ANNUAL FINANCIAL REPORT

(according to regulations af Article 4 of L.3556/2007)

FOR THE PERIOD

01/01/2008 – 31/12/2008

Societe Anonyme Registration Number 1343/06/B/86/35

2-4 Mesogeion Ave. Athens

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A. Statement by the Members of the Board of Directors

(in accordance with the article 4, par. 2 of Law 3556/2007)

Hereby, it is confirmed that to the best of our knowledge, the annual company and consolidated financial statements of CORINTH PIPEWORKS SA, for the period 1/1/2008 – 31/12/2008, have been prepared in accordance with the International Financial Reporting Standards and provide a true and fair view of the assets, the liabilities, the own capital and the financial results of the company and the entities included in the consolidated financial statements, taken as a whole.

Furthermore, it is confirmed that to the best of our knowledge, the full year Board of Directors' report presents in a true way the progress, the performance and the net equity position of the Company as well as the companies included in the consolidation in total, with a description of the major risks and uncertainties they confront.

Athens, March 24, 2009

The Chairman of BoD	A member of the BoD	The General Manager
Konstantinos Bakouris	Ioannis Stavropoulos	Christophoros Catsambas
Id.C. No : AB 649471	Id C. No: K 221209	Id C. No: AB 287307

B. BOARD OF DIRECTORS REPORT of the Company "CORINTH PIPEWORKS S.A." on the consolidated and the Company Financial Statements for the period 1/1/2008-31/12/2008

Dear Shareholders,

Pursuant to the provisions of Law 3556/2007, of Law 2190/1920 and the decision 7/448/11.10.2007 of the Hellenic Capital Market Commission we submit the Annual Consolidated Board of Directors Report of the company "CORINTH PIPEWORKS S.A." for the Consolidated and the Company Financial Statements of FY 2008. This Report contains all information of paragraphs 7 & 8 of article 4 of Law 3556/2007, the Consolidated and Company Financial Statements of FY 2008, the notes of the Financial Statements of the same fiscal year according to the International Financial Reporting Standards as well as the Audit Report of the independent Auditor Accountant.

1) Group Financial performance

2008 has been a rough year given the substantial volatility of almost all exogenous factors affecting both the competitive position as well as the company's profitability. More specifically, the surge followed by the steep devaluation of the euro versus the US dollar, the rise of the international steel prices and the increase of freight cost to record high levels and its subsequent correction, in conjunction with the drop of oil and natural gas prices by the year end, have established a new environment where CORINTH PIPEWORKS had to accumulate all its skills, in order to maintain its competitive position internationally. Besides, the efforts of the past four years at various operating levels (commercial, production and financial) allowed for the alleviation of the consequences of the current global financial crisis.

Sales: Consolidated turnover amounted to EUR 385,1 million (2007: 357,5), marking a 7,7% increase. Special reference must be made to the hollow structural sections division, whose sales increased by 64% versus the previous fiscal year, as a result of the systematic efforts of the past five years in order to expand the product mix and penetrate into new markets. On the other end, energy sector sales have marginally increased versus last year and formed at EUR 351,3 million.

Gross Profit: Consolidated Gross Profit reported lower by 14% approximately versus the previous fiscal year and formed at EUR 72,6 million. This is mainly due to the revaluation of euro versus the US dollar during the first half of the year when the company was awarded several large projects mainly in North America and the Middle East, which resulted to squeezed profit margins. Moreover, the above development in conjunction with the steep rise of steel prices (over 60%) during the same period, have delayed the award of several large projects, especially in the Middle East, resulting to a reduction of ERW/HFI plant's capacity utilization in the first months of 2008.

Administrative Expenses: They reported significantly lower by approximately 35% (EUR 5,6 million versus EUR 8,6 million in FY 2007), which is mainly attributed to the ongoing efforts for cost reduction combined with the fact that the previous fiscal year was burdened by expenses amounting EUR 1.9 million related to the cost of Corinth's plant shutdown. Moreover, the negative foreign exchange differences in FY 2007, which were accounted for under the same category (amounting EUR 856 thousand), will be accounted from now on under the financial expenses account (see respective note). Excluding the above, consolidated administrative expenses decreased by 16,4% versus FY 2007.

Selling Expenses: They amounted to EUR 50,1 million, marking a 2% increase approximately versus FY 2007. It is noted that this expenses category also includes foreign exchange differences amounting EUR 6 million versus EUR 2,7 million in the previous fiscal year. Moreover, freight expense amounted to EUR 26,2 million versus EUR 25,3 million the previous year. Even though ship freight prices marked significant volatility during the year, the signed contracts per project did not allow to fully benefiting from the especially low freight prices of the last quarter of the fiscal year.

Financial Expenses (net): The decrease in the company's net debt due to the streamlining of working capital management along with the fact that a significant portion of the company's debt is interest rate risk free, have contributed to the substantial decrease of net financial expenses (59%) versus the previous fiscal year, which formed at EUR 7,13 million.

The Russian energy market, where the company operates through its subsidiary ZAO TMK-CPW, 49% of which is controlled by subsidiary HUMBEL Ltd, reported positive growth. In spite of the substantial slowdown after the end of the third quarter along with the fact that this was the subsidiary's first year of operations, the company has received significant, for its size, orders from large Russian corporations such as Rosneft, resulting to after tax earnings of EUR 4,9 million.

As a result of the above, earnings before tax amounted to EUR 15,8 million (versus EUR 40,1 million in FY 2007), while earnings after tax and minorities decreased by 73,6% to EUR 9 million (versus EUR 34 million in FY 2007).

Finally, it is noted that the efficient working capital management, pursuant to the existing orders program, contributed to further decrease of the Group' s net debt, which stood at EUR 57,2 million on 31/12/2007 and EUR 85,7 million on 31/12/2007. The shareholders' equity was further enhanced and amounted to EUR 124,6 million. On the other hand, the high amount of advance payments by customers in addition to the increase of the suppliers, resulted in the increase of the non financing liabilities to Euro 194,9 million Euro, versus Euro 117,8 million, last year.The following table illustrates the evolution of the key financial ratios:

	31/12/2008	31/12/2007
General Liquidity	0,92	1,23
Own Capital/Total Assets	31,5%	36,5%
EBITDA/Sales	8,1%	16,0%
Earnings per share	0,071	0,274

2. Risks and uncertainties

Due to the nature of its activities, the Group is exposed to a series of risks: financial and business ones. As far as it concerns the financial risks (a detailed analysis can be found in the Annual Financial Statements), the most important of which are the foreign exchange risk, the interest rate risk, the credit and liquidity risk, as well as the capital risk, several guidelines have been issued, based on which, the Financial Dept manages them. More specifically:

i) Foreign exchange risk

The Group operates internationally (97% of the sales are to abroad, while all raw materials are imported) and is exposed to foreign exchange risk arising from various currencies, but mainly from the US dollar. The Group follows a full hedging policy, either with natural hedging (purchase of resources priced in the sale currency) or with FX forwards or with both (note 3).

(ii) Interest rate risk

The Group has borrowings both with fixed and variable interest rates, (EURIBOR + spread). The interest rate risk deriving from the variable interest rate loans is partly hedged by making use of interest rate swaps. The Group's respective policy in the last 3 years, dictates that at least 50% of the borrowings will not be subject to interest rate risk (note 3).

iii) Credit risk

Credit risk arises from deposits, derivative financial instruments (banks and financial institutions credit risk), as well as credit, granted to customers. The Group is banking with some of the largest and healthiest financial institutions of the Greek market, whose credit rating is at least BBB+ / F2 (Fitch).

The Group has adopted strict procedures for credit control and management of political risk, reviewing data like financial statements, payments' record, possible counter guarantees they can provide etc. A considerable part of sales is against LCs or down payments. When this is not possible, the company uses credit insurance, factoring and when required political risk insurance.

(iv) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the ability of funding each project that the Group undertakes through an adequate amount of committed credit facilities. Because of the different cash flow cycle of each project, the Treasury Dept. analyzes the needs and whenever it is necessary, uses the committed credit lines with banks and other financial institutions. It is noted that on 31/12/2008 the Group had EUR 19,4 million in cash.

v) Capital risk

The said risk is related to the possibility of operations' interruption, in such a way that the Group will not be able to yield satisfactory returns to its shareholders and other stakeholders. The Group is always trying to achieve the best mix of funds, in order to minimize its cost of capital. Therefore, in the prevailing conditions of increased interest rates the target gearing ratio ranges from 50%.

On the other hand, the company is operating in the international markets and hence is exposed to global competition, while negotiating and conducting transactions with customers and suppliers of larger size and negotiating power. 91% of the Group sales are on a project basis, where both selling prices and cost of raw materials are fixed throughout the execution period. However, the remaining 9% of sales, which mainly concern large hollow sections, is subject to changes both in prices and Hot Rolled Coil cost. As it was noted in the Semiannual Board of Directors Report, the possibility of a steep correction of this market actually materialized due to the global financial crisis and the subsequent shrinking of the construction sector.

The Group's activities in the Russian energy market and its neighboring countries, through its participation in the ZAO TMK-CPW Joint Venture, beyond the obvious advantages gained, also entails exposure to the financial conditions shaping these countries. Given Russia's dependency on the international commodity prices and especially on energy prices, it is evident that the prolonged sustainability of current prices will have an impact on ZAO TMK-CPW's turnover and profitability.

Furthermore, freight cost, which is a major cost item for the Group, has been extremely volatile especially in 2008. Even though the Group has contracts on a project basis for a large part of its transportation requirements, in many cases this is not possible, which results to chartering ships in the spot market that in turn affects these projects' profitability. For the first time in 2008, the Group attempted to hedge a small part of the freight risk with the use of FFAs (Forward Freight Agreements) based on the Baltic handysize index (note 13). The improvement of the liquidity of the market will likely lead to estended use of this financial instrument in the future.

3. Prospects – Estimations

As it was noted in the Semiannual Board of Directors Report, the Global financial crisis has finally affected international energy markets. The steep drop in prices as a result of the decreasing demand for oil and natural gas in conjunction with the reluctance of the banking system to finance large projects, has inevitably delayed the launch of several projects in different parts of the globe. Especially as it regards the North American market, most projects have been postponed for 2010 and 2011, when the energy demand is expected to recover to the levels prior to the crisis. Similar seems to be the situation in the Russian market, where large energy groups aim at reducing their capital expenditures to the absolute minimum. Another risk factor stemming from the global financial crisis is the increasing protectionism.

On the other hand, several energy groups, which have strong cash position and / or entertain strong credit rating (Europe, Middle East and North Africa), consider the current conditions (low steel and freight prices) to be rather positive, as it regards mainly the continuation of their investments in extraction and transmission of gas. Moreover, the recurrence of the 2-year ago dispute between Russian and Ukraine related to the natural gas transportation to Europe, has raised even more the need to diversify both the sourcing as well as the transit pipelines. Finally, the devaluation of the EURO versus the US dollar at near fair parity levels, is expected to alter the competitive environment and strengthen the Eurozone producers

In such a market conditions, CORINTH PIPEWORKS aims at intensifying its efforts of the past four years for streamlining its operations, further penetration in the markets of Europe, North Africa and Middle East, expansion of the product mix and sustaining its financial structure. Besides, its strategic choice to be one of the most innovative and reliable steel pipe producers allows the Group to retain, under the current conditions, its presence to various parts of the globe and confront the current adverse conditions with the least possible casualties. Finally, the safety in the working places, the environmental protection, the harmonious coexistence with the local community and the continuous training of the personnel, remains nonnegotiable targets closely linked to company's operations.

4. Transactions with related parties (IFRS 24)

SIDENOR SA owns 78,55% of CORINTH PIPEWORKS SA shares, while the remaining 21,45% is free float. The ultimate shareholder of the Group is VIOHALCO SA. During the year 2008, the transactions of the company with the related parties were carried out with the usual market conditions and within its normal course of business. Exception to the above is an amount of Euro 3.603.023 included in the receivables from DIAVIPETHIV SA that concerns the transfer of land (145.472 sq.m.) to the latter, in the framework of implementing the Regulatory Plan of Thisvi Industrial Zone. It also includes the amount of Euro 484.431 regarding an advance payment in respect of a share capital increase (note 9).

In the following tables, are illustrated the important intra-company sales and other transactions with related parties (according to IFRS 24), during the full year 2008. The related parties are members of VIOHALCO Group.:

Sale of goods to	31/12/2008	31/12/2007
ANAMET SA	962.161,83	1.267.096,83
METAL AGENCIES LTD	1.769.425,33	1.673.260,00
SID PAK BULGARIA	204.937,85	-
SID PAK ROMANIA	78.100,65	
ELVAL SA	-	25.984,47
HELLENIC CABLES SA	-	64.166,13
SIDENOR SA	210.981,02	2.073,41
SIDMA SA	375.161,05	-
SOVEL SA	41.639,51	63.466,74

Sale of services to	31/12/2008	31/12/2007
BELANTEL HOLDINGS LTD	307.589,46	
STEELMET (CY) LTD	1.154.190,00	1.283.489,44
DIAVIPETHIV SA	699.976,22	172.709,14
ELVAL SA	-	74.945,30
SIDENOR SA	91.386,18	26.323,54
SOVEL SA	35.514,50	330,00
HALKOR SA	555,41	215.186,59

Sales of Fixed assets to	31/12/2008	31/12/2007
SIDENOR SA	5.984,88	10.879.264,86

Purchase of goods from	31/12/2008	31/12/2007
LESCO	674.650,90	326.686,66
SOFIA MED	468.167,77	1.350.657,47
STOMANA INDUSTRY	3.072.070,37	1.413.103,22
METALOURGIA KORINTH SA	694.874,96	166.152,16
SIDENOR SA	1.611.497,63	315.139,72
SIDMA SA	41.585,56	14.712,08
HALKOR SA	1.804.777,78	1.252.797,82

Purchase of services from	31/12/2008	31/12/2007

METAL AGENCIES LTD	48.938,16	40.359,03
NOVAL SA	192.000,00	192.000,00
STEELMET (CY) LTD	1.724.824,83	1.920.706,19
TEPROMETAL SA	270.394,93	182.282,03
VIEXAL SA	352.072,73	449.824,28
DIAVIPETHIV SA	1.250.633,70	331.996,02
ELKEME	49.051,00	78.450,00
PRAXIS SA	168.593,65	66.850,38
SIDENOR SA	146.354,12	35.000,00
SIDMA SA	165.319,90	141.272,58
SOVEL SA	31.948,00	1.121,04
STILMET SA	521.317,82	443.210,63

Purchase of fixed assets from	31/12/2008	31/12/2007
TEKA SYSTEMS		450.887,00
HELLENIC CABLES SA	6.045,61	56.622,23
METALOURGIA KORINTH SA	129.182,98	1.876,62
PANELCO SA	98.593,85	8.478,21
SIDMA SA	81.819,88	15.951,70

Receivables from related parties	31/12/2008	31/12/2007
ANAMET SA	103.831,73	80.197,11
ANTIMET SA	73.983,83	56.907,83
BELANTEL HOLDINGS LTD	169.092,82	-
METAL AGENCIES LTD	820.861,72	934.252,02
NOVAL SA	1.344.000,00	1.536.000,00
STEELMET (CY) LTD	658.251,71	659.592,15
DIAVIPETHIV SA	4.390.844,00	452.609,53
HELLENIC CABLES SA	10.710,00	-
METALOURGIA KORINTH SA	-	385.475,56
SIDMA SA	1.680.108,97	1.156.425,37

Payables to related parties	31/12/2008	31/12/2007
ANTIMET SA	7.061,95	1.991,78
GENECOS SA	1.645,58	702,62
LESCO	-	92.770,47
METAL AGENCIES LTD	49.359,10	93.497,81
NOVAL SA	-	818.801,79
SOFIA MED	-	605.830,47
STEELMET (CY) LTD	1.260.666,78	1.211.599,23
STOMANA INDUSTRY	2.057.788,26	-
TEKA SYSTEMS	-	104.398,74
TEPROMETAL SA	49.323,06	47.520,11
DIAVIPETHIV SA	437.847,14	309.655,63
ELKEME	14.809,55	21.420,00
SIDENOR SA	200.083,53	158.922,21
SODMA SA	25.387,59	85.010,15
STILMET SA	143.523,81	55.777,43
HALKOR SA	334.303,19	444.289,81

Finally, the remuneration to the members of the Board and the Management of the company, as well as the receivables and the payables from and to them, as of 30/6/2008 are illustrated below:

	31/12/2008	31/12/2007
Remuneration to the BoD and Management	901.602	923.475
Receivables from the BoD and Management	-	750.000
Amounts payable to the BoD and Management	13.953	43.430

5. Facilities and branches

The privately owned facilities of the plant are located in the industrial zone of Thisvi Viotia, on a total surface of 496.790 sq.m.

The Company has the following branches :

1 - Warehouse and branch in Thisvi plant.

2 - Headquarters in Athens.

3 - Branch in the United Arab Emirates to support sales in the Persian Gulf market.

Furthermore, the Group, besides Greece, has operations in the U.S., Germany and Cyprus, through its subsidiaries.

6. Major events following 31/12/2008

No major event has occurred that could have an impact at the company's course and its results.

7. Information of article 4 of L.3556/2007

a) Share Capital Structure

The Company's share capital amounts to EUR 96.852.756,78 divided into 124.170.201 ordinary registered shares with a nominal value of EUR 0,78 per share. All shares are listed for trading on the Athens Exchange, in the Large Cap Category. The company's shares are intangible, registered and with a right to vote.

According to the Company's Articles of Association, the rights and obligations of shareholders are as follows:

- Right to dividends from the Company's annual profits. The dividend of each share is paid to shareholders following approval of the financial statements by the General Meeting in accordance with the provisions of the respective resolution of the Board of Directors. Individuals who do not receive dividends on time are not entitled to interest. The right to collect dividends is forfeited after the lapse of (5) years from the end of the year, during which it was due.

- Pre-emptive right to every Company share capital increase and the acquisition of new shares.

- Right to participate in the General Shareholder Meeting.

- The capacity of shareholder automatically entails the acceptance of the Company's Articles of Association and the decisions of its bodies, which are consistent to the provisions of the said Articles and the Law.

