(228.673)	(254.424)	3.693.355	3.210.258	4.621.392	7.831.650
Subsidiary's share capital increase – Establishment of Companies (Note 10)	-	-	-	-	-	-	538.433	538.433
Shareholders' Equity ending balance as at 31st December 2007	8.146.012	33.153.265	54.297.040	(642.857)	34.237.524	129.190.984	18.090.277	147.281.261

ALUMIL MILONAS-ALUMINIUM EXTRUSION INDUSTRY S.A..
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1/1/2008 – 31/12/2008
(All figures expressed in EURO, unless otherwise stated)

	Share Capital (Note 17)	Share Premium (Note 18)	Reserves (Note 18)	Retained Earnings	Total
Shareholders' Equity as at January 1st, 2008	8.146.012	33.153.265	49.525.625	11.115.539	101.940.441
Net earnings for the period 01/01-31/12/2008	-	-	-	3.785.110	3.785.110
Earnings distribution to reserves	-	-	82.096	(82.096)	-
Transfer of subsidies’ depreciation, Law. 3299/04 (Note 18)	-	-	179.087	(179.087)	-
Dividends payable (Note 19)	-	-	-	(3.082.275)	(3.082.275)
Shareholders' Equity as at 31st December 2008	8.146.012	33.153.265	49.786.808	11.557.191	102.643.276
Shareholders' Equity as at January 1st, 2007	7.045.200	33.153.265	48.454.814	10.100.377	98.753.656
Net earnings for the period 01/01-31/12/2007	-	-	-	5.014.134	5.014.134
Earnings distribution to reserves	-	-	1.035.387	(1.035.387)	-
Transfer of subsidies’ depreciation, Law. 3299/04 (Note 18)	-	-	90.157	(90.157)	-
Share capital increase	1.100.812	-	(54.733)	(1.046.079)	-
Dividends payable	-	-	-	(1.827.349)	(1.827.349)
Shareholders' Equity as at 31st December 2007	8.146.012	33.153.265	49.525.625	11.115.539	101.940.441

E. NOTES TO THE FINANCIAL STATEMENTS OF THE GROUP AND COMPANY

1. GENERAL INFORMATION

“ALUMIL MILONAS - ALUMINIUM INDUSTRY S.A.“ with trade name ALUMIL S.A. (The Company), was incorporated in 1988; it is the Parent Company of ALUMIL Group. The Company is registered in the Hellenic S.A. (Societé Anonymes) Trade Registry with registration number 17520/06/B/88/18. Alumil shares started trading in the Athens Stock Exchange (ASE) in 1998.

The company established subsidiaries with headquarters in the following countries: Greece, Romania, Bulgaria, Hungary, Poland, Ukraine, Serbia, Montenegro, Cyprus, Egypt, Germany, Italy, Albania, Moldavia, Bosnia, Fyrom, France and UAE. Subsidiaries’ trade names and basic activity are described in Note 10, below.

ALUMIL produces aluminium profile systems, aluminium rods (billets), used as raw material for the profile systems and also processes part of the production. Furthermore, it produces, imports and trades spare parts for its branded aluminium systems, in order to optimally support sales technically. In addition, through its subsidiaries, ALUMIL produces specialized aluminium products for customized applications, accessories, automation systems (for doors, elevators), polycarbonate sheets, composite panels (J-Bond) and is capable of providing new surface processing methods, namely anodizing.

Annual Financial Statements include Parent Company’s (i.e. ALUMIL MILONAS S.A or the Company) and Consolidated Financial Statements.

The Company’s and Consolidated Annual Financial Statements, for the period ended December 31st, 2008, were approved by the Board of Directors on March 26th, 2008. Their further approval pending by the Annual General Shareholder’s Assembly. The attached financial statements can be found in the company’s official website (http://www.alumil.com/)

2. BASIS OF PREPARATION

Basis of preparation: Financial Statements have been prepared, in all material respects, in accordance with International Financial Reporting Standards (IFRS), including International Accounting Standards and disclosures approved by the Disclosures Committee of the IASC as those are adopted by the EU, as at December 31st, 2008. There are no standards applied before their commencement date.

Financial statements are drafted under the historic cost principle (land plots and buildings excluded, their valuation based on the adjusted, market value, considered as deemed cost on the IFRS transition date).

Financial statements’ preparation under the IFRS, prerequisites that Group admnistration proceeds into basic assumptions and accounting estimates affecting: assets and liabilities accounts' open balances, publishing contingent receivables and payables as of the Financial Statements' preparation date, as well as realized income and expenses during the reported period. Despite the fact that these estimates are based on the best available knowledge of the administration, related to the circumstances and the current conditions, final results may eventually differ from these estimates. Segments demanding higher degree of caution and also where assumptions and estimates are important for the Financial Statements, relate to Notes 6, 13, 14, 15, 21 and 32e.

Certain accounts of the Financial Statements and Notes have been reclassified, compared to the published Financial Statements in 2007, in order to be comparable with those of the current period. In particular, in the Consolidated Balance Sheet, there has been a reclassification of € 811.388 and € 150.922 respectively, which concerned foreign exchange differences from debt payables in foreign currency from foreign subsidiaries from the account "Net income/(loss) from exchange differences" to the accounts "financial expenses" and "financial income" respectively.

New standards, interpretations and modifications of existing standards

The following new interpretations and amendments to standards, became mandatory for the first time for the financial year beginning 1 January 2008 and are not relevant for the group and the company.

IFRIC 11, "IFRS 2 – Group and Treasury Share Transactions". IFRIC 11 requires arrangements whereby an employee is granted options to buy equity shares, to be accounted for as equity-settled schemes by an entity even if the entity chooses or is required to buy those equity shares from another party, or the shareholders of the entity provide the equity instruments granted. The interpretation also extends to the way in which subsidiaries, in their separate financial statements, account for such schemes when their employees receive rights to equity instruments of the parent. This Interpretation applies to the way the Group's subsidiaries account, in their individual financial statements, for options granted to their employees to buy equity shares of the Company. The accounting treatment followed by the Group is in line with the relevant provisions of the Interpretation.

IFRIC 12, "Service Concession Arrangements". This Interpretation outlines an approach to account for contractual (service concession) arrangements arising from entities providing public services. It provides that the operator should not account for the infrastructure as property, plant and equipment, but recognise a financial asset and/or an intangible asset. IFRIC 12 is not relevant to the Group. This Interpretation has not yet been endorsed by the EU.

IFRIC 14, "IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction". IFRIC 14 provides guidance on how to assess the limit on the amount of surplus in a defined benefit scheme that can be recognised as an asset under IAS 19 Employee Benefits. It also explains how this limit, also referred to as the "asset ceiling test", may be influenced by a minimum funding requirement and aims to standardize current practice. The Group expects that this Interpretation will have no impact on its financial position or performance as all defined benefit schemes are currently in deficit.

IAS 39, "Financial Instruments: Recognition and Measurement" and IFRS 7 "Financial Instruments: Disclosures; Reclassification of Financial Assets" (Amended), effective from 1 July 2008 and cannot be applied retrospectively to reporting periods before the effective date. The amendment to IAS 39 permits an entity to reclassify non-derivative financial assets (other than those designated at fair value through profit or loss by the entity upon initial recognition) out of the fair value through profit or loss ("FVTPL") category in particular circumstances. The amendment also permits an entity to transfer from the available-for-sale category to the loans and receivables category a financial asset that would have met the definition of loans and receivables (if the financial asset had not been designated as available for sale), if the entity has the intention and ability to hold that financial asset for the foreseeable future. The amendments do not permit reclassification into FVTPL. The amendment to IFRS 7 relates to the disclosures required to financial assets that have been reclassified. This amendment is not relevant to the Group.

The following new standards, amendments to standards and interpretations have been issued but are not effective for the financial year beginning 1 January 2008 and have / have not been early adopted:

IFRIC 13, "Customer Loyalty Programmes", effective for financial years beginning on or after 1 July 2008. This Interpretation requires customer loyalty award credits to be accounted for as a separate component of the sales transaction in which they are granted and therefore part of the fair value of the consideration received is allocated to the award credits and deferred over the period that the award credits are fulfilled. This interpretation will have no impact on the Group's financial statements as no such schemes currently exist.

IFRIC 15, "Agreements for the Construction of Real Estate", effective for financial years beginning on or after 1 January 2009 and is to be applied retrospectively. IFRIC 15 provides guidance on how to determine whether an agreement for the construction of real estate is within the scope of IAS 11 'Construction Contracts' or IAS 18 'Revenue' and, accordingly, when revenue from such construction should be recognised. This Interpretation has not yet been endorsed by the EU. IFRIC 15 is not relevant to the group's operations as all revenue transactions are accounted for under IAS 18 and not IAS 11.

IFRIC 16, "Hedges of a Net Investment in a foreign operation", effective for financial years beginning on or after 1 October 2008 and is to be applied prospectively.
IFRIC 16 clarifies three main issues, namely:

- A presentation currency does not create an exposure to which an entity may apply hedge accounting. Consequently, a parent entity may designate as a hedged risk only the foreign exchange differences arising from a difference between its own functional currency and that of its foreign operation.
- Hedging instrument(s) may be held by any entity or entities within the group.
- While IAS 39, 'Financial Instruments: Recognition and Measurement', must be applied to determine the amount that needs to be reclassified to profit or loss from the foreign currency translation reserve in respect of the hedging instrument, IAS 21 'The Effects of Changes in Foreign Exchange Rates' must be applied in respect of the hedged item.

This Interpretation has not yet been endorsed by the EU. The Group is in the process of assessing the impact of this interpretation and which accounting policy to adopt for the recycling on the disposal of the net investment.

IFRIC 17, "Distributions of Non-cash Assets to Owners", effective for annual periods beginning on or after 1 July, 2009. IFRIC 17 clarifies the following issues, namely:

- a dividend payable should be recognised when the dividend is appropriately authorised and is no longer at the discretion of the entity;
- an entity should measure the dividend payable at the fair value of the net assets to be distributed;
- an entity should recognise the difference between the dividend paid and the carrying amount of the net assets distributed in profit or loss; and
- an entity to provide additional disclosures if the net assets being held for distribution to owners meet the definition of a discontinued operation.

IFRIC 17 applies to pro rata distributions of non-cash assets except for common control transactions This Interpretation has not yet been endorsed by the EU. It is to be applied prospectively and earlier application is permitted. The Group is in the process of assessing the impact of this interpretation.

IFRIC 18, "Transfers of Assets from Customers", effective for financial years beginning on or after 1 July 2009 and is to be applied prospectively. However, limited retrospective application is permitted. This Interpretation is of particular relevance for the utility sector as it clarifies the accounting for agreements where an entity receives an item of PP&E (or cash to construct such an item) from a customer and this equipment in turn is used to connect a customer to the network or to provide ongoing access to supply of goods/services. This Interpretation has not yet been endorsed by the EU. Group is in the process of assessing the impact of this interpretation.

IAS 39, "Financial Instruments: Recognition and Measurement" and IFRIC 9, "Reassessment of embedded derivatives" (Amended), effective for annual periods ending on or after 30 June 2009. This amendment clarifies the accounting treatment of embedded derivatives for entities that make use of the Reclassification Amendment issued by the IASB in October 2008. The reclassification amendment allows entities to reclassify particular financial instruments out of the 'fair value through profit or loss' category in specific circumstances. These amendments to IFRIC 9 and IAS 39 clarify that on reclassification of a financial asset out of the 'fair value through profit or loss' category, all embedded derivatives have to be assessed and, if necessary, separately accounted for in financial statements. The amendments apply retrospectively and are required to be applied. This amendment is not relevant to the Group. This amendment has not yet been endorsed by the EU.

IFRS 1, "First-time Adoption of International Financial Reporting Standards" and IAS 27, "Consolidated and Separate Financial Statements" (Amended), effective for annual periods beginning on or after 1 January 2009. The amendments to IFRS 1 allows an entity to determine the 'cost' of investments in subsidiaries, jointly controlled entities or associates in its opening IFRS financial statements in accordance with IAS 27 or using a deemed cost. The amendment to IAS 27 requires all dividends from a subsidiary, jointly controlled entity or associate to be recognised in the income statement in the separate financial statement. The amendment to IAS 27 will have to be applied prospectively. The new requirements affect only the parent's separate financial statement and do not have an impact on the consolidated financial statements. The Group expects that this amendment will have no impact or no material impact on its financial statements.

IFRS 2, "Share-based Payments" (Amended), effective for annual periods beginning on or after 1 January 2009. The amendment clarifies two issues. The definition of 'vesting condition', introducing the term 'non-vesting condition' for conditions other than service conditions and performance conditions. It also clarifies that the same accounting treatment applies to awards that are effectively cancelled by either the entity or the counterparty. The Group expects that this amendment will have no impact or no material impact on its financial statements.

IFRS 3, "Business Combinations" (Revised) and IAS 27, "Consolidated and Separate Financial Statements" (Amended), effective for annual periods beginning on or after 1 July 2009. A revised version of IFRS 3 Business Combinations and an amended version of IAS 27 Consolidated and Separate Financial Statements were issued by IASB on January 10, 2008. The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition-related costs and recognising subsequent changes in fair value of contingent consideration in the profit or loss (rather than by adjusting goodwill). The amended IAS 27 requires that a change in ownership interest of a subsidiary is accounted for as an equity transaction. Therefore such a change will have no impact on goodwill, nor will it give raise to a gain or loss. 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 IFRS 3 (Revised) and IAS 27 (Amendment) must be applied prospectively and will affect future acquisitions and transactions with minority interests. The revised IFRS 3 and amendments to IAS 27 have not yet been endorsed by the EU.

IFRS 8, "Operating Segments", effective for annual periods beginning on or after 1 January 2009. IFRS 8 replaces IAS 14 'Segment reporting'. IFRS 8 adopts a management approach to segment reporting. The information reported would be that which management uses internally for evaluating the performance of operating segments and allocating resources to those segments. This information may be different from that reported in the balance sheet and income statement and entities will need to provide explanations and reconciliations of the differences. The Group is in the process of assessing the impact of this standard on its financial statements.

IFRS 7, "Financial Instruments: Disclosures" (Amended), effective for annual periods beginning on or after 1 January 2009. The amendment requires fair value measurements to be disclosed by the source of inputs, using the following three-level hierarchy: a) Quoted prices (unadjusted) in active markets for identical assets and liabilities (Level 1). (b) Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2) (c) Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3). This information must be given by class of financial instrument. The amendment also revises specified minimum liquidity risk disclosures. This amendment will not have a significant impact on the Group or the Company. This amendment has not yet been endorsed by the EU.

IAS 1, "Presentation of Financial Statements" (Revised), effective for annual periods beginning on or after 1 January 2009. IAS 1 has been revised to enhance the usefulness of information presented in the financial statements. Of the main revisions are the requirement that the statement of changes in equity includes only transactions with shareholders; the introduction of a new statement of comprehensive income that combines all items of income and expense recognised in profit or loss together with "other comprehensive income"; and the requirement to present restatements of financial statements or retrospective application of a new accounting policy as at the beginning of the earliest comparative period, i.e. a third column on the balance sheet. The Group will make the necessary changes to the presentation of its financial statements in 2009.

IAS 32 and IAS 1, "Puttable Financial Instruments" (Amended), effective for annual periods beginning on or after 1 January 2009. The amendment to IAS 32 requires certain puttable financial instruments and obligations arising on liquidation to be classified as equity if certain criteria are met. The amendment to IAS 1 requires disclosure of certain information relating to puttable instruments classified as equity. The Group does not expect these amendments to impact the financial statements of the Group.

IAS 23, "Borrowing Costs" (Revised), effective for annual periods beginning on or after 1 January 2009. The benchmark treatment in the existing standard of expensing all borrowing costs to the income statement is eliminated in the case of qualifying assets. All borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset must be capitalised. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. In accordance with the transitional requirements of the Standard, the Group / Company will adopt this as a prospective change. Accordingly, borrowing costs will be capitalised on qualifying assets with a commencement date after 1 January 2009. No changes will be made for borrowing costs incurred to this date that have been expensed.

IAS 39, "Financial Instruments: Recognition and Measurement" (Amended), effective for annual periods beginning on or after 1 July 2009. The amendment relates to eligible hedged items and addresses the designation of a one-sided risk in a hedged item, and the designation of inflation as a hedged risk or portion in particular situations. It clarifies that an entity is permitted to designate a portion of the fair value changes or cash flow variability of a financial instrument as hedged item. The amendment to IAS 39 has not yet been endorsed by the EU. The Group has concluded that the amendment will have no impact on the financial position or performance of the Company, as the Group has not entered into any such hedges.

In May 2008 the IASB issued its first omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. These amendments are effective for periods beginning on or after 1 January 2009 and have not yet been endorsed by the EU.

IFRS 5, "Non-current Assets Held for Sale and Discontinued Operations" (Amended), effective for annual periods beginning on or after 1 July 2009. The amendment clarifies that all of a subsidiary's assets and liabilities are classified as held for sale, under IFRS 5, even when the entity will retain a non-controlling interest in the subsidiary after the sale. To be applied prospectively from the date at which the company first applied IFRS 5. Therefore, any investments in subsidiaries classified as held for sale since IFRS 5 was applied will need to be re-evaluated. Early application is permitted. If early adopted, IAS 27 (as amended in January 2008) must also be adopted from that date.

IFRS 7, "Financial Instruments: Disclosures" (Amended), effective for annual periods beginning on or after 1 January 2009. This amendment removes the reference to 'total interest income' as a component of finance costs.

IAS 1, "Presentation of Financial Statements" (Amended), effective for annual periods beginning on or after 1 January 2009. This amendment clarifies that assets and liabilities classified as held for trading in accordance with IAS 39 Financial Instruments: Recognition and Measurement are not automatically classified as current in the balance sheet. To be applied retrospectively. Early application is permitted.

IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors" (Amended), effective for annual periods beginning on or after 1 January 2009. This amendment clarifies that only implementation guidance that is an integral part of an IFRS is mandatory when selecting accounting policies.

IAS 10, "Events after the Reporting Period" (Amended), effective for annual periods beginning on or after 1 January 2009. This amendment clarifies that dividends declared after the end of the reporting period are not obligations.

IAS 16, "Property, Plant and Equipment" (Amended), effective for annual periods beginning on or after 1 January 2009.

Replaces the term 'net selling price' with 'fair value less costs to sell', regarding the recoverable amount, to be consistent with IFRS 5 and IAS 36 Impairment of Assets.

Items of property, plant & equipment held for rental that are routinely sold in the ordinary course of business after rental, are transferred to inventory when rental ceases and they are held for sale. Proceeds on sale are subsequently shown as revenue. IAS 7 Statement of cash flows is also revised, to require cash payments to manufacture or acquire such items to be classified as cash flows from operating activities. The cash receipts from rents and subsequent sales of such assets are also shown as cash flows from operating activities.

IAS 18, "Revenue" (Amended), effective for annual periods beginning on or after 1 January 2009. This amendment replaces the term 'direct costs' with 'transaction costs' as defined in IAS 39.

IAS 19, "Employee Benefits" (Amended), effective for annual periods beginning on or after 1 January 2009.

Revises the definition of 'past service costs' to include reductions in benefits related to past services ('negative past service costs') and to exclude reductions in benefits related to future services that arise from plan amendments. Amendments to plans that result in a reduction in benefits related to future services are accounted for as a curtailment. To be applied prospectively – to changes to benefits occurring on or after 1 January 2009. Early application is permitted.

Revises the definition of 'return on plan assets' to exclude plan administration costs if they have already been included in the actuarial assumptions used to measure the defined benefit obligation. To be applied retrospectively. Early application is permitted.

Revises the definition of 'short-term' and 'other long term' employee benefits to focus on the point in time at which the liability is due to be settled. To be applied retrospectively. Early application is permitted.

Deletes the reference to the recognition of contingent liabilities to ensure consistency with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. IAS 37 does not allow for the recognition of contingent liabilities. To be applied retrospectively. Early application is permitted.

IAS 20, "Accounting for Government Grants and Disclosure of Government Assistance" (Amended), effective for annual periods beginning on or after 1 January 2009. Loans granted with no or low interest rates will not be exempt from the requirement to impute interest. Interest is to be imputed on loans granted with below-market interest rates, thereby being consistent with IAS 39. The difference between the amount received and the discounted amount is accounted for as a government grant. To be applied prospectively – to government loans received on or after 1 January 2009. Early application is permitted. However, IFRS 1 First-time Adoption of IFRS has not been revised for first-time adoptees; hence they will be required to impute interest on all such loans outstanding at the date of transition.

IAS 23, "Borrowing Costs" (Amended), effective for annual periods beginning on or after 1 January 2009. The amendment revises the definition of borrowing costs to consolidate the types of items that are considered components of 'borrowing costs' into one – the interest expense calculated using the effective interest rate method as described in IAS 39. To be applied retrospectively. Early application is permitted.

IAS 27 "Consolidated and Separate Financial Statements" (Amended), effective for annual periods beginning on or after 1 January 2009. When a parent entity accounts for a subsidiary at fair value in accordance with IAS 39 in its separate financial statements, this treatment continues when the subsidiary is subsequently classified as held for sale. To be applied prospectively from the date at which the company first applied IFRS 5. Therefore, any subsidiaries classified as held for sale since IFRS 5 was adopted will need to be re-evaluated. Early application is permitted.

IAS 28, "Investment in Associates" (Amended), effective for annual periods beginning on or after 1 January 2009.

If an associate is accounted for at fair value in accordance with IAS 39 (as it is exempt from the requirements of IAS 28), only the requirement of IAS 28 to disclose the nature and extent of any significant restrictions on the ability of the associate to transfer funds to the entity in the form of cash or repayment of loans applies. To be applied retrospectively, although an entity is permitted to apply it prospectively. Early application is permitted. If early adopted, an entity must also adopt the amendment below, and the amendments to paragraph 3 of IFRS 7 Financial Instruments: Disclosures, paragraph 1 of IAS 31 Joint Ventures and paragraph 4 of IAS 32 Financial Instruments: Presentation at the same time.