- The Company's shares cannot be divided and the Company acknowledges only one owner per share. All joint shareholders, as well as those who have usufruct or bare ownership of shares, are represented in the General Meeting by only one person appointed by them upon agreement. In case of disagreement, the share of the aforementioned parties is not represented.

- The shareholders are not liable beyond the nominal capital of each share.

b) Restrictions in the Transfer of Company Shares

The transfer of Company shares is carried out in accordance with the provisions of Law, and the Articles of Association do not stipulate any restrictions as to their transfer.

c) Significant Direct or Indirect Participations Pursuant to Law 3556/2007

The significant participations (over 5%) as of 31-12-2008 were as follows:

ELMONTE HOLDINGS LTD a percentage of 76,58% of voting rights *

*ELMONTE is a subsidiary by 100% of SIDENOR, which is a subsidiary of VIOHALCO.

d) Shares that offer Special Control Rights

There are no issued shares of the Company that offer special control rights.

e) Restrictions in voting rights

No voting right restrictions, arising from its shares, are stipulated by the Company's Articles of Association. The rules of the Company's Articles of Association regulating voting issues are given under Article 24 which states that:

- Every share grants the right to one vote in the General Meeting.
- In order for shareholders to be entitled to attend the General Meeting, they are obligated, at least five (5) days in advance of the date fixed for the Meeting, to submit to the Company a certificate by the Central Securities Depository listing all shares registered on their name, with a commitment not to transfer these shares until the day of the General Meeting. Within the same deadline, they must also submit to the Company's offices the proxies of the shareholders' representatives.

f) Agreements between Company Shareholders

To the Company's knowledge, there are no such agreements.

g) Rules of appointment and replacement of the Members of the Board of Directors and amendment of the Company's Articles of Association.

The rules provided by the Company's Articles of Association regarding, both the appointment and replacement of members of the Board of Directors, as well as the amendment of its provisions, are not differentiated from the statutory provisions of Codified Law 2190/1920.

h) Jurisdiction of the Board of Directors for the Issuance of New or the Purchase of Own Shares

- Pursuant to the provisions of Article 13, paragraph 1, sections b and c of Codified Law 2190/1920, the Company's Articles of Association stipulate that only the General Shareholder Meeting has the authority to increase the Company's share capital by issuing new shares, following a resolution taken by a majority vote of at least 2/3 of the votes represented in the meeting.
- The Board of Directors may purchase own shares within the framework of a General Meeting resolution pursuant to Article 16, paragraphs 5 to 13 of Codified Law 2190/20.
- Pursuant to the provisions Article 13, paragraph 9, of Codified Law 2190/1920 and following a relevant resolution by the General Meeting to introduce a share offering plan for company BoD members and personnel, in the form of a Stock Option Plan, the Board of Directors may issue shares for beneficiaries, increasing share capital accordingly and confirming the relevant increase. Such a stock option rights plan has not been approved by the Company's General Shareholder Meeting.

i) Significant Agreements that Become Valid, Are Amended or Terminated in the Event of Change of Control

Bond loans issued by the Company and undertaken in their entirety by banks, with a total balance of EUR 38.333.336 as of 31 December 2008, include a clause in their terms for the event of change of control, which, if enacted, gives bondholders the right to terminate the loan before maturity.

To the Company's knowledge, there are no other agreements that become effective, are amended or terminated in the event of change of Company control.

j) Agreements with Members of the Board of Directors or Company Personnel.

To the company's knowledge, there are no agreements between the Company and members of the Board of Directors or its personnel, which provide for the payment of compensation, especially in the event of resignation or termination of employment without reasonable grounds or termination of term or employment due to a takeover bid.

Athens, March 24, 2009

The Chairman of the Board of Directors

Konstantinos Bakouris

C. Annual Financial Statements Group and Company

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Date of approval

March 24, 2009

The Chairman of BoD	A member of the BoD	The General Manager	The financial manager
Konstantinos Bakouris	**Ioannis Stavropoulos**	**Christophoros Catsambas**	**Michael Mastorakis**
Id.C. No: AB 649471	**Id C. No: K 221209**	**Id C. No: AB 287307**	**Id. C. No.: X 625227**

Balance Sheets

		CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	**Notes**	**31/12/2008**	**31/12/2007**	**31/12/2008**	**31/12/2007**
ASSETS					
Non-Current assets					
Tangible fixed assets	6	144.160.178	153.250.226	144.114.864	153.225.202
Intangible assets	7	97.244	215.597	97.244	215.597
Investments in associated companies	9	9.037.676	7.987.071	687.125	687.125
Investments in subsidiary companies	8	-	-	11.319.068	11.319.068
Deferred Tax Asset	19	133.198	1.277.027	-	-
Derivative financial instruments	13	-	536.880	-	536.880
Other receivables	12	3.985.022	394.300	3.985.022	394.300
		157.413.318	**163.661.101**	**160.203.323**	**166.378.172**
Current Assets					
Inventories	11	125.338.067	95.862.995	112.719.165	80.728.112
Trade and other receivables	12	90.776.614	64.961.334	85.871.131	54.392.964
Income tax		-	931.120	-	-
Derivative financial instruments	13	3.324.973	1.549.428	3.324.973	1.549.428
Financial assets at fair value through profit and loss	14	48.537	106.737	48.537	106.737
Cash & Cash equivalent	15	19.405.270	11.591.569	13.360.065	4.163.313
		238.893.461	**175.003.183**	**215.323.871**	**140.940.554**
Total Assets		**396.306.779**	**338.664.284**	**375.527.194**	**307.318.726**
EQUITY					
Equity attributable to shareholders of the Company					
Share capital	16	96.852.757	96.852.757	96.852.757	96.852.757
Reserve from issuance of shares above par	16	27.427.850	27.427.850	27.427.850	27.427.850
Foreign exchange difference from consolidation of subsidiaries	17	-2.446.001	-900.754	-	-
Other reserves	17	7.968.620	14.167.721	7.968.620	14.167.721
Losses carried forward		-5.100.650	-13.959.331	-7.782.742	-13.473.433
Total equity		**124.702.576**	**123.588.242**	**124.466.485**	**124.974.895**
LIABILITIES					
Long-term liabilities					
Loans	18	7.500.000	65.578.501	7.500.000	65.578.501
Deferred tax liabilities	19	1.601.811	-	2.727.747	57.113
Liabilities for remuneration to retired personnel	20	1.031.561	1.673.374	1.031.561	1.673.376
Provisions	21	2.709.449	5.040.060	3.506.125	5.040.060
Other long-term liabilities	22	12.792	108.631	-	-
		12.855.613	**72.400.566**	**14.765.433**	**72.349.050**
Short-term liabilities					
Suppliers and other liabilities	22	175.576.630	108.562.866	153.864.317	76.272.049
Income tax		775.838	180.244	144.357	140.897
Loans	18	62.928.501	31.670.728	62.928.501	31.670.728
Derivative financial instruments	13	10.802.817	1.298.685	10.802.817	1.298.685
Other short-term financial liabilities	36	6.194.998	-	6.194.998	-
Provisions	21	2.469.806	962.953	2.360.286	612.422
		258.748.590	**142.675.476**	**236.295.276**	**109.994.781**
Total liabilities		**271.604.203**	**215.076.042**	**251.060.709**	**182.343.831**
Total equity and liabilities		**396.306.779**	**338.664.284**	**375.527.194**	**307.318.726**

The notes on pages 18 to 64 constitute an integral part of these financial statements.

Income statements

		CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	**Notes**	**1/1 until 31/12/2008**	**1/1 until 31/12/2007**	**1/1 until 31/12/2008**	**1/1 until 31/12/2007**
Sales	5	**385.122.868**	**357.527.531**	**346.006.732**	**340.594.070**
Cost of sales	23	-312.561.689	-272.901.205	-280.699.997	-257.981.686
Gross profit		**72.561.179**	**84.626.326**	**65.306.735**	**82.612.384**
Selling expenses	23	-50.073.391	-49.156.254	-47.372.291	-51.244.572
Administrative expenses	23	-5.602.681	-8.643.572	-4.733.264	-6.459.909
Other income	25	11.496.393	9.851.521	10.136.644	8.743.109
Other expenses	26	-1.316.745	-2.462.061	-1.048.023	-337.964
Other gains / (losses) -net	27	-6.883.291	14.019.202	-6.883.291	9.293.047
Operating profit		**20.181.464**	**48.235.162**	**15.406.510**	**42.606.095**
Finance income	28	2.536.327	2.438.052	2.404.166	2.219.879
Finance expenses	28	-9.663.915	-10.736.570	-9.597.675	-10.733.843
Finance expenses - net	28	**-7.127.588**	**-8.298.518**	**-7.193.509**	**-8.513.964**
Income from dividends		-	-	2.314.691	847.700
Share of profit / (loss) of associates	9	2.783.850	164.248	-	-
Profit before income tax		**15.837.726**	**40.100.892**	**10.527.692**	**34.939.831**
Income tax	29	-6.979.045	-6.139.866	-4.837.001	-5.086.126
Profit for the year		**8.858.681**	**33.961.025**	**5.690.691**	**29.853.705**
Attributable to:					
Equity holders of the company		8.858.681	33.971.441	5.690.691	29.853.705
Minority interest		-	-10.416	-	-
		8.858.681	**33.961.025**	**5.690.691**	**29.853.705**
Profits/(losses) per share that attributable to the equity holders of the company during the year (expressed in € per share)					
Basic and reduced	31	0,071	0,274	0,046	0,240

It is noted that for comparability purposes, the amount of €847.700 (Company) for the period 01/01/2007 – 31/12/2007 has been removed from the "other expenses", as published in 2007, and placed into "income from dividends".

Also for comparability purposes for the period 01/01/2007 – 31/12/2007, the amount of €1.119.244 (Group - Company) regarding income from exchange differences of cash has been removed from "other income", as published in 2007, and placed into the "finance income". For the same period, the amount of €856.242 regarding exchange difference expenses from cash has been removed from the "administration expenses", as published in 2007, and placed into the "finance expenses".

The notes on pages 18 to 64 constitute an integral part of these financial statements.

Owner’s Equity Statements

		Attributable to the shareholders of the parent company							
Amounts in Euros	**Notes**	**Share capital**	**Reserves at fair value**	**Other reserves**	**Results carried forward**	**Foreign exchange differences due to consolidation**	**Total**	**Minority rights**	**Total equity**
CONSOLIDATED FIGURES									
Balance at January 1, 2007		**124.280.607**	**2.370.666**	**13.577.787**	**-47.931.556**	**-186.420**	**92.111.084**	**1.494.398**	**93.605.482**
Foreign exchange difference	17	-	-	-	-	-714.334	**-714.334**	-	**-714.334**
Profit / (Loss) after tax from change of fair market value of cash flow hedge	17	-	-1.779.948	-	-	-	**-1.779.948**	-	**-1.779.948**
Net profit / (loss) of year		-	-	-	33.971.441	-	**33.971.441**	-10.416	**33.961.025**
Total recognised net profit / (loss) of year		-	-1.779.948	-	33.971.441	-714.334	**31.477.159**	-10.416	**31.466.743**
Sale of subsidiary		-	-	-	-	-	**-**	-1.483.982	**-1.483.982**
Transfer to retained earnings		-	-	-784	784	-	**-**	-	**-**
Balance at December 31, 2007		**124.280.607**	**590.718**	**13.577.003**	**-13.959.331**	**-900.754**	**123.588.243**	-	**123.588.243**
Balance at January 1, 2008		**124.280.607**	**590.718**	**13.577.003**	**-13.959.331**	**-900.754**	**123.588.243**	**-**	**123.588.243**
Foreign exchange difference	17	-	-	-	-	-1.545.248	**-1.545.248**	-	**-1.545.248**
Profit / (Loss) after tax from change of fair market value of cash flow hedge	17	-	-6.199.101	-	-	-	**-6.199.101**	-	**-6.199.101**
Net profit / (loss) of year		-	-	-	8.858.681	-	**8.858.681**	-	**8.858.681**
Total recognised net profit / (loss) of year		-	-6.199.101	-	8.858.681	-1.545.248	**1.114.332**	-	**1.114.332**
Balance at December 31, 2008		**124.280.607**	**-5.608.383**	**13.577.003**	**-5.100.650**	**-2.446.002**	**124.702.575**	**-**	**124.702.575**

		Attributable to the shareholders of the parent company				
Amounts in Euros	**Notes**	**Share capital**	**Reserves at fair value**	**Other reserves**	**Results carried forward**	**Total equity**
COMPANY FIGURES						
Balance at January 1, 2007		**124.280.607**	**2.370.666**	**13.577.004**	**-43.327.138**	**96.901.139**
Profit / (Loss) after tax from change of fair market value of cash flow hedge	17	-	-1.779.948	-	-	**-1.779.948**
Net profit / (loss) of year		-	-	-	29.853.705	**29.853.705**
Total recognised net profit / (loss) of year		-	-1.779.948	-	29.853.705	**28.073.757**
Balance at December 31, 2007		**124.280.607**	**590.718**	**13.577.004**	**-13.473.433**	**124.974.896**
Balance at January 1, 2008		**124.280.607**	**590.718**	**13.577.004**	**-13.473.433**	**124.974.896**
Profit / (Loss) after tax from change of fair market value of cash flow hedge	17	-	-6.199.101	-	-	**-6.199.101**
Total recognised net profit / (loss) of year		-	-6.199.101	-	5.690.691	**-508.410**
Balance at December 31, 2008		**124.280.607**	**-5.608.383**	**13.577.004**	**-7.782.742**	**124.466.486**

The notes on pages 18 to 64 constitute an integral part of these financial statements.

Cash Flow Statements

	Notes	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros		**1/1 until 31/12/2008**	**1/1 until 31/12/2007**	**1/1 until 31/12/2008**	**1/1 until 31/12/2007**
Cash flows from operating activities					
Cash flows from operating activities	32	47.194.039	18.686.397	46.542.586	13.345.061
Interest paid		-9.829.892	-10.668.724	-9.763.650	-10.665.996
Income tax paid		-261.096	-2.620.207	-96.540	-780.921
Net cash flows from operating activities		**37.103.051**	**5.397.466**	**36.682.396**	**1.898.144**
Cash flows from investment activities					
Purchase of tangible fixed assets	6	-5.469.953	-7.071.866	-5.440.053	-6.871.696
Purchase of intangible fixed assets	7	-	-355.093	-	-355.093
Sale of tangible fixed assets	32	56.654	11.531.409	56.280	11.529.533
Sale of shares in affiliate companies	8	-	14.524.384	-	14.712.800
Dividends received		-	-	2.314.691	847.700
Sale of financial assets at fair value through profit and loss	14	-	278.329	-	-
Interest received		2.536.328	1.810.991	2.404.167	1.592.821
Increase in subsidiary's share capital	8	-	-	-	-69.680
Purchase of associated company	9	-	-1.218.827	-	-
Cash flows from financing activities		**-2.876.971**	**19.499.326**	**-664.915**	**21.386.385**
Cash flows from financing activities					
Dividends paid to the shareholders of the parent company		-	-98	-	-98
Proceeds from borrowings		93.750.206	20.720.000	93.750.206	20.720.000
Repayments of borrowings		-120.555.613	-40.560.136	-120.555.613	-40.560.106
Payments of leasing principle		-15.321	-1.349.604	-15.321	-1.349.607
Net cash flows from financing activities		**-26.820.729**	**-21.189.838**	**-26.820.729**	**-21.189.811**
Net (decrease)/increase in cash and cash equivalent		7.405.352	3.706.954	9.196.752	2.094.718
Cash and cash equivalent at the beginning of the period	**15**	**11.591.569**	**8.366.061**	**4.163.313**	**2.068.595**
Foreign exchange differences in cash and cash equivalent		408.349	-481.447	-	-
Cash and cash equivalent at year-end	**15**	**19.405.270**	**11.591.569**	**13.360.065**	**4.163.313**

The notes on pages 18 to 64 constitute an integral part of these financial statements.

Notes on the annual financial statements

1) General information

The annual financial statements presented herein include the annual corporate financial statements of CORINTH PIPEWORKS S.A. (the "Company") and the annual consolidated financial statements of the Company and its subsidiaries (together the "Group").

The Group is primarily active in the production of high-quality medium and large-diameter steel pipes that are used in the petrochemical industry (transfer of liquid and gas fuels), in water supply industry and in construction works.

The Group is active in Greece, the United States of America, Germany and Cyprus, while the Company's shares are listed on the Athens Stock Exchange.

The Company was established and is seated in Greece, 2-4 Mesogheion Ave., Athens. The Company's web address is www.cpw.gr.

The annual financial statements have been approved by the company's Board of Directors on March 24, 2009 and are available on the mentioned company's web page where they will remain for at least 5 years from publication date.

2) Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. The annual financial statements were prepared according to the same accounting principles that were followed for the preparation and the presentation o the Company's and the Group's financial statements for 2007, unless otherwise stated.

2.1 Framework in which the financial statements have been prepared

The financial statements have been prepared by the management according to the International Financial Reporting Standards ("IFRS"), including both the International Accounting Standards ("IAS") and interpretations that have been issued by the International Financial Reporting Interpretations Committee, as these have been adopted by the European Union, and the IFRS that have been issued by the International Accounting Standards Board (IASB).

The information contained herein has been prepared based on the principle of historic cost as this has been amended with the estimation of financial assets and liabilities at fair market value through results as well as derivatives.

Preparation of financial statements according to the IFRS requires the use of certain important accounting estimations and the exercise of judgment on behalf of the Management during the application of accounting policies. In addition, it requires the use of calculations and assumptions that affect the aforementioned asset and liability figures, the disclosure of potential receivables and liabilities on the day the financial statements are prepared and the aforementioned income and expense figures during the said year. In spite of the fact that these calculations are based on the Management's best possible knowledge of current conditions and actions, actual results may differ from these calculations. Areas that contain a great degree of subjectivity and are composite or the assumptions and estimations that are important for the financial statements are noted in note 4.

The financial statements have been prepared on the going concern basis. According to the existing forecasts and the available financial resources, the Management has no intention or need of short-term liquidation of assets, or any reason to believe that the Company and the Group as a whole will not be in a position to ensure the normal course of business and the service of its obligations, as there is no indication for the opposite.

According to the balance sheet as at 31/12/2008, the Company and the Group are showing negative working capital (current assets < short-term liabilities) of € 20.971.405 και € 19.855.129 respectively. This is mainly due to the transfer of the European Investment Bank's loan in the short-term liabilities, related to the non satisfaction of financial covenant clauses and the IAS1 (see note 18). The Management of the company is assessing all the facts regarding the future profitability, the loan liabilities and particularly the unused credit lines of €62.584.509, and believes that the situation reflected through the financial statements is temporary.

2.2 New standards, interpretations and amendment of existing standards

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

Standards effective for year ended 31 December 2008

IAS 39 (Amendment) "Financial Instruments: Recognition and Measurement" and IFRS 7 (Amendment) "Financial instruments: Disclosures" – Reclassification of Financial Assets (effective prospectively from 1 July 2008)

This amendment 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 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. This amendment will not have any impact on the Group's financial statements.

Interpretations effective for year ended 31 December 2008

IFRIC 11 – IFRS 2: Group and Treasury share transactions (effective for annual periods beginning on or after 1 March 2007)

This interpretation clarifies the treatment where employees of a subsidiary receive the shares of a parent. It also clarifies whether certain types of transactions are accounted for as equity-settled or cash-settled transactions. This interpretation is not expected to have any impact on the Group's financial statements.

IFRIC 12 – Service Concession Arrangements (effective for annual periods beginning on or after 1 January 2008)

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

IFRIC 14 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (effective for annual periods beginning on or after 1 January 2008)

This interpretation applies to post-employment and other long-term employee defined benefit plans. The interpretation clarifies when refunds or reductions in future contributions should be regarded as available, how a minimum funding requirement might affect the availability of reductions in future contributions and when a minimum funding requirement might give rise to a liability. As the Group does not operate any such benefit plans for its employees, this interpretation is not relevant to the Group.

Standards effective after year ended 31 December 2008

IAS 1 (Revised) "Presentation of Financial Statements" (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. The key changes are: the requirement that the statement of changes in equity include 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. The Group will apply these amendments and make the necessary changes to the presentation of its financial statements in 2009.

IAS 23 (Amendment) "Borrowing Costs" (effective for annual periods beginning on or after 1 January 2009)

This standard replaces the previous version of IAS 23. The main change is the removal of the option of immediately recognising as an expense borrowing costs that relate to assets that need a substantial period of time to get ready for use or sale. The Group will apply IAS 23 from 1 January 2009.

IAS 32 (Amendment) "Financial Instruments: Presentation" and IAS 1 (Amendment) "Presentation of Financial Statements" – Puttable Financial Instruments (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 influence the financial statements.

IAS 39 (Amended) "Financial Instruments: Recognition and Measurement" – Eligible Hedged Items (effective for annual periods beginning on or after 1 July 2009)

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

IFRS 1 (Amendment) "First time adoption of IFRS" and IAS 27 (Amendment) "Consolidated and separate financial statements" (effective for annual periods beginning on or after 1 January 2009)

The amendment to IFRS 1 allows first-time adopters to use a deemed cost of either fair value or the carrying amount under previous accounting practice to measure the initial cost of investments in subsidiaries, jointly controlled entities and associates in the separate financial statements. The amendment also removes the definition of the cost method from IAS 27 and replaces it with a requirement to present dividends as income in the separate financial statements of the investor. As the parent company and all its subsidiaries have already transitioned to IFRS, the amendment will not have any impact on the Group's financial statements.

IFRS 2 (Amendment) "Share Based Payment" – Vesting Conditions and Cancellations (effective for annual periods beginning on or after 1 January 2009)

The amendment clarifies the definition of "vesting condition" by introducing the term "non-vesting condition" for conditions other than service conditions and performance conditions. The amendment also clarifies that the same accounting treatment applies to awards that are effectively cancelled by either the entity or the counterparty. The Group does not expect that these amendments will have an impact on its financial statements.

IFRS 3 (Revised) "Business Combinations" and IAS 27 (Amended) "Consolidated and Separate Financial Statements" (effective for annual periods beginning on or after 1 July 2009)

The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill 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 recognizing subsequent changes in fair value of contingent consideration in the profit or loss. The amended IAS 27 requires that a change in ownership interest of a subsidiary to be accounted for as an equity transaction. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The changes introduced by these standards must be applied prospectively and will affect future acquisitions and transactions with minority interests. The Group will apply these changes from their effective date.

IFRS 8 "Operating Segments" (effective for annual periods beginning on or after 1 January 2009)

This standard supersedes IAS 14, under which segments were identified and reported based on a risk and return analysis. Under IFRS 8, segments are components of an entity regularly reviewed by the entity's chief operating decision maker and are reported in the financial statements based on this internal component classification. The Group will apply IFRS 8 from 1 January 2009.

Interpretations effective after year ended 31 December 2008

IFRIC 13 – Customer Loyalty Programmes (effective for annual periods beginning on or after 1 July 2008)

This interpretation clarifies the treatment of entities that grant loyalty award credits such as ''points'' and ''travel miles'' to customers who buy other goods or services. This interpretation is not relevant to the Group's operations.

IFRIC 15 - Agreements for the construction of real estate (effective for annual periods beginning on or after 1 January 2009)

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

IFRIC 16 - Hedges of a net investment in a foreign operation (effective for annual periods beginning on or after 1 October 2008)

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

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

The amendments set out below describe the key changes to IFRSs following the publication in May 2008 of the results of the IASB's annual improvements project. Unless otherwise stated the following amendments are effective for annual periods beginning on or after 1 January 2009.

IAS 1 (Amendment) "Presentation of financial statements"

The amendment clarifies that some rather than all financial assets and liabilities classified as held for trading in accordance with IAS 39 "Financial instruments: Recognition and measurement" are examples of current assets and liabilities respectively. The Group will apply this amendment from 1 January 2009 but it is not expected to have an impact on the Group's financial statements.

IAS 16 (Amendment) "Property, plant and equipment" (and consequential amendment to IAS 7 "Statement of cash flows")

This amendment requires that entities whose ordinary activities comprise renting and subsequently selling assets present proceeds from the sale of those assets as revenue and should transfer the carrying amount of the asset to inventories when the asset becomes held for sale. A consequential amendment to IAS 7 states that cash flows arising from purchase, rental and sale of those assets are classified as cash flows from operating activities. The amendment will not have an impact on the Group's operations because none of the companies in the Group have ordinary activities that comprise renting and subsequently selling assets.

IAS 19 (Amendment) "Employee benefits"

The changes to this standard are as follows:

A plan amendment that results in a change in the extent to which benefit promises are affected by future salary increases is a curtailment, while an amendment that changes benefits attributable to past service gives rise to a negative past service cost if it results in a reduction in the present value of the defined benefit obligation.

The definition of return on plan assets has been amended to state that plan administration costs are deducted in the calculation of return on plan assets only to the extent that such costs have been excluded from measurement of the defined benefit obligation.

The distinction between short term and long-term employee benefits will be based on whether benefits are due to be settled within or after 12 months of employee service being rendered.

IAS 37, 'Provisions, contingent liabilities and contingent assets', requires contingent liabilities to be disclosed, not recognised. IAS 19 has been amended to be consistent.

The Group will apply theses amendments from 1 January 2009. It is not expected that these amendments will have an impact on the Group financial statements.

IAS 20 (Amendment) "Accounting for government grants and disclosure of government assistance"

The amendment requires that the benefit of a below-market rate government loan is measured as the difference between the carrying amount in accordance with IAS 39 "Financial instruments: Recognition and measurement" and the proceeds received with the benefit accounted for in accordance with IAS 20. The amendment will not have an impact on the Group's operations, as there are no loans received from the government.

IAS 27 (Amendment) "Consolidated and separate financial statements"

This amendment states that where an investment in a subsidiary that is accounted for under IAS 39 "Financial instruments: Recognition and measurement" is classified as held for sale under IFRS 5 "Non-current assets held for sale and discontinued operations" that IAS 39 would continue to be applied. The amendment will not have an impact on the Group's financial statements because it is the Group's policy for an investment in a subsidiary to be recorded at cost in the standalone accounts.

IAS 28 (Amendment) "Investments in associates" (and consequential amendments to IAS 32 "Financial Instruments: Presentation" and IFRS 7 "Financial instruments: Disclosures")

In terms of this amendment, an investment in associate is treated as a single asset for the purposes of impairment testing and any impairment loss is not allocated to specific assets included within the investment. Reversals of impairment are recorded as an adjustment to the investment balance to the extent that the recoverable amount of the associate increases. The Group will apply this amendment from 1 January 2009.

IAS 28 (Amendment) "Investments in associates" (and consequential amendments to IAS 32 "Financial Instruments: Presentation" and IFRS 7 "Financial instruments: Disclosures")

This amendment states that where an investment in associate is accounted for in accordance with IAS 39 "Financial instruments: Recognition and measurement" only certain, rather than all disclosure requirements in IAS 28 need to be made in addition to disclosures required by IAS 32 "Financial Instruments: Presentation" and IFRS 7 "Financial Instruments: Disclosures". The amendment will not have an impact on the Group's financial statements because it is the Group's policy for an investment in an associate to be equity accounted in the Group's consolidated accounts.

IAS 29 (Amendment) "Financial reporting in hyperinflationary economies"

The guidance in this standard has been amended to reflect the fact that a number of assets and liabilities are measured at fair value rather than historical cost. The amendment will not have an impact on the Group's operations, as none of the Group's subsidiaries or associates operate in hyperinflationary economies.

IAS 31 (Amendment) "Interests in joint ventures" and consequential amendments to IAS 32 "Financial Instruments: Presentation" and IFRS 7 "Financial instruments: Disclosures")

This amendment states that where an investment in joint venture is accounted for in accordance with IAS 39 "Financial instruments: Recognition and measurement" only certain, rather than all disclosure requirements in IAS 31 need to be made in addition to disclosures required by IAS 32 "Financial Instruments: Presentation" and

IFRS 7 "Financial Instruments: Disclosures". The amendment will not have an impact on the Group's operations as there are no interests held in joint ventures accounted for in terms of IAS 39.

IAS 36 (Amendment) "Impairment of assets"

This amendment requires that were fair value less costs to sell is calculated on the basis of discounted cash flows, disclosures equivalent to those for value-in-use calculation should be made. The Group will apply this amendment and provide the required disclosure where applicable for impairment tests from 1 January 2009.

IAS 38 (Amendment) "Intangible assets"

This amendment states that a payment can only be recognised as a prepayment if that payment has been made in advance of obtaining right of access to goods or receipt of services. This amendment effectively means that once the Group has access to the goods or has received the services then the payment has to be expensed. The Group will apply this amendment from 1 January 2009.

IAS 38 (Amendment) "Intangible assets"

This amendment deletes the wording that states that there is "rarely, if ever" support for use of a method that results in a lower rate of amortisation than the straight line method. The amendment will not currently have an impact on the Group's operations as all intangible assets are amortised using the straight line method.

IAS 39 (Amendment) "Financial instruments: Recognition and measurement"

The changes to this standard are as follows:

- It is possible for there to be movements into and out of the fair value through profit or loss category where a derivative commences or ceases to qualify as a hedging instrument in cash flow or net investment hedge.

- The definition of financial asset or financial liability at fair value through profit or loss as it relates to items that are held for trading is amended. This clarifies that a financial asset or liability that is part of a portfolio of financial instruments managed together with evidence of an actual recent pattern of short-term profit-taking is included in such a portfolio on initial recognition.

- The current guidance on designating and documenting hedges states that a hedging instrument needs to involve a party external to the reporting entity and cites a segment as an example of a reporting entity. This means that in order for hedge accounting to be applied at segment level, the requirements for hedge accounting are currently required to be met by the applicable segment. The amendment removes this requirement so that IAS 39 is consistent with IFRS 8, 'Operating segments' which requires disclosure for segments to be based on information reported to the chief operating decision maker.

- When re-measuring the carrying amount of a debt instrument on cessation of fair value hedge accounting, the amendment clarifies that a revised effective interest rate (calculated at the date fair value hedge accounting ceases) is used.

The Group will apply the IAS 39 (Amendment) from 1 January 2009. It is not expected to have an impact on the Group's financial statements.

IAS 40 (Amendment) "Investment property" (and consequential amendments to IAS 16 "Property, plant and equipment")

The amendment states that property that is under construction or development for future use as investment property is within the scope of IAS 40. Where the fair value model is applied, such property is, therefore, measured at fair value. However, where fair value of investment property under construction is not reliably measurable, the property is measured at cost until the earlier of the date construction is completed and the date at which fair value becomes reliably measurable. The amendment will not have an impact on the Group's operations, as there are no investment properties held by the Group.

IAS 41 (Amendment) "Agriculture"

This amendment requires the use of a market-based discount rate where fair value calculations are based on discounted cash flows and the removal of the prohibition on taking into account biological transformation when calculating fair value. The amendment will not have an impact on the Group's operations as no agricultural activities are undertaken.

IFRS 5 (Amendment) "Non-current assets held for sale and discontinued operations" (and consequential amendment to IFRS 1 "'First-time adoption") (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 if a partial disposal sale plan results in loss of control, and relevant disclosure should be made for this subsidiary if the definition of a discontinued operation is met. A consequential amendment to IFRS 1 states that these amendments are applied prospectively from the date of transition to IFRS. The Group will apply this amendment prospectively to all partial disposals of subsidiaries from 1 January 2010.

2.3. Consolidation

a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

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

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

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. The same applies to non-realised losses, unless there are indications that the fixed asset that was transferred has been devaluated. The accounting principles that are applied by the Group's subsidiary companies have been readjusted so that they may be consistent with those that have been adopted by the Group.

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

(b) Associates

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

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

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

Investments in associates are recognised in individual financial statements (cost less impairment)

In case the percentage of participation in associates is reduced as a result of non participation in increase of share capital, gains or losses arising are recognised in equity.

2.4. Segment reporting

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

The Group presents segment reporting in business sectors as primary type of reporting and geographic sectors as secondary.

2.5. Foreign currency translation

(a) Functional and presentation currency

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

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

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalent are presented in the income statement within "finance income or cost". All other foreign exchange gains and losses are presented in the income statement as shown in note 30.

(c) Group companies

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

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

ii. income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions) and

iii. all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

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

2.6. Property, plant and equipment

All property, plant and equipment is shown at historical cost less subsequent depreciation less subsequent impairment, except for land, which is shown at historical cost less subsequent impairment. Cost includes expenditure that is directly attributable to the acquisition of the items.

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

Land is not depreciated. Depreciation on assets is calculated using the straight-line method to allocate the cost of each asset to its residual value over its estimated useful life, as shown on the table below for the main classes of assets:

- Buildings 20-33 Years

- Machinery – technical installations and other mechanical equipment 8-16 Years

- Transportation equipment 7 – 10 Years

- Furniture and other equipment 4 - 5 Years

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the income statement within 'Other income / (expenses) – net'.

2.7. Intangible assets

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

2.8. Impairment of non-financial assets

Assets that have an indefinite useful life (for example Surplus value) are not subject to amortisation and, instead, are tested annually for impairment. Assets that are subject to amortisation or depreciation are tested for impairment whenever events or changes in circumstance indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.9. Financial Assets

2.9.1. Classification

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

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

Financial assets at fair value through profit or loss are financial assets held for trading a financial asset is classified in this category if acquired principally for the purpose of selling 12 months of the balance sheet date. Derivatives are also categorised as 'held for trading' unless they are designated as hedges. Assets in this category are classified as current assets.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and with no intention of trading. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The Group's and Company's loans and receivables comprise "trade and other receivables" (note 2.12) and "cash and cash equivalents" (2.13) in the balance sheet.

(c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. At the balance sheet date the Group had no investments on this category.

2.9.2. Recognition and measurement

Purchases and sales of financial assets are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit and loss are initially recognised at fair value and transaction costs are expensed in the income statement.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership

Loans and receivables are carried at amortised cost using the effective interest method.

Available for sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value.

Gains or losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category are presented in the income statement within "other (losses)/gains - net" in the period in which they arise. Dividend income from financial is recognised in the income statement as part of other income when the Group's right to receive payments is established.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same and discounted cash flow analysis and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

Impairment testing of trade receivables is described in note 2.12.

2.10. Derivative financial instruments and hedging activities

The Group utilizes financial and commodity derivatives to mitigate the impact of future price volatility. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently measured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group utilizes financial derivatives for the hedge of a particular risk associated with a recognised asset or a liability or a highly probable forecast transaction (cash flow hedge).

The Group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative instruments used for helping purposes are disclosed in note 13. Movements on the hedging reserve in shareholders' equity are shown in note 17. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading receivables are classified as a current asset or liability

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity. The gain or loss relating to the ineffective portion is recognised immediately in the income statement within "other gains/(losses) - net".

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item affects profit. The gain or losses relating to the effective portion of currency forward hedge are recognised in the income statement within "gains/(losses) net". The gain or loss relating to the interest rate swaps hedging variable rate borrowings is recognised in the income statement within "finance costs". The gain or loss relating to the ineffective portion is recognised in the income statement within "other gains/(losses) - net".

When the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory or fixed assets), the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in cost of good sold in the case of inventory or in the case of fixed assets.

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

Sales or purchases that are constituted hedging objects are filed with the current foreign exchange rate parity at the realisation of transaction.

At frequent intervals the Company proceeds in effectiveness tests, in order to be scrutinized the effectiveness of the following hedging policies and to be received corrective measures where deemed.

2.11. Inventories

Inventories are stated at the lower of cost and net realisable value. The cost is determined with the weighted average cost method. The cost of finished products and semi-finished stocks includes the cost of materials, the direct labour cost and a proportion of the general production expenses. Financial expenses are not included in the acquisition cost of stocks. The net liquid value is estimated based on the stock's current sales price within the framework of ordinary business activities less any possible selling expenses, wherever such a case occurs.

Costs of inventories include the transfer from equity of any gains/losses on qualifying cash flow hedges purchases of raw materials.

Deletions and devaluation losses are recognised in the results of the fiscal year in which they arise.