An investment in an associate is a single asset for the purpose of conducting the impairment test – including any reversal of impairment. Therefore, any impairment is not separately allocated to the goodwill included in the investment balance. Any impairment is reversed if the recoverable amount of the associate increases. If early adopted, an entity must also adopt the amendment above, and the amendments to paragraph 3 of IFRS 7 Financial Instruments: Disclosures, paragraph 1 of IAS 31 Joint Ventures and paragraph 4 of IAS 32 Financial Instruments: Presentation at the same time.

IAS 29, "Financial Reporting in Hyperinflationary Economies" (Amended), effective for annual periods beginning on or after 1 January 2009. This amendment revises the reference to the exception to measure assets and liabilities at historical cost, such that it notes property, plant and equipment as being an example, rather than implying that it is a definitive list. No specific transition requirements have been stated as it is a clarification of the references rather than a change.

IAS 31, "Interest in Joint ventures" (Amended), effective for annual periods beginning on or after 1 January 2009. This amendment clarifies that if a joint venture is accounted for at fair value, in accordance with IAS 39 (as it is exempt from the requirements of IAS 31), only the requirements of IAS 31 to disclose the commitments of the venturer and the joint venture, as well as summary financial information about the assets, liabilities, income and expenses will apply. Early application is permitted. If early adopted, an entity must also adopt the amendments to paragraph 3 of IFRS 7 Financial Instruments: Disclosures, IAS 28 Investments in Associates and paragraph 4 of IAS 32 Financial Instruments: Presentation at the same time.

IAS 34, "Interim Financial Reporting" (Amended), effective for annual periods beginning on or after 1 January 2009. This amendment clarifies that earnings per share is disclosed in interim financial reports if an entity is within the scope of IAS 33.

IAS 36, "Impairment of assets" (Amended), effective for annual periods beginning on or after 1 January 2009. This amendment clarifies that when discounted cash flows are used to estimate 'fair value less costs to sell', the same disclosure is required as when discounted cash flows are used to estimate 'value in use'. To be applied retrospectively. Early application is permitted.

IAS 38, "Intangible Assets" (Amended), effective for annual periods beginning on or after 1 January 2009.

Expenditure on advertising and promotional activities is recognised as an expense when the entity either has the right to access the goods or has received the services. To be applied retrospectively. Early application is permitted.

Deletes references to there being rarely, if ever, persuasive evidence to support an amortisation method for finite life intangible assets that results in a lower amount of accumulated amortisation than under the straight-line method, thereby effectively allowing the use of the unit of production method. To be applied retrospectively. Early application is permitted.

A prepayment may only be recognised in the event that payment has been made in advance to obtaining right of access to goods or receipt of services.

IAS 39, "Financial instruments recognition and measurement" (Amended), effective for annual periods beginning on or after 1 January 2009.

Clarifies that changes in circumstances relating to derivatives – specifically derivatives designated or de-designated as hedging instruments after initial recognition – are not reclassifications. Thus, a derivative may be either removed from, or included in, the 'fair value through profit or loss' classification after initial recognition. Similarly, when financial assets are reclassified as a result of an insurance company changing its accounting policy in accordance with paragraph 45 of IFRS 4 Insurance Contracts, this is a change in circumstance, not a reclassification. To be applied retrospectively. Early application is permitted.

Removes the reference in IAS 39 to a 'segment' when determining whether an instrument qualifies as a hedge. To be applied retrospectively. Early application is permitted.

Requires use of the revised effective interest rate (rather than the original effective interest rate) when remeasuring a debt instrument on the cessation of fair value hedge accounting. To be applied retrospectively. Early application is permitted.

IAS 40, "Investment property" (Amended), effective for annual periods beginning on or after 1 January 2009.

Revises the scope (and the scope of IAS 16) such that property that is being constructed or developed for future use as an investment property is classified as investment property. If an entity is unable to determine the fair value of an investment property under construction, but expects to be able to determine its fair value on completion, the investment under construction will be measured at cost until such time as fair value can be determined or construction is complete. To be applied prospectively. Early application is permitted. An entity is permitted to apply the amendments to investment properties under construction from any date before 1 January 2009 provided that the fair values of investment properties under construction were determined at those dates.

Revises the conditions for a voluntary change in accounting policy to be consistent with IAS 8.

Clarifies that the carrying amount of investment property held under lease is the valuation obtained increased by any recognised liability.

IAS 41, "Agriculture" (Amended), effective for annual periods beginning on or after 1 January 2009.
Replaces the term 'point-of-sale costs' with 'costs to sell'. Revises the example of produce from trees in a plantation forest from 'logs' to 'felled trees'.

Removes the reference to the use of a pre-tax discount rate to determine fair value, thereby allowing use of either a pre-tax or post-tax discount rate depending on the valuation methodology used.

Removes the prohibition to take into account cash flows resulting from any additional transformations when estimating fair value. Rather, cash flows that are expected to be generated in the 'most relevant market' are taken into account. To be applied prospectively. Early application is permitted.

3. SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies applied by the Group and the Company for the preparation and drafting of the attached Financial Statements are presented below. Annual Financial Statements were drafted applying the significant accounting policies followed for the presentation and preparation of the Parent Company and Consolidated Financial Statements for 2007, unless stated otherwise.

(1) ***Basis for consolidation:*** Consolidated Financial Statements of the Company include Financial Statements of Parent Company ALUMIL S.A. and all subsidiaries in which ALUMIL exercises significant control. Control is incurred when ALUMIL S.A. directly or indirectly, holds the majority of the voting rights, or exercises significant control in the subsidiaries' Board of Directors. Subsidiaries are consolidated under the full consolidation method from the date the control is transferred to the Group; they are excluded from the Consolidated Financial Statements the date when control is no longer exercised.

Consolidation is applied through the purchase method. All investments are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investment. After initial recognition, investments are measured at fair value and are either categorized as 'financial assets at fair value through profit and loss' or as 'financial assets held for sale', in which case the difference from fair valuation is recorded in a separate component in equity. If the total cost of the acquisition is lower than the net fair value of the assets acquired, the difference is recorded directly in income statement.

All inter-company transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated, unless cost cannot be recovered. Where necessary, accounting policies for subsidiaries are modified, so as to ensure consistency with the accounting policies adopted by the Group. Financial Statements' drafting date for subsidiaries coincides with that followed for the Parent Company.

Minority interests reflect the portion of profit or loss and net assets attributable to equity interests that are not owned by the Group. Minority interests are reported separately in the Consolidated Income Statement as well as in the Consolidated Balance Sheet, separately from the Share Capital and Reserves. In case of purchase of minority interests, the difference between the value of acquisition and the book value of the share of net assets acquired is recognized as goodwill.

(2) **Foreign currency translation**

(i) Functional and presentation currency: Financial Statements' accounts for the Company and the Group, are drafted with the currency of the operating financial environment. The Company's functional and presentation currency for the Financial Statements is Euro.

(ii) Transactions and open balances: Transactions denominated in currencies other than company's functional currency are recorded at the date of the transaction. Monetary assets and liabilities denominated in currencies other than the Company's functional currency are retranslated at the rate of exchange ruling at the balance sheet date. All differences are recognized to the Income Statement.

Financial Statements' conversion of Group's companies (none of which had an inflationary economy currency as at December 31st, 2008 and 2007) denominated in currencies other than the Company's functional currency, follow the below:
assets and liabilities of international, self-ruled subsidiaries, are converted to euro, using the exchange rate of the Balance Sheet date; Shareholders' Equity are converted using the exchange rate as of the formation date; income and expenses are converted using the average-of-the-year exchange rate. Currency conversion differences reported from the use of multiple currencies are recorded directly to the Shareholders' Equity; while disposing international subsidiaries, accumulated currency conversion differences are recorded in the Income Statement as part from the disposal's gain or loss.

(3) ***Tangible assets:*** Tangible assets are stated at cost less accumulated depreciation and any impairment in value. As stated in note 2, Group valued land and buildings at market values, used as deemed cost for the transition to the IFRS date.

Buildings, installations or equipment purchasing cost is comprised of the invoice price, duties included and non-refundable purchasing tax and all costs necessary to render the asset operational and ready for future use. Repairs and maintenance are charged to the income statement during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group, or when it is probable that the operational cost will be decreased.

Tangible assets constructed by Group's companies, are stated at cost of production, which includes expenses to contractors, materials and wages' expenses related to these constructions and a proportion of the general administrative expenses.
Assets under construction include tangible assets, stated at cost. No depreciation is provided on construction in progress, until it is ready for operational use.

No depreciation is provided on land. Property, plant and equipment are depreciated on a straight line basis over their estimated useful lives as follows:

Tangible Assets	Useful Lives
Buildings	30-40 years
Machinery	15-25 years
Technical installations – Mechanical equipment	3-20 years
Motor vehicles	5-8 years
Furniture & Fittings	5 years

Group administration reviews for impairment the net values of property, plant and equipment annually. If indications for impairment exist, the recoverable amount is estimated and where the net book value of assets exceeds the recoverable amount, the assets are written down to their recoverable amount.

Tangible assets are written down from the Balance Sheet when disposed, or when no financial benefits are expected from their use.

Gains and losses from withdrawals or disposals of Tangible assets are determined by the difference between the estimated net revenue from the disposal and the book value; gains and losses are recognized in the Income Statement.

(4) ***Borrowing costs:*** The Group has adopted the benchmark treatment in the existing IAS 23 of expensing all borrowing costs to the Income Statement (irregardless whether the costs relates to debt for purchases or constructions).

(5) ***Tangible assets held for sale:*** Tangible assets held for sale include other long-term receivables, including goodwill and assets the Group intends to sell within one year from their classification as "held for sale".

Tangible assets classified as "held for sale" are stated at the lower of book value just before their classification as "held for sale" and their carrying value minus the cost to sell. Assets classified as "held for sale" are not depreciated. Profits and losses arising from the sale and revaluation of assets classified as "held for sale" are recorded in the "Other income" and "Other expenses" accounts, in the Income Statement.

The Company and the Group have not classified tangible assets within this category.

(6) ***Assets' impairment:*** Under IAS 36, land and buildings, installations, equipment and intangibles should be reviewed for impairment annually. If indications for impairment exist, the recoverable amount is estimated and where the net book value of assets exceeds the recoverable amount, the impairment loss is recognized in the Income Statement. The recoverable amount is the higher between the carrying value minus the expenses from the disposal and the ''value in use''. Carrying value minus the expenses from the disposal is considered the feasible proceeds from the disposal of an asset in an arms' length transaction, after subtracting all additional direct costs of disposal, while, "value in use" is the present value of the estimated future cash flows expected to arrive from the continuous use of the asset and its disposal value at the end of its useful life. If there is no ability to estimate the recoverable amount of an asset for which there is an impairment indication, then the recoverable amount of the separate unit of the asset class that generates cash flows is estimated.

Cross-entry of impairment loss of assets, recorded in previous years, can be accepted only when clear indications are presented that the assumptions used for the estimation of the recoverable amount have changed. In these cases, the cross-entry is recognized as income.

(7) ***Intangible assets:*** Intangible assets are related to software purchases and to all costs realized to develop software to reach the operational level. Software depreciation is amortized using the straight-line method, not exceeding a period of 3- 5 years.

After initial recognition, Group reviews annually the carrying values of intangible assets for impairment, if events or changes in circumstances indicate that the carrying value may not be recoverable.
In events where the carrying value may not be recoverable, a provision for impairment is recorded so that the book value of the asset represents its recoverable value.

Costs associated with maintaining computer software programmes are recognized as an expense as incurred.

(8) ***Research and development expenses:*** Research costs are expensed as incurred. Costs incurred on development projects relate to the design and testing of new or improved products. Costs incurred on development projects are recognized as intangible assets only when IAS 38 «Intangible Assets» criteria are met. Group has not capitalized development expenses.

(9) ***Financial Instruments:*** A financial instrument is a contract that results in a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. Financial instrumentss under IAS 39, are classified in four categories:

- Financial assets held for trading,
- Originated loans and receivables,
- Held-to-maturity investments, and
- Held-for-sale financial assets.

i. Financial assets measured at their fair value through the Income Statement

This involves financial assets that satisfy any of the following conditions:

- Financial assets held for commercial purposes (including derivatives, excluding those that are specified and effective as hedges, those that are acquired or created with the intent of sale or re-purchase and finally those that are part of a portfolio of recognised financial instruments).
- Upon initial recognition, the Company records the item as an account at fair value, transferring the changes in the Income Statement.

Any realized on unrealized profits or losses arising from changes in the fair value of financial assets are recognized in the results in the period they were incurred.

ii. Originated loans and receivables

Includes non-derivatives financial assets and liabilities, with fixed or defined payments, non-negotiable to markets with no intention to dispose them.

Loans and receivables included in current assets, except those with maturity longer than 12 months from the Balance Sheet date; the latter included in tangible assets.

Loans and receivables are recognized in non-depreciated cost, using the effective interest rate method.

iii. Held-to-maturity investments

Includes non-derivatives financial assets and liabilities, with fixed or defined payments and maturity, with the intention and the ability to hold to maturity. At the Balance Sheet date, the Group had no such investments.

iv. Financial assets available for sale

Includes non-derivative financial assets which, are either determined in this category or they cannot be included in any of the above.
They are included in non current assets as long as the Management has no intention of converting them into cash within 12 months from the balance sheet date.
Subsequently, the financial assets available for sale are measured at fair value and the relevant profits or losses are recorded in the equity reserves until these assets are sold or designated as impaired. During the sale or when designated as impaired, the profits and losses are carried over to the results. Impairment losses that have been accounted for in the results are not reversed through results.

The purchase and sales of investments are recorded on the date of the transaction, which is the date that the Group commits itself to purchase or sell the asset. The investments are initially accounted for at their fair value plus the direct expenses ascribed to the transaction, with the exception of direct expenses ascribed to the transaction for those assets that are measured at their fair value with changes in the Income Statement. The investments are written off when the right to the cash flows from investments expires or

is transferred and the Group has essentially transferred all of the risks and rewards of ownership.
The realized and unrealised profits or losses arising from the changes in the fair values of the financial assets measured at fair value with changes in the results, are recorded in the results during the period that they arise.

The fair values of the financial assets that are traded in active markets are determined by the current demand prices. For the non-traded assets, the fair values are determined using evaluation techniques like the analysis of recent transactions, comparative assets that are traded and discount of cash flows. The equity instruments, non-traded in an active market, that have been classified in the category Financial instruments available for sale and the fair value of which cannot be determined in a reliable way, are evaluated at their acquisition cost.

On every balance sheet date the Group estimates whether there is objective evidence leading to the conclusion that the financial assets have been subject to impairment. For shares of companies that have been classified as financial assets available for sale, such an indication would be the significant or extended drop of fair value in relation to the acquisition cost. If impairment is substantiated, the accumulated loss to equity, namely the difference between acquisition cost and fair value, is carried over to the results.

An investment is subject to impairment when the book value exceeds the recoverable amount and there are indications that the decrease in value reached a level where the invested capital cannot be recovered in the near future.

For financial assets at carrying value the impairment loss is estimated as the difference between the book value and the present value of the expected future cash flows, discounted with the effective interest rate of the financial asset.

(10) ***Investments in subsidiaries (parent company accounts):*** Investments in subsidiaries are stated at cost less provision, if necessary, for permanent decrease in value, which is recognized in the profit and loss account.

(11) ***Inventories:*** Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary cost of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Purchase cost for raw materials, merchandise and consumables is calculated on a weighted average basis. Cost for final products include direct cost for materials, direct cost for production and the necessary distribution for fixed and variable general costs of production, under the ordinary production capacity conditions. Cost of inventory does not include financial expenses.

Consumables and spare parts for general use are included in inventories and they are expensed during usage.

Provisions are registered for obsolete, worthless and very low turnover inventories. These provisions are valued at the net realizable value and other losses from inventories are registered to the Income Statement in the relative period.

(12) ***Trade and other receivables:*** Receivables which are normally settled on 120-150 days terms are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received whether or not billed to the Company, while long-term receivables (balances extending beyond the normal credit period) are stated at net cost using the effective interest rate method.

A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all of the amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in other expenses in the Income Statement. Group policy defines that no provision for receivables is recorded until all probable legal procedures are used for the collection of the debt.

Subsequent receipts of amounts for which a provision had been recorded are credited in the "Other operating income", in the Income Statement.

(13) ***Cash and cash equivalents:*** Cash and cash equivalents comprise cash in hand and at banks and short-term deposits with an original maturity of three months or less. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Cash and cash equivalents incorporate non-significant price risk.

(14) ***Share Capital:*** Share capital includes Company's ordinary shares' value, issued and outstanding. Price paid-up per share in excess of the nominal value, is recorded in the «Share premium account» in Shareholders' Equity. Expenses related directly to the issuance of new shares are included in the Shareholders' Equity, deducted from the «Share premium account».

(15) ***Provisions and contingent liabilities:*** Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects a provision to be covered with an indemnity, for example from an insurance contract, and there is absolute certainty for the collection of the indemnity, then it is recorded as a separate claim.

Provisions are re-estimated on every date of the balance sheet and adjusted so that they depict the current value of the expense that has to be made in order for the obligation to be settled. Should the effect of the time value of money is significant, provisions are calculated by discounting the expected future cash flows with a pre tax factor, which reflects the current estimations of the market for the time value of money, and whenever necessary, the risks specifically related to the obligation. The eventual obligations are not recorded to the financial statements but rather announced, unless the obligation for outflow of resources that embody financial benefits is minimum. The eventual claims are not recorded to the financial statements but rather announced should the inflow of financial benefits is likely

(16) ***Provisions for staff leaving indemnities – Benefits to employees:*** According to Law 2112/20, the Company contributes to its employee's post retirement plans as prescribed by Greek social security legislation. Contributions, based on salaries, are made to the national organizations responsible for payment of pensions. These relate to defined contributions plans and there is no additional liability on behalf of the Company regarding these plans. The regular contributions constitute net periodic costs for the year in which they are due and such are included in staff costs. The Company is also obliged by Greek Labour Law to provide retirement indemnities to employees. The amount to be received on retirement is covered from IKA pension fund; it is defined as a function of years of service, last salary, etc. This plan falls under defined benefit plan and is unfunded.

Pension plans on retirement (according to Law 2112/20), related to defined benefit plan, according to IAS 19 "Employee Benefits". The liability in respect of the above defined benefit pension plan is the present value of the defined benefit obligation at the balance sheet date together with adjustments for actuarial gains/losses and past service cost. The defined benefit obligation is calculated annually by independent actuaries, using the projected unit credit method. The present value of the defined benefit obligation is determined by the estimated future cash outflows using interest rates of government securities that have terms to maturity approximating the terms of the related liability.

Net pension costs for the period are included in payroll in the accompanying consolidated statement of income and consist of the present value of benefits earned in the year, interest cost on the benefit obligation, past service cost, actuarial gains or losses recognized in the fiscal year and any additional pension charges.

Actuarial gains and losses arising from experience adjustments, changes in actuarial assumptions and amendments to pension plans, which exceed 10% of the estimated benefit liability at the beginning of every period, are recognized in other income/expenses in the income statement over the average remaining service lives of the related employees.

Past service costs are recognized directly in the Income Statement, unless the right to change the program depends on additional working time. In this case, past service costs are recognized on a straight-line basis over the average period until the benefits under the plan become vested.

Short-term benefits to the employees (apart from the benefits for the termination of the labour relationship) in cash and in goods are recorded for as an expense when they become payable. Any outstanding amount is recorded as a liability, while in the case where the amount already paid exceeds the amount of the benefits, the company records the excess amount as its asset (prepaid expense) only to the extend that the prepayment will lead to the reduction of future payments or to a return.

Apart from the above, the Company and the Group have no long-term legal or other liabilities towards their employees.

(17) ***State insurance programs:*** Company's and subsidiaries' employees are covered from the Main State Insurance Fund related to the private sector (IKA), for pension and medical services. Every employee is obliged to contribute a part of the monthly salary to the Fund, while a part of the total contribution is covered by the Company. During retirement, the pension State Fund is responsible for the pension payments. Consequently, the Company has no legal or presumed obligation for the payment of future benefits based on this benefit plan.

(18) ***Government grants relating to purchase of property, plant and equipment:*** Government grants 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 the grants to the costs intended to compensate. Government grants relating to the purchase of property, plant and equipment are included in other tangible liabilities and are credited to depreciation and amortization related to cost of sales in the income statement on a straight-line basis over the expected lives of the related assets. Government grants relating to capital expenses are recognized as income, during the period necessary for the correlation between the grants and the related expenses. Grants' depreciation expenses are included in the «Other operating income» in the Income Statement.

(19) ***Interest - bearing loans and debt***: All loans and debt are initially recognized at cost being the fair value of the consideration received net of issue costs associated with the borrowing. After initial recognition, interest bearing loans and debt, are subsequently measured at amortized cost, using the effective interest rate method. Amortized cost is calculated by taking into account any issue costs and any discount or premium on settlement. Gains and losses are recognized in the Income Statement when the liabilities are erased or impaired, and through depreciation.

Debt is classified as short–term liabilities, unless the Group has the option to postpone payments for related liabilities for at least 12 months from the Balance Sheet date.

(20) ***Trade and other payables*****:** Liabilities for trade and other amounts payable which are normally settled on 30-120 days terms are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company; these accounts do not usually bear interest expenses.

(21) ***Current and deferred income tax:*** Taxes currently due for all companies included in the Consolidated Financial Statements are calculated and paid in accordance with the Tax Laws applicable for each company. Final tax on profit, based on the statutory rate applicable to the Company, is payable on taxable profits, which are based on the annual profit, shown in the statutory income statement adjusted for tax purposes, adding additional taxes for unaudited years and tax provisions.