2.12. Trade receivables

Receivables from clients are initially recognised at their fair value and are subsequently estimated at their unamortized cost based on the true interest rate method, less any impairment loss. Impairment losses are recognised when there is an objective indication that the Group is not in a position to collect all the amounts that are due pursuant to contractual terms. The objective indication that receivables have been impaired includes information coming to the attention of the Group concerning the following events: Considerable financial distress of the customer, possibility to start bankruptcy procedures or any other financial restructuring of the customer as well as unfavourable changes in the payment of due amounts. The amount of provision is equal to the difference between the book value of the receivables and the present value of the estimated future cash flows, discounted based on the actual interest rate. The amount of the provision is recorded as an expense in the Income Statement. Furthermore, in case that part of receivables being written off, finally are collected, the said amount is credited to the financial results.

2.13. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

2.14. Share capital

Share capital includes ordinary shares of the Company.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax.

2.15. Trade payables

Trade payables are recognised initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.16. Borrowings

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is the probable that come or all of the facility will be drawn down. In this case, the fee is deferred until the drawn-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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

2.17. Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement. Except to the extent that it relates to items recognised directly in equity. In this case, the tax is also recognised in equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries and associates operates and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

2.18. Employee benefits

(a) Short-term benefits

Short-term benefits to employees in the form of cash or in kind are recorded as an expense when they accrue.

(b) Benefits following withdrawal from service

Group companies operate various pension schemes that are generally funded through payments to funds. These payments are determined by Greek legislation and fund regulations. Typically defined benefit plans define the amount of pension that an employee will receive on retirement, usually dependent on factors such as age, years of service and compensation. Benefits payable to all enployees are considered as defined benefit pension plans.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. 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 discounting the estimated future cash outflows using interest rates of long-term state bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial profits and losses that arise from adjustments on the basis of historic data and are above or below the margin of 10% of the accumulated liability are recorded in the results within the expected average insurance term of the scheme's participants

Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in services. In this case, the past-service costs are in recognised in the income on a straight-line basis over the vesting period.

2.19. Subsidies

State subsidies are recognised at their fair market value when it is certain that the subsidy will be received and that the Group will comply with all stipulated terms.

State subsidies that concern expenses are deferred and are recognised in the results so that these will match the expenses that they will cover.

State subsidies relating to the purchase of tangible fixed assets are recorded in long-term liability accounts as deferred state subsidies and are transferred as income into the annual income statement based on the fixed method over the expected service life of these assets.

2.20. Provisions

Provisions for conventional obligations, restructuring costs and legal claims are recognised when:

i. The Group has a present legal or constructive obligation as a result of past events

ii. It is more likely than not that an outflow of resources will be required to settle the obligation

iii. The amount has been reliably estimated.

Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the possibility that an outflow of funds will be required in settlement is determined by examining the class of obligations as a whole. A provision is recognised even if the possibility of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are estimated at the present value of the expenses that, based on the management's best possible estimation, are required to cover the present liability on the balance sheet date (note 4.1).

2.21. Revenue recognition

Revenue comprises the fair value of the sale of goods and services, net of value-added tax and any excise duties, rebates and discounts. Sales within the Group are fully eliminated. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. All risks have been undertaken by the buyer and the future profits that arise from the transactions are certain. Revenue is recognised as follows:

(a) Sales of goods

Sales of goods are recognised when the goods are accepted by customers and when collection of the claim is reasonably guaranteed. In the case in which cash refunds regarding sales of goods is guaranteed, refunds are accounted for on each balance sheet date as a reduction to income, based on statistical data.

(b) Sales of services

Income from the provision of services is accounted for in the period in which the services are rendered, based on their stage of completion in relation to all the services that shall be rendered.

(c) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument. Interest income on impaired loans is recognised using the original effective interest rate.

(d) Dividend income

Dividend income is recognised when the right to receive payment is established.

2.22. Leases

Leases fixed assets where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance. The corresponding rental obligations, net of finance charges, are included in the liabilities. During the lease period, the financial expenses related to the financial lease is recognised in the year's income statement. The fixed assets acquired under finance leases is depreciated over the longer of the asset's useful life and the lease term.

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

2.23. Elements of non current assets (or groups of elements for trade) for trade

The elements of non current assets (or groups of elements for trade) for trade are classified as assets intended to be traded when their book value is expected to be recovered through trade and when this transaction is likely to be realised. These elements are presented on the lowest value between book value and fair value less any cost of sales (if the book value is expected to be recovered through trade and not its use)

2.24. Dividend distribution

Dividend distribution to the company's shareholders is recognised as a liability in the Group's financial statements in which the dividends are approved by the company's shareholders.

2.25. Comparative figures and roundings

Some of comparative amounts of 2007 have been reclassed for comparison sake with the amounts of 2008 .

Any differences between figures of the financial statements and the corresponding amounts and calculations in the notes are due to roundings.

3) Financial risk management

3.1. Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and price risk), credit risk, liquidity risk, cash flow risk and fair value interest-rate risk. The Group's overall risk management programme focuses on the unpredictability of commodity and financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group uses derivative financial instruments like futures / forwards and swaps in order to hedge certain risk exposures.

Risk management is carried out by the Group's central finance department, which operates with specific rules that have been approved by the Board of Directors. The Board of Directors provides instructions and guidelines on the general management of risks, as well as specific instructions on the management of specific risks, such as foreign exchange risk, interest rate risk, price risk, liquidity risk and credit risk.

a) Market risk

(i) Foreign exchange risk

The Group operates internationally (more than 97% of the sales are abroad, while all raw and indirect materials are imported) and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. The Group follows a full hedging policy, either with natural hedging (purchase of resources based on the sale currency) or with FX forwards or with both.

The Group has certain investment in foreign companies. The net assets of these companies (mainly associate company residing in Russia) are exposed to foreign currency translation risk

At 31/12/08, if the Euro had strengthened / weakened by 11% (2007:6%) against the Russian Ruble , with all other variables held constant, the Group's equity before tax would have been increased/reduced by €1.790.000 €2.147.000 respectively.

At 31/12/08, if the USD had strengthened / weakened by 11% (2007:6%) against the Euro, with all other variables held constant, the Company's and Group's profit before tax would have been increased/reduced correspondingly by €4.882.752 (2007: €69.112 reduced) and €6.089.724 (2007: €78.500 increased), mainly as a result of foreign exchange losses / gains on translation of US Dollar – denominated trade receivables, payables and cash and cash equivalents. Equity would have been correspondingly affected.

The Group's and Company's exposure to the foreign exchange risk varies during the year depending on to the geographical allocation (and relative currency) of the sales and purchases of raw materials (mainly Hot Rolled Coils).

(ii) Interest rate risk

As the Group has no significant interest-bearing assets, beside cash and cash equivalents, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest rate risk arises from borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. Group policy is to maintain higher than 50% of its borrowings in fixed rate instruments. During 2008 and 2007, the Group's borrowings at variable rate (EURIBOR + spread) were denominated in euro.

The risk in cash flow that arises from fluctuations of interest rates, related to loans with variable rates, is partially hedged with the use of interest rate swaps. The financial benefice is related to the conversion of the variable rate loans to fixed rate. The Group's financial capital consists of variable ate loans which have been converter into fixed rate by using swaps, whenever the interest rate curve is favourable to the company and the Group.

At 31/12/08, if interest rates had been 1%/(-1%) higher / lower, with all other variables held constant, the Group's and Company's profit before tax would have been reduced / increased correspondingly by €322.358, mainly because of the increased / decreased financial cost of loans with variable interest rate (2007: €369.271). The Group's and Company's Equity would have been correspondingly affected.

(iii) Price risk

The major part of sales (more than 91%) is on project basis, and the products' prices are constant during the project. Furthermore, according to the policy decided by the Board of Directors, the prices of raw and auxiliary materials have to remain constant during the project in order to avoid exposure to risks from changes in prices. For the rest of the sales (hollow sections), product and raw materials' prices are subject to changes according to the international steel prices. However, this fact has no dramatic influence on the Group's financial results and Equity, because of the low participation of the specific sales in total Group's sales.

b) Credit risk

Credit risk is managed by the Group's Financial Department. Credit risk arises from deposits, derivative financial instruments (banks and financial institutions credit risk), as well as credit exposures to customers. The Group collaborates with some of the biggest and healthiest banks and financial institutions of the Greek market whose credit rating is at least BBB+ / F2 (Fitch).

The Group has adopted and applies strict procedures for the control of credit and political risk of its clients, investigating data like financial status, payments' background, possible counter guarantees they have etc. A large part of its sales are affected with LCs, or downpayments. For projects where this is impossible, the company uses credit insurance, factoring and when required political risk insurance.

At year's end, overdue trade receivables that have not been impaired are mentioned in note 12.

c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the ability of funding each project that the Group undertakes through an adequate amount of committed credit facilities. Because of the difference between the cash flows of each project Risk Control Management analyzes the facts and whenever it is needed takes advantage of committed credit lines with banks and other financial institutions. Especially under the current credit conditions, the Group focus its efforts to reduce its working capital needs and issue debenture bonds, in order to secure a longer tenor for its borrowings.

According to the estimations and the actions of the Management, the current negative conditions in the international financial markets will have no significant impact on the financial statements of the Company and Group.

The table below analyses the Company's and Group's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 31 December 2008

CONSOLIDATED FIGURES	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years
Borrowings	62.928.501	3.303.779	5.445.402
Derivatives	5.344.955	-	-
Suppliers and other liabilities	132.729.419	12.792	-
Factoring	6.194.998	-	-

At 31 December 2007

CONSOLIDATED FIGURES	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years
Borrowings	31.655.407	41.455.268	29.833.205
Derivatives	1.288.283	-	-
Suppliers and other liabilities	78.540.839	108.631	-
Financial Leases	15.321	-	-

At 31 December 2008

COMPANY FIGURES	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years
Borrowings	62.928.501	3.303.779	5.445.402
Derivatives	5.344.955	-	-
Suppliers and other liabilities	126.935.321	-	-
Factoring	6.194.998	-	-

At 31 December 2007

COMPANY FIGURES	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years
Borrowings	31.655.407	41.455.268	29.833.205
Derivatives	1.288.283	-	-
Suppliers and other liabilities	76.070.172	-	-
Financial Leases	15.321	-	-

The table below illustrates the Group's derivative financial instruments which will be settled on a gross basis based on the remaining period till their maturity date. The amounts disclosed in the table are the nominal values of the said transactions.

Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 31 December 2008

Forward F/X contracts

Consolidated and company figures	Less than 1 year
Inflows	37.786.630
Outflows	40.309.559

At 31 December 2007

Forward F/X contracts

Consolidated and company figures	Less than 1 year
Inflows	38.792.321
Outflows	37.498.701

3.2. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Consistent with best practices in the industry, the Group monitors its capital through its gearing ratio. The said ratio is calculated as net debt divided by total capital employed. Net debt is calculated as total borrowings (including "current and non-current borrowings" as shown in the balance sheet) less "Cash & cash equivalents" less "Available for Sale financial assets". Total capital employed is calculated as "Equity" as shown in the balance sheet plus net debt.

During 2008 the Company and Group strategy, which was unchanged from 2007, was to maintain the gearing ratio bellow 50%. The gearing ratios at 31 December 2008 and 2007 were as follows:

(Amounts in Euros)	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Total borrowings (note 18)	70.428.501	97.249.229	70.428.501	97.249.229
Factoring (note 36)	6.194.998	-	6.194.998	-
Less: Cash and cash equivalent (note 15)	-19.405.270	-11.591.569	-13.360.065	-4.163.313
Net Debt	**57.218.229**	**85.657.660**	**63.263.434**	**93.085.916**
Equity	124.702.575	123.588.241	124.466.486	124.974.895
Total Capital employed	**181.920.804**	**209.245.901**	**187.729.920**	**218.060.811**
Gearing ratio	**31%**	**41%**	**34%**	**43%**

3.3. Fair value estimation

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market, is calculated by using valuation techniques and assumptions that are based on market conditions existing at each balance sheet date. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest-rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using forward exchange market rates at the balance sheet date.

The nominal value less estimated credit adjustments of trade receivables is assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

4) Critical accounting estimates and judgements

The Management's valuations and judgements are re-examined on a continuous basis and are based on historical data and expectations of future events, which are deemed reasonable pursuant to that which is in force.

4.1. Critical accounting estimates and assumptions

The Group proceeds in valuations and acknowledgements regarding the development of future events. The valuations and acknowledgements that entail a significant probability that they will affect the book value of assets and liabilities in the following 12 months are the following:

a) The Group's judgment is required in order to determine the income tax provision. There are many transactions and estimations due to which final tax calculation is uncertain. Group recognises tax liabilities, based on accounting estimations on possible future tax burden and tax assets related to future offsets of tax losses carried forward. If the final tax is different from the initially recognised tax, the difference shall affect the income tax and the provision for deferred taxation of the period.

If the actual final outcome differs by 20% from management estimates, the Company's and Group's deferred tax liability will increase by €56.000 (20% decrease) and win decrease by €57.000 (20% increase)

b) The Group forms a provision for cases that are under dispute based on evidence provided by the Group's Legal Department. Any difference between the actual final outcome differs and the amount initially recorded, will impact the profit and loss in the period in which such determination is made.

If the actual final outcome differs by 10% from management estimates, the Group's provision will increase/decrease by €236.000

c) The Group forms provisions for contractual obligations to clients, which are estimated based on historical and statistical data that arose from the resolution of similar past cases. Any difference between the actual final outcome differs and the amount initially recorded, will impact the profit and loss in the period in which such determination is made.

If the actual final outcome differs by 10% from management estimates, the Group's provision will increase/decrease by €169.000

d) Pension benefits

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The present value of the defined benefits is calculated based on the appropriate discount rate (the yield of greek bonds, in the same currency that these benefits will be paid and with terms almost similar the ones of the benefits' commitment) Another fundamental assumption is related the salaries' increase. The assumptions used are further illustrated in Note 20.

If the used discount rate, deviated 10% from actuary' s estimation, then the present value of the non financed liabilities would be increased / decreased by €60.000.

If the total benefits' increase, taken into consideration was 11%,different then the present value of the non financed liabilites would be increased/decreased by by €60.000.

4.2. Critical judgments in applying the entity's accounting policies

As referred on note 19 the Group's management re-estimated the possibility of offsetting transferred tax losses with future taxable earnings and recognised deferred tax claim for the transfer of a portion of tax losses amounting to € 35.597.868 for which the realization of a relative financial benefit due to future taxable earnings is possible

5) Reporting by sector

First type reporting – Business Sectors

At 31/12/2008, the Group had two business sectors, the production and trade of steel-pipes and the production and trade of hollow-sections.

The results of each sector for the 12 months until December 31, 2008 had as follows:

(Amounts in Euros)	Production & trade of steel-pipes	Production & trade of hollow-sections	Total
Total gross sales by sector	**519.218.955**	**33.793.342**	**553.012.297**
Inter-company sales	-167.889.429	-	-167.889.429
Net sales	**351.329.526**	**33.793.342**	**385.122.868**
Operating profits / (losses)	20.772.443	-590.979	20.181.464
Net financial expenses (note 28)			-7.127.588
Share of profits from associates (note 9)			2.783.850
Profits / (Losses) before taxes			**15.837.726**
Taxation (note 29)			-6.979.045
Profits / (Losses) for the period after taxes			**8.858.681**

Respectively, the results of each sector for 12 months until December 31, 2007 had as follows:

(Amounts in Euros)	Production & trade of steel-pipes	Production & trade of hollow-sections	Total
Total gross sales by sector	**559.648.739**	**20.579.584**	**580.228.324**
Inter-company sales	-222.700.793	-	**-222.700.793**
Net sales	**336.947.947**	**20.579.584**	**357.527.531**
Operating profits / (losses)	47.474.396	760.769	**48.235.165**
Net financial expenses (note 28)			**-8.298.520**
Share of profits from associates (note 9)			**164.246**
Profits / (Losses) before taxes			**40.100.891**
Taxation (note 29)			**-6.139.866**
Profits / (Losses) for the period after taxes			**33.961.025**

Other figures per sector included in the results for the 12 months until December 31 2008 are the following:

(Amounts in Euros)	Production & trade of steel-pipes	Production & trade of hollow-sections	Total
Amortisation of tangible assets (note 6)	9.922.647	954.430	**10.877.077**
Amortisation of intangible assets (note 7)	118.353	-	**118.353**
Provisions (note 32)	560.638	-	**560.638**
Impairment of inventories (note 11)	882.294	2.092.775	**2.975.069**

Other figures per sector included in the results for the 12 months until December 31 2007 are the following:

(Amounts in Euros)	Production & trade of steel-pipes	Production & trade of hollow-sections	Total
Amortisation of tangible assets (note 6)	10.457.522	638.708	**11.096.230**
Amortisation of intangible assets (note 7)	139.496	-	**139.496**
Provisions (note 32)	580.332	-	**580.332**
Impairment of inventories (note 11)	1.813.316	442.634	**2.255.950**

The results of the sectors include profits and losses from forwards that are emanated from cash flow hedges that concern purchases and sales.

The financial cost includes results from cash flow hedges of interest-bearing loans that are presented in the income statement during the year.

Transfers and transactions between sectors occur with real commercial terms and conditions, according to these they are in effect for third parties' transactions.

The sectors' assets and liabilities at December 31 2008 and investments in property, plant and equipment for the ended period at that date have as follows:

(Amounts in Euros)	Production & trade of steel-pipes	Production & trade of hollow-sections	Un-allocated	Total
Assets	135.734.841	11.719.051	239.815.212	**387.269.104**
Investments in associated companies	8.480.374	-	557.301	**9.037.675**
Total Assets	**144.215.215**	**11.719.051**	**240.372.513**	**396.306.779**
Total liabilities	**182.809.400**	**1.656.329**	**87.138.475**	**271.604.204**
Investments in tangible assets (notes 6, 7)	4.093.997	-	1.375.956	**5.469.953**

The sectors' assets and liabilities at December 31 2007 and investments in property, plant and equipment for the ended period at that date have as follows:

(Amounts in Euros)	Production & trade of steel-pipes	Production & trade of hollow-sections	Un-allocated	Total
Assets	91.516.438	11.745.676	227.415.099	**330.677.214**
Investments in associated companies	7.335.811	-	651.259	**7.987.070**
Total Assets	**98.852.249**	**11.745.676**	**228.066.359**	**338.664.284**
Total liabilities	**105.985.645**	**1.698.688**	**107.391.710**	**215.076.043**
Investments in tangible assets (notes 6, 7)	4.258.649	58.488	3.109.822	**7.426.959**

Sectors' assets include stocks, intangible assets, receivables from clients and other receivables. The non-allocated assets include deferred taxes, tangible assets, derivatives determined as means to hedge future commercial transactions, financial assets in fair market value through results, cash and cash equivalents, taxation, raw and indirect materials, other receivables.

The sectors' liabilities include liabilities from transactions with suppliers, notes payable, clients' downpayments, provisions, accrued expenses and other long-term liabilities. The non-allocated liabilities include loans, taxes, derivatives, subsidies, provisions and other liabilities.

Investments in tangible assets include expenses for the purchase of tangible (note 6) and intangible (note 7) assets.

Segment assets and liabilities are reconciled to the Group' assets and liabilities as follow:

31/12/2008	Assets	Liabilities
Segment assets and liabilities	155.934.266	184.465.729
Unallocated:		
Tangible fixed assets	144.160.179	-
Deferred Tax Asset	133.198	1.601.811
Derivative financial instruments	3.324.973	10.802.817
Inventories	62.738.681	-
Other receivables	10.004.374	-
Financial assets at fair value through profit and loss	48.537	-
Cash & Cash equivalent	19.405.270	-
Investments in associated companies	557.301	-
Income tax	-	775.838
Loans	-	70.428.501
Liabilities for personnel compensation due to withdrawal from service	-	1.031.561
Other liabilities	-	2.497.947
Total	**396.306.779**	**271.604.204**

31/12/2007	Assets	Liabilities
Segment assets and liabilities	110.597.925	107.684.333
Unallocated:		
Tangible fixed assets	153.250.226	-
Deferred Tax Asset	1.277.027	-
Derivative financial instruments	2.086.308	1.298.685
Inventories	51.381.556	-
Other receivables	6.790.556	-
Financial assets at fair value through profit and loss	106.737	-
Cash & Cash equivalent	11.591.569	-
Loans	-	97.249.229
Liabilities for personnel compensation due to withdrawal from service	-	1.673.373
Other liabilities	651.260	-
Income tax	-	6.990.180
Subsidies	931.120	180.244
Total	**338.664.284**	**215.076.044**

Second type of reporting – geographical sectors.

The Company is seated in Greece, which is the main country that it is active in. The Company's main activity is the production and sale of pipes. The Company realizes the largest part of its sales in countries of the Eurozone, other European countries, Asia and America.

Sales	CONSOLIDATED FIGURES	
Amounts in Euros	12months until 31/12/2008	12months until 31/12/2007
Greece	12.486.289	8.188.562
Euro zone	68.253.287	51.695.669
Other European Countries	22.290.939	32.792.635
Asia	74.154.404	26.019.049
America	207.534.657	226.901.199
Africa	403.291	11.930.417
Total	**385.122.868**	**357.527.531**

Sales are referred to the country that the costumers are established.

Total Asset

Amounts in Euros	31/12/2008	31/12/2007
Greece	363.055.281	281.086.655
Eurozone	872.373	1.276.231
America	23.208.252	46.106.180
	387.135.907	**328.469.066**
Associates (note 9)	9.037.676	7.987.071
Unallocated	133.197	2.208.147
Total	**396.306.779**	**338.664.284**

Assets refer to the country where they are located.

Investments in tangible assets

Amounts in Euros	12months until 31/12/2008	12months until 31/12/2007
Greece	5.463.375	7.371.851
America	6.578	55.108
Total	**5.469.953**	**7.426.959**

Capital expenditures refer to the country where the assets are located.

Analysis of revenue by category

Amounts in Euros	12months until 31/12/2008	12months until 31/12/2007
Sales of merchandise and products	385.122.868	357.201.737
Income from services	-	231.962
Other	-	93.832
Total	**385.122.868**	**357.527.531**

6) Tangible Fixed assets

Further to the approval of the Regulatory Plan of the industrial zone in Thisvi and the the resolution of the General Secretary of Sterea Ellada region, the subsidiary DIA.VI.PE.THI.V S.A. (Thisvi industrial zone's administrator) received total surface of 195 acres and another 281 acres for communal needs of the companies settled in the said industrial zone. The land in question was given up by the companies being settled in the industrial zone. In this framework, Corinth Pipeworks S.A. gave up land of 145.471 sq.m. with a value of 3.603.023 €, transaction being posted as a long-term receivable (included in other assets) from DIA.VI.PE.THI.V S.A, since Law 2545/97 (art.5) stipulates that the said land will be returned to its owners if the administrator ceases its operation.

CONSOLIDATED FIGURES							
Amounts in Euros	**Land**	**Buildings**	**Machinery**	**Vehicles**	**Furnitures, fittings and equipment**	**Assets under construction**	**Total**
Cost							
Balance as of January 1 2007	**32.987.094**	**50.495.890**	**135.012.416**	**2.442.203**	**2.474.080**	**864.490**	**224.276.173**
Foreign exchange differences	-	-	-	-	-11.311	-	**-11.311**
Additions	1.194.608	518.678	1.051.625	167.484	358.642	3.780.828	**7.071.865**
Sales (note 32)	-10.785.053	-559.000	-992	-	-8.462	-	**-11.353.507**
Impairment	-	-	-	-	-	-38.318	**-38.318**
Contribution in related company (note 9)	-	-	-4.209.185	-	-	-	**-4.209.185**
Reclassifications	-	-260.000	1.292.860	260.000	-	-1.292.860	**-**
Sale of subsidiaries (note 8)	-7.429.497	-7.505.648	-1.201.343	-604.291	-1.108.969	-	**-17.849.748**
Balance as of December 31 2007	**15.967.152**	**42.689.921**	**131.945.381**	**2.265.396**	**1.703.980**	**3.314.140**	**197.885.970**
Accumulated depreciation							
Balance as of January 1 2007	-	**-7.221.453**	**-26.410.396**	**-1.640.794**	**-2.109.443**	**-**	**-37.382.086**
Foreign exchange differences	-	-	-	-	11.454	-	**11.454**
Depreciation of the year (note 23)	-	-2.536.726	-8.201.393	-202.753	-155.358	-	**-11.096.230**
Sales (note 32)	-	58.081	177	-	3.907	-	**62.165**
Contribution in affiliated company (note 9)	-	-	1.034.955	-	-	-	**1.034.955**
Sale of subsidiaries (note 8)	-	1.208.053	249.937	226.684	1.049.324	-	**2.733.998**
Balance as of December 31 2007	-	**-8.492.045**	**-33.326.720**	**-1.616.863**	**-1.200.116**	**-**	**-44.635.744**
Undepreciated value as of 31 December 2007	**15.967.152**	**34.197.875**	**98.618.661**	**648.533**	**503.864**	**3.314.140**	**153.250.226**
Balance as of January 1 2008	**15.967.152**	**42.689.921**	**131.945.381**	**2.265.396**	**1.703.980**	**3.314.140**	**197.885.970**
Foreign exchange differences	-	-	-	-	8.983	-	**8.983**
Additions	-	293.665	1.209.932	119.982	277.315	3.569.059	**5.469.953**
Sales (note 32)	-	-	-	-561.114	-2.091	-	**-563.205**
Contribution in affiliated company (note 9)	-3.603.024	-	-	-	-	-	**-3.603.024**
Reclassifications	-	-	4.355.122	-	-	-4.355.122	**-**
Balance as of December 31 2008	**12.364.128**	**42.983.586**	**137.510.435**	**1.824.264**	**1.988.187**	**2.528.077**	**199.198.677**
Accumulated depreciation							
Balance as of January 1 2008	-	**-8.492.045**	**-33.326.720**	**-1.616.863**	**-1.200.116**	**-**	**-44.635.744**
Foreign exchange differences	-	-	-	-	-6.954	-	**-6.954**
Depreciation of the year (note 23)	-	-2.140.379	-8.393.722	-152.120	-190.856	-	**-10.877.077**
Sales (note 32)	-	-	-	479.558	1.717	-	**481.275**
Balance as of December 31 2008	**-**	**-10.632.424**	**-41.720.442**	**-1.289.425**	**-1.396.209**	**-**	**-55.038.500**
Undepreciated value as of 31 December 2008	**12.364.128**	**32.351.161**	**95.789.993**	**534.839**	**591.978**	**2.528.077**	**144.160.178**

COMPANY FIGURES							
Amounts in Euros	**Land**	**Buildings**	**Machinery**	**Vehicles**	**Furnitures, fittings and equipment**	**Assets under construction**	**Total**
Cost							
Balance as of January 1 2007	**25.559.667**	**42.870.893**	**128.413.787**	**2.097.913**	**1.249.495**	**1.566.172**	**201.757.927**
Additions	1.192.539	378.027	1.051.624	167.483	301.195	3.780.828	**6.871.696**
Sales (note 32)	-10.785.054	-559.000	-	-	-4.555	-	**-11.348.609**
Reclassifications	-	-	2.032.860	-	-	-2.032.860	**-**
Balance as of December 31 2007	**15.967.152**	**42.689.920**	**131.498.271**	**2.265.396**	**1.546.134**	**3.314.140**	**197.281.013**
Accumulated depreciation							
Balance as of January 1 2007	-	**-6.247.437**	**-24.708.357**	**-1.449.390**	**-977.865**	-	**-33.383.049**
Depreciation of the year (note 23)	-	-2.302.688	-8.147.929	-167.473	-112.753	-	**-10.730.843**
Sales (note 32)	-	58.081	-	-	-	-	**58.081**
Balance as of December 31 2007	-	**-8.492.044**	**-32.856.286**	**-1.616.863**	**-1.090.618**	-	**-44.055.811**
Undepreciated value as of 31 December 2007	**15.967.152**	**34.197.876**	**98.641.985**	**648.533**	**455.516**	**3.314.140**	**153.225.202**
Balance as of January 1 2008	**15.967.152**	**42.689.920**	**131.498.271**	**2.265.396**	**1.546.134**	**3.314.140**	**197.281.013**
Additions	-	293.666	1.186.609	119.982	270.737	3.569.059	**5.440.053**
Sales (note 32)	-	-	-	-561.114	-1.070	-	**-562.184**
Contribution in affiliated company (note 9)	-3.603.024	-	-	-	-	-	**-3.603.024**
Reclassifications	-	-	4.355.122	-	-	-4.355.122	**-**
Balance as of December 31 2008	**12.364.128**	**42.983.586**	**137.040.002**	**1.824.264**	**1.815.801**	**2.528.077**	**198.555.858**
Accumulated depreciation							
Balance as of January 1 2008	**-**	**-8.492.044**	**-32.856.286**	**-1.616.863**	**-1.090.618**	**-**	**-44.055.811**
Depreciation of the year (note 23)	-	-2.140.379	-8.393.723	-152.120	-179.589	-	**-10.865.811**
Sales (note 32)	-	-	-	479.558	1.070	-	**480.628**
Balance as of December 31 2008	-	**-10.632.423**	**-41.250.009**	**-1.289.425**	**-1.269.137**	-	**-54.440.994**
Undepreciated value as of 31 December 2008	**12.364.128**	**32.351.163**	**95.789.993**	**534.839**	**546.664**	**2.528.077**	**144.114.864**

The expenditure with regard to depreciation has been recorded in the Income Statement as follows:

	CONSOLIDATED FIGURES		**COMPANY FIGURES**	
Amounts in Euros	**12 months until 31/12/2008**	**12 months until 31/12/2007**	**12 months until 31/12/2008**	**12 months until 31/12/2007**
Cost of sales	10.594.927	10.276.165	10.594.927	10.276.165
Administrative expenses	65.044	218.811	64.018	52.118
Selling expenses	162.633	184.464	162.633	158.729
Other income / (expenses)	54.473	416.790	44.233	243.833
Total	**10.877.077**	**11.096.230**	**10.865.811**	**10.730.845**

Leased mechanical equipment and transportation equipment that are included above based on leasing is analysed below (note 18):

Machinery	**Consolidated and company figures**	
Amounts in Euros	**31/12/2008**	**31/12/2007**
Cost – capitalized leasing	8.795.304	8.795.304
Accumulated depreciation	-3.939.564	-3.389.857
Net Book Amount	**4.855.740**	**5.405.447**
Vehicles		
Cost – capitalized leasing	377.318	377.318
Accumulated depreciation	-218.818	-181.086
Net Book Amount	**158.500**	**196.232**

Mortgages and statutory notices of mortgage in the amount of € 73.200.000 (2007: € 73.200.000) have been filed against the Group's and the Company's real estate.

The results statement includes rents of total value €541.449 (2007: 500.310) and €487.701 (2007: €495.183) for the Group and the Company correspondingly, that concern renting of vehicles and buildings (note 23).

7) Intangible Assets

The Group's and the Company's intangible assets are the following:

Amounts in Euros	Development Expenses	Total
Cost		
Balance as of January 1 2008	**355.093**	**355.093**
Balance as of December 31 2008	**355.093**	**355.093**
Accumulated depreciation		
Balance as of January 1 2008	**-139.496**	**-139.496**
Depreciation of the year (note 23)	-118.353	**-118.353**
Balance as of December 31 2008	**-257.849**	**-257.849**
Undepreciated value as of 31 December 2008	**97.244**	**97.244**

Amounts in Euros	Development Expenses	Total
Cost		
Balance as of January 1 2007	**-**	**-**
Additions	355.093	355.093
Balance as of December 31 2007	**355.093**	**355.093**
Accumulated depreciation		
Balance as of January 1 2007	-	-
Depreciation of the year (Note 23)	-139.496	-139.496
Balance as of December 31 2007	**-139.496**	**-139.496**
Undepreciated value as of 31 December 2007	**215.597**	**215.597**

Depreciation is included in the cost of sales

8) Investments in subsidiaries

	COMPANY FIGURES	
Amounts in Euros	**31/12/2008**	**31/12/2007**
Beginning balance	**11.319.068**	**24.706.474**
Additions	-	69.680
Sales	-	-12.769.961
Transfer to subsidiaries	-	-687.125
Closing balance	**11.319.068**	**11.319.068**

The Company's subsidiaries that are not listed on the stock exchange are as follows:

Company	Country	Acquisition value at beginning of period	Acquisition value at end of period	Direct holding percentage
2008				
CPW EUROPEAN TRADING Gmbh	Germany	-	-	100,00%
CPW AMERICA CO.	America	567.344	567.344	100,00%
HUMBEL Ltd	Cyprus	10.751.724	10.751.724	100,00%
Total		**11.319.068**	**11.319.068**	

Company	Country	Acquisition value at beginning of period	Additions	Sales	Transfer to related companies	Acquisition value at end of period	Direct holding percentage
2007							
CORINTH METALWORKS S.A.	Greece	11.797.506	-	-11.797.506	-	-	99,99%
DIA.VI.PE.THI.V. S.A.	Greece	1.589.900	69.680	-972.455	-687.125	-	21,37%
CPW EUROPEAN TRADING Gmbh	Germany	-	-	-	-	-	100,00%
CPW AMERICA CO.	America	567.344	-	-	-	567.344	100,00%
HUMBEL Ltd	Cyprus	10.751.724	-	-	-	10.751.724	100,00%
Total		**24.706.474**	**69.680**	**-12.769.961**	**-687.125**	**11.319.068**	

On 9/8/2007 CORINTH PIPEWORKS S.A. sold to NOVAL S.A., it's total participation (99,9% of share capital) in CORINTH METALWORKS S.A.

The net cash inflow is analyzed as follows:

	CONSOLIDATED FIGURES	COMPANY FIGURES
Revenue in cash	13.600.000	13.600.000
Cash and cash equivalents of subsidiary at the date of transaction	-42.616	-
Net received amount in cash	**13.557.384**	**13.600.000**

The gain from the said transaction amounted to €1.885.873 and €724.652 for the Group and the Company respectively, which is included in Other Profit / (Loss)- Net (note 27).

On 30/9/2007 CORINTH PIPEWORKS S.A. sold percentage 30,25% of it's participation (51,625% of share capital) in DIAVIPETHIV SA., to the companies SIDENOR S.A. and ELVAL S.A. It's current participation in the Company is 21,37%.

The net cash inflow is analyzed as follows:

	CONSOLIDATED FIGURES	COMPANY FIGURES
Revenue in cash	1.112.800	1.112.800
Cash and cash equivalents of subsidiary at the date of transaction	-145.801	-
Net received amount in cash	**966.999**	**1.112.800**

The gain from the said transaction amounted to €338.437 and €140.345 for the Group and the Company respectively, which is included in Other Profit / (Loss)- Net (note 27).

During the year 2007 there was no need for any impairment on investments.

9) Investments in associates

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	**31/12/2008**	**31/12/2007**	**31/12/2008**	**31/12/2007**
Beginning balance	7.987.071	-	687.125	-
Additions	-	7.758.838	-	-
Foreign exchange difference	-1.733.245	-567.577	-	-
Share of profit from associated companies	2.783.850	164.246	-	-
Purchase of associates	-	631.564	-	687.125
Closing balance	**9.037.676**	**7.987.071**	**687.125**	**687.125**

The share of profit from associated companies is presented after tax.

Additions

In January 2007, the Joint Venture ZAO TMK-CPW with the Russian company TMK, was established, with its' headquarters in Russia, in which Corinth Pipeworks S.A. holds 49% of the Share Capital. Aim of the Company is the production and trade of high quality steel-pipes, in order to meet the increased demand, in Russia and neighbouring countries' energy and construction sectors.

The total amount spent on the establishment of the Company is presented below:

Contribution in tangible assets	6.540.011
Cash spent	1.218.827
Total expense	**7.758.838**

The profit from the abovementioned acquisition amounts to €3.365.781:

Book value of contributed fixed assets	3.174.230
Profit from acquisition of associated company	3.365.781
Fair value of contributed fixed assets	**6.540.011**

The profit is included in Other Profit / (Loss)- Net (note 27).