Deferred income tax is provided in full using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination and at the time of the transaction affects neither accounting nor taxable profit and loss, it is not accounted for.

Deferred income tax assets are recognized only to the extent that is it probable that taxable profits and reversals of deferred tax liabilities will be available against which deductible temporary differences can be utilized.

Deferred income tax assets are re-estimated in every Balance Sheet date and they are decreased to the extent that is it probable that taxable profits will be available against which deductible deferred income tax assets can be utilized.

(22) ***Revenue recognition:*** revenue includes sales of products and services, excluded from Value Added Tax (V.A.T.), credit invoices, discounts and after subtracting all intragroup revenue-related transactions.

Sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and the amount of revenue can be measured reliably.

Revenue from services is recognized when it is probable that future economic benefits will flow to the enterprise and these benefits can be measured reliably at the Balance Sheet date. Revenue is based on the stage of completion determined by reference to services performed to date, as a percentage of total services to be performed.

Revenue from interests is recognised as the interest accrues.

Revenue from dividends is recognised when the shareholders' right to receive the payment is established.

Revenue from dividends and interest related to investments are recorded to accounts «Income from dividends» and «Income from investments» correspondingly.

(23) ***Expenses:*** Expenses are recognized in the Income Statement on accrual basis. Payments related on operational leasing are expensed to the Income Statement, during the use of the lease.

(24) ***Dividends:*** Dividends are recorded in the Financial Statements as a liability, when the Board of Directors' proposed dividend is approved by the Annual General Meeting.

(25) ***Leases:*** Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income. Capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lesser retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as an expense in the income statement on a straight-line basis over the lease term.
The Company and the Group had no financial leasing as at December 31st 2008 and 2007 correspondingly.

(26) ***Earnings per share:*** Basic earnings per share are computed by dividing net income attributable to parent company shareholders by the weighted average number of common shares outstanding during each year.

Diluted earnings per share are calculated by dividing the net profit attributable to equity holders of the parent (after deducting interest on convertible shares, net of tax), by the weighted average number of shares outstanding during the year (adjusted for the effect of dilutive convertible shares).

There were no convertible bonds to shares or other potentially diluted items convertible to shares and consequently diluted earnings per share were not calculated.

(27) ***Segment reporting:*** Geographical primary segments provide products or services within a particular economic environment that is subject to risks and returns that are different from those of components operating in other economic environments.
Business secondary segments provide products or services that are subject to risks and returns that are different from those of other business segments.

The Group has two business segments: Production and trade of aluminium products Segment and Other Segment, including production and trade of polycarbonate sheets, construction of elevating mechanisms and transport of cargos.

By estimating the business risks and generally the financial environment of every country the Group is active in, Group geographical segment is divided in: Greece, Balkans and Rest of the World.

4. SEGMENT INFORMATION

Primary informational sector – geographical regions

Group geographical primary segment is divided in geographical regions (according to Group's location of activity). ALUMIL Group has presence in 18 countries and the companies in each country are organized and administered independently. Geographical regions' breakdown follows:

- Greece
- Balkans
- Rest of the World

Group results per sector are analyzed as follows: (in thousand euros)

PERIOD 01/01 – 31/12/2008

	Greece	Balkans	Other Countries	Elimination of Inter-segment Transactions	TOTAL GROUP
Sales to third parties	169.432	92475	23.203		**285.110**
Inter-segment sales	67.441	3.963	480	(71.884)	**0**
Total sales	**236.873**	**96.438**	**23.683**	**71.884**	**285.110**
Cost of sales	128.362	68.733	18.405		**215.500**
Inter-segment cost of sales	67.441	3.963	480	(71.884)	**0**
Total cost of sales	**195.803**	**72.696**	**18.885**	**71.884**	**215.500**
Gross profit	**41.070**	**23.742**	**4.798**		**69.610**
Other operating income	3.993	1.131	219		**5.343**
Other operating Inter-segment income	175	0	191	(366)	**0**
Total other operating income	**4.168**	**1.131**	**410**	**(366)**	**5.343**
Selling and distribution expenses	22.035	8.908	3.274	(268)	**33.949**
Administrative expenses	9.438	3.759	1.685		**14.882**
Research & development expenses	1.394				**1.394**

(All figures expressed in EURO, unless otherwise stated)

Currency exchange differences & Other expenses	272	(14)	(314)		**(56)**
Other expenses	0	0	467		**467**
Operating profit	**11.924**	**12.220**	**(95)**	**268**	**24.317**
Finance expenses (Net)					**15.625**
Income before taxes					**8.692**
Income tax expense					**93**
Income after taxes					**8.599**
Attributed to:					
Parent Company's shareholders					**4.717**
Minority interests					**3.882**
					8.599
Additional Information					
Depreciation of tangible assets (Note 5i & 8)	10.163	3.603	299	(253)	**13.812**
Amortization of intangible assets (Note 5i & 9)	923	262	1	(36)	**1.150**
Provisions for doubtful debt (Note 5d & 14-15)	820	570	127		**1.517**
Provisions for obsolete and slow moving inventories (Note 5c & 13)	5.397	247	174		**5.818**
Provisions for staff leaving indemnities (5h & 21)	418	11			**429**
Recognized income from government grants (Note 5b & 22)	(1.806)	(452)			**(2.258)**
Loss from assts devaluation (Note 5j)			467		**467**

PERIOD 01/01 – 31/12/2007

	Greece	Balkans	Other Countries	Elimination of Inter-segment Transactions	TOTAL GROUP
Sales to third parties	186.170	83.633	17.825		**287.628**
Inter-segment sales	67.952	2.822	851	(71.625)	**0**
Total sales	**254.122**	**86.455**	**18.676**	**(71.625)**	**287.628**
Cost of sales	140.741	65.544	14.275		**220.560**
Inter-segment cost of sales	67.952	2.822	851	(71.625)	**0**
Total cost of sales	**208.693**	**68.366**	**15.126**	**(71.625)**	**220.560**

Gross profit	**45.429**	**18.089**	**3.550**		**67.068**
Other operating income	3.041	2.033	239		**5.313**
Other operating Inter-segment income	153	-	229	(382)	**0**
Total other operating income	**3.194**	**2.033**	**468**	**(382)**	**5.313**
Selling and distribution expenses	19.830	7.790	2.738	(229)	**30.129**
Administrative expenses	8.149	2.868	1.652		**12.669**
Research & development expenses	931	-	-		**931**
Currency exchange differences & Other expenses	(671)	230	(133)		**(574)**
Operating profit	**20.231**	**9.234**	**(468)**	**229**	**29.226**
Finance expenses (Net)					**12.187**
Income before taxes					**17.039**
Income tax expense					**3.408**
Income after taxes					**13.631**
Attributed to:					
Parent Company's shareholders					**9.485**
Minority interests					**4.146**
					13.631
Additional Information					
Depreciation tangible assets (Note 5i & 8)	9.750	3.514	326	(238)	**13.352**
Amortization of intangible assets (Note 5i & 9)	731	249	1	-	**981**
Provisions for doubtful debt (Note 5d & 14-15)	1.093	616	219	-	**1.928**
Provisions for obsolete and slow moving inventories (Note 5c & 13)	1.977	889	228	-	**3.094**
Provisions for staff leaving indemnities (Note 5h & 21)	358	3	-	-	**361**
Recognized income from government grants (5b & 22)	(1.319)	(424)	-	-	**(1.743)**

Group assets and liabilities breakdown per geographical segment is analyzed as follows (in thousand euros):

(All figures expressed in EURO, unless otherwise stated)

31 DECEMBER 2008

	Greece	Balkans	Other Countries	Elimination of Inter-segment Transactions	TOTAL GROUP
Capital Expenditures					
Tangible assets	11.479	4.412	371		**16.262**
Intangible assets	355	86	2		**443**
Segment's assets	368.826	88.190	19.804	(58.090)	**418.730**
Assets not allocated to segments				(3.220)	**1.948**
Total assets	**368.826**	**88.190**	**19.804**	**(61.310)**	**420.678**
Segment's liabilities	72.097	43.857	25.333	(61.357)	**79.930**
Liabilities not allocated to segments					**195.078**
Total liabilities	**72.097**	**43.857**	**25.333**	**(61.357)**	**275.008**

31 DECEMBER 2007

	Greece	Balkans	Other Countries	Elimination of Inter-segment Transactions	TOTAL GROUP
Capital Expenditures					
Tangible assets	15.800	5.054	371	(1.032)	**20.193**
Intangible assets	640	230	1	(195)	**676**
Segment's assets	366.577	93.448	21.444	(61.440)	**420.029**
Assets not allocated to segments					**2.734**
Total assets	**366.577**	**93.448**	**21.444**	**(61.440)**	**422.763**
Segment's liabilities	87.223	46.087	22.138	(61.440)	**94.008**
Liabilities not allocated to segments					**181.474**
Total liabilities	**87.223**	**46.087**	**22.138**	**(61.440)**	**275.482**

Segment's assets include all items of assets except for long-term receivables and deferred tax assets.

Segment's liabilities include all items of liabilities except for long-term and short-term debt, deferred tax liabilities and income taxes payables.

Secondary business segments

The Group has two Business Segments and particularly Production and trade of aluminium products Segment and Other Segment, including production and trade of polycarbonate sheets, construction of elevating mechanisms and transport of cargos.

Group's turnover breakdown per Business Segments is analyzed as follows (in thousand euros)

PERIOD 01/01 – 31/12/2008

	ALUMINIUM SYSTEMS PRODUCTION & DISTRIBUTION	OTHER	ELIMINATION OF INTER-SEGMENT TRANSACTIONS	TOTAL GROUP
Sales to third parties	265.914	19.196		**285.110**
Inter-segment sales	928	2.796	(3.724)	**0**
Total sales	**266.842**	**21.992**	**(3.724)**	**285.110**

(All figures expressed in EURO, unless otherwise stated)

PERIOD 01/01 – 31/12/2007

	ALUMINIUM SYSTEMS PRODUCTION & DISTRIBUTION	OTHER	ELIMINATION OF INTER-SEGMENT TRANSACTIONS	TOTAL GROUP
Sales to third parties	270.194	17.434		**287.628**
Inter-segment sales	1.038	3.596	(4.634)	**0**
Total sales	**271.232**	**21.030**	**(4.634)**	**287.628**

DECEMBER 31 2008

	ALUMINIUM SYSTEMS PRODUCTION & DISTRIBUTION	OTHER	ELIMINATION OF INTER-SEGMENT TRANSACTIONS	TOTAL GROUP
Capital Expenditures				
Tangible assets	15.667	595	0	**16.262**
Intangible assets	392	51	0	**443**
Segment's assets	389.305	31.104	(1.679)	**418.730**
Assets not allocated to segments				**1.948**
Total assets	**389.305**	**31.104**	**(1.679)**	**420.678**

DECEMBER 31 2007

	ALUMINIUM SYSTEMS PRODUCTION & DISTRIBUTION	OTHER	ELIMINATION OF INTER-SEGMENT TRANSACTIONS	TOTAL GROUP
Capital Expenditures				
Tangible assets	19.721	595	(123)	**20.193**
Intangible assets	625	51		**676**

(All figures expressed in EURO, unless otherwise stated)

Segment's assets	397.937	24.018	(1.926)	**420.029**
Assets not allocated to segments				**2.734**
Total assets	**397.937**	**24.018**	**(1.926)**	**422.763**

It should be noted that between the Company and its subsidiaries there are not any special agreements or co operations and their transactions are conducted within the framework and particularity of each market.

5. Revenues and Expenses

a) Sales

	THE GROUP		THE COMPANY	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Merchandise	93.913.491	90.071.541	36.403.836	39.493.963
Products	184.121.105	194.018.471	149.255.055	173.074.869
Raw materials & other inventories	5.060.126	3.091.814	16.962.255	24.435.201
Services provided	2.014.749	446.107	1.444.309	1.060.106
Total	**285.109.472**	**287.627.933**	**204.065.455**	**238.064.139**

b) Other operating income

	THE GROUP		THE COMPANY	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Ministries' subsidies	62.040	-	-	-
Subsidies from O.A.E.D.	1.285.006	1.017.668	218.440	175.153
Recognized income from subsidies (Note 22)	2.258.238	1.743.418	448.810	327.037
Income from related parties (Note 29)	-	-	671.918	185.515
Income from unrealized provisions (Note 14)	342.861	342.049	-	-
Income from services rendered to third parties	251.726	68.830	222.120	68.830
Recoverable transportation expenses	410.026	364.879	264.017	282.823
Income from provision reversal of investment devaluation (Note 10)	-	-	1.107.700	-
Profits from disposal of tangible assets	168.164	940.343	45.897	222.501
Various income	565.507	835.867	116.955	128.291
Total	**5.343.568**	**5.313.054**	**3.095.857**	**1.390.150**

c) Cost of sales

	THE GROUP		THE COMPANY	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Depreciation (Notes 8 & 9)	10.924.986	10.623.248	4.468.424	4.404.357
Cost of inventories recognized as expense	168.379.806	180.946.428	153.507.534	188.636.296

(All figures expressed in EURO, unless otherwise stated)

Payroll expenses (Note 5)	20.960.671	19.489.599	9.005.795	8.587.997
Third party fees and expenses	2.247.261	994.124	1.800.873	430.241
Expenses to related parties (Note 29)	-	-	1.219.798	1.477.094
Facilities	9.017.487	5.424.023	5.065.931	2.440.173
Various expenses	3.969.592	3.082.415	582.650	905.723
Total	**215.499.803**	**220.559.837**	**175.651.005**	**206.881.881**

Group's and Company's cost of inventories include in 31.12.2008, approximately € 5.8 mil. (31.12.2007: approximately €3,1 mil) and approximately € 3,4 mil. (31.12.2007: approximately €1 mil.) respectively, which refer to loss from the valuation of inventories to net realizable value.

d) Selling and distribution expenses

	THE GROUP		**THE COMPANY**	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Depreciation (Notes 8 & 9)	2.545.193	2.768.563	1.732.990	1.864.557
Payroll expenses (Note 5)	12.787.086	11.776.483	4.376.360	3.747.967
Third party fees and expenses	2.857.186	1.262.614	2.008.795	393.355
Expenses to related parties (Note 29)	-	-	275.436	2.000.772
Packaging material consumption	663.987	684.754	532.020	438.831
Rent expenses	1.733.889	1.321.704	285.363	227.159
Insurance expenses	258.133	266.982	148.229	165.282
Advertising expenses	3.787.656	2.554.182	3.122.104	2.088.378
Facilities	1.255.007	1.223.546	365.239	711.282
Taxes and duties	450.324	292.806	132.682	123.523
Transportation expenses	4.157.145	4.290.789	1.990.801	2.114.153
Provisions for doubtful debts (Notes 14 & 15)	1.517.483	1.928.186	1.279.566	1.487.643
Various expenses	1.935.727	1.758.587	980.023	885.455
Total	**33.948.816**	**30.129.216**	**17.229.608**	**16.248.357**

e) Administration expenses

	THE GROUP		**THE COMPANY**	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Depreciation (Notes 8 & 9)	1.436.538	887.230	608.219	381.241
Payroll expenses (Notes 5)	6.482.698	5.956.225	3.275.417	2.655.644
Board Members remuneration (Note 29)	388.000	388.000	280.000	280.000
Losses from disposals of tangible sales	42.953	68.027	7.379	12.009
Loss from devaluation of investments (Note 10)	-	-	39.730	-
Third party fees and expenses	2.507.282	1.367.065	1.308.449	711.147
Expenses to related parties (Note 29)	-	-	158.280	48.453
Rent expenses	379.237	430.947	253.686	220.114
Insurance expenses	210.714	151.652	64.044	17.647
Facilities	833.996	1.376.558	368.332	784.781
Taxes and duties	881.346	325.318	378.755	122.573

(All figures expressed in EURO, unless otherwise stated)

Various expenses	1.719.015	1.718.178	557.129	413.566
Total	**14.881.779**	**12.669.200**	**7.299.420**	**5.647.175**

f) Research & development expenses

	THE GROUP		THE COMPANY	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Depreciation (Notes 8 & 9)	55.716	54.020	33.249	41.342
Payroll expenses (Note 5)	897.827	688.803	528.577	450.772
Third party fees and expenses	33.497	44.959	15.093	32.907
Facilities	37.479	13.835	22.286	13.574
Various expenses	369.787	129.532	316.330	105.568
Total	**1.394.306**	**931.149**	**915.535**	**644.163**

g) Finance expenses (net)

	THE GROUP		THE COMPANY	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Long-term debt's interests (Note 20)	7.585.822	6.086.434	6.762.522	5.397.726
Short-term debt's interests (Note 27)	4.230.298	4.416.275	2.449.698	2.537.257
Other finance expenses	950.981	1.260.377	580.414	1.004.494
Exchange differences	3.623.246	811.388	-	-
Total finance expenses	**16.390.347**	**12.574.474**	**9.792.634**	**8.939.477**
Interests from deposits (Note 16)	496.002	196.086	13.673	24.282
Finance income from related parties (Note 29)	-	-	185.492	63.363
Other finance income	269.428	39.931	244.272	30.055
Income from investments	-	-	5.502.377	4.791.979
Exchange differences	-	150.922	-	-
Total finance income	**765.430**	**386.939**	**5.945.814**	**4.909.679**
Net finance expenses	**15.624.917**	**12.187.535**	**3.846.820**	**4.029.798**

h) Payroll expenses

	THE GROUP		THE COMPANY	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Salaries and wages	31.403.984	29.136.606	13.083.252	11.759.360
Employer's contributions	8.428.229	7.719.683	3.496.028	3.132.415
Other personnel expenses	867.404	693.914	346.964	311.475
Provision for staff leaving indemnities (Note 21)	428.665	360.907	259.905	239.130
Total	**41.128.282**	**37.911.110**	**17.186.149**	**15.442.380**

Group's and Company's number of personnel as at 31st December 2008 and 2007 is analyzed below:

(All figures expressed in EURO, unless otherwise stated)

Employees	THE GROUP		THE COMPANY	
	31 December 2008	31 December 2007	31 December 2008	31 December 2007
Salaried personnel	1.684	1.522	298	291
Daily paid personnel	651	699	233	275
Total	**2.335**	**2.221**	**531**	**566**

i) Depreciation

Tangible and intangible assets' depreciation expense recorded in the Income Statement is analyzed below:

	THE GROUP		THE COMPANY	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Tangible Assets	13.812.218	13.352.396	6.000.738	5.996.155
Intangible Assets	1.150.215	980.665	842.144	695.342
Total (Notes 8 & 9)	**14.962.433**	**14.333.061**	**6.842.882**	**6.691.497**

Depreciation expenses are analyzed as follows:

	THE GROUP		THE COMPANY	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Cost of sales (Note 5c)	10.924.986	10.623.248	4.468.424	4.404.357
Selling and distribution expenses (Note 5d)	2.545.193	2.768.563	1.732.990	1.864.557
Administrative expenses (Note 5e)	1.436.538	887.230	608.219	381.241
Research & development expenses (Note 5f)	55.716	54.020	33.249	41.342
Total (Notes 8 & 9)	**14.962.433**	**14.333.061**	**6.842.882**	**6.691.497**

j) Other expenses

other expenses 2008 include the loss of approximately € 467.3 thousand from the impairement of land possessed by subsidiaries «ALUMIL EGYPT FOR ALUMINIUM» and «ALUMIL EGYPT ACCESSORIES», due to the decrease of its market price based on the managements estimations.

(All figures expressed in EURO, unless otherwise stated)

6. Income taxes (current and deferred)

Income tax recognized in the Group's and Company's Income Statement is analyzed as follows:

	THE GROUP		THE COMPANY	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Current income tax (Note 28)	1.782.102	2.690.260	103.938	813.724
Provision for tax unaudited years (Note 28)	541.032	235.000	110.000	110.000
Tax on reserves of Law 3220/2004 (Note 18)	-	(151.309)	-	(44.929)
Settlement tax for unaudited years (Note 28)	38.911	-	-	-
Deferred income tax	(2.269.058)	633.470	(1.809.829)	884.020
Total	**92.987**	**3.407.421**	**(1.595.891)**	**1.762.815**

According to Greek taxation legislation, tax rate as at 31st December 2008 was 25%.

At September 2008 the new tax act was approved and the tax rate for earnings realized in fiscal years from 1st January 2009 until 31st December 2009 remains at (25%), whereas for earnings realized for fiscal years 2010-2014, the tax rate will be reduced by 1 percent for each year. The Group and Company bearing the new tax rates into consideration, and according to IAS 12, have readjusted deferred tax. Recognizing the difference in their income statement, as revenue from income tax.

In the following table, a recalculation is provided between the nominal and the actual tax rate:

	THE GROUP	
	31.12.08	**31.12.07**
Income before tax	**8.692.048**	**17.038.609**
Income tax calculated with the current tax rate (2008: 25%, 2007: 25%)	2.173.012	4.259.652
Tax effect of non deductible expenses	1.473.270	774.210
Tax effect of non taxable income	(1.030.504)	(373.036)
Tax effect from non-taxable reserves	(36.952)	(111.736)
Tax effect from the change in the tax rate	(1.994.201)	-
Tax effect from assets tax adjustment	(1.085.087)	-
Tax effect from subsidiaries' losses for which no deferred tax asset was recognized	1.561.157	341.041
Tax effect from subsidiaries' tax-free earnings	(22.380)	(161.203)
Tax effect from subsidiaries' results taxed with a different tax rate	(1.203.302)	(820.000)
Tax effect from subsidiaries' losses for which a deferred tax asset was recognized	(321.969)	(585.198)
Provision for tax unaudited years	541.032	235.000
Tax on reserves of Law 3220/2004	-	(151.309)
Settlement tax for unaudited years Law 3697/2008	38.911	-

(All figures expressed in EURO, unless otherwise stated)

Income Tax appeared in the Consolidated Income Statement	**92.987**	**3.407.421**

THE COMPANY	**31.12.08**	**31.12.07**
Income before tax	2.189.219	6.776.949
Income tax calculated with the current tax rate (2008: 25%, 2007: 25%)	547.305	1.694.237
Tax effect of non deductible expenses	460.814	314.269
Tax effect of non taxable income	(923.565)	(310.762)
Tax effect from the change in the tax rate	(1.304.924)	-
Tax effect from assets tax adjustment	(485.521)	-
Provision for tax unaudited years	110.000	110.000
Tax on reserves of Law 3220/2004	-	(44.929)
Income Tax appeared in the Parent Company Income Statement	**(1.595.891)**	**1.762.815**

According to Greek taxation legislation, tax rate as at 31st December 2008 was 25%. Income tax declarations are submitted annually, adjusting accounting profits with taxation differences, but profits or losses related to these differences are considered temporary, until tax audit from Tax Authorities takes place and the issuance of the relevant tax audit report, finalizing the tax obligations. Tax losses carried from previous years, if accepted from Tax Authorities, can be offset, for the Hellenic subsidiaries, with earnings from the following five years.

The Company has not been audited from Tax Authorities for the years 2003 – 2008. Regarding ALUMIL's subsidiaries, books have not been audited from Tax Authorities for the years mentioned in Note 32e.

Deferred income taxation is calculated to all temporary tax differences using tax rates that have been enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the related deferred income tax liability is settled, bearing into consideration the tax rates set up to the balance sheet date.

Deferred income taxation movement is analyzed below:

	GROUP	**COMPANY**
Opening balance, January 1st 2007 (net deferred tax liability)	**6.416.459**	**4.492.027**
Charge to income statement	633.470	884.020
Exchange differences	(27.167)	-
Ending balance, December 31st 2007 (net deferred tax liability)	**7.022.762**	**5.376.047**
Charge to income statement	(2.269.058)	(1.809.829)
Exchange differences	69.924	-
Ending balance, December 2008 (net deferred tax liability)	**4.823.628**	**3.566.218**

(All figures expressed in EURO, unless otherwise stated)

Debit charge for deferred taxation (deferred tax liability) in the Income Statement, includes temporary tax differences from recorded income-gains that will be subject to taxation in the future. Credit charge for deferred taxation (deferred tax receivables) includes mainly temporary tax differences from particular provisions that will result in taxation when realized.

Debit and credit balances from deferred taxation are offset when there is a legal right to offset and when deferred tax assets and liabilities relate to income tax received from the same Tax Authorities.

Group's and Company's deferred tax assets and liabilities are sourced from the below items:

THE GROUP

	Analysis of deferred tax assets		Analysis of deferred tax liabilities	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Intangible assets	325.610	444.513	-	-
Tangible assets	-	-	(10.908.097)	(13.705.932)
Government grants	1.854.365	2.172.115	-	-
Provisions for staff leaving indemnities	297.232	274.945	-	-
Receivables	219.015	417.620	-	-
Inventories	2.235.623	1.758.266	-	-
Tax losses carried forward	328.972	662.864	-	-
Non-taxable reserves	877.242	996.866	-	-
Other	-	-	(53.590)	(44.019)
Total	**6.138.059**	**6.727.189**	**10.961.687**	**(13.749.951)**
Net deferred tax liability			**(5.978.149)**	**(8.827.497)**
Net deferred tax asset	**1.154.521**	**1.804.735**		

THE COMPANY

	Analysis of deferred tax assets		Analysis of deferred tax liabilities	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Intangible assets	232.935	412.007		-
Tangible assets		-	(6.626.332)	(8.294.177)
Government grants	536.212	772.251	-	-
Provisions for staff leaving indemnities	204.659	216.976	-	-
Receivables	147.213	54.393	-	-
Inventories	1.116.733	522.452	-	-

(All figures expressed in EURO, unless otherwise stated)

Non-taxable reserves	877.242	996.866	-	-
Other	-	-	(54.880)	(56.815)
Total	**3.114.994**	**2.974.945**	**(6.681.212)**	**(8.350.992)**
Net deferred tax liability			**(3.566.218)**	**(5.376.047)**

Group's and Company's deferred income tax arises from the items below:

	THE GROUP		THE COMPANY	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Tangible assets	(2.756.141)	1.444.519	(1.667.845)	522.289
Intangible assets	118.656	169.339	179.072	150.744
Government grants	317.750	(282.839)	236.039	85.615
Provisions for staff leaving indemnities	(21.243)	(43.539)	12.317	(37.062)
Receivables	178.453	77.437	(92.820)	47.505
Inventories	(489.389)	(364.413)	(594.281)	(114.974)
Tax losses	254.908	(588.065)	-	-
Non-taxable reserves	119.624	195.313	119.624	195.312
Other	8.324	25.718	(1.935)	34.591
Total	**(2.269.058)**	**633.470**	**(1.809.829)**	**884.020**

At December 31st, 2008, certain foreign subsidiaries and one domestic subsidiary had accumulated tax losses carried forward amounted to approximately € 13.3 mil. (31.12.2007: € 11.8 mil.), for which no deferred tax asset was recognized because management does not foresee sufficient future tax gains to retrieve the deferred tax asset.
In case that tax-free reserves of Parent Company and Greek subsidiaries are distributed to shareholders, those are subject to income tax according to the current tax rate at the distribution date. No deferred tax liability is calculated for those amounts.

7. Earnings per share

Basic earnings per share are computed by dividing net income attributable to parent company shareholders by the weighted average number of common shares outstanding during each year.

Diluted earnings per share are calculated by dividing the net profit attributable to equity holders of the Parent Company (after deducting interest on convertible shares, net of tax), by the weighted average number of shares outstanding during the year (adjusted for the effect of dilutive convertible shares or other potentially diluted items).

(All figures expressed in EURO, unless otherwise stated)

There were no convertible bonds to shares or other potentially diluted items convertible to shares and consequently diluted earnings per share were not calculated.

Basic earnings per share for the years ended in December 31st, 2007 and 2006, for the Group and the Company, are calculated as follows:

	THE GROUP		THE COMPANY	
	31.12.08	31.12.07	31.12.08	31.12.07
Net earnings attributed to Company's shareholders	4.717.440	9.484.785	3.785.110	5.014.134
Weighted number of common shares outstanding	22.016.250	22.016.250	22.016.250	22.016.250
Basic and diluted earnings per share (In € per share)	**0,2143**	**0,4308**	**0,1719**	**0,2277**

8. Tangible assets

THE GROUP

	Land	Buildings	Machinery	Motor Vehicles	Furniture and Fixtures	Assets under Construction & Advances	Total
COST							
1 January 2007	**13.587.913**	**77.329.039**	**130.781.622**	**5.154.097**	**11.110.351**	**14.844.861**	**252.807.883**
Additions	12.009	1.030.031	6.777.198	1.068.349	984.781	10.320.530	20.192.898
Decreases	(289.336)	-	(611.783)	(341.702)	(88.799)	(273.165)	(1.604.785)
Exchange Differences	(158.926)	(125.837)	(115.558)	(46.375)	95.994	(71.735)	(422.437)
Transfers (Note 9)	653.774	2.461.905	10.360.859	310.888	(475.378)	(15.234.020)	(1.921.972)
31 December 2007	**13.805.434**	**80.695.138**	**147.192.338**	**6.145.257**	**11.626.949**	**9.586.471**	**269.051.587**
Additions	1.025.626	1.143.147	4.909.936	428.275	936.223	7.818.413	16.261.620
Decreases	(45.280)	(17.797)	(1.174.256)	(413.812)	(236.586)	(184.299)	(2.072.030)
Exchange Differences	(915.112)	(1.892.691)	(1.322.224)	(148.505)	(95.514)	(82.083)	(4.456.129)
Transfers (Note 9)	-	2.701.673	1.922.752	-	(50.266)	(4.624.159)	(50.000)
Assets Impairment (Note 5j)	(467.340)	-	-	-	-	-	(467.340)
31 December 2008	**13.403.328**	**82.629.470**	**151.528.546**	**6.011.215**	**12.180.806**	**12.514.343**	**278.267.708**
ACCUMULATED DEPRECIATION							
1 January 2007	**-**	**8.968.757**	**45.576.831**	**3.240.745**	**7.313.545**	**-**	**65.099.878**
Depreciation (Note 5i)	-	2.938.749	8.480.646	618.153	1.314.848	-	13.352.396
Exchange Differences	-	(22.356)	(64.863)	(27.976)	54.379	-	(60.816)
Decreases	-	-	(155.436)	(216.295)	(98.973)	-	(470.704)
Transfers (Note 9)	-	-	(1.098.191)	101.352	116.488	-	(880.351)
31 December 2007	**-**	**11.885.150**	**52.738.987**	**3.715.979**	**8.700.287**	**-**	**77.040.403**

(All figures expressed in EURO, unless otherwise stated)

Depreciation (Note 5i)	-	2.924.380	9.116.204	615.253	1.156.381	-	13.812.218
Exchange Differences	-	(124.713)	(457.059)	(70.071)	(51.875)	-	(703.718)
Decreases	-	(17.018)	(782.717)	(338.906)	(270.481)	-	(1.409.122)
31 December 2008	**-**	**14.667.799**	**60.615.415**	**3.922.255**	**9.534.312**	**-**	**88.739.781**
NET BOOK VALUE							
1 January 2007	**13.587.913**	**68.360.282**	**85.204.791**	**1.913.352**	**3.796.806**	**14.844.861**	**187.708.005**
31 December 2007	**13.805.434**	**68.809.988**	**94.453.351**	**2.429.278**	**2.926.662**	**9.586.471**	**192.011.184**
31 December 2008	**13.403.327**	**67.961.672**	**90.913.131**	**2.088.960**	**2.646.494**	**12.514.343**	**189.527.927**

THE COMPANY

	Land	Buildings	Machinery	Motor Vehicles	Furniture and Fixtures	Assets under Construction & Advances	Total
COST							
1 January 2007	**3.966.855**	**28.998.123**	**63.368.828**	**2.323.756**	**6.817.721**	**3.083.482**	**108.558.765**
Additions	-	792.919	2.523.794	380.531	583.675	1.728.422	6.009.341
Decreases	-	-	(1.199.975)	(167.662)	(34.374)	-	(1.402.011)
Transfers (Note 9)	-	171.039	535.105	51.450	4.813	(1.072.848)	(310.441)
31 December 2007	**3.966.855**	**29.962.081**	**65.227.752**	**2.588.075**	**7.371.835**	**3.739.056**	**112.855.654**
Additions	-	20.261	1.909.172	109.763	315.965	1.049.582	3.404.743
Decreases	-	-	(232.100)	(257.492)	(853)	-	(490.445)
Transfers (Note 9)	-	-	162.368	-	-	(212.368)	(50.000)
31 December 2008	**3.966.855**	**29.982.342**	**67.067.192**	**2.440.346**	**7.686.947**	**4.576.270**	**115.719.952**
ACCUMULATED DEPRECIATION							
1 January 2007	**-**	**3.433.416**	**27.296.683**	**1.796.410**	**5.082.767**	**-**	**37.609.276**
Depreciation (Note 5i)	-	1.205.601	3.824.443	174.109	792.002	-	5.996.155
Decreases	-	-	(149.122)	(107.468)	(20.156)	-	(276.746)
31 December 2007	**-**	**4.639.017**	**30.972.004**	**1.863.051**	**5.854.613**	**-**	**43.328.685**
Depreciation (Note 5i)	-	1.225.879	3.897.930	174.437	702.492	-	6.000.738
Decreases	-	-	(45.693)	(237.050)	(602)	-	(283.345)
31 December 2008	**-**	**5.864.896**	**34.824.241**	**1.800.438**	**6.556.503**	**-**	**49.046.078**
NET BOOK VALUS							
1 January 2007	**3.966.855**	**25.564.707**	**36.072.145**	**527.347**	**1.734.954**	**3.083.482**	**70.949.490**
31 December 2007	**3.966.855**	**25.323.064**	**34.255.747**	**725.025**	**1.517.222**	**3.739.056**	**69.526.969**
31 December 2008	**3.966.855**	**24.117.446**	**32.242.951**	**639.909**	**1.130.443**	**4.576.270**	**66.673.874**

There are no property pledges or mortgages over the Company's assets. Over the Group's tangible assets (regarding a foreign subsidiary) a mortgage has been introduced of approximately € 898 thousand for the coverage of short term debt, with a credit limit of approximately € 409 thousand. There is no open balance as at 31st December 2008.

(All figures expressed in EURO, unless otherwise stated)

The Group has insurance contracts covering all probable dangers (explosions, a large number of possible losses from strikes, earthquakes, fire, terrorist acts and other extreme cases), for all Group buildings and machinery.

The Parent Company and Greek subsidiaries, conducted, in their tax books, a readjustment of the value of their landed property according to provisions of Law 2065/1992. this readjustment was not taken into consideration at the formation of the Financial Statements according to IAS.

Tangible assets that are not depreciated are annually audited for impairment. Assets that are depreciated are audited for impairment, when facts and conditions suggest that their net book value is no longer recoverable. Should the net book value of assets exceeds their recoverable value, the exceeding amount concerns impairment loss, which is directly recognized as an expense at the income statement. The impairment expense for 2008 reached approximately € 467.3 thousand (2007: € 0) and has been recognized at other expenses at the attached consolidated income statement.

9. Intangible assets

Group's and Parent Company's intangible assets relate exclusively to software. Intangible assets' movement is analyzed as follows:

THE GROUP	
Cost	
Opening balance 01.01.2007	**4.158.550**
Additions	676.180
Transfer from assets under construction (Note 8)	1.921.972
Exchange differences	(212.636)
Ending balance 31.12.2007	**6.544.066**
Additions	442.921
Transfer from assets under construction (Note 8)	50.000
Exchange differences	(143.896)
Ending balance 31.12.2008	**6.893.091**
Accumulated depreciation	
Opening balance 01.01.2007	**2.486.398**
Depreciation expenses for the period (Note 5i)	980.665
Transfer from assets under construction (Note 8)	880.351
Exchange differences	(116.185)
Ending balance 31.12.2007	**4.231.229**
Depreciation expenses for the period (Note 5i)	1.150.215
Exchange differences	(94.083)
Ending balance 31.12.2008	**5.287.361**
Net book value as at 1st January 2007	**1.672.152**
Net book value as at 31st December 2007	**2.312.837**

(All figures expressed in EURO, unless otherwise stated)

Net book value as at 31st December 2008	**1.605.730**

THE COMPANY

Cost	
Opening balance 01.01.2007	**4.010.622**
Additions	588.597
Disposals	(194.750)
Transfer from assets under construction (Note 8)	310.441
Ending balance 31.12.2007	**4.714.910**
Additions	300.802
Disposals	-
Transfer from assets under construction (Note 8)	50.000
Ending balance 31.12.2008	**5.065.712**
Accumulated depreciation	
Opening balance 01.01.2007	**2.396.927**
Depreciation expenses for the period (Note 5i)	695.342
Ending balance 31.12.2007	**3.092.269**
Depreciation expenses for the period (Note 5i)	842.144
Ending balance 31.12.2008	**3.934.413**
Net book value as at 1st January 2007	**1.613.695**
Net book value as at 31st December 2007	**1.622.641**
Net book value as at 31st December 2008	**1.131.299**

10. investments in subsidiaries

Company Name	Acquisition Value 31.12.08	Acquisition Value 31.12.07
1. ALUKOM S.A.	4.232.823	4.232.823
2. ALUNEF S.A. (Note 10g)	10.592.938	10.592.938
3. ALUSYS S.A.	79.560	79.560
4. ALUFIL S.A.	8.711.151	8.711.151
5. G.A. PLASTICS S.A.	675.000	675.000
6. METRON AUTOMATIONS S.A. (Note 10c)	2.844.159	2.151.159
7. ALUMIL EGYPT FOR ALUMINIUM	2.554.582	2.554.582
8. ALUMIL EGYPT ACCESSORIES	290.350	290.350
9. EGYPTIAN FOR ALUMINIUM TRADE (Note 10f)	14.198	-
10. ALUMIL ALBANIA	2.665.759	2.665.759
11. ALUMIL BULGARIA	764.956	764.956
12. ALUMIL VARNA S.R.L.	1.849	1.849
13. ALUMIL FRANCE SAS	35.890	35.890
14. ALUMIL DEUTZ	1.650.000	1.650.000
15. ALUMIL ITALY SRL	998.388	998.388
16. ALUMIL MILONAS CYPRUS (Note 10b)	261.337	261.127

(All figures expressed in EURO, unless otherwise stated)

17. ALUMIL CY LTD (Note 10b)	612.007	611.953
18. ALUMIL GROUP LTD (Note 10d)	1.000	-
19. ALUMIL MOLDAVIA	34.890	34.890
20. ALUMIL HUNGARY K.F.T. (Note 10a)	102.838	98.987
21. ALUMIL UKRANIA	12.536	12.536
22. ALUMIL POLSKA S.R.L.	83.130	83.130
23. ALUMIL ROM INDUSTRY SA	1.502.842	1.502.842
24. ALUMIL YU INDUSTRY	4.546.032	4.546.032
25. ALUMIL SRB	5.131	5.131
26. ALUMIL COATING S.R.B	2.404.500	2.404.500
27. ALUMIL SKOPJE	902.504	902.504
28. ALUMIL GULF	81.376	77.881
Subtotal	**46.661.726**	**45.945.918**
Impairment loss	(4.480.482)	(5.548.452)
Total	**42.181.244**	**40.397.466**

Impairment loss recognized in Company's financial statements, is analyzed per subsidiary as follows:

	Company name	**31.12.2008**	**31.12.2007**
1.	ALUMIL POLSKA S.R.L.	83.130	83.130
2.	ALUMIL UKRANIA	12.536	12.536
3.	ALUMIL EGYPT FOR ALUMINIUM	750.764	1.728.000
4.	ALUMIL EGYPT ACCESSORIES	159.886	290.350
5.	ALUMIL DEUTZ	1.650.000	1.650.000
6.	ALUMIL ITALY SRL	998.388	998.388
7.	ALUMIL MILONAS CYPRUS	213.825	174.095
8.	ALUMIL CY LTD	611.953	611.953
	Total	**4.480.482**	**5.548.452**

The prediction movement for investment impairment was as follows:

Opening balance as at 1st January 2008	**5.548.452**
Additional provision (Note 5e)	39.730
Income from unused (Note 5b)	(1.107.700)
Ending balance as at 31st December 2008	**4.480.482**

(All figures expressed in EURO, unless otherwise stated)

Subsidiaries included in the Consolidated Financial Statements with the respective addresses and participation percentages of the Parent Company, on December 31st, 2008 and 2007 are analyzed as follows:

	Company Name	Country	Activity	Percentage % 31.12.08	Percentage % 31.12.07
1.	ALUKOM S.A.	GREECE	Production and trade of aluminium products	85,86%	85,86%
2.	ALUNEF S.A.	GREECE	Production and trade of aluminium products	99,44%	99,44%
3.	ALUSYS S.A.	GREECE	Trade of mechanisms & aluminium accessories	51%	51%
4.	ALUFYL S.A.	GREECE	Production & trade of aluminium products	99,98%	99,98%
5.	G.A. PLASTICS S.A.	GREECE	Production & trade of polycarbonate sheets & resembling materials	50%	50%
6.	METRON AUTOMATIONS S.A.	GREECE	Production &trade of automation systems	66%	66%
7.	ALUMIL EGYPT FOR ALUMINIUM	EGYPT	Extrusion & painting of aluminium products	98%	98%
8.	ALUMIL EGYPT ACCESSORIES	EGYPT	Trade of profiles & aluminium accessories	99%	99%
9.	EGYPTIAN FOR ALUMINIUM TRADE	EGYPT	Holding Company	99%	-
10.	ALUMIL ALBANIA	ALBANIA	Production & trade of aluminium profiles	96,90%	96,90%
11.	ALUMIL BULGARIA	BULGARIA	Aluminium profile elaboration & trade	99,87%	99,87%
12.	ALUMIL VARNA S.R.L.	BULGARIA	Trade of aluminium profile & accessories	72%	72%
13.	ALUMIL FRANCE S.A.S.	FRANCE	Trade of aluminium profile & accessories	97%	97%
14.	ALUMIL DEUTZ	GERMANY	Trade of aluminium profile	100%	100%
15.	ALUMIL ITALY SRL	ITALY	Trade of aluminium profile & accessories	100%	100%
16.	ALUMIL MILONAS CYPRUS	CYPRUS	Trade of aluminium profile & accessories	100%	100%
17.	ALUMIL CY LTD	CYPRUS	Trade of aluminium profile & accessories	97%	97%
18.	ALUMIL GROUP LTD	CYPRUS	Holding Company	100%	-
19.	ALUMIL MOLDAVIA	MOLDOVA	Trade of aluminium profile & accessories	70%	70%
20.	ALUMIL HUNGARY K.F.T.	HUNGARY	Trade of aluminium profile & accessories	100%	100%
21.	ALUMIL UKRANIA	UKRAINE	Trade of aluminium profile & accessories	90%	90%
22.	ALUMIL POLSKA S.R.L.	POLAND	Trade of aluminium profile & accessories	51%	51%
23.	ALUMIL ROM INDUSTRY S.A.	ROMANIA	Trade of aluminium profile & accessories	55,90%	55,90%
24.	ALUMIL YU INDUSTRY	SERBIA	Production and trade of aluminium products	99,96%	99,96%
25.	ALUMIL SRB	SERBIA	Trade of aluminium profile & accessories	45%	45%
26.	ALUMIL COATING S.R.B	SERBIA	Elaboration of aluminium products	99,97%	99,97%
27.	ALUMIL SKOPJE	FYROM	Trade of aluminium profile & accessories	99,89%	99,89%
28.	ALUMIL GULF	U.A.E.	Trade of aluminium profile & accessories	99%	99%

Group's Consolidated Financial Statements include consolidated financial statements of subsidiary ALUMIL ROM INDUSTRY (drafts consolidated statements with ALUMIL EXTRUSION (participation percentage 100%)), subsidiary ALUMIL YU INDUSTRY (drafts consolidated statements with ALPRO VLASENICA AD (participation percentage 61,37%)), subsidiary ALUMIL SRB (drafts consolidated statements with ALUMIL MONTENEGRO (participation percentage 100%)), and subsidiary EGYPTIAN FOR ALUMINIUM TRADE (drafts consolidated statements with ALUMIL MISR FOR TRADING (participation percentage 99,5%))

Additionally, «ALUMIL SRB» and «G.A. PLASTICS» were included in the Consolidated Financial Statements, despite the fact that ALUMIL MILONAS holds 45% and 50% respectively of each company, due to the fact that the Parent Company exercises dominant control on these two companies.