Change of participation in subsidiary

On 30/9/2007 CORINTH PIPEWORKS S.A. sold percentage 30,25% of it's participation (51,625% of share capital) in DIAVIPETHIV SA. It's current participation in the Company is 21,37%. The Group share in Assets, Liabilities, Revenues, Expenses and Profits of associated companies are illustrated below:

Company	Country	Assets	Liabilities	Sales	Profit /(Loss) after tax	Participation
2008						
DIAVIPETHIV S.A.	Greece	2.781.153	2.223.839	327.575	-93.959	21,37%
ZAO TMK – CPW	Russia	14.425.501	5.945.127	23.008.930	2.877.808	49,00%
		17.206.654	**8.168.966**	**23.336.505**	**2.783.850**	

Further to the approval of the Regulatory Plan of industrial zone in Thisvi, (Note 6), Corinth Pipeworks S.A. contributed an amount of €484.430, for a share capital increase of the associate DIA.VI.PE.THI.V. S.A. The said amount is included in the receivables from related parties (note 35). The share capital increase will be approved by the Shareholders' General Assembly of DIA.VI.PE.THI.V. S.A, within 2009.

Company	Country	Assets	Liabilities	Sales	Profit /(Loss) after tax	Participation
2007						
DIAVIPETHIV S.A.	Greece	1.047.765	343.659	86.958	19.696	21,37%
ZAO TMK – CPW	Russia	15.625.631	8.289.820	3.369.730	144.550	49,00%
		16.673.396	**8.633.479**	**3.456.688**	**164.246**	

10) <u>Financial instruments</u>

a) Financial instruments by category

Consolidated figures at 31/12/2008

Assets	Loans and receivables	Assets at fair value through the profit and loss	Derivatives used for hedging	Total
Trade and other receivables	71.052.405	-	-	**71.052.405**
Cash and cash equivalents	19.405.270	-	-	**19.405.270**
Short-term derivative financial instruments	-	-	3.324.973	**3.324.973**
Short-term financial assets at fair value through results	-	48.537	-	**48.537**
Total	**90.457.675**	**48.537**	**3.324.973**	**93.831.185**

Liabilities	Derivatives used for hedging	Other financial liabilities	Total
Long-term loans	-	7.500.000	**7.500.000**
Short-term loans	-	62.928.501	**62.928.501**
Derivative financial instruments (short-term)	10.802.817	-	**10.802.817**
Factoring	-	6.194.998	**6.194.998**
Total	**10.802.817**	**76.623.499**	**87.426.316**

Consolidated figures at 31/12/2007

Assets	Loans and receivables	Assets at fair value through the profit and loss	Derivatives used for hedging	Total
Long-term derivative financial instruments	-	-	536.880	**536.880**
Trade and other receivables	53.219.928	-	-	**53.219.928**
Cash and cash equivalents	11.591.569	-	-	**11.591.569**
Short-term derivative financial instruments	-	-	1.549.428	**1.549.428**
Short-term financial assets at fair value through results	-	106.737	-	**106.737**
Total	**64.811.497**	**106.737**	**2.086.308**	**67.004.542**

Liabilities	Derivatives used for hedging	Other financial liabilities	Total
Long-term loans	-	65.578.501	**65.578.501**
Short-term loans	-	31.670.728	**31.670.728**
Derivative financial instruments (short-term)	1.298.685	-	**1.298.685**
Total	**1.298.685**	**97.249.229**	**98.547.914**

Company figures at 31/12/2008

Assets	Loans and receivables	Assets at fair value through the profit and loss	Derivatives used for hedging	Total
Trade and other receivables	65.912.609	-	-	**65.912.609**
Cash and cash equivalents	13.360.065	-	-	**13.360.065**
Short-term derivative financial instruments	-	-	3.324.973	**3.324.973**
Short-term financial assets at fair value through results	-	48.537	-	**48.537**
Total	**79.272.674**	**48.537**	**3.324.973**	**82.646.184**

Liabilities	Derivatives used for hedging	Other financial liabilities	Total
Long-term loans	-	7.500.000	**7.500.000**
Short-term loans	-	62.928.501	**62.928.501**
Derivative financial instruments (short-term)	10.802.817	-	**10.802.817**
Factoring	-	6.194.998	**6.194.998**
Total	**10.802.817**	**76.623.499**	**87.426.316**

Company figures at 31/12/2007

Assets	Loans and receivables	Assets at fair value through the profit and loss	Derivatives used for hedging	Total
Long-term derivative financial instruments	-	-	536.880	**536.880**
Trade and other receivables	42.613.537	-	-	**42.613.537**
Cash and cash equivalents	4.163.313	-	-	**4.163.313**
Short-term derivative financial instruments	-	-	1.549.428	**1.549.428**
Short-term financial assets at fair value through results	-	106.737	-	**106.737**
Total	**46.776.850**	**106.737**	**2.086.308**	**48.969.895**

Liabilities	Derivatives used for hedging	Other financial liabilities	Total
Long-term loans	-	65.578.501	**65.578.501**
Short-term loans	-	31.670.728	**31.670.728**
Derivative financial instruments (short-term)	1.298.685	-	**1.298.685**
Total	**1.298.685**	**97.249.229**	**98.547.914**

b) Credit quality of financial assets

Derivative financial instruments (assets):

The credit quality of derivative financial assets according to external credit rating (FITCH) is presented below:

	Consolidated and Company figures - 2008	Consolidated and Company figures - 2007
AA+	16.399	-
AA-	758.044	-
A	2.069.852	1.089.999
A-	232.461	258.110
BBB+	248.217	738.200
Total	**3.324.973**	**2.086.309**

11) Inventories

Amounts in Euros	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Finished products	34.335.097	46.465.524	21.716.195	31.330.641
Semi-finished products	30.137.950	209.940	30.137.950	209.940
By-products and scrap material	234.866	61.925	234.866	61.925
Work in progress	228.290	207.896	228.290	207.896
Raw and indirect materials	58.539.355	46.587.336	58.539.355	46.587.336
Consumables - spare parts & packaging materials	4.109.820	3.885.510	4.109.820	3.885.510
Advances for inventories purchase	727.758	700.814	727.758	700.814
Total	**128.313.136**	**98.118.945**	**115.694.234**	**82.984.062**
Less: Impairment provision of inventories				
Finished products	-2.975.069	-2.255.950	-2.975.069	-2.255.950
Total net value	**125.338.067**	**95.862.995**	**112.719.165**	**80.728.112**

The cost of stocks that was recorded as an expense in the cost of sales amounts to 263.187.433 (2007: €229.946.897) and €231.325.742 (2007: €214.757.241) for the Group and the Company respectively.

During the fiscal year stocks were estimated at the lower value between their cost and their net liquid value. The net liquid value was estimated based on the sales price of finished products in an active market. The net liquid value of certain finished products was lower, and as a result thereof an impairment loss in the amount of €2.975.069 (2007: €2.255.950) for the Group and the Company. The impairment loss is included in the cost of stocks that was included in the income statement as an expense in the cost of sales (note 23).

12) Trade and other receivables

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	**31/12/2008**	**31/12/2007**	**31/12/2008**	**31/12/2007**
Trade receivables	64.041.277	45.675.491	59.728.826	22.286.407
Less: provision for impairment of trade receivables	-314.752	-322.999	-202.247	-267.171
Trade receivables net	**63.726.525**	**45.352.492**	**59.526.579**	**22.019.236**
Less:Impairment provisions	2.249.156	1.832.849	2.374.936	1.815.042
Receivables from related parties (note 35)	9.260.381	5.264.431	8.433.036	18.635.663
Greek State	2.359.501	2.808.292	2.359.501	2.808.292
Other debtors	441.581	1.273.778	437.609	685.239
Purchases in transit	16.724.492	8.823.790	16.724.492	8.823.790
Total	**94.761.636**	**65.355.632**	**89.856.153**	**54.787.262**
Current Assets	90.776.614	64.961.332	85.871.131	54.392.962
Non-Current Assets	3.985.022	394.300	3.985.022	394.300
Total	**94.761.636**	**65.355.632**	**89.856.153**	**54.787.262**

Long-term receivables included in non-current assets €381.998 (2007: €394.300) concern guarantees to third parties within the framework of the Company's activities and do not have a specific maturity date. Regarding the remaining liabilities of €3.603.024 see note 6.

The fair market values of clients and other receivables are approximately equal to their book values.

The credit risk regarding receivables from clients is not concentrated since the Group has a large number of clients that are internationally dispersed.

As of 31/12/2008 trade receivables of €58.296.073 (2007: €19.599.547) and €58.970.028 (2007: €36.671.697) concern clients without delay in their payments, for the Company and the Group respectively.

Trade receivables that are less than three months past due are not considered impaired. As of 31/12/2008 Trade receivables that were past due but not impaired €4.756.497 (2007: €8.680.795) for the Group and €1.230.506 (2007: €2.419.689) for the Company. These relate to a number of independent customers for whom there is no recent history of default. The ageing of these receivables are shown in the table bellow:

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Ageing	**31/12/2008**	**31/12/2007**	**31/12/2008**	**31/12/2007**
Trade receivables				
0-3 months	4.099.516	7.890.144	627.425	1.903.652
3-6 months	102.798	30.771	48.898	30.771
> 6 months	554.183	759.880	554.183	485.266
Total	**4.756.497**	**8.680.795**	**1.230.506**	**2.419.689**

The amounts recognised as provision usually are written off since they are not expected to be collected by the specific customers.

The carrying amounts of the Group's and the Company's trade and other receivables are denominated in the following currencies:

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Euro	65.511.566	33.289.922	65.313.512	33.455.595
US Dollar	21.916.449	27.390.584	17.209.020	17.316.134
UK Pound	823.461	3.321.492	823.461	3.321.492
United Arabic Emirates Dirham	45	694.042	45	694.042
Cyprus Pound	-	659.592	-	-
Omani Rial	6.510.115	-	6.510.115	-
Total	**94.761.636**	**65.355.632**	**89.856.153**	**54.787.263**

Movements to the Group's and the Company's provision for impairment of trade receivables are as follows:

Amounts in Euros	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Beginning balance	323.000	1.482.296	267.171	842.187
Provision for receivables impairment	50.305	240.336	-	184.507
Receivables written off during the year as uncollectible	-	-759.523	-	-759.523
Foreing exchange differences	6.371	-	-	-
Provision reversed	-64.924	-640.109	-64.924	-
Closing balance	**314.752**	**323.000**	**202.247**	**267.171**

Provision of the year and reversed provisions have been recognised in the income statement as follows:

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Other expenses	-50.305	-	-	-
Administrative expenses	-	-172.336	-	-184.508
Other income	64.924	572.109	64.924	-
Total	**14.619**	**399.773**	**64.924**	**-184.508**

The other classes within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date for the Group and the Company is the fair value of each class of receivable mentioned above.

At the Balance Sheet date the Group did not possess any security against such customers. The good performance guarantees are mentioned in note 34.

13) Derivative financial instruments

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	**31/12/08**	**31/12/07**	**31/12/08**	**31/12/07**
Non Current Assets				
Interest rate swaps	-	536.880	-	536.880
Total	**-**	**536.880**	**-**	**536.880**
Current Assets				
Forward foreign exchange contracts – cash flow hedges	3.271.604	1.549.428	3.271.604	1.549.428
Interest rate swaps	53.369	-	53.369	-
Total	**3.324.973**	**1.549.428**	**3.324.973**	**1.549.428**
Short-term Liabilities				
Forward foreign exchange contracts – cash flow hedges	10.169.059	1.298.685	10.169.059	1.298.685
Forward foreign exchange on freight contracts (FFAs)	633.758	-	633.758	-
Total	**10.802.817**	**1.298.685**	**10.802.817**	**1.298.685**

The ineffective portion arising from cash flow hedge was not recognised in the income statement.

The maximum exposure to credit risk at 31/12/2008 for the Group and the Company is the fair value of the derivative assets in the Balance Sheet.

The derivative financial instruments are recognised in the non current assets/lon-term liabilities when the remaining period (maturity date) is shorter than 12 months

a) Forward foreign exchange contracts

The notional principal amounts of the outstanding forward foreign exchange contracts at 31/12/2008 were USD 140.549.000, compared to USD 37.799.452 at 31/12/2007. Gains and losses recognised in the hedging reserve in equity on forward foreign exchange contracts, at 31/12/2008 will be recognised in the income statement in various dates between one to twelve months from the Balance Sheet date.

b) Interest rate swaps

The notional principal amounts of the outstanding interest rate swaps contracts at 31/12/2008 were €18.000.000 (compared to €32.000.000 at 31/12/2007). Gains and losses recognised in the hedging reserve in equity on interest rate swaps contracts at 31/12/2008 will be recognised in the income statement until the repayment of the bank borrowings.

As of December 31, 2008 the variable interest rates of long-term loans that are covered with Swaps fixed interest rates fluctuated between 5,03% and 5,25% (31/12/2007: between 3,88% and 4,15%).

c) Forward foreign exchange on freight contracts (FFAs)

The notional principal amount of the outstanding forward foreign exchange on freight contracts (FFAs) at 31/12/2008 were USD 1.036.000. Gains and losses recognised in equity on Forward foreign exchange on freight contracts at 31/12/2008 are recognised in the income statement in the first quarter of 2009.

14) Financial assets at fair value through profit or loss

Amounts in Euros	CONSOLIDATED FIGURES	COMPANY FIGURES
Balance at January 1, 2008	**106.737**	**106.737**
Changes in fair value	-58.200	-58.200
Balance at December 31, 2008	**48.537**	**48.537**
Current Assets	48.537	48.537
Total	**48.537**	**48.537**

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

Amounts in Euros	CONSOLIDATED FIGURES	COMPANY FIGURES
	31/12/2008	31/12/2008
Listed securities		
- Greek securities	41.200	41.200
Not-listed securities		
- Greek securities	7.337	7.337
Total	**48.537**	**48.537**

Amounts in Euros	CONSOLIDATED FIGURES	COMPANY FIGURES
Balance at January 1, 2007	**380.066**	**101.737**
Sales	-278.329	-
Changes in fair value	5.000	5.000
Balance at December 31, 2007	**106.737**	**106.737**
Current Assets	106.737	106.737
Total	**106.737**	**106.737**

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

Amounts in Euros	CONSOLIDATED FIGURES	COMPANY FIGURES
	31/12/2007	31/12/2007
Listed securities		
- Greek securities	99.400	99.400
Not-listed securities		
- Greek securities	7.337	7.337
Total	**106.737**	**106.737**

Fair value profits/(losses) [including profits/(losses) form sales] of financial assets at fair value through results are recorded in the income statement under other operating income (net) - (see note 27) and additionally are presented in the net cash flows from operating activities in the cash flow statement.

The fair value of all equity securities is based on their current bid prices in an active market.

15) Cash & Cash equivalents

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Cash on hand	10.781	9.848	9.267	8.186
Cash at banks	19.394.489	11.581.721	13.350.798	4.155.127
Total	**19.405.270**	**11.591.569**	**13.360.065**	**4.163.313**

16) Share capital and premium

Amounts in Euros	Number of shares	Ordinary shares	Share premium	Total
December 31, 2007	**124.170.201**	**96.852.757**	**27.427.850**	**124.280.607**
December 31, 2008	**124.170.201**	**96.852.757**	**27.427.850**	**124.280.607**

The total number of approved common shares amounts to 124,170,201 shares (2007: 124,170,201 shares) of a nominal value of 0,78 Euros each (2007: 0,78 Euros each). All issued shares have been paid up in full.

17) Other reserves

CONSOLIDATED FIGURES								
Amounts in Euros	Statutory reserve	Fair Value Reserve	Extra-ordinary reserves	Untaxed reserves	Other reserves	Total	Foreign exchange Differences from the Consolidation of foreign subsidiaries	Total
Balance at January 1, 2007	**1.461.864**	**2.370.666**	**2.640.148**	**9.385.491**	**90.284**	**15.948.453**	**-186.420**	**15.762.033**
Foreign exchange difference	-	-	-	-	-	**-**	-714.334	**-714.334**
Transfer to retained earnings	-784	-	-	-	-	**-784**	-	**-784**
Gain / (loss) from cash flow hedge, net of tax	-	-1.779.948	-	-	-	**-1.779.948**	-	**-1.779.948**
Balance at December 31, 2007	**1.461.080**	**590.718**	**2.640.148**	**9.385.491**	**90.284**	**14.167.721**	**-900.754**	**13.266.967**
Balance at January 1, 2008	**1.461.080**	**590.718**	**2.640.148**	**9.385.491**	**90.284**	**14.167.721**	**-900.754**	**13.266.967**
Foreign exchange difference	-	-	-	-	-	**-**	-1.545.247	**-1.545.247**
Profit / (Loss) after tax from change of fair market value of cash flow hedge	-	-6.199.101	-	-	-	**-6.199.101**	-	**-6.199.101**
Balance at December 31, 2008	**1.461.080**	**-5.608.383**	**2.640.148**	**9.385.491**	**90.284**	**7.968.620**	**-2.446.001**	**5.522.619**

COMPANY FIGURES						
Amounts in Euros	Statutory reserve	Fair Value Reserve	Extra-ordinary reserves	Untaxed reserves	Other reserves	Total
Balance at January 1, 2007	**1.461.080**	**2.370.666**	**2.640.148**	**9.385.491**	**90.284**	**15.947.669**
Profit / (Loss) after tax from change of fair market value of cash flow hedge	-	-1.779.948	-	-	-	**-1.779.948**
Balance at December 31, 2007	**1.461.080**	**590.718**	**2.640.148**	**9.385.491**	**90.284**	**14.167.721**
Balance at January 1, 2008	**1.461.080**	**590.718**	**2.640.148**	**9.385.491**	**90.284**	**14.167.721**
Profit / (Loss) after tax from change of fair market value of cash flow hedge	-	-6.199.101	-	-	-	**-6.199.101**
Balance at December 31, 2008	**1.461.080**	**-5.608.383**	**2.640.148**	**9.385.491**	**90.284**	**7.968.620**

(a) Statutory reserves

Pursuant to the provisions of articles 44 and 45 of Codified Law 2190/1920 the statutory reserve is formed and used as follows: At least 5% of the true (accounting) net profits of each fiscal year is mandatorily withheld in order to form the statutory reserve until the accumulated amount thereof amounts to at least 1/3 of the registered share capital. The statutory reserve may be used to cover losses following a decision of the Ordinary General Meeting of the shareholders and may not be used for any other reason.