Changes during the year

a) During February 2008, a share capital increase was decided for subsidiary “ALUMIL HUNGARY KFT”, amounted to approximately € 3.850, paid up exclusively in cash by the Parent Company
b) During May 2008, a share capital increase was decided for subsidiaries “ALUMIL CYPRUS LTD” and “ALUMIL MILONAS CYPRUS LTD” due to rounding during the transition from Cypriot Pound to Euro. The share capital increase was covered with cash from the subsidiaries shareholders, ALUMIL deposited the amounts of € 210 and € 54 correspondingly.
c) During November 2008, a share capital increase was decided for subsidiary “METRON AUTOMATIONS S.A.”, amounted to € 1.050 thousand. The share capital increase was covered with cash from the subsidiary’s shareholders, ALUMIL deposited the amount of € 693 thousand, according to its participation percentage.
d) During December 2008, a share capital increase was decided for subsidiary “ALUMIL GULF”. The share capital increase was covered with cash from the subsidiary’s shareholders, ALUMIL deposited the amount of € 3.495.
e) During December 2008 a new subsidiary company named “ALUMIL GROUP LTD” located in Cyprus was established. With the establishment of this new Company the Group aims to achieve a more rational articulation of its share capital, in tax terms. The company’s share capital will sum up to € 1.000 and ALUMIL will participate with 100%.
f) During December 2008 a new holding company was established in Egypt, in order to participate in a newly established commercial company in the region. The new company with the distinctive title “EGYPTIAN FOR ALUMINIUM TRADE” (ALUMIL participates with 99% in its share capital). The company’s initial share capital sums up to 100 thousand EGP (approximately € 14 thousand). After that, the commercial company “ALUMIL MISR FOR TRADING” was established (“EGYPTIAN FOR ALUMINIUM TRADE” participates with 99,5%, and it will aim to increase sales in the wider area) the company’s initial share capital sums up to 500 thousand EGP (approximately € 72 thousand).
g) During December 2008, subsidiary “ALUNEF S.A.” submitted a request to the MINISTRY OF ECONOMY AND FINANCE (General Secretariat for Investments and Development), within the framework of the development law 3299/2004 to approve the secession of the sectors concerning production and aluminium profile process, located in Leuki in Xanthi, and their absorption from the Parent Company “ALUMIL MILONAS S.A. The Company’s Management is examining the possibility for the subsidiary’s absorption and it will submit a request for the approval of the whole absorption of the Company.

(All figures expressed in EURO, unless otherwise stated)

11. Available for sale financial assets

Available for sale financial assets, recorded at cost are analyzed as follows:

			THE GROUP		THE COMPANY	
	Country	**Percentage**	**31.12.08**	**31.12.07**	**31.12.08**	**31.12.07**
ALUFONT S.A.	Greece	19%	549.636	293.931	549.636	293.931
BH ALUMINIJUM DOO	Bosnia	19%	903	-	-	-
Total			**550.539**	**293.931**	**549.636**	**293.931**

In 2007, the Company had deposited an amount of € 255.705 for the share capital increase of the subsidiary company "ALUFONT S.A." as it was quoted in note 29 of the annual financial statements. This amount was included as at 31.12.2007 in "Other receivables and prepayments". At September 2008, a share capital increase of the subsidiary "ALUFONT S.A." was decided, amounted to € 1.345.812, ALUMIL S.A participated according to its percentage (19%). Consequently, participation cost at "ALUFONT S.A." reaches € 549.636, as at 31.12.2008.

At June 2008, a company was established in Bosnia, with the intention to grow sales in that geographical region. Subsidiary "ALUMIL YU INDUSTRY", which is located in Serbia, participates with 19%, while the remaining 81% is possessed by a local natural person.

Available for sale financial assets have been appraised in cost of acquisition, since it is impossible to define the fair value of those investments, due to the fact that these Companies are amidst their first fiscal year.

12. Long term receivables

Group and Company's long-term receivables which are recorded at cost, are analyzed as follows:

	THE GROUP		THE COMPANY	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Guarantees for electricity	493.207	517.375	339.531	339.531
Guarantees for buildings' rentals	40.015	40.015	34.979	34.979
Guarantees for car rentals	66.157	55.174	53.708	46.904
Receivables from personnel	95.314	96.143	-	-
Bills receivables	-	210.000	-	-
Long-term receivables from subsidiaries (Note 29)	-	-	3.267.142	3.128.753
Other	98.706	10.362	15.079	9.103
Total	**793.399**	**929.069**	**3.710.439**	**3.559.270**

13. Inventories

Group and Company Inventories are analyzed as follows:

(All figures expressed in EURO, unless otherwise stated)

	THE GROUP		THE COMPANY	
	31.12.08	31.12.07	31.12.08	31.12.07
Merchandise				
At cost	37.313.322	35.876.154	14.055.577	13.369.114
At net realisable value	34.611.291	32.443.888	12.694.954	12.447.200
Finished goods				
At cost	39.494.596	39.514.193	26.303.964	24.409.313
At net realisable value	36.822.411	35.841.208	24.604.687	23.641.471
Raw & auxiliary materials – Consumable materials				
At cost	18.216.736	26.648.087	7.011.192	11.864.851
At net realisable value	17.837.850	25.783.390	6.874.392	11.689.626
By-products				
At cost	5.597.371	3.337.242	2.664.084	845.331
At net realisable value	2.830.281	2.285.687	1.393.852	620.504
Purchases in transit	6.125.524	2.001.710	6.119.843	1.280.175
Total inventories in the lowest price between cost and net realisable value	**98.227.357**	**98.355.883**	**51.687.728**	**49.678.976**

Every change to provision for inventories from valuation to net realisable value is included in the cost of inventories recognized as an expense in Cost of sales.
The movement of provision for the years ended as at 31st of December 2008 and 2007 was as follows:

	THE GROUP	THE COMPANY
Balance at 1 January 2007	**4.202.673**	**1.629.911**
Additional provision for the year (Note 5c)	3.094.313	1.022.413
Utilized provision	(1.480.544)	(562.516)
Exchange differences	(30.015)	-
Balance at 31 December 2007	**5.786.427**	**2.089.808**
Additional provision for the year (Note 5c)	5.818.475	3.408.142
Utilized provision	(2.962.268)	(1.031.019)
Exchange differences	(122.442)	-
Balance at 31 December 2008	**8.520.192**	**4.466.931**

The are no pledges over the Group's and Company's inventories.

14. Trade receivables

Group's and Company's trade receivables are analyzed below:

	THE GROUP		THE COMPANY	
	31.12.08	31.12.07	31.12.08	31.12.07
Trade debtors	63.103.380	67.095.503	29.400.152	34.205.789
Receivables from related parties (Note 29)	-	-	70.399.075	69.822.405
Post dated cheques receivables	42.212.075	39.930.125	24.412.614	24.601.179

(All figures expressed in EURO, unless otherwise stated)

Bills receivables	336.517	110.245	45.467	46.567
Subtotal	**105.651.972**	**107.135.873**	**124.257.308**	**128.675.940**
Minus: Provision for doubtful debts	(4.149.598)	(5.960.501)	(7.807.772)	(8.506.614)
Total	**101.502.374**	**101.175.372**	**116.449.536**	**120.169.326**

Provision for doubtful debts for the years ended in 31st December 2008 and 2007 are analyzed below:

	THE GROUP	**THE COMPANY**
Balance at 1 January 2007	**5.089.259**	**7.137.045**
Additional provision for the year (Note 5d)	1.470.909	1.369.569
Utilized provision	(225.461)	-
Unrealized provisions (Note 5b)	(342.049)	-
Exchange differences	(32.157)	-
Balance at 31 December 2007	**5.960.501**	**8.506.614**
Additional provision for the year (Note 5d)	1.293.526	1.151.459
Utilized provision	(2.640.098)	(1.850.301)
Unrealized provisions (Note 5b)	(342.861)	-
Exchange differences	(121.470)	-
Balance at 31 December 2008	**4.149.598**	**7.807.772**

Provision for doubtful debts is recorded for specific trade debtors's balances which exceeded Group credit policy; for the majority of those, the Group has prosecuted the debtors' to the relevant Courts.

There is by no means credit risk concentration regarding receivables from trade debtors, since the Group has a large number of clients, worldwide spread.

There are no pledges over the Group's and Company's receivables. Receivables generated from customers are usually settled in: Group 0-150 days, Company 0-150 days. In case of cheques replacement or payment delay, the Company and its subsidiaries have the right to charge 8% - 10% interest to their customers. Income from interest for the years ended 31st December 2008 and 2007, is EURO 249 thousand and EURO 37 thousand respectively for the Group and EURO 232 thousand and EURO 30 thousand respectively for the Company and they are included in "Other finance income" (Note 5g).

On December 31st, receivables ageing presented the following status:

	THE GROUP		**THE COMPANY**	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Neither past due, nor impaired	79.956.984	84.456.245	65.315.693	80.405.311
past due but not impaired:				
< 30 days	4.739.736	5.195.839	9.411.990	6.386.787
30 – 210 days	13.672.714	9.121.424	25.192.386	26.607.786
> 210 days	3.132.940	2.401.864	16.529.467	6.769.442
	101.502.374	**101.175.372**	**116.449.536**	**120.169.326**

(All figures expressed in EURO, unless otherwise stated)

15. Other receivables and prepayments

Group's and Company's other receivables are analyzed below:

	THE GROUP		THE COMPANY	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Pre-paid and withheld income	828.457	340.495	776.569	340.495
Other pre paid and withheld taxes	211.007	216.696	-	-
V.A.T.	3.284.062	4.560.554	2.192.205	1.508.659
Advances to personnel	72.789	152.438	14.632	24.241
Advances to suppliers	8.077.121	2.687.275	6.934.042	1.507.953
Advances to related parties (Note 29)	-	-	38.648	107.741
Advances on accounts	44.418	74.413	30.039	25.876
Advance for share capital increase (Note 29)	20.767	255.705	-	255.705
Prepaid expenses	433.860	321.687	108.273	103.209
Grants receivables (Note 22)	-	133.426	-	133.426
Receivables from OAED	1.781.115	1.253.444	297.878	224.659
Other receivables (related parties–Note 29)	-	-	763.912	331.203
Other debtors	1.068.423	364.066	27.239	60.412
Subtotal	**15.822.019**	**10.360.199**	**11.183.437**	**4.623.579**
Minus: provision for doubtful debts	(701.010)	(559.094)	(310.091)	(181.984)
Total	**15.121.009**	**9.801.105**	**10.873.346**	**4.441.595**

Provision for other doubtful debts, for the years ended on 31st December 2008 and 2007, are analyzed below:

	THE GROUP	THE COMPANY
Balance at 1 January 2007	**137.783**	**63.910**
Additional provision for the year (Note 5d)	457.277	118.074
Utilized provision	(34.316)	-
Exchange differences	(1.650)	-
Balance at 31 December 2007	**559.094**	**181.984**
Additional provision for the year (Note 5d)	223.957	128.107
Utilized provision	(71.388)	-
Exchange differences	(10.653)	-
Balance at 31 December 2008	**701.010**	**310.091**

16. Cash and cash equivalents

Cash and Cash equivalentas for te Group and Company are analysed as follows:

	THE GROUP		THE COMPANY	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Cash in hand	510.611	336.542	23.470	4.647
Cash at banks	8.393.944	14.237.091	1.768.402	2.796.140
Time deposits	3.240.678	1.505.735	-	-
Total	**12.195.233**	**16.079.368**	**1.791.872**	**2.800.787**

(All figures expressed in EURO, unless otherwise stated)

Cash at banks are expressed in various currencies, subject to compounding with variable interest rates, depending on the size of the deposit and according to banks' offered interest rates. Deposits' market value reaches their accounting value due to variable interest rates and expiration dates. Average deposits' interest rate during 2008 and 2007 was 0,8%. Income from interest for the periods ended at 31st December 2008 and 2007 amounted to approximately € 496 thousand and € 196 thousand for the Group and approximately € 14 thousand and € 24 thousand for the Company, included in "Finance income" in the accompanying Income Statements (Note 5g).

Cash per currency for the Group is analyzed as follows:

Currency	**31.12.08**	**31.12.07**
Euro	6.833.932	6.592.323
Romanian RON	2.732.841	4.266.479
Bulgarian Leva	217.104	270.058
Albanian Lek	207.323	735.252
Serbian Dinar	344.646	164.395
Egyptian Pound	565.162	489.824
Cyprus Pound	-	460.057
UK Pound	140.229	119.387
Bosnian Mark	68.777	-
US Dollar	297.222	920.145
Ukranian Grivnia	221.338	1.775.575
Hungarian Fiorin	320.104	100.699
FYROM Dinar	152.280	132.009
Other	94.275	53.165
Total	**12.195.233**	**16.079.368**

Cash per currency for the Company is analyzed as follows:

Currency	**31.12.08**	**31.12.07**
Euro	1.693.620	2.382.171
UK Pound	32.812	5.103
US Dollar	65.440	413.513
Total	**1.791.872**	**2.800.787**

17. Share capital & Share premium account

Company's paid-up capital is analyzed as follows:

	31.12.08	**31.12.07**
Paid-up share capital		
22.016.250 common, ordinary shares, nominal value € 0,37 each	**8.146.012**	**8.146.012**

Share premium account reaches € 33.153.265 and was realized in 1998, issuing shares for cash in a greater value from the nominal. Share premium account is calculated after subtracting all expenses directly related to the issuance of new shares and it cannot be distributed during the ordinary operation of the Company.

18. Reserves

The Group's and Company's reserves are analyzed as follows:

THE GROUP

	31.12.08	**31.12.07**
Statutory reserve	3.551.467	3.306.568
Non-taxable reserves	48.668.028	48.323.869
Reserve from non-taxable income	8.207	8.207
Special taxed reserve	62.365	62.365
Special reserve of L. 3299/2004	1.601.814	1.404.048
Special reserve	50.143	50.143
Reserves from exchange differences	(2.196.391)	(642.858)
Other reserves	1.155.456	1.141.841
Total	**52.901.189**	**53.654.183**

THE COMPANY

	31.12.08	**31.12.07**
Statutory reserve	2.684.631	2.602.535
Non-taxable reserves	45.580.812	45.401.725
Reserve from non-taxable income	8.207	8.207
Special taxed reserve	58.967	58.967
Special reserve of L. 3299/2004	1.404.048	1.404.048
Special reserve	50.143	50.143
Total	**49.786.808**	**49.525.625**

The movement of the reserves for the year ended in 31st December 2008 and 2007 is analyzed as follows (in thousand Euro):

GROUP

	Statutory reserve	**Non taxable reserves**	**Reserve from non-taxable income**	**Special taxed reserve**	**Reserves from tangible assets revaluation**	**Special reserve of L.3299/04**	**Special reserve**	**Reserve from exchange differences**	**Other reserves**	**Total**
(amounts in thousand €)										
Balance 1 January 2007	**2.829**	**47.156**	**8**	**62**	**55**	**1.404**	**50**	**389**	**1.228**	**53.181**
Transfer from retained earnings	477	1.078	-	-	-	-	-		142	**1.697**
Exchange differences	-	-	-	-	-	-	-	-1.032		**-1.032**
Adjustment of minority interests	-	-	-	-	-	-	-	-	-228	**-228**
Share capital increase	-	-	-	-	-55	-	-	-	-	**-55**
Transfer of depreciation of grants L. 3299/04	-	90	-	-	-	-	-	-	-	**90**

Balance 31 December 2007	**3.307**	**48.324**	**8**	**62**	**-**	**1.404**	**50**	**-643**	**1.142**	**53.654**
Transfer from retained earnings	245	97	-	-	-	198	-	-	14	**554**
Exchange differences	-	-	-	-	-	-	-	-1.554	-	**-1.554**
Transfer of depreciation of grants L. 3299/04	-	247	-	-	-	-	-	-	-	**247**
Balance 31 December 2008	**3.551**	**48.668**	**8**	**62**	**-**	**1.602**	**50**	**-2.197**	**1.156**	**52.901**

COMPANY

(amounts in thousand €)	Statutory reserve	Non taxable reserves	Reserve from non-taxable income	Special taxed reserve	Reserves from tangible assets revaluation	Special reserve of L.3299/04	Special reserve	Reserve from exchange differences	Other reserves	Total
Balance 1 January 2007	**2.348**	**44.531**	**8**	**59**	**55**	**1.404**	**50**	**-**	**-**	**48.455**
Transfer from retained earnings	254	781	-	-	-	-	-	-	-	**1.035**
Share capital increase	-	-	-	-	-55	-	-	-	-	**-55**
Transfer of depreciation of grants L. 3299/04	-	90	-	-	-	-	-	-	-	**90**
Balance 31 December 2007	**2.602**	**45.403**	**8**	**59**	**-**	**1.404**	**50**	**-**	**-**	**49.526**
Transfer from retained earnings	82	-	-	-	-	-	-	-	-	**82**
Transfer of depreciation of grants L. 3299/04	-	179	-	-	-	-	-	-	-	**179**
Balance 31 December 2008	**2.684**	**45.582**	**8**	**59**	**-**	**1.404**	**50**	**-**	**-**	**49.787**

Statutory reserve: According to the Greek commercial legislation, companies are obliged to hold 5% as a statutory reserve out of the year's earnings, until this reaches one third of the paid share capital. During the company's life, the distribution of the statutory reserve is forbidden.

Non-taxable reserves: This concerns reserves of tax laws that were created based on the provisions of tax legislation which either give the possibility to defer taxation of certain income to the time of distribution to shareholders, or provide fiscal allowances as a motivation for investment. According to Greek tax legislation these reserves are exempted from tax, under the condition that they will not be distributed to the shareholders. The Group doesn't intend to distribute these reserves and therefore hasn't calculated the respective deferred tax liabilities for the income tax, payable at the time of distribution.
Group's non-taxable reserves include reserves formed by the Parent company and two Greek subsidiaries in accordance with the provisions of article 2 of L. 3220/2004. EU has published Announcement 2006/C20/05, according to which non-taxable reserves are considered a form of Government Grant, and has asked the Greek Government to officially express its views on this announcement. EU finally decided that these non-taxable reserves are a form of Government Grant, and the companies must pay in the corresponding income tax. Therefore the Group has decided, in fiscal year 2006, to record a provision for the amount of tax that corresponded to the above-mentioned reserves. Since the tax payable didn't exceed the amount of € 100.000, as stated in the provisions of L.3614/2007 (Regulation (ER) 69/2001 of the Committee, EU L10, 13.01.2001 minor

importance aid), the Group's companies were freed from the obligation to pay the additional tax and as a result the provision was reversed in fiscal year 2007 (Note 6).

Reserves from non-taxable income or special taxed reserve: These concern interest income that was not taxed or had been taxed at source. According to Greek tax legislation these reserves are exempted from income tax, under the condition that they will not be distributed to shareholders. The Group doesn't intend to distribute these reserves and therefore has not irecorded a provision of deferred tax liability for the income tax that will become payable at the time of distribution of these reserves.

Special reserve of L. 3299/2004: This special taxed reserve was formed during fiscal years 2005-2006 for covering the Company's own participation, while carrying out an investment plan following the provisions of L. 3299/2004. The special reserve of the Group includes the reserve formed the present year for a foreign subsidiary according to the provisions of law 3299/2004.

Special reserve: This special reserve that was formed during fiscal year 2000, has been fully taxed and is free for distribution according to relevant decision of the General Assembly

Reserve from exchange differences: This reserve is used to record exchange differences from the translation of the financial statements of foreign subsidiaries.

Other reserves: Other reserves concern foreign subsidiaries (Romania, Serbia, Albania, Egypt and Hungary) and is formed according to local legislation. The above mentioned reserves cannot be distributed during operation of the respective subsidiaries.

19. Dividends

According to the Company Law, companies are obliged for a dividend payout each year, which is calculated as the 35% of profits after tax and statutory reserve deduction.

The Annual regular Shareholders Meeting on the 06.06.2008 approved the distribution of dividend payout from 2007 earnings equal to € 3.082.275 (€ 0,14 per share). Dividends were paid during June 2008.

On 26th March 2009, the Company's Board of Directors proposed dividend payout from 2008 earnings equal to € 1.959.446,25 (€0,089 per share). According to IFRS, those dividends are included in the Consolidated Shareholders' Equity until their approval from the 2008 Annual General Shareholders' Assembly.

20. Long-term debt

Company's and Group's long–term debt are raised by domestic and foreign institutions, expressed in euro. Debt payable one year after the balance sheet date is recorded as short –

(All figures expressed in EURO, unless otherwise stated)

term liabilities, while debt payable in periods exceeding one fiscal year is recorded as long-term.

There are no pledges or mortgages serving for Group's long-term bank debt. The carrying value of overall debt approximates the one recorded in the books.