(b) Extraordinary reserves

This reserve has been formed following a decision of the Ordinary General Meeting that convened in previous fiscal years. It does not have a specific use and may be used for any purpose following a decision of the Ordinary General Meeting.

(c) Untaxed reserves

Special law untaxed reserves

The Company monitors the reserves that are formed from net profits, which, pursuant to special provisions of incentive laws that are in force each time, are not taxed whereas they were used for the acquisition of new production equipment. In other words, these reserves are formed from net profits for which a tax is not estimated or paid.

Reserves from income exempted from taxation and from income taxed by special laws.

These reserves include part of the non-distributed net profits of each fiscal year that emanates from income exempted from taxation and income taxed by special laws with the exhaustion of the tax liability.

The aforementioned reserves may be capitalised and distributed (after the restrictions that may apply each time are taken into consideration) following a decision of the Ordinary General Meeting of the shareholders.

In case where distribution is decided, the Company will be called to pay the corresponding tax.

18) Borrowings

Amounts in Euros	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Long-Term borrowings				
Bank loans	-	27.245.165	-	27.245.165
Debentures	7.500.000	38.333.336	7.500.000	38.333.336
Total Long-Term borrowings	**7.500.000**	**65.578.501**	**7.500.000**	**65.578.501**
Short-Term borrowings				
Bank loans	32.095.165	31.655.407	32.095.165	31.655.407
Debentures	30.833.336	-	30.833.336	-
Leasing	-	15.321	-	15.321
Total Short-Term borrowings	**62.928.501**	**31.670.728**	**62.928.501**	**31.670.728**
Total borrowings	**70.428.501**	**97.249.229**	**70.428.501**	**97.249.229**

It is noted that based on IFRS1 long-term loan from European Investement Bank has been included in short-term borrowings, since the Company does not meet some of the required financial covenants.

However there is no any indication or information from the said creditor that the above mentioned amount will become immediately due, taken into consideration that alson in the past (2006 and backwards) the Company did not meet some financial covenants but was servicing the loan on schedule.

Borrowings are secured with pledges and mortgages against the Company's land and buildings (note 6).

The Group's exposure to interest rates risk as well as the contractual dates of resetting interest rates are as follows:

Amounts in Euros	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Less than 6 months	28.727.601	35.759.229	28.727.601	35.759.229
Between 6 and 12 months	18.000.000	-	18.000.000	-
1-5 years	23.700.900	61.490.000	23.700.900	61.490.000
Total	**70.428.501**	**97.249.229**	**70.428.501**	**97.249.229**

The maturity dates of long-term loans, not including leasing, are as follows:

Amounts in Euros	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Between 1 and 2 years	2.500.000	38.276.079	2.500.000	38.276.079
Between 2 and 5 years	5.000.000	27.302.422	5.000.000	27.302.422
Total	**7.500.000**	**65.578.501**	**7.500.000**	**65.578.501**

All of the Group's loans are in Euros.

The long-term borrowings mature until 2012 and the effective weighted average interest rates that were applicable on the balance sheet date were as follows:

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Bank Loans	6,72%	5,58%	6,72%	5,58%
Bank Loans (short term)	5,26%	-	5,26%	-
Debentures	5,13%	5,46%	5,13%	5,46%

The current value of long-term borrowings is the following:

Company and Group figures		
Long-term borrowings	**31/12/2008**	**31/12/2007**
Bank Loans	-	26.694.870
Debentures	7.500.000	38.333.336
Total	**7.500.000**	**65.028.206**

The fair market values of short-term loans are equal to their book values, as the effect from discount is immaterial.

For 2007, the current value is based on discounted cash flows with an interest rate 2007: 6,11%. The long-term loans for the year-end 2008 have floating interest rate.

The Group has unused credit lines of €62.584.509 (2007: €98.539.023) in order to cover any future financial needs. These credit lines are mentioned in variable rate contracts and they do not have a determined date of expiration.

Leasing

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	**31/12/2008**	**31/12/2007**	**31/12/2008**	**31/12/2007**
Liabilities from leasing activities – minimum rents				
Up to 1 year	-	15.321	-	15.321
Total	-	**15.321**	-	**15.321**
Current value of liabilities from leasing activities	-	**15.321**	-	**15.321**

The current value of liabilities from leasing activities is analysed below:

Amounts in Euros	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Up to 1 year	-	15.321	-	15.321
Current value of liabilities from leasing activities	-	**15.321**	-	**15.321**

19) Deferred income tax

Deferred tax claims and liabilities are offset when there is an applicable legal right to offset current tax claims with current tax liabilities and when deferred income taxes concern the same tax principle. The amounts offset are illustrated below:

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	**31/12/2008**	**31/12/2007**	**31/12/2008**	**31/12/2007**
Deferred tax asset	-133.198	-1.277.027	-	-
Deferred tax liability	1.601.811	-	2.727.745	57.113
Total	**1.468.613**	**-1.277.027**	**2.727.745**	**57.113**

Most of the deferred tax assets are recoverable after 12 months. Most of the tax liabilities are payable after 12 months.

The total change in deferred income tax is as follows:

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	**31/12/2008**	**31/12/2007**	**31/12/2008**	**31/12/2007**
Balance at the beginning of the year	**-1.277.027**	**-4.146.240**	**57.115**	**-3.542.015**
Foreign exchange difference	-7.553	4.622	-	-
Sale of subsidiaries	-	-1.049.689	-	-
Charged/(credited) to the income statement (note 29)	4.819.559	4.507.596	4.736.998	4.192.444
Charged/(credited) directly to Equity	-2.066.366	-593.316	-2.066.366	-593.316
Balance at year-end	**1.468.613**	**-1.277.027**	**2.727.745**	**57.113**

Changes in deferred tax assets and liabilities during the year, without taking into consideration the offset of balances fot the same same tax authority, are the following:

Deferred tax liabilities:

CONSOLIDATED FIGURES	Tangible assets/Difference in depreciation	Recognition of income	Fair value Profit	Other	Total
Amounts in Euros					
Balance 1/1/2007	**13.922.399**	**665**	**790.221**	**1.349.590**	**16.062.875**
Debited/(credited) to the income statement	410.504	18.558	-	-421.992	**7.070**
Debited/(credited) directly to Equity	-	-	-593.316	-	**-593.316**
Sale of subsidiaries	-1.053.428	-	-	-	**-1.053.428**
Balance 31/12/2007	**13.279.475**	**19.223**	**196.905**	**927.598**	**14.423.201**
Balance 1/1/2008	**13.279.475**	**19.223**	**196.905**	**927.598**	**14.423.201**
Debited/(credited) to the income statement	-761.424	795.412	-	-8.558	**25.430**
Transfer to deferred tax assets	-	-	-196.905	-	**-196.905**
Balance 31/12/2008	**12.518.051**	**814.635**	**-**	**919.040**	**14.251.726**

Deferred tax assets:

CONSOLIDATED FIGURES	Provisions differences	Non-recognized intangible assets	Fair value Profit	Tax losses	Total
Amounts in Euros					
Balance 1/1/2007	**-1.188.884**	**-1.693.975**	**-**	**-17.326.256**	**-20.209.115**
Foreign exchange difference	4.622	-	-	-	**4.622**
Debited/(credited) to the income statement	-350.057	684.965	-	4.165.618	**4.500.526**
Sale of subsidiaries	-	3.739	-	-	**3.739**
Balance 31/12/2007	**-1.534.319**	**-1.005.271**	**-**	**-13.160.638**	**-15.700.228**
Balance 1/1/2008	**-1.534.319**	**-1.005.271**	**-**	**-13.160.638**	**-15.700.228**
Foreign exchange difference	-7.553	-	-	-	**-7.553**
Debited/(credited) to the income statement	128.945	316.491	-	4.348.693	**4.794.129**
Debited/(credited) directly to Equity	-	-	-2.066.366	-	**-2.066.366**
Transfer from deferred tax liabilities	-	-	196.905	-	**196.905**
Balance 31/12/2008	**-1.412.927**	**-688.780**	**-1.869.461**	**-8.811.945**	**-12.783.113**

Deferred tax liabilities:

COMPANY FIGURES	Fair value Profit	Recognition of income	Tangible assets/Difference in depreciation	Other	Total
Amounts in Euros					
Balance 1/1/2007	**790.221,0**	**665**	**16.398.448**	**1.349.590**	**18.538.924**
Debited/(credited) to the income statement	-	18.558	-429.000	47.625	**-362.817**
Debited/(credited) directly to Equity	-593.316	-	-	-	**-593.316**
Transfer from deferred tax assets		-	-1.884.735	-	-1.884.735
Balance 31/12/2007	**196.905**	**19.223**	**14.084.713**	**1.397.215**	**15.698.056**
Balance 1/1/2008	-	795.412	-888.580	176.375	83.207
Debited/(credited) to the income statement	-196.905	-	-	-	**-196.905**
Transfer from deferred tax assets	**-**	**814.635**	**13.196.133**	**1.573.590**	**15.584.358**

Deferred tax assets:

COMPANY FIGURES	Provisions differences	Non-recognised intangible assets	Fair value Profits	Spin-off and contribution of business unit	Tax losses	Total
Amounts in Euros						
Balance 1/1/2007	**-1.263.942**	**-1.690.237**	-	**-1.800.504**	**-17.326.256**	**-22.080.939**
Debit/(credit) recorded in the income statement	-295.320	684.965	-	-	4.165.618	**4.555.263**
Transfer to deferred tax liabilities	84.231	-	-	1.800.504	-	**1.884.735**
Balance 31/12/2007	**-1.475.031**	**-1.005.272**	**-**	**-**	**-13.160.638**	**-15.640.941**
Balance 1/1/2008	**-1.475.031**	**-1.005.272**	**-**	**-**	**-13.160.638**	**-15.640.941**
Debit/(credit) recorded in the income statement	-11.636	316.734	-	-	4.348.693	**4.653.791**
Debiteddirectly to equity	-	-	-2.066.366	-	-	**-2.066.366**
Transfer from deferred tax assets	-	-	196.905	-	-	**196.905**
Balance 31/12/2008	**-1.486.667**	**-688.538**	**-1.869.461**	**-**	**-8.811.945**	**-12.856.611**

The deferred tax that was credited to the Company's Net Worth during the year refers to the change in the fair value of cash flow hedging.

During this period, Group's Management re-estimated the possibility of offseting tax losses carried forward with future tax gains and recognised deferred tax asset for the transfer of a portion of the tax losses amounting €35.597.869 (2007: €52.642.552) for which the realisation of a relative financial benefit due to future tax profits is possible.

20) Retirement benefit obligations

Amounts in Euros	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Balance sheet liabilities for:				
Pension benefits	**1.031.561**	**1.673.377**	**1.031.561**	**1.673.377**
Income statement debit (note 24)				
Pension benefits	**301.249**	**363.130**	**301.249**	**363.130**

The amounts that have been recognised in the Balance Sheet have been designated as follows:

Amounts in Euros	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Present value of non-financed liabilities	966.134	1.633.503	966.134	1.633.503
Non-recorded actuarial profits/(losses)	108.621	85.513	108.621	85.513
Non-recorded cost of past service	-43.194	-45.640	-43.194	-45.640
Liability in the Balance Sheet	**1.031.561**	**1.673.376**	**1.031.561**	**1.673.376**

The amounts that have been recognised in the Income statement have been designated as follows:

Amounts in Euros	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Current service cost	132.003	147.502	132.003	147.502
Interest cost	59.484	79.110	59.484	79.110
Cutback losses from employee transfers	107.331	132.761	107.331	132.761
Amortisation of actuarial profits	-15	1.311	-15	1.311
Amortisation of the cost of past service during the year	2.446	2.446	2.446	2.446
Total cost recognised in the income statement (note 24)	**301.249**	**363.130**	**301.249**	**363.130**

The breakdown of above amounts per expenses category is the following:

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Cost of sales	348.923	154.034	348.923	154.034
Administrative expenses	-	209.096	-	209.096
Other operating income	-47.674	-	-47.674	-
Total included in employee benefits	**301.249**	**363.130**	**301.249**	**363.130**

The liability that has been recorded in the balance sheet is as follows:

Amounts in Euros	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Net liability at the beginning of the year	1.673.377	2.291.677	1.673.377	2.291.677
Employer contributions	-943.065	-981.430	-943.065	-981.430
Total cost recognised in the income statement	301.249	363.130	301.249	363.130
Net liability at year-end	**1.031.561**	**1.673.377**	**1.031.561**	**1.673.377**

The main actuarial assumptions used are the following:

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Discount rate	5,5%	4,8%	5,5%	4,8%
Future salary increases	4,5%	4,5%	4,5%	4,5%
Inflation	2,0%	2,5%	2,0%	2,5%

Death and sickliness rates

Regarding assumptions for the death rate of men and women, the Swiss death-rate board EVK 2000 has been used. Regarding the sickliness rate the above table has been re-adjusted by 50%.

The sensitivity of the overall pension liability to changes in the weighted principal assumptions is:

	Change in assumption	Impact on overall liability
Discount rate	Increase/decrease 10%	Increase/decrease 6,2%
Salary growth rate	Increase/decrease 11%	Increase/decrease 6,1%

21) Provisions

CONSOLIDATED FIGURES					
Amounts in Euros	**Pending litigations**	**Contractual obligations**	**Restructuring**	**Other provisions**	**Total**
1 January 2007	**796.576**	**4.763.568**	**377.105**	**168.523**	**6.105.772**
Additional provisions	142.000	1.661.405	-	-	**1.803.405**
Used provisions	-443.575	-1.384.913	-26.575	-51.101	**-1.906.164**
31 December 2007	**495.001**	**5.040.060**	**350.530**	**117.422**	**6.003.013**
Additional provisions	-	1.688.692	-	-	**1.688.692**
Restructuring	1.917.863	-1.917.863	-	-	**-**
Offset of non used provisions	-100.000	-	-150.000	-	**-250.000**
Used provisions	-70.000	-2.101.440	-91.010	-	**-2.262.450**
31 December 2008	**2.242.864**	**2.709.449**	**109.520**	**117.422**	**5.179.255**

COMPANY FIGURES				
Amounts in Euros	**Pending litigations**	**Contractual obligations**	**Other provisions**	**Total**
1 January 2007	**796.576**	**4.763.568**	**117.422**	**5.677.566**
Additional provisions	142.000	1.661.405	-	**1.803.405**
Used provisions	-443.575	-1.384.913	-	**-1.828.488**
31 December 2007	**495.001**	**5.040.060**	**117.422**	**5.652.483**
Additional provisions	-	1.688.692	-	**1.688.692**
Restructuring	1.917.863	-1.917.863	-	**-**
Offset of non used provisions	-100.000	-	-	**-100.000**
Used provisions	-70.000	-1.304.764	-	**-1.374.764**
31 December 2008	**2.242.864**	**3.506.125**	**117.422**	**5.866.411**

	CONSOLIDATED FIGURES		**COMPANY FIGURES**	
Amounts in Euros	**31/12/2008**	**31/12/2007**	**31/12/2008**	**31/12/2007**
Short-term provisions	2.469.807	962.952	2.360.286	612.422
Long-term provisions	2.709.448	5.040.061	3.506.125	5.040.061
Total	**5.179.255**	**6.003.013**	**5.866.411**	**5.652.483**

<u>Pending litigations</u>

Out of the total provision, an amount of € 325.000 concerns lawsuits filed by former Company's employees related to an accident that occurred at Corinth plant in April 2003. Additional provisions of €1.917.863 that for year 2007, had been included in the provisions against contractual obligations, were transferred in the provisions for lawsuits. The amount of the said provisions are based on estimations of the Group's Legal Department. The additional provisions formed in 2008, are recognised in the profit and loss of the same period in the Administration Expenses. The offseting of the provisions has been recognised in the "other income". The balance amount of the provisions is expected to be used within the next year. The Management of the Company considers that the formed provision is sufficient and no additional burden is expected to arise.

<u>Indemnification to clients</u>

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

Restructuring of subsidiary companies

The said provision concerns expenses that may arise from the restructuring of CPW European Trading Gmbh. The offset of this provision is recognised in the "other operating income" The provision is expected to be used by the end of the next year.