Company's and Group's long–term debt are analyzed according to their pay back terms, below:

	THE GROUP	
	31.12.08	**31.12.07**
Within a year	22.631.473	17.329.365
1-5 years	82.279.780	63.536.402
After 5 years	28.643.250	34.981.952
Total	**133.554.503**	**115.847.719**

	THE COMPANY	
	31.12.08	**31.12.07**
Within a year	19.184.523	12.884.845
1-5 years	74.373.233	57.354.100
After 5 years	28.643.250	34.858.687
Total	**122.201.006**	**105.097.632**

Group's long term Debt's on 31st December 2008 and 2007 is analyzed as follows:

31 December 2008

Bank	**Short-term installments**	**Long-term installments**		**Loan unpaid portion**	**Expiration date**
		2-5 years	**+5 years**		
PIRAEUS-ALPHA (DEB. BOND)	10.000.000	39.798.125	24.899.063	74.697.188	10.2014
EMPORIKI (DEB. BOND)	4.000.000	8.000.000	-	12.000.000	01.2011
MARFIN EGNATIA (DEB. BOND)	500.000	9.484.000	-	9.984.000	02.2013
NATIONAL BANK of GREECE (DEB. BOND)	1.250.000	4.990.313	3.744.187	9.984.500	05.2015
HSBC (DEB. BOND)	750.000	9.240.000	-	9.990.000	10.2013
ALPHA (DEB. BOND)	250.000	4.744.000	-	4.994.000	04.2013
EUROBANK	2.439.022	2.403.521	-	4.842.543	12.2010
PIRAEUS	1.376.725	726.871	-	2.103.596	06.2011
ALPHA BANK	684.521	457.273	-	1.141.794	05.2011

(All figures expressed in EURO, unless otherwise stated)

NATIONAL BANK	834.675	1.252.006	-	2.086.681	02.2011
GENIKI	246.530	883.671	-	1.130.201	01.2013
TIRANA BANK	300.000	300.000	-	600.000	07.2010
Total	**22.631.473**	**82.279.780**	**28.643.250**	**133.554.503**	

31 December 2007

Bank	Short-term installments	Long-term installments		Loan unpaid portion	Expiration date
		2-5 years	+5 years		
PIRAEUS-ALPHA (DEB. BOND)	5.000.000	39.818.313	34.858.687	79.677.000	10.2014
EMPORIKI (DEB. BOND)	4.000.000	12.000.000	-	16.000.000	01.2011
EUROBANK	2.778.578	4.844.303	-	7.622.881	12.2010
PIRAEUS	1.627.916	2.050.235	-	3.678.151	06.2011
EMPORIKI	1.204.892	-	-	1.204.892	07.2008
ALPHA BANK	835.075	1.130.503	-	1.965.578	05.2011
HSBC	622.800	-	-	622.800	08.2008
NATIONAL BANK	834.669	2.086.685	-	2.921.354	02.2011
GENIKI	123.265	1.006.363	123.265	1.252.893	01.2013
TIRANA BANK	302.170	600.000	-	902.170	07.2010
Total	**17.329.365**	**63.536.402**	**34.981.952**	**115.847.719**	

Company's long term debts on 31st December 2008 and 2007 are analyzed below:

31 December 2008

Bank	Short-term installments	Long-term installments		Loan unpaid portion	Expiration date
		2-5 years	+5 years		
PIRAEUS-ALPHA (DEB. BOND)	10.000.000	39.798.125	24.899.063	74.697.188	10.2014
EMPORIKI (DEB. BOND)	4.000.000	8.000.000	-	12.000.000	01.2011
MARFIN EGNATIA (DEB. BOND)	500.000	9.484.000	-	9.984.000	02.2013
NATIONAL BANK (DEB. BOND)	1.250.000	4.990.313	3.744.187	9.984.500	05.2015
HSBC (DEB. BOND)	750.000	9.240.000	-	9.990.000	10.2013
EUROBANK	2.400.002	2.403.521	-	4.803.523	12.2010
ALPHA BANK	284.521	457.274	-	741.795	05.2011
Total	**19.184.523**	**74.373.233**	**28.643.250**	**122.201.006**	

(All figures expressed in EURO, unless otherwise stated)

31 December 2007

Bank	Short-term installments	Long-term installments 2-5 years	+5 years	Loan unpaid portion	Expiration date
PIRAEUS-ALPHA (DEB. BOND)	5.000.000	39.818.313	34.858.687	79.677.000	10.2014
EMPORIKI (DEB. BOND)	4.000.000	12.000.000	-	16.000.000	01.2011
EUROBANK	2.400.002	4.805.283	-	7.205.285	12.2010
EMPORIKI	1.204.892	-	-	1.204.892	07.2008
ALPHA BANK	279.951	730.504	-	1.010.455	05.2011
Total	**12.884.845**	**57.354.100**	**34.858.687**	**105.097.632**	

Long term loans (deb. Bonds) for the Group and Company are analyzed as follows:

Debenture Bond (PIRAEUS BANK and ALPHA BANK)

The annual General Shareholders Assembly of the Parent Company in 23.05.2007 approved the issuance of a debenture bond up to the amount of €100 mil.

In October 2007, an €80 mil. debenture bond was signed; organizers were «PIRAEUS BANK» and «ALPHA BANK» and other participants were «BLACK SEA TRADE AND DEVELOPMENT BANK», «EFG EUROBANK ERGASIAS» and «EMPORIKI BANK»; the bond has a seven year period, with a Euribor (6-month) +1,25% (annually) floating interest rate, used to refinance Company's total debt and to optimize working capital management. The debenture bond is ordinary, without trading or conversion rights by the bondholders. It is payable until October 2014. Repayment will be made in twelve (12) semiannual installments, of €5 mil. each. First installment will be paid twelve (12) months after the bond withdrawal

Debenture Bond (EMPORIKI BANK)

In 2005 a € 20 mil. debenture bond was received by Emporiki Bank (issuance organizer), with a Euribor (6-month) +1,25% (annually) floating interest rate. The Bond was issued to initially refinance a subordinate bank loan of the Company on behalf of Emporiki Bank, in the form of more permanent working capital, as well as to finance the investment plan of the Company and its participation to the share capital increase of its subsidiaries. The Bond pay off will be made in eight (8) six-month installments, of amount € 2 mil. each. The first installment will be paid eighteen (18) months after the bond withdrawal (July 2005) and an installment of €4 mil. will be paid to the maturity of the Bond (January 2011).

Debenture Bond (MARFIN EGNATIA BANK)

In February 2008 a new debenture bond was received by the Parent Company from «Marfin Egnatia Bank» (issuance organizer). The bond has a period-to-maturity of 5 years with a floating interest rate equal to Euribor (6-month) + 1.25% (annual). The bond is common, non-tradable and non-convertible. The pay off will be made in eight (8) six-month instalments totalling € 7 mil., the first of which will be due eighteen (18) months after the bond withdrawal (August 2009), and an installment of € 3 mil. on maturity date (February 2013).

Debenture Bond (NATIONAL BANK)
In May 2008 a € 10 mil. debenture bond was received by the Parent Company from «National Bank of Greece». The bond is common, non-tradable, non-convertible with a 7-year maturity and a floating interest rate equal to Euribor (6-month) + 1.25% (annual). The pay off will be made in twelve (12) six-month installments of € 625 thousand each, the first of which will be due twelve (12) months after the bond withdrawal (May 2009), and an installment of € 2.5 mil. on maturity date (May 2015).

Debenture Bond (HSBC)
In October 2008 a € 10 mil. Debenture bond was received by the Parent Company from "HSBC". The bond is common, non-tradable, non-convertible with a 5 year maturity and a floating interest rate equal to Euribor (6-month) +1,25 (annually).the payoff will be made in 8 six-month instalments, amounting to € 8.5 mil., the first of which will be due (18) months after the bond withdrawal (October 2009) and an installment of € 1.5 mil. on maturity date (October 2013).

Debenture Bond (ALFA BANK)
The General Shareholder Assembly of the subsidiary"ALUKOM S.A." on the 3.12.2007 had approved the issuance of a debenture bond up to € 5 mil.
In April 2008 a € 5 mil. debenture bond was received by the subsidiary ALUKOM S.A. from «Alpha Bank S.A.». The bond has a 5-year maturity and an interest rate equal to Euribor (6-month) + 1.25% (annual). The pay off will be made in eight (8) six-month installments of € 384,500 each, the first of which will be due eighteen (18) months after the bond withdrawal (October 2009), and an instalment of € 1.9 mil. on maturity date (April 2013).

The conditions of the loans mentioned above predict denunciation cases which include, among others, overdue payments, non compliance with the general and financial assurances provided, provision of information that includes significant errors and omissions, particular insolvency incidents, termination of business activity, reduction in the share capital of the issuer, state of ownership of the issuer and existence of incidents which substantially affect the financial position of the Company and the Group.

Additionally, the loan conditions include debt covenants, which embody conditions of certain financial ratios maintenance, like working capital ratio, net debt to EBITDA, total debt to equity, EBITDA to total net financial expenditure, EBITDA to total debit interest in addition to the amount of equity capital in certain levels. Moreover, the Parent Company has provided certain assurances which mostly regard its compliance with laws and regulations, asset disposal or sale and lease back agreements, the sufficient insurance of its tangible assets, no pledges clauses, no trading clauses, or the advertisement or by any other means promotion of the bond disposal at the public and the maintenance of the nature of business activity.

(All figures expressed in EURO, unless otherwise stated)

It should be noted that in connection to the debenture bonds that approximately reach € 100 mil., included in long term liabilities and based on the relative entries reported in the Consolidated Balance Sheet and Income Statement, one out of the four pre-mentioned covenants is marginally not met, and in particular, the Interest Coverage ratio. The Company has recognized these loans, as at 31st December 2008, in the long term liabilities, based on verbal assurances from lender banks at December 2008, that they will not denounce the loan contracts at least by the end of next fiscal year. Those assurances were confirmed in writing at March 2009.

The average interest rate of the Groups' long term debt on 31st December 2008, was 5.9% (31.12.2006: 5.2%). The Group and Company, on the 31.12.2008, have no unused available credit limits for long term loans.

The total interest expense, of long term debt for the years ended on 31st December 2008 and 2007, amounted to € 7,6 mil. and € 6,1 mil. respectively for the Group and € 6,1 mil. and € 5,4 mil. respectively for the Company and it is included in finance expenses of the accompanying Income Statements (Note 5g).

21. Provisions for staff leaving indemnities

Provision for staff leaving indemnities is analyzed as follows:

	THE GROUP		THE COMPANY	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Provisions for staff leaving indemnities (Parent Company and the domestic subsidiaries)	1.407.586	1.139.297	1.023.296	867.902
Provision for staff leaving indemnities (Foreign subsidiaries)	176.812	298.710	-	-
Total	**1.584.398**	**1.438.007**	**1.023.296**	**867.902**

Greek labor legislation requires that the payment of retirement and termination indemnities be based on the number of years of service to the Company by the employees and taking into consideration their final remuneration. In cases where the employee works in the Company until retirement, indemnity is calculated to 40% of the amount he/she would receive in case of termination/dismissal without notice.

Liabilities for personnel indemnities were based on an actuarial valuation by an independent firm of actuaries for Parent Company and the domestic subsidiaries.

Following tables show relative movements of the provisions accounts for personnel indemnities as appeared in the Balance Sheet for the fiscal year ended 31st December 2008 and 2007 and the net expense for the relative provision recorded in the Income Statement.

The movement of provisions for the Group (Parent Company & and the domestic subsidiaries) and the Company are analyzed as follows:

(All figures expressed in EURO, unless otherwise stated)

	THE GROUP		THE COMPANY	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Net liability in the Balance Sheet at the beginning of the year	1.139.297	899.025	867.902	719.655
Total expenses recognized in the Income Statement (Note 5h)	417.853	357.703	259.905	239.130
Benefits paid during the year	(149.564)	(117.431)	(104.511)	(90.883)
Net liability at the end of the year	**1.407.586**	**1.139.297**	**1.023.296**	**867.902**

	THE GROUP		THE COMPANY	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Present value of debt obligations	1.497.669	1.376.360	967.179	952.788
Unrecognized actuarial (losses) / gains	(90.083)	(237.063)	56.117	(84.886)
Net liability in the balance sheet	**1.407.586**	**1.139.297**	**1.023.296**	**867.902**

Amounts recognised in the Group's and Company's Income Statement for personnel indemnities are analyzed as follows:

	THE GROUP		THE COMPANY	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Service cost	235.536	218.260	140.538	138.018
Interest cost	65.757	47.570	45.605	36.400
Extra payments	108.746	83.968	72.105	60.624
Actuarial loss (recognized)	7.814	7.905	1.837	4.088
Total	**417.853**	**357.703**	**259.905**	**239.130**

Extra payments recognized are related to benefits paid to dismissed employees. Most of the amounts paid were not expected under the benefits plan and as a consequence, the additional payments in excess of the relative reserves were treated as additional retirement charge.

The main actuarial assumptions used to calculate the relative personnel indemnities provisions due to retirement for Parent Company & and the domestic subsidiaries, are analyzed as follows:

	THE GROUP	
	2008	**2007**
Discount rate	5,70%	4,80%
Rate of compensation increase	4%	4%
Inflation cost	2,5%	2,5%
Average future working life	18,27	18,15

	THE COMPANY	
	2008	**2007**
Discount rate	5,70%	4,80%
Rate of compensation increase	4%	4%
Inflation cost	2,5%	2,5%
Average future working life	18,08	17,96

(All figures expressed in EURO, unless otherwise stated)

For foreign subsidiaries, where local Labor Law provides payments for retirement and termination indemnities, provision was not actuarially calculated, but according to local Labor Law of each country (Bulgaria, Serbia, Bosnia), after the discount of the relative amounts in current values.

The movement of provisions is analyzed as follows:

	31.12.08	31.12.07
Net obligation at the beginning of the year	298.710	298.483
Expense recognized in the Income Statement (Note 5h)	10.812	3.204
Exchange differences	(14.324)	(407)
Benefits paid during the year	(118.386)	(2.570)
Net obligation at the end of the year	**176.812**	**298.710**

22. Government grants

Parent company and its subsidiaries in Greece receive subsidies for tangible assets' investments. Long–term liabilities include the government grants related to tangible assets' purchases/investments, treated as a deferred income; the later is recognized as income in the Income Statement, depreciated further under the fixed method, applying rates similar to those for tangible assets.

The movement of grants is analyzed as follows:

	THE GROUP	THE COMPANY
Balance at 1 January 2007	**23.447.488**	**4.516.338**
Grants received	5.605.200	-
Sale of granted tangible assets	(17.615)	-
Exchange differences	6.136	-
Income recognized in the Income Statement (Note 5)	(1.743.418)	(327.037)
Balance at 31 December 2007	**27.297.791**	**4.189.301**
Grants received	4.875.641	537.874
Exchange differences	(279.789)	-
Income recognized in the Income Statement (Note 5)	(2.258.238)	(448.810)
Balance at 31 December 2008	**29.635.405**	**4.278.365**

Government grants for 2008 were collected in their entirety. Additionally an amount of € 133.426 was collected, which concerned a grant recognized in 2006 and was included in "Other receivables and prepayments" (Note 15).

(All figures expressed in EURO, unless otherwise stated)

23. Other long term liabilities

Group's and Company's other long-term liabilities are analyzed as follows:

	THE GROUP		THE COMPANY	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Long-term liabilities from purchase of vehicles	90.707	108.057	-	-
Tax installments from surplus value of readjusted landed property	140.497	-	58.997	-
Total	**231.204**	**108.057**	**58.997**	**-**

24. Trade payables

Group's and Company's trade payables are analyzed as follows:

	THE GROUP		THE COMPANY	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Trade creditors	31.004.661	47.412.404	20.551.498	34.348.443
Post dated cheques payable	8.790.294	9.065.432	4.835.968	4.497.617
Liabilities to subsidiaries (Note 29)	-	-	1.392.769	4.100.742
Total	**39.794.955**	**56.477.836**	**26.780.235**	**42.946.802**

Trade payables are not interest bearing accounts and they are usually settled within 30-120 days for the Group and Company.

25. Other short-term liabilities and accrued expenses

Group's and Company's other short-term liabilities and accrued expenses are analyzed as follows:

	THE GROUP		THE COMPANY	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Social securities payables	1.752.719	1.686.689	821.527	770.876
Withheld taxes payable	1.529.501	1.521.636	224.614	146.729
Trade receivables' advances	1.076.143	962.467	509.453	357.145
Trade receivables' advances (related parties – Note 29)	-	-	1.406.707	-
Accrued payroll expenses	1.405.377	1.255.214	667.189	609.583
Accrued expenses	2.248.987	2.532.684	1.624.987	1.980.437
Purchases not invoiced yet	7.229	-	-	-
Other creditors	663.997	717.908	68.031	20.949
Total	**8.683.953**	**8.676.598**	**5.322.508**	**3.885.719**

26. Derivatives financial instruments

Liability for purchase foreign exchange

The Company has signed forward agreements to buy USD. As at 31.12.2007, total amount according to the forward contracts reached € 117.071 (USD 158.358) with expiration date January and February 2008.

All contracts are priced at market values and the result (loss), amounting to € 9.497 was recognized in the Currency exchange gains/(losses), in the Income Statement.

As at 31.12.2008 there are no similar forward agreements

27. Short-term debts

Short-term debt is used exclusively for working capital needs. Carrying values approximate open balances due to floating interest rates and short-term expiration. Group and Company as at 31.12.2008, have not used available credit limits of approximately € 43,4 mil. (31.12.2007: € 67,2 mil.) and approximately € 36 mil. (31.12.2006: € 53,6 mil.) respectively.

The average interest rate on short-term debts on 31st December 2008 was 6,25 % (31.12.2007: 5,50%). Total interest expenses for short-term debts on 31st December 2008 and 2007, amounted to approximately € 4,2 mil. and € 4,4 mil. for the Group and approximately € 2,5 mil. and € 2,5 mil. for the Company and they are included in the finance expenses in the accompanying Income Statement (Note 5g).

Group's short-term debts per currency is analyzed as follows:

Currency	**31.12.08**	**31.12.07**
Euro	51.877.322	52.907.510
Bulgarian Leva	1.638.096	1.697.501
Other	-	41.926
Total	**53.515.418**	**54.646.937**

Parent Company's short-term debt is expressed in euro.

28. Income tax payable

Group's and Company's income tax payable are analyzed as follows:

	THE GROUP		**THE COMPANY**	
	31.12.08	**31.12.07**	**31.12.08**	**31.12.07**
Income tax (Note 6)	1.782.102	2.690.260	101.938	813.724
Settlement tax Law 3697/2008 (Note 6)	78.911	-	-	-
Tax advances / payments	(1.289.834)	(1.495.976)	(101.938)	(813.724)
Provisions for unaudited fiscal years	1.459.032	958.000	660.000	550.000

Total	**2.030.211**	**2.152.284**	**660.000**	**550.000**

The movement of provisions for unaudited fiscal years is analyzed as follows:

	THE GROUP	THE COMPANY
Open balance 1st January 2007	**723.000**	**440.000**
Additional provision in year (Note 6)	235.000	110.000
Utilized provision	-	-
Ending balance 31st December 2007	**958.000**	**550.000**
Additional provision in year (Note 6)	541.032	110.000
Utilized provision	(40.000)	-
Ending balance 31st December 2008	**1.459.032**	**660.000**

29. Related party transactions

From the consolidated Income Statement, income, costs and expenses from transactions between Company and its subsidiaries have been eliminated. Those transactions relate to sales and purchases of products, services and tangible assets during the normal activity of the companies. Total purchases and sales between Company and its subsidiaries, open balances due and other transactions eliminated as at 31st December 2008 and 2007 are analyzed as follows (in thousand euros):

31st December 2008	*Sales to related parties*	*Purchases from related parties*	*Expenses to related parties*	*Sales – (Purchases) tangibles & intangibles with related parties*	*Income from related parties*	*Receivables from related parties*	*Payables to related parties*
Subsidiary							
ALUKOM S.A.	6.904	3.557	-	150	154	-	829
ALUNEF S.A..	11.819	22.758	-	150	199	4.448	-
ALUSYS S.A.	2.184	4	-	-	41	1.402	-
ALUFYL S.A.	3.403	6.837	1.159	-	3	11.339	-
G.A. PLASTICS S.A.	96	315	159	-	36	-	578
METRON AUTOMATIONS S.A.	833	1.274	7	-	75	753	458
ALUMIL EGYPT ALUMINIUM	124	-	-	-	3	130	-
ALUMIL ALBANIA	10.307	910	-	-	-	10.661	-
ALUMIL BULGARIA	6.471	231	-	-	-	5.800	-
ALUMIL VARNA	1.434	-	-	-	-	2.007	-
ALUMIL FRANCE SAS	-	-	191	-	186	-	24
ALUMIL DEUTZ	1.331	231	77	-	-	7.826	-
ALUMIL ITALY SRL	-	-	-	-	-	1.993	-
ALUMIL CY LTD	4.955	101	-	-	5	5.164	101
ALUMIL HUNGARY K.F.T.	704	-	-	-	-	844	-
ALUMIL UKRANIA	2.888	70	-	-	-	3.600	70
ALUMIL POLSKA S.R.L.	3.399	-	-	-	117	1.599	-
ALUMIL EXTRUSION	-	513	-	-	-	-	128
ALUMIL ROM INDUSTRY SA	9.216	947	-	-	-	4.150	579
ALUMIL YU INDUSTRY	9.074	-	17	-	-	4.880	10
ALPRO VLASENICA	3.038	837	-	-	-	3.194	-

(All figures expressed in EURO, unless otherwise stated)

ALUMIL SRB	3.049	-	44	-	-	1.915	-
ALUMIL MONTENEGRO	888	-	-	-	-	106	-
ALUMIL COATING S.R.B	451	-	-	-	-	329	-
ALUMIL SKOPJE	1.054	22	-	-	-	666	22
ALUMIL GULF	1.337	-	-	-	38	1.660	-
ALUMIL GROUP LTD	-	-	-	-	-	2	-
Total	**84.959**	**38.607**	**1.654**	**300**	**857**	**74.469**	**2.799**

31st December 2007

	Sales to related parties	*Purchases from related parties*	*Expenses to related parties*	*Sales of tangibles to related parties*	*Purchases from related parties*	*Receivables from related parties*	*Payables to related parties*
Subsidiary							
ALUKOM S.A.	13.890	2.892	-	-	4	2.284	-
ALUNEF S.A..	19.240	23.687	327	-	39	1.322	531
ALUSYS S.A.	1.968	1	-	-	40	1.505	-
ALUFYL S.A.	4.970	6.271	2.645	-	1	9.320	-
G.A. PLASTICS S.A.	87	339	145	-	98	-	163
METRON AUTOMATIONS S.A.	998	1.179	-	(123)	4	727	-
ALUMIL EGYPT ALUMINIUM	157	-	-	-	-	314	-
ALUMIL ALBANIA	10.607	537	-	69	-	10.710	-
ALUMIL BULGARIA	6.810	145	-	97	-	6.138	-
ALUMIL VARNA	1.696	-	-	-	-	1.828	-
ALUMIL FRANCE SAS	-	-	166	-	-	-	-
ALUMIL DEUTZ	933	420	63	-	59	6.679	-
ALUMIL ITALY SRL	-	-	-	-	-	3.496	1.502
ALUMIL CY LTD	3.501	205	-	-	-	4.239	213
ALUMIL HUNGARY K.F.T.	848	106	-	-	-	1.053	318
ALUMIL UKRANIA	2.897	69	-	-	-	4.409	-
ALUMIL POLSKA	3.212	51	-	-	-	1.714	62
ALUMIL EXTRUSION	-	256	-	-	-	-	784
ALUMIL ROM INSUSTRY SA	15.320	620	-	-	-	5.415	346
ALUMIL YU INDUSTRY	10.951	14	-	888	-	5.413	-
ALPRO VLASENICA	2.928	562	-	-	-	3.608	-
ALUMIL SRB	3.069	84	180	-	-	1.014	182
ALUMIL MONTENEGRO	730	-	-	-	-	207	-
ALUMIL COATING S.R.B	490	-	-	-	-	277	-
ALUMIL SKOPJE	623	-	-	-	4	1.009	-
ALUMIL GULF	638	-	-	50	-	709	-
Total	**106.563**	**37.438**	**3.526**	**981**	**249**	**73.390**	**4.101**

For consolidation purposes as at 31st December 2008, transactions among subsidiaries have been eliminated amounting to approximately € 24.522 thousand (31.12.2007: € 18.067 thousand), receivables – payables of approximately € 10.263 thousand (31.12.2007: € 13.515 thousand) and income-expenses of approximately € 248 thousand (31.12.2007: € 398 thousand).

Open balances at the end of the year are not secured and settled in cash. No guarantees are signed for the these receivables. For the year ended in 31st December 2008, Parent Company has recorded accumulated provision for doubtful debts of approximately € 6.332 thousand (31.12.2007: € 5.571 thousand), related to amounts due from subsidiaries with negative Shareholders' Equity.

It is noted that there are no special agreements between the Company and its subsidiaries and all related transactions are settled under the usual terms, within the framework and the particularities of each market.

The Group has conducted from the beginning of the fiscal year, sales towards "INTERNO S.A.", to which the Parent company participates with 6.34% and it is indirectly under common control with the Parent company, of approximately € 690 thousand (31.12.2007: approximately € 1 mil.), purchases of approximately € 360 thousand (31.12.2007: approximately € 246 thousand), while it has a net claim of approximately 2.5 mil. (31.12.2007: € 2.7 mil.). Furthermore, Parent company has granted guarantees of approximately € 4.1 mil. (31.12.2007: € 2.4 mil.) to secure bank obligations of an unsettled amount due by 31.12.2008 of approximately €4 mil. (31.12.2007: approximately € 3.8 mil.).

The Group has a receivable from «ALUFONT S.A.», in which parent company holds 19%, reaching approximately € 4.3 mil, that was used to finance company's needs, to settle obligations from investments in tangible assets, which is expected to be settled within 2009 when the investment is complete and grant has been collected. The company's revenues reached approximately € 354 thousand. Furthermore, the Parent Company has granted guarantees of approximately € 8.8 mil. (31.12.2007: approximately € 6 mil.) to secure bank obligations of an unsettle amount due by 31.12.2008 of approximately € 6.3 mil. (31.12.2007: approximately € 4 mil.).

There is no parent company - under a legal entity form – participating in ALUMIL MILONAS S.A., as the majority of the share capital (69,93% of common ordinary shares as at 31st December 2008) belongs to Mr. George Milonas (48,37%) and Mrs. Evangelia Milona (21,56%) and there are no other major shareholders holding significant part of the Company's share capital.

Board of Director Remuneration

During the fiscal year ended in 31st December 2008, 2 executive Members of the Parent Company's Board of Directors received gross salaries of approximately € 72.7 thousand (31.12.2007: € 64.4 thousand) for services rendered due to salaried relationship with the Company and gross payments of € 6 thousand to a non-executive Member, exclusively for his participation in the ordinary Board Meetings (31.12.2007: € 6 thousand).

Additionally, 3 Members of Parent Company's Board of Directors received remunerations of € 280 thousand from the earnings' distribution of the preceding fiscal year (31.12.2007: € 280 thousand), approved by the Ordinary General Shareholders' Assembly; Board Members of subsidiary «ALUKOM S.A.» received remunerations of € 108 thousand (31.12.2007: € 108 thousand) from the earnings' distribution of the preceding fiscal year (Note 5e).

The Group and the Company paid to managers salaries and bonus amounting to approximately € 1.078,3 thousand (31.12.2007: € 772.8 thousand) and approximately € 227.4 thousand (31.12.2007: € 253,7 thousand).

Finally, in the recorded provision for staff leaving indemnities for the Group and the Company, approximately € 71.5 thousand (31.12.2007: € 56.1 thousand) and approximately € 65.1 thousand (31.12.2007: € 51.2 thousand) correspondingly is included, related to ALUMIL's Executive Board Members and Group managers respectively.

30. Targets and policies for financial risk management program

Financial risk factors

The Group is exposed to several financial risks, such as market risk (currency exchange rate fluctuation, interest rates, and market prices), credit risk and liquidity risk. The Group's complete Risk Management program aims at minimizing the negative effects these risks may have on the Group's financial efficiency.

Risk management is carried out by a central Financial Management department (Group's Financial Management department) that provides financial advisory services to the Group's different companies, coordinates access to financial markets at home and abroad, and manages the financial risks the Groups gets exposed to. This includes recognition and evaluation of financial risk and, if needed, hedging against financial risk. The Financial Management department doesn't perform profit-oriented trading, nor does trading that is not related to the Group's commercial, investing or borrowing activities.

The financial assets and obligations in the balance sheet include cash and cash equivalents, receivables, investments, available for sale financial assets as well as short term and long term liabilities. There is no difference between the fair values and the respective accounting values of the financial elements in assets or liabilities.

Risk management is carried out by a central Financial Management department (Group's Financial Management department) that provides financial advisory services to the Group's different companies, coordinates access to financial markets at home and abroad, and manages the financial risks the Groups gets exposed to. This includes recognition and evaluation of financial risk and, if needed, hedging against financial risk. The Financial Management department doesn't perform profit-oriented trading, nor does trading that is not related to the Group's commercial, investing or borrowing activities.

Currency exchange rate risk

The Group is active on international level and realizes transactions in foreign currency. Hence, it is exposed to exchange rate fluctuations. This exposure mainly relates to commercial transactions in foreign currencies, regarding imports or exports of goods and services, and from investments in countries whose net position is exposed to currency risk during conversion of their financial statements for consolidation purposes. The risk of carrying out transactions in foreign currency is dealt with according to approved directions, by subsidizing the product sale in a foreign currency with the raw material purchase in the same currency.

The following table shows the changes of Income before Taxation and Shareholders' Equity, as a result of possible changes in exchange rate of Romanian Lei (RON), Serbian Dinar (RSD), Egyptian Pound (EGP), Albanian Lek (LEK) and of remaining currencies which include the Bulgarian Lev (BGN), FYROM Denar (MKD), Turkish Pound (TRY), Hungarian Forint (HUF), Polish Zloty (PLN), Moldavian Lei (MDL), United Arab Emirates Dirhams (AED) and Ukranian Hryvna (UAN) keeping all other variables stable:

Sensitivity analysis to exchange rate fluctuation:

(Amounts in thousand €)	Foreign Currency	Increase/Decrease against €	Effect on Income before Taxation	Effect on Shareholders' Equity
Amounts of FY 2008	RON	5%	240	822
		-5%	-240	-822
	RSD	5%	192	913
		-5%	-192	-913
	EGP	5%	-11	98
		-5%	11	-98
	LEK	5%	31	195
		-5%	-31	-195
	OTHER	5%	-52	93
		-5%	52	-93
Amounts of FY 2007	RON	5%	229	902
		-5%	-229	-902
	RSD	5%	188	891
		-5%	-188	-891
	EGP	5%	3	104
		-5%	-3	-104
	LEK	5%	31	195
		-5%	-31	-195
	OTHER	5%	-4	116
		-5%	4	-116

Note: The calculation of "Effect on Income before Taxation" is based on the fluctuation of the year's average exchange rate whereas the calculation of "Effects on Shareholders' Equity" is based on the fluctuation of the exchange rates at the Balance Sheet date.

Interest rate risk

The Group's operational profit and cash flow are not greatly influenced by the fluctuation of the interest rates. The interest rate risk exposure for liabilities and investments is reviewed on a budgetary basis. The Group's policy is to closely review the interest rate trends and the Group's financing needs.

The Group finances its investments and its working capital needs with bank loans and bonds, thus affecting its results with the respective interest. Increasing trends in interest rates
(change of the borrowing basis rates (EURIBOR) will have a negative effect on the results, since the Group will be charged a higher cost of debt.

All short-term loans have been agreed upon with a floating interest rate. The renewal of the short-term loan interest rates counts for periods of 1-3 months and that of the long-term loan counts for a period of 3-6 months. This gives the Group the possibility to partially avoid the risk of big interest rate fluctuation.

The following Table shows the changes in the Group's Income before taxation (through the effects that the balance of loans with floating rates has on Profits, at the end of the fiscal year) for potential changes of interest rates, holding all other variables stable:

Sensitivity analysis of the Group's loans to interest rate fluctuation

(Amounts in thousand €)	Foreign Currency	Increase/Decrease against €	Effect on Income before Taxation
Amounts of FY 2008	EUR	1%	1.922
		-1%	-1.922
	BGN	1%	25
		-1%	-25
	LEK	1%	16
		-1%	-16
Amounts of FY 2007	EUR	1%	1.892
		-1%	-1.892
	BGN	1%	26
		-1%	-26
	LEK	1%	23
		-1%	-23

Sensitivity analysis of the Company's loans to interest rate fluctuation

(Amounts in thousand €)	Foreign Currency	Increase/Decrease against €	Effect on Income before Taxation
Amounts of FY 2008	EUR	1%	1.538
		-1%	-1.538
Amounts of FY 2007	EUR	1%	1.461
		-1%	-1.461

Note: The Table above doesn't include the positive effect of the deposit rate because the amounts are considered to be of minor magnitude.

Credit risk

The Group doesn't have a significant concentration of credit risk against other parties because of the wide range of its clientele. The credit risk exposure is being reviewed and evaluated on a constant basis.

A special computer-based application checks the size of credit and the credit limits of the customers who are set out based on regular evaluations and always in accordance with the limits defined by the management. For special credit risks there are provisions for doubtful debts. At the end of the year, the management presumed that there is no substantial credit risk which is not already covered from any assurance or from a prediction for doubtful debt. An extensive analysis of the commercial and other receivables is quoted in notes 14 and 15 of the Financial Statements.

Furthermore as far as deposit products are concerned the Group only does business with recognized financial institutions of high credit-receiving grade. An extensive analysis is quoted in note 16 of the Financial Statements.

Liquidity risk

The prudent liquidity management is achieved through the appropriate combination of available cash and approved credit limits.

The Group manages potential risks that may occur from lack of sufficient liquidity by catering for the existence of guaranteed credit limits.

The current available unused approved credit limits to the Group are sufficient to successfully cope with any potential lack of cash.

The following table summarizes the dates of expiration for the financial liabilities of December 31st 2008 and 2007 respectively, based on the payments projected by the relevant contracts and agreements, at non-predetermined prices:

GROUP

Amounts of FY 2008 (amounts in thousand €)	**Less than 4 months**	**4 to 12 months**	**1 to 2 years**	**2 to 5 years**	**> 5 years**	**Total**
Trade payables	39.661	134	-	-	-	**39.795**
Other short-term liabilities & accrued expenses	8.594	90	-	-	-	**8.684**
Debt	9.795	72.144	30.552	70.383	30.522	**213.396**
Other long-term liabilities	-	-	231	-	-	**231**
	58.050	**72.368**	**30.783**	**70.383**	**30.522**	**262.106**

Amounts of FY 2007

(amounts in thousand €)	**Less than 4 months**	**4 to 12 months**	**1 to 2 years**	**2 to 5 years**	**> 5 years**	**Total**
Trade payables	55.548	930	-	-	-	**56.478**

Other short-term liabilities & accrued expenses	8.620	57	-	-	-	**8.677**
Derivative financial instruments	9	-	-	-	-	**9**
Debt	19.943	57.442	25.366	54.124	38.402	**195.277**
Other long-term liabilities	-	-	40	49	20	**108**
COMPANY	**84.120**	**58.429**	**25.406**	**54.173**	**38.422**	**260.549**

Amounts of FY 2008

(amounts in thousand €)	**Less than 4 months**	**4 to 12 months**	**1 to 2 years**	**2 to 5 years**	**> 5 years**	**Total**
Trade payables	26.711	69	-	-	-	**26.780**
Other short-term liabilities & accrued expenses	5.293	30	-	-	-	**5.323**
Other long term liabilities	-	-	59	-	-	**59**
Debt	8.317	44.738	27.419	64.610	30.522	**175.606**
	40.231	**44.837**	**27.478**	**64.610**	**30.522**	**207.768**

Amounts of FY 2007

(amounts in thousand €)	**Less than 4 months**	**4 to 12 months**	**1 to 2 years**	**2 to 5 years**	**> 5 years**	**Total**
Trade payables						
Other short-term liabilities & accrued expenses	41.143	1.804	-	-	-	**42.947**
Derivative financial instruments	3.865	21	-			**3.886**
Debt	9	-	-	-	-	**9**
	17.039	28.415	21.943	50.887	38.275	**156.559**
	62.056	**30.240**	**21.943**	**50.887**	**38.275**	**203.401**

Risk of raw material price fluctuation (aluminum)

The Group is exposed to the fluctuations of raw material (aluminum) and merchandise (industrial aluminium profile) market prices. For all contracts with clients on a yearly basis there is always a corresponding contract of raw material purchase. For sales made on demand and not on specific contracts, the protection is provided by the increase of selling price.

Capital management

The Group's basic target of capital management is to maintain its high credit-receiving grade and its healthy capital ratios, so that the Group's activities are supported and extended, and its share value is maximized.

The Board of Directors is trying to maintain a balance between higher returns, achievable with higher levels of loans, and the advantages and security a powerful and healthy capital position can guarantee.

The Group doesn't have a specific plan for own shares purchase.

There have been no changes in the approach adopted by the Group for capital management during current fiscal year.

The Group and Company control the sufficiency of equity by using the net debt to operating profit ratio and the total debt to equity ratio. Operating profit (EBITDA) is the earnings before interest, tax and total depreciation. Net debt includes interest bearing loans minus cash and cash equivalents.

	THE GROUP		THE COMPANY	
	2008	**2007**	**2008**	**2007**
Long-term debt	110.923.030	98.518.354	103.016.483	92.212.787
Short-term debt	76.146.891	71.976.302	47.699.596	40.512.465
Loans	**187.069.921**	**170.494.656**	**150.716.079**	**132.725.252**
Minus: Cash and cash equivalent	(12.195.233)	(16.079.368)	(1.791.872)	(2.800.787)
Net debt	**174.874.688**	**154.415.288**	**148.924.207**	**129.924.465**
EBITDA	**37.021.160**	**41.815.787**	**12.430.110**	**17.171.207**
Net Debt/EBITDA	**4,72**	**3,69**	**11,98**	**7,57**

	THE GROUP		THE COMPANY	
	2008	**2007**	**2008**	**2007**
Long-term debt	110.923.030	98.518.354	103.016.483	92.212.787
Short-term debt	76.146.891	71.976.302	47.699.596	40.512.465
Loans	**187.069.921**	**170.494.656**	**150.716.079**	**132.725.252**
Shareholders' Equity	**145.669.893**	**147.281.261**	**102.643.276**	**101.940.441**
Debt/ Shareholders' Equity	**1,28**	**1,16**	**1,46**	**1,30**

31. Financial instruments

Below a comparison of the accounting and market values of the Group's and the Company's financial products is presented by category, as they appear on the financial statements:

	Group				Company			
	Accounting Value		Market Value		Accounting Value		Market Value	
(Amounts in thousand €)	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**
Fiancial Assets								
Investments in subsidiaries	-	-	-	-	42.181	40.397	42.181	40.397
Available for sale financial assets	551	294	551	294	550	294	550	294
Long-term receivables	793	929	793	929	3.710	3.559	3.710	3.559

(All figures expressed in EURO, unless otherwise stated)

Trade receivables	101.502	101.175	101.502	101.175	116.450	120.169	116.450	120.169
Other receivables & prepayments	15.121	9.801	15.121	9.801	10.873	4.442	10.873	4.442
Cash and cash equivalent	12.195	16.079	12.195	16.079	1.792	2.801	1.792	2.801
Financial Liabilities								
Long-term debt	110.923	98.518	110.923	98.518	103.016	92.213	103.016	92.213
Short-term bank debt	76.147	71.976	76.147	71.976	47.700	40.512	47.700	40.512
Other long-term liabilities	231	108	231	108	59	-	59	-
Trade payables	39.795	56.478	39.795	56.478	26.780	42.947	26.780	42.947
Other short-term liabilities and accrued expenses	8.684	8.677	8.684	8.677	3.886	5.323	3.886	5.323
Derivatives financial instruments	-	-	-	-	9	-	9	-

32. Commitments and contingent liabilities

a. Pending trials – Judiciary Cases

The Group is involved in several judiciary cases (as both the defendant and the accused party) and mediation procedures as part of its regular operation. The Management along with their legal advisors estimate that there are no significant pending trials or differences under mediation with judicial or administrative bodies, that will significantly affect the Group's or the Company's financial position or results.

b. Letter of warranty – Other guarantees

The Group and the Company have issued letters of warranty for third parties, which amounted to approximately € 9,5 mil. (31.12.2007: approximately € 10,3 mil.) and approximately € 3,8 mil. (31.12.2007: approximately 5,1 mil.) respectively.

Furthermore the Parent Company has issued letters of warranty of fulfillment for several subsidiaries' obligations to third parties for the amount of 2,1 million Euros (31.12.2007: 3,2 million Euros) and has provided guarantees to banks for subsidiaries and other affiliated companies towards bank liabilities totaling approximately € 54,5 mil Euros (31.12.2007: approximately € 87,2 mil.) for the assurance of debt liabilities, which concern an unsettled amount due as at 31.12.2008, of approximately € 46,3 mil. (31.12.2007: approximately € 35,1 mil.).

(All figures expressed in EURO, unless otherwise stated)

c. Liabilities from Operating Leases

On December 31st 2008, the Group and the Company had several operating leases effective regarding the lease of motor vehicles, which expire on several dates until April 2013 and June 2012 respectively.

Those lease expenses are included in the attached Income Statement for fiscal year ended on December 31st 2008, and amounted to 637.837 Euros for the Group (31.12.2007: 444.623 Euros) and to 417.412 Euros for the Company (31.12.2006: 349.054Euros).

The minimum future payable leases, based on non-cancelable operational lease contracts on December 31st 2008 and 2007 for the Group and the Company, are as follows:

THE GROUP

	31.12.08	31.12.07
Payable		
Within 1 year	358.697	397.335
Between 1 and 5 years	405.736	654.673
	764.433	**1.052.008**

THE COMPANY

	31.12.08	31.12.07
Payable		
Within 1 year	250.970	297.073
Between 1 and 5 years	285.479	462.176
	536.449	**759.249**

Furthermore the Group (one foreign subsidiary) had 2 operating lease agreements that concerned the lease of buildings and expired IN 2008, as these buildings are leased by "BH ALUMINIJUM" to which "ALUMIL YU INDUSTRY" participates with 19%.

The lease expenses are included in the attached Income Statement of the fiscal year ended December 31st 2008 and amounted to 118.829 Euros (31.12.2007: 114.310 Euros).

d. Commitments

On December 31st 2008 the Parent Company had no commitments for capital expenditure.

During fiscal year 2008, a Group subsidiary signed a contract regarding the construction of a new storage space and office building. The total cost of this investment amounts to € 700 thousand. € 450 thousand have already been deposited by December 31st 2008.

By December 31st 2008, the Group has made a commitment to purchase1.600 tons of raw material (aluminium), that will be delivered within 2009. the total cost equals to approximately € 2,9 mil. (31.12.2007: 4.400 tons with a total cost of approximately € 9,3 mil. and additional 23.000 tons with 2007 prices).

(All figures expressed in EURO, unless otherwise stated)

e. Unaudited fiscal years

Alumil S.A has been audited by Tax Authorities until fiscal year ending on December 31st 2002 and hence its tax liabilities for unaudited fiscal years have not been considered finalized.

With regard to subsidiaries, their books have not been audited by Tax Authorities for the fiscal years analyzed as follows:

	Company Name	Unaudited fiscal years
1.	ALUKOM S.A.	2005 – 2008
2.	ALUNEF S.A.	2005 – 2008
3.	ALUSYS S.A.	2004 – 2008
4.	ALUFYL S.A.	2007 – 2008
5.	METRON AUTOMATICS S.A.	2003 – 2008
6.	G.A. PLASTICS S.A.	2007 – 2008
7.	ALUMIL EGYPT FOR ALUMINIUM	Since incorporation (2002)
8.	ALUMIL EGYPT ACCESSORIES	Since incorporation (2000)
9.	ALUMIL ALBANIA	2008
10.	ALUMIL BULGARIA	2003 – 2008
11.	ALUMIL VARNA	2004 – 2008
12.	ALUMIL FRANCE S.A.S.	Since incorporation (2005)
13.	ALUMIL DEUTZ	2004 – 2008
14.	ALUMIL ITALY SRL	Since incorporation (2001)
15.	ALUMIL MILONAS CYPRUS	2006 – 2008
16.	ALUMIL CY LTD	2006 – 2008
17.	ALUMIL MOLDAVIA	2007 – 2008
18.	ALUMIL HUNGARY K.F.T.	2004 – 2008
19.	ALUMIL UKRANIA	2006 – 2008
20.	ALUMIL POLSKA S.R.L.	2004 – 2008
21.	ALUMIL ROM INDUSTRY SA	2004 – 2008
22.	ALUMIL YU INDUSTRY	Since incorporation (2001)
23.	ALUMIL COATING S.R.B	Since incorporation (2003)
24.	ALUMIL SRB	2005 – 2008
25.	ALUMIL SKOPJE	Since incorporation (2000)
26.	ALUMIL GULF	Since incorporation (2007)
27.	ALUMIL GROUP LTD	Since incorporation (2008)
28.	EGYPTIAN FOR ALUMINIUM TRADE	Since incorporation (2008)

The Group's companies are subjects to different income tax legislations. During regular flow of operations, there are many transactions and calculations taking place, for which the exact tax calculation is uncertain.

The Group has recorded a provision for possible future tax liabilities that will come from future audits by the Tax Authorities, which amounts to approximately € 1.459 thousand

(All figures expressed in EURO, unless otherwise stated)

(31.12.07: € 958 thousand) and 660 thousand (31.12.07: € 550 thousand) for the fiscal years for which the Parent Company and some consolidated subsidiaries remain unaudited, although at present it is not possible to determine the exact amount of additional taxes and fines that may imposed as these depend on the findings of the tax audit. At the event that the final taxes arising after tax audits are different from the amounts that were originally provided, these differences will influence the income tax at the fiscal year when these differences were taken place

33. Events after the Balance Sheet date

There have been no events after the date of the Financial Statements of December 31st 2008, concerning the Company or the Group that significantly influence the understanding of these Financial Statements, and that should be publicized or would differentiate the items of the published Financial Statements.

Chairman and CEO	Vice-Chairman	Chief Financial Officer	Head of Accounting
George Milonas	Evagelia Milona	Spiridon Mavrikakis	Dimitrios Plakidis
ID# AB 717392	ID# AB 689463	ID# AA 273119	ID# AE 873647
		Reg. # 7528 A'GRADE	A.M. 23809 A'GRADE

F. Data and Information

ALUMIL MILONAS ALUMINIUM EXTRUSION INDUSTRY S.A.

ANNUAL FINANCIAL DATA AND INFORMATION from 1st January 2008 to 31st December 2008

The below financial data and information aim to provide a general overview on the financial position and results of "ALUMIL MILONAS - ALUMINIUM EXTRUSION INDUSTRY S.A." and its subsidiaries. The reader who demands to obtain an integrated view of the financial statements and results of Parent Company and the Group, must have access to the Company's annual published Financial Statements, under IFRS and the corresponding audit report of the certified auditor accountant. Indicatively, the reader may refer to the company's website, where such information is posted.

COMPANY INFORMATION

Company Address	Kilkis Industrial Zone, P.C. 611 00, Kilkis
Prefecture Registration Number	17520 / 06 / B / 88 / 18
Qualified Perfecture	Ministry of Development, S.A. & Credit Department.
Members of the Board of Directors	President: Milonas A. George, Vice President: Milona A. Evaggelia, Executive Member: Milona A. Eytihia, Non Executive Member: Doukidis I. George, Independent-Non Executive Members: Sidiras A. Hristos & Alexandridis Ch. Anastasios.
Date of approval of the financial statements from which the summary information is derived:	March 26th 2009
Auditor	Arghyrou Nikolaos
Audit Firm	Ernst & Young
Report of the Auditors	Without qualification
Company Website Address	http://www.alumil.com/

BALANCE SHEET DATA

Amounts in euro

	CONSOLIDATED ACCOUNTS		COMPANY ACCOUNTS	
	31.12.2008	31.12.2007	31.03.2008	31.12.2007
ASSETS				
Tangible assets	189.527.927	192.011.184	66.673.874	69.526.969
Intangible assets	1.605.730	2.312.837	1.131.299	1.622.641
Other non - curent assets	2.498.459	3.027.735	46.441.319	44.250.667
Inventories	98.227.357	98.355.883	51.687.728	49.678.976
Trade receivables	101.502.374	101.175.372	116.449.536	120.169.326
Other current assets	27.316.242	25.880.473	12.665.218	7.242.382
TOTAL ASSETS	420.678.089	422.763.484	295.048.974	292.490.961
LIABILITIES AND SHAREHOLDERS' EQUITY				
Share capital (22.250.016 share at € 0,37 each)	8.146.012	8.146.012	8.146.012	8.146.012
Other Shareholders' Equity accounts	120.206.051	121.044.972	94.497.264	93.794.429
Shareholders Equity (a)	128.352.063	129.190.984	102.643.276	101.940.441
Minority interests (b)	17.317.830	18.090.277	0	0
	145.669.893	147.281.261	102.643.276	101.940.441
Total Shareholders Equity (c) = (a)+(b)				
Long-term bank liabilities	110.923.030	98.518.354	103.016.483	92.212.787
Provisions/Other long-term liabilities	37.429.156	37.671.352	8.926.876	10.433.250
Short-term bank liabilities	76.146.891	71.976.302	47.699.596	40.512.465
Other short-term liabilities	50.509.119	67.316.215	32.762.743	47.392.018
Total liabilities (d)	275.008.196	275.482.223	192.405.698	190.550.520
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY (c) + (d)	420.678.089	422.763.484	295.048.974	292.490.961

SHAREHOLDERS' EQUITY DATA FOR THE PERIOD

Amounts in euro

	CONSOLIDATED ACCOUNTS		COMPANY ACCOUNTS	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Shareholders' Equity as at (01.01.2008 and 01.01.2007 respectively)	147.281.261	131.298.585	101.940.441	98.753.656
Earnings after taxes	8.599.061	13.631.188	3.785.110	5.014.134
Currency exchange differences	(4.147.103)	(1.317.906)	-	-
Dividends paid	(6.420.866)	(4.700.689)	(3.082.275)	(1.827.349)
Changes in Minorities Interests	-	7.831.650	-	-
Subsidiaries' share capital increase	357.540	538.433	-	-
Shareholders' Equity as at (31.03.2008 and 31.03.2007 respectively)	145.669.893	147.281.261	102.643.276	101.940.441

ADDITIONAL DATA AND INFORMATION :

1) The Accounting Principles have been applied as those applied on the Financial Statements on 31.12.2007.
2) Group companies -with the corresponding names, addresses and holding percentages- which are included in the consolidated Financial Statements for 2008 with the full consolidation method, are quoted in note 10 of the Annual Financial Statements.
3) The unaudited fiscal years for the Parent Company and Group Companies are analytically quoted in note 32c of the Annual Financial Statements.
4) There are no pledges on non-current assets of the Parent company to serve as guarantees for bank liabilities. On a building owned by a subsidiary company (Bosnia), a mortgage has been introduced, of amount € 898 thousand approximately, for the receipt of a short term bank loan, with a credit limit of € 409 thousand approximately; there is no open balance as at 31.12.2008.
5) As at 31.12.2008 and at 31.12.2007 respectively, ALUMIL Group occupied 2.335 and 2.221 employees respectively and Parent Company 531 and 566 employees respectively.
6) Investments on non-current assets of the parent Company and the Group for the period reached € 3,4 m. and € 16,3 m. respectively.
7) According to circular 34/24-01-2008 of the Capital Market Commission, Earnings Before Interest, Tax Depreciation and Amortization have been reassessed for 2007 fiscal year, due to the offsetting of grant depreciation (income). The difference with the initial published figures reaches approximately € 1.743 thousand and approximately € 327 thousand for the Group and Company respectively. Additionally, Group figures have been affected by the reclassification quoted in note 2 of the financial statements.
8) There are no legal disputes, pending litigations, unresolved claims, court or other law institution decisions' that may cause severe financial or otherwise implications or consequences to Alumil and the Group performance, or its business operations. The provision for unaudited periods as at December 31st 2008 reached € 1.459 m. for the Group and € 0,66 m. approximately for the Company. No other additional provitions are recorded.
9) Parent company sales and purchases to/from related parties since the beginning of the financial period and receivables and payables end balances from/to related parties - under IFRS 24 - as at 31.12.2008, are the following:

Transactions with related parties (amounts in € thousands):	Current period	
	Group	Company
a) Revenues	-	85.816
b) Expenses	-	40.261
c) Receivables	-	74.469
d) Payables	-	2.799
e) Managers and Board Members transactions and payments	1.545	586
f) Receivables from Managers and Board Members	-	-
g) Payables to Managers and Board Members	-	-

All sales, purchases, receivables and payables end balances towards related parties have been eliminated for consolidation purposes, as at 31/12/2008.
10) Some figures from the previous fiscal year have been reclassified for presentation purposes (refer to Note 2 of the annual financial statements).
11) The consolidated financial statements include for the first time the subsidiary "ALUMIL GROUP LTD", located in Cyprus. ALUMIL MILONAS S.A. participates with 100%, and "EGYPTIAN FOR ALUMINIUM TRADE", located in Egypt. ALUMIL MILONAS S.A. participates with 99% (refer to note 10 of the financial statements for further analysis).
12) The Board of Directors will propose to the Annual General Meeting of Shareholders, the distribution of dividend of € 0,089 per share (2007: €0,14) for the financial year 2008.
13) Consolidated and Separated Financial Statements as at 31st December 2008 were approved from the Board of Directors on 26.05.2009.

Kilkis, March 26th, 2009

PRESIDENT & C.E.O.	VICE-PRESIDENT	CORPORATE FINANCE DIRECTOR	ACCOUNTING DEPARTMENT HEAD
GEORGE ALEX. MILONAS ID No AB 717392	EVANGELIA ALEX. MILONA ID No AB 689463	Maurikakis Spiridon ID No AA 273119	Dimitrios Plakidis ID No AE 873647

INCOME STATEMENT DATA

Amounts in euro

	CONSOLIDATED ACCOUNTS		COMPANY ACCOUNTS	
	01.01 - 31.12.2008	01.01 - 31.12.2007	01.01 - 31.12.2008	01.01 - 31.12.2007
Turnover	285.109.472	287.627.933	204.065.455	238.064.139
Gross Profit	69.609.669	67.068.096	28.414.450	31.182.258
Earnings before Taxes, Financial and Investing Operations	24.316.965	29.226.144	6.036.039	10.806.747
Earnings before Taxes	8.692.048	17.038.609	2.189.219	6.776.949
Less: Taxes	(92.987)	(3.407.421)	1.595.891	(1.762.815)
Earnings after Taxes	8.599.061	13.631.188	3.785.110	5.014.134
Attributed to :				
Company's Shareholders	4.717.440	9.484.785	3.785.110	5.014.134
Minority Interests	3.881.621	4.146.403	-	-
Net Earnings per Share-basic (in €)	0,2143	0,4308	0,1719	0,2277
Proposed dividend per issued share (in €)	0,0890	0,1400	0,0890	0,1400
Earnings before Taxes, Financial, Investing Operations, Depreciation and Amortisation	37.021.160	41.815.787	12.430.110	17.171.207

CASH FLOW STATEMENT

Amounts in euro

	CONSOLIDATED ACCOUNTS		COMPANY ACCOUNTS	
	01.01 - 31.12.2008	01.01 - 31.12.2007	01.01 - 31.12.2008	01.01 - 31.12.2007
Cash Flow from operating activities				
Profits before taxes	8.692.048	17.038.609	2.189.219	6.776.949
Adjustments for:				
Tangible assets depreciation	13.812.218	13.352.396	6.000.738	5.996.155
Intangible assets depreciation	1.150.215	980.665	842.144	695.342
(Earnings)/losses from tangible assets' sales	(125.211)	(872.316)	(38.518)	(210.492)
Loss from assets impairment	467.340	-	-	-
Non realised currency exchange differences	3.775.728	(111.368)	73.651	10.712
Interest and related income	(765.430)	(236.017)	(443.437)	(117.700)
Interest and related expenses	12.767.101	11.763.086	9.792.634	8.939.477
Holdings income	-	-	(5.502.377)	(4.791.979)
Loss reversal from holdings impairment	-	-	(1.067.970)	-
Depreciation from grants	(2.258.238)	(1.743.418)	(448.810)	(327.037)
(Earnings)/losses from currency exchange differences	685.853	(792.933)	-	-
Income from unused provisions	(342.861)	(342.049)	-	-
Doubtfull debts provisions	1.517.483	1.928.186	1.279.566	1.487.643
Obsolete inventory provisions	5.818.475	3.094.313	3.408.142	1.022.413
Personnel indemnities provisions	428.665	360.907	259.905	239.130
Operational results before working capital changes	45.623.386	44.420.061	16.344.887	19.720.613
Changes in Working Capital				
Decrease / (Increase) in inventories	(5.689.949)	(31.152.969)	(5.416.894)	(13.321.090)
Decrease / (Increase) in trade receivables	(1.023.716)	(3.920.453)	2.552.895	(4.800.748)
Decrease / (Increase) in other receivables & payments in advance	(3.197.423)	2.442.397	(3.400.459)	7.656.700
Decrease / (Increase) in other long-term receivables	(2.719)	(204.501)	(151.169)	(3.110.837)
Increase/(Decrease) in:				
trade payables (banks excluded)	(20.158.085)	14.787.363	(16.226.551)	(1.388.331)
in other liabilities and accrued expenses	(422.408)	(2.622.173)	59.843	(3.214.947)
Other long-term liabilities	261.536	(16.444)	58.997	-
Personnel indemenities' payments	(267.950)	(120.001)	(104.511)	(90.883)
Minus:				
Interest and related expenses paid	11.152.930	9.833.149	8.425.186	7.213.620
Income Taxes Paid	2.923.188	2.470.616	188.425	21.699
Net Cash Flows from Operating Activities (a)	1.046.554	11.309.515	(14.896.573)	(5.784.842)
Cash flows from investing activities				
Purchase of tangible assets	(16.261.620)	(20.192.898)	(3.404.743)	(6.009.341)
Proceeds from disposal of tangible assets	788.119	1.988.783	245.618	1.335.757
Purchase of intangible assets	(442.921)	(676.180)	(300.802)	(588.597)
Proceeds from disposal of intangible assets	-	-	-	194.750
Proceeds from Interest and related income	765.430	236.017	443.437	117.700
Investment in subsidiaries	-	-	(715.807)	(2.834.005)
Available for sale financial assets	(903)	(293.931)	-	(293.931)
Grant collection	5.009.067	5.605.200	671.300	-
Net Cash Flows from Investing Activities (b)	(10.142.828)	(13.333.009)	2.441.380	(3.285.688)
Cash flows from financing activities				
Net change in short-term borrowings	(1.131.520)	(3.022.369)	887.453	294.615
Long-term borrowings ovedraft	35.000.000	83.232.650	30.000.000	80.000.000
Long-term borrowings paid	(17.830.204)	(74.882.955)	(12.896.625)	(69.093.274)
Related parties financing	(3.462.275)	-	(3.462.275)	-
Inflows from minority shareholders	357.540	8.370.047	-	-
Dividends paid to minority shareholders	(3.338.591)	(2.873.340)	-	-
Dividends paid to Parent Company shareholders	(3.082.275)	(1.827.349)	(3.082.275)	(1.827.349)
Net cash flows from financing activities (c)	6.512.675	8.996.684	11.446.278	9.373.992
Net increase in cash and cash equivalents for the period (a) + (b) + (c)	(2.583.599)	6.973.190	(1.008.915)	303.462
Cash and cash equivalents at the beginning of the period	16.079.368	9.236.281	2.800.787	2.497.325
Foreign ecxhange differences on cash and cash equivalents	(1.300.536)	(130.103)	-	-
Cash and cash equivalents as at 31st March	12.195.233	16.079.368	1.791.872	2.800.787

(All figures expressed in EURO, unless otherwise stated)

G. Information regarding article 10, Law 3401/2005

The information regarding article 10, Law 3401/2005, concerns the Company, its shares and the market in which these shares are trading; this information have been released by the Company during the 2008 fiscal year, to which this Annual report refers to, as it is dictated by Greek legislation.
It should be noted that the entirety of announcements and financial data released at the Daily Price Bulletin of the Athens Stock Exchange (www.ase.gr) during 2008 –as it appears from the following links- can be also found at the website of the Company: www.alumil.com

Relative links:

http://www.alumil.com/page/default.asp?la=1&id=682 (Greek version)

http://www.alumil.com/page/default.asp?id=682&la=2 (English version)

	CODE	TYPE OF ANNOUNCEMENT	PROTOCOL NUMBER	DATE & TIME OF RELEASE
1	K4-01-025	Comments on Articles	5253	24/2/2009 15:55
2	K4-02-021	Third Quarter 2008 Financials' Announcement	45755	27/11/2008 11:04
3	K4-02-005	Financial Statement data according to IAS	45729	27/11/2008 10:33
4	K4-02-005	Financial Statement data according to IAS	45725	27/11/2008 10:32
5	K4-01-063	Announcement for unclaimed dividends of financial period 2002	43223	12/11/2008 8:50
6	K4-01-071	Announcement of regulated information according to Law 3556/2007	41614	31/10/2008 10:38
7	EK-3340_05	Announcement of transactions	41596	31/10/2008 10:07
8	K4-01-063	Recertification of the Environmental Management System according to EN ISO 14001:2004 by TUV HELLAS.	41127	29/10/2008 13:40
9	K4-01-071	Announcement of regulated information according to Law 3556/2007	34455	17/9/2008 13:51
10	EK-3340_05	Announcement of transactions	34453	17/9/2008 13:40
11	K4-02-021	First Half 2008 Financials' Announcement	30784	28/8/2008 11:02
12	K4-02-005	Financial Statement data according to IAS	30765	28/8/2008 10:37
13	K4-02-005	Financial Statement data according to IAS	30760	28/8/2008 10:35
14	K4-01-015	Anouncement	26819	21/7/2008 15:45
15	K4-01-063	Shareholer Kordas - Market making agreement	25639	11/7/2008 9:27
16	K4-01-063	Renewal of market making agreement	25633	11/7/2008 9:19
17	K4-01-063	ALUMIL administration upon return of Mr. George Milonas	22919	23/6/2008 11:08
18	K4-01-015	Announcement for composition of the Board of Directors	22370	18/6/2008 8:50
19	K4-01-063	ALUMIL administration during the extraordinary absence of George Milonas	21636	11/6/2008 14:16
20	K4-01-025	Announcement: Confirmation on releases	21225	9/6/2008 15:29

(All figures expressed in EURO, unless otherwise stated)

21	K4-01-063	Submission of the Company's modified Articles of Association	21017	6/6/2008 17:07
22	K4-01-027	2007 Dividend Payment	20963	6/6/2008 14:37
23	K4-01-006	Annual General Shareholders' Meeting Decisions	20961	6/6/2008 14:29
24	K4-02-021	First Quarter 2008 Financials' Announcement	18704	29/5/2008 11:02
25	K4-02-005	Financial Statement data according to IAS	18683	29/5/2008 10:20
26	K4-02-005	Financial Statement data according to IAS	18681	29/5/2008 10:19
27	K4-01-063	Press release	18107	27/5/2008 13:10
28	K4-01-063	Alumil systems were exclusively chosen at the Foundation of the Hellenic World	15510	8/5/2008 10:29
29	K4-01-003	Invitation to the Annual General Shareholders' Meeting	15368	7/5/2008 13:23
30	K4-01-063	Group presentation to the "Association of Greek Investment Companies and Mutual Fund Management Companies"	13062	11/4/2008 13:41
31	K4-01-063	ALUMIL: Financial Calendar 2008	12236	4/4/2008 13:46
32	K4-01-063	ALUMIL: Financial Calendar 2008	11084	31/3/2008 13:13
33	K4-02-005	Financial Statement data according to IAS	10335	28/3/2008 12:15
34	K4-02-005	Financial Statement data according to IAS	10309	28/3/2008 11:43
35	K4-02-021	ALUMIL: Annual Results 2007	10292	28/3/2008 11:29
36	K4-02-005	Financial Statement data according to IAS	10290	28/3/2008 11:18
37	K4-01-015	Press release	6807	28/2/2008 16:53
38	K4-01-063	Another benchmark project for ALUMIL	5885	21/2/2008 12:58
39	K4-01-063	Strategic alliance with BIOSAR Energy; ALUMIL Group the exclusive supplier	5213	14/2/2008 11:26
40	K4-01-063	Roadshows in Paris, Vienna and London	3474	29/1/2008 13:54
41	K1-03-009	€ 10 m. Debenture Bond Issuance	901	11/1/2008 9:40