22) Suppliers and other liabilities

Amounts in Euros	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Suppliers	52.975.567	38.251.390	50.970.923	36.813.288
Cheques payable	67.598.900	29.191.379	67.598.900	29.191.379
Customer down payments	42.847.212	201.880	6.878.493	201.880
Social Security	844.228	823.607	844.228	823.607
Tax & duties payable	464.643	452.684	417.929	410.769
Amounts payable to affiliated companies (note 35)	4.640.576	4.146.372	22.867.378	3.416.241
Dividends payable	20.426	20.426	20.426	20.426
Other creditors	495.638	656.715	495.638	655.840
Deferred income	-	29.820.149	-	-
Accrued expenses	5.689.441	4.993.317	3.770.402	4.733.671
Other transitory accounts	-	4.949	-	4.949
Other liabilities	12.792	108.631	-	-
Total	**175.589.423**	**108.671.499**	**153.864.317**	**76.272.050**
Long-term liabilities	12.792	108.631	-	-
Short-term liabilities	175.576.631	108.562.868	153.864.317	76.272.050
Total liabilities	**175.589.423**	**108.671.499**	**153.864.317**	**76.272.050**

23) Expenses by nature

Consolidated figures - 12 months until 31/12/2008

Amounts in Euros	**Notes**	**Cost of sales**	**Distribution cost**	**Admin. expenses**	**Other expenses (note 26)**	**Total**
Payroll and employees benefits	24	-15.798.708	-2.601.488	-2.593.499	-96.247	**-21.089.942**
Cost of stocks recognised as expense		-263.187.433	-	-	-	**-263.187.433**
Energy		-3.515.268	-186.797	-785	-	**-3.702.850**
Depreciation	6, 7	-10.713.278	-162.633	-65.044	-54.473	**-10.995.428**
Insurance fees		-488.722	-2.742.820	-4.722	-	**-3.236.264**
Leasing fees		-146.910	-39.857	-302.630	-52.052	**-541.449**
Freight cost		-1.171.730	-26.166.805	-53.445	-	**-27.391.980**
Fees to third parties		-4.791.701	-8.599.884	-1.003.322	-9.147	**-14.404.054**
Provisions		-	-1.142.183	-	-	**-1.142.183**
Other (see below)		-12.747.939	-8.430.924	-1.579.234	-1.104.826	**-23.862.923**
Total		**-312.561.689**	**-50.073.391**	**-5.602.681**	**-1.316.745**	**-369.554.506**
Other expenses						
Consumables, packaging, spare parts		-4.986.986	-1.399.993	-4.048	-	**-6.391.027**
Foreign exchange differences (note 30)		-6.452.699	-6.044.499	-146	-	**-12.497.344**
Miscellaneous		-1.308.254	-986.432	-1.575.040	-1.104.826	**-4.974.552**
Total		**-12.747.939**	**-8.430.924**	**-1.579.234**	**-1.104.826**	**-23.862.923**

Consolidated figures - 12 months until 31/12/2007

Amounts in Euros	Notes	Cost of sales	Distribution cost	Admin. expenses	Other expenses (note 26)	Total
Payroll and employees benefits	24	-14.856.232	-2.960.978	-5.725.648	-	**-23.542.858**
Cost of stocks recognised as expense		-229.946.897	-	-	-	**-229.946.897**
Energy		-4.103.354	-179.990	-	-	**-4.283.344**
Depreciation	6,7	-10.415.661	-184.464	-218.811	-416.790	**-11.235.726**
Insurance fees		-421.159	-3.230.064	-40.963	-	**-3.692.186**
Leasing fees		-173.462	-50.804	-276.043	-	**-500.309**
Freight cost		-976.461	-25.344.068	-57.649	-	**-26.378.178**
Fees to third parties		-4.478.735	-9.925.217	-937.372	-106.334	**-15.447.658**
Provisions		-	-1.901.741	-142.000	-	**-2.043.741**
Other (see below)		-7.529.244	-5.378.928	-1.245.086	-1.938.940	**-16.092.198**
Total		**-272.901.205**	**-49.156.254**	**-8.643.572**	**-2.462.064**	**-333.163.095**
Other expenses						
Consumables, packaging, spare parts		-4.988.075	-1.488.273	-2.446	-	**-6.478.794**
Foreign exchange differences (note 30)		-1.276.413	-2.729.689	-1.477	-	**-4.007.579**
Miscellaneous		-1.264.755	-1.160.966	-1.241.163	-1.938.940	**-5.605.824**
Total		**-7.529.243**	**-5.378.928**	**-1.245.086**	**-1.938.940**	**-16.092.197**

Company figures - 12 months until 31/12/2008

Amounts in Euros	Notes	Cost of sales	Distribution cost	Admin. expenses	Other expenses (note 26)	Total
Payroll and employees benefits	24	-15.798.708	-2.601.488	-1.780.730	-96.247	**-20.277.173**
Cost of stocks recognised as expense		-231.325.742	-	-	-	**- 231.325.742**
Energy		-3.515.268	-186.797	-	-	**-3.702.065**
Depreciation	6, 7	-10.713.278	-162.633	-64.018	-44.233	**-10.984.162**
Insurance fees		-488.722	-2.742.820	-1.444	-	**-3.232.986**
Leasing fees		-146.910	-39.857	-300.934	-	**-487.701**
Freight cost		-1.171.730	-24.986.983	-53.445	-	**-26.212.158**
Fees to third parties		-4.791.701	-6.595.154	-956.090	-9.147	**-12.352.092**
Provisions		-	-1.688.692	-	-	**-1.688.692**
Other (see below)		-12.747.938	-8.367.868	-1.576.603	-898.396	**-23.590.805**
Total		**-280.699.997**	**-47.372.291**	**-4.733.264**	**-1.048.023**	**- 333.853.575**
Other expenses						
Consumables, packaging, spare parts		-4.986.985	-1.399.993	-4.049	-	**-6.391.027**
Foreign exchange differences (note 30)		-6.452.699	-6.044.499	-146	-	**-12.497.344**
Miscellaneous		-1.308.254	-923.376	-1.572.408	-898.396	**-4.702.434**
Total		**-12.747.938**	**-8.367.868**	**-1.576.603**	**-898.396**	**-23.590.805**

Company figures - 12 months until 31/12/2007

Amounts in Euros	Notes	Cost of sales	Distribution cost	Admin. expenses	Other expenses (note 26)	Total
Payroll and employees benefits	24	-14.856.232	-2.781.388	-3.928.559	-	**-21.566.179**
Cost of stocks recognised as expense		-214.757.241	-	-	-	**-214.757.241**
Energy		-4.103.354	-179.990	-	-	**-4.283.344**
Depreciation	6, 7	-10.415.661	-158.729	-52.118	-243.833	**-10.870.341**
Insurance fees		-421.159	-3.230.063	-1.872	-	**-3.653.094**
Leasing fees		-173.462	-50.804	-270.917	-	**-495.183**
Freight cost		-976.461	-25.782.929	-54.262	-	**-26.813.652**
Fees to third parties		-4.478.735	-9.924.862	-825.777	-26.243	**-15.255.617**
Provisions		-	-1.845.914	-142.000	-	**-1.987.914**
Other (see below)		-7.799.382	-7.289.892	-1.184.404	-67.888	**-16.341.566**
Total		**-257.981.686**	**-51.244.572**	**-6.459.909**	**-337.964**	**-316.024.131**
Other expenses						
Consumables, packaging, spare parts		-4.988.075	-1.488.273	-2.446	-	-6.478.794
Foreign exchange differences (note 30)		-1.276.413	-2.729.689	-1.472	-	-4.007.573
Miscellaneous		-1.534.894	-3.071.930	-1.180.486	-67.888	-5.855.198
Total		**-7.799.382**	**-7.289.892**	**-1.184.404**	**-67.888**	**-16.341.565**

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Number of employees	531	525	521	513

24) Employee benefit expenses

Amounts in Euros	CONSOLIDATED FIGURES		COMPANY FIGURES	
	12 months until 31/12/2008	12 months until 31/12/2007	12 months until 31/12/2008	12 months until 31/12/2007
Wages & salaries	16.316.657	18.433.257	15.672.951	16.757.848
Social security expenses	3.968.696	4.239.453	3.931.187	4.055.899
Retirement benefit (note 20)	301.249	363.130	301.249	363.130
Other benefits	503.337	507.018	371.782	389.302
Total	**21.089.939**	**23.542.858**	**20.277.170**	**21.566.179**

25) Other operating income

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	12 months until 31/12/2008	12 months until 31/12/2007	12 months until 31/12/2008	12 months until 31/12/2007
Other operating income				
Income from consulting services	1.154.189	1.286.678	-	-
Amortisation of subsidies	-	5.947	-	-
Foreign exchange differences (note 30)	7.341.646	6.141.495	7.341.646	6.141.495
Indemnification from insurance companies	628.042	-	628.042	-
Miscellaneous (See bellow breakdown)	2.372.516	2.417.400	2.166.956	2.601.610
Total	**11.496.393**	**9.851.520**	**10.136.644**	**8.743.105**

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	12 months until 31/12/2008	12 months until 31/12/2007	12 months until 31/12/2008	12 months until 31/12/2007
Miscellaneous				
Unloading costs and freight	668.702	946.560	668.702	946.560
Grants	50.950	-	50.950	-
Income from services	695.860	-	695.856	811.726
Rents	3.977	3.824	3.977	3.824
Income from provisions and write-offs	631.543	1.454.307	481.543	826.857
Other	321.484	12.709	265.928	12.643
Total	**2.372.516**	**2.417.400**	**2.166.956**	**2.601.610**

26) Other operating Expenses

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	12 months until 31/12/2008	12 months until 31/12/2007	12 months until 31/12/2008	12 months until 31/12/2007
Other operating expenses				
Production expenses not included in cost	-165.543	-724.301	-165.543	-337.964
Miscellaneous (See bellow breakdown)	-1.151.202	-1.737.760	-882.480	-
Total	**-1.316.745**	**-2.462.061**	**-1.048.023**	**-337.964**

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	12 months until 31/12/2008	12 months until 31/12/2007	12 months until 31/12/2008	12 months until 31/12/2007
Miscellaneous				
Grants write-off	-	-166.686	-	-
Repayment of grants	-882.480	-818.799	-882.480	-
Other	-268.722	-752.275	-	-
Total	**-1.151.202**	**-1.737.760**	**-882.480**	**-**

27) Other profit/(loss) net

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	12 months until 31/12/2008	12 months until 31/12/2007	12 months until 31/12/2008	12 months until 31/12/2007
Profit / (Loss) from sale of fixed assets	-25.276	240.067	-25.276	239.004
Profit from acquisition of affiliate company	-	3.365.781	-	-
Gain from fair value of financial assets	-58.200	5.000	-58.200	5.000
Gain from sale of subsidiary	-	2.224.310	-	864.998
Gain from fair value of forward contracts	10.597.394	9.990.091	10.597.394	9.990.091
Loss from fair value of forward contracts	-17.397.209	-1.806.047	-17.397.209	-1.806.046
Total	**-6.883.291**	**14.019.202**	**-6.883.291**	**9.293.047**

28) Financial expenses – net

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	12 months until 31/12/2008	12 months until 31/12/2007	12 months until 31/12/2008	12 months until 31/12/2007
Income				
Interest receivable	347.392	434.038	215.231	221.187
Foreign exchange differences	1.770.098	1.119.244	1.770.098	1.119.244
Interest rate swaps - fair market value	418.838	252.390	418.838	252.390
Income from financial leases	-	627.058	-	627.058
Other	-	5.322	-	-
Total income	**2.536.328**	**2.438.052**	**2.404.167**	**2.219.879**
Expenses				
Interest payable	-5.475.173	-6.664.667	-5.474.605	-6.662.044
Promissory notes	-2.446.585	-2.574.338	-2.446.585	-2.574.338
Financial leasing	-674	-91.622	-	-91.622
Foreing exchange differences (note 30)	-1.115.527	-856.242	-1.050.528	-856.242
Interest rate swaps - fair market value	-398.858	-483.987	-398.858	-483.883
Commissions of bank guarantees	-227.099	-65.714	-227.099	-65.714
Other	**-9.663.916**	**-10.736.570**	**-9.597.675**	**-10.733.843**
Financial cost (net)	**-7.127.588**	**-8.298.518**	**-7.193.508**	**-8.513.964**

29) Taxation

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	12 months until 31/12/2008	12 months until 31/12/2007	12 months until 31/12/2008	12 months until 31/12/2007
Income tax	2.159.485	1.632.270	100.000	893.682
Deferred Tax (note 19)	4.819.560	4.507.596	4.737.001	4.192.444
Total	**6.979.045**	**6.139.866**	**4.837.001**	**5.086.126**

Income tax is different from the theoretical amount deriving from the application of the effective tax rate on the results of the consolidated companies. The difference is calculated as follows:

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Income Tax	12 months until 31/12/2008	12 months until 31/12/2007	12 months until 31/12/2008	12 months until 31/12/2007
Amounts in Euros				
Profit before tax	15.837.725	40.100.891	10.527.693	34.939.831
Tax calculated on the basis of the applicable tax rates of the mother company (2008: 25, 2007: 25%)	3.959.431	10.025.223	2.631.930	8.734.958
Non tax-exempted expenses	735.348	1.152.519	585.121	1.116.102
Income not used in tax calculation	-40.221	-516.006	-	-300.001
Tax losses for which deferred tax liabilities has not been accounted	2.622.768	81.848	2.615.603	-
Difference of tax rates applicable in foreign countries	250.586	-55.008	-	-
Deferred tax assets against tax losses carried forward	-	-5.358.615	-	-5.358.615
Effect on opening deferred tax (31/12/2007) due to decreased tax rate in Greece	-1.057.457	-	-1.057.457	-
Tax on gain from sale of participations	-	735.640	-	735.640
Differences of tax audit	138.137	158.042	100.000	158.042
Effect from tax rate difference and deferred tax on temporary differences	-57.052	-	-38.196	-
Use of not initially recognised tax losses	-	-153.424	-	-
Other tax	427.505	69.647	-	-
Total income tax	**6.979.045**	**6.139.866**	**4.837.001**	**5.086.126**

In September 2008, tax legislation changes were announced and enacted to the corporate income tax rates. Corporate income tax rates will gradually decrease and are summarised as follows:

2008 & 2009	25%
2010	24%
2011	23%
2012	22%
2013	21%
2014 and thereafter	20%

The deferred tax expense/(income) is analysed as follows:

2008	CONSOLIDATED FIGURES	COMPANY FIGURES
Deferred tax expense/(income) resulting from changes in tax rates	-1.057.457	-1.057.457
Deferred tax expense/(income) due to origination or reversal of temporary differences	5.877.017	5.794.458
Deferred tax expense/(income) for the period	**4.819.560**	**4.737.001**

30) Foreign exchange differences

Foreign exchange differences have been posted in Profit & Loss Statement as follows:

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	**31/12/2008**	**31/12/2007**	**31/12/2008**	**31/12/2007**
Cost of sales	-6.452.699	-1.276.413	-6.452.699	-1.276.413
Selling expenses	-6.044.499	-2.729.689	-6.044.499	-2.729.689
Administration expenses	-146	-1.477	-146	-1.472
Financial expenses	-1.115.527	-856.242	-1.050.528	-856.242
Subtotal	**-13.612.871**	**-4.863.821**	**-13.547.872**	**-4.863.816**
Financial income	1.770.098	1.119.244	1.770.098	1.119.244
Other income	7.341.646	6.141.495	7.341.646	6.141.495
Total	**-4.501.126**	**2.396.918**	**-4.436.127**	**2.396.923**

31) Earnings per share

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	**12 months until 31/12/2008**	**12 months until 31/12/2007**	**12 months until 31/12/2008**	**12 months until 31/12/2007**
Profits attributed to the parent company' s shareholders	8.858.681	33.971.441	5.690.691	29.853.705
Weighted average number of shares	124.170.201	124.170.201	124.170.201	124.170.201
Basic profits per share (Euros per share)	0,071	0,274	0,046	0,240

Basic and reduced

Basic and reduced profits (losses) per share are calculated by dividing the profit (losses) that corresponds to the parent company's shareholders, by the weighted average number of common shares during the period, excluding the own common shares that were purchased by the Company (own shares).

32) Operational cash flows

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	1/1 until 31/12/2008	1/1 until 31/12/2007	1/1 until 31/12/2008	1/1 until 31/12/2007
Profit	15.837.726	40.100.892	10.527.693	34.939.831
Adjustments for:				
Depreciation of tangible assets (note 6)	10.877.077	11.096.230	10.865.811	10.730.843
Depreciation of intangible assets (note 7)	118.353	139.496	118.353	139.496
Impairment of fixed assets (note 6)	-	38.318	-	-
Profit from acquisition of affiliate (note 9)	-	-3.365.781	-	-
Profit from affiliated companies (note 9)	-2.783.850	-164.246	-	-
(Profit)/Loss from sale of fixed assets	25.276	-240.066	25.276	-239.004
(Profit)/Loss from sale of subsidiary (note 8)	-	-2.224.312	-	-864.998
(Profit)/Loss from the fair market value of financial assets through results (note 27)	58.200	-5.000	58.200	-5.000
(Income) from interest (note 28)	-2.536.328	-2.438.052	-2.404.167	-2.219.879
Interest expenses (note 28)	9.663.916	10.736.570	9.597.675	10.733.843
(Income) from Dividends	-	-	-2.314.691	-847.700
(Amortisation) of grants (note 25)	-	-5.947	-	-
Grants write-off (note 26)	-	166.688	-	-
Provisions	560.638	580.332	1.588.692	1.759.297
Employee benefits due to retirement (note 20)	301.249	363.130	301.252	363.130
Inventory devaluation (note 11)	2.975.069	2.255.950	2.975.069	2.255.950
Loss from take-over of receivables-payables of a subsidiary	-	-	-	692.586
Foreign exchange differences	-187.795	268.714	-	-
	34.909.530	**57.302.915**	**31.339.162**	**57.438.395**
Change in working capital				
(Increase) / decrease of stocks	-32.450.141	-42.190.703	-34.966.122	-27.118.268
(Increase) / decrease of receivables	-26.865.723	-991.241	-32.114.802	-4.909.861
Increase / (decrease) of liabilities other than banks	72.623.069	5.939.016	83.297.412	-10.769.288
Increase / (decrease) of provisions	-79.631	-392.160	-70.000	-314.484
Increase / (decrease) of employee benefits due to retirement	-943.065	-981.430	-943.064	-981.433
	12.284.509	**-38.616.518**	**15.203.424**	**-44.093.334**
Net cash flow from operating activities	**47.194.039**	**18.686.397**	**46.542.586**	**13.345.061**

Profits from sale of tangible fixed assets include:

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	1/1 until 31/12/2008	1/1 until 31/12/2007	1/1 until 31/12/2008	1/1 until 31/12/2007
Amounts in Euros				
Net book value (note 6)	81.930	11.291.342	81.556	11.290.528
Profit / (Loss) from the sale of fixed assets	-25.276	240.067	-25.276	239.004
Revenues from sale of fixed assets	56.654	11.531.409	56.280	11.529.533

33) Commitments

Capital commitments

The capital expenditures that have been assumed but still have not been completed at the balance sheet date are the following:

Amount in Euros	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/08	31/12/2007	31/12/08	31/12/2007
Tangible fixed assets	-	1.020.000	-	1.020.000
Total	**-**	**1.020.000**	**-**	**1.020.000**

Liabilities from operating leases

The Group leases transportation means and buildings, based on operating leases. These leases have various terms, readjustment clauses and renewal rights. With regard to real estate lease contracts, no special term are stipulated for their rescission. Pursuant to the applicable general provisions, the lessee has the right to rescind the contract, provided a period of two years has lapsed from the date the lease has been concluded and a notice has been served six months prior thereto. Following the lapse of the aforementioned six-month period the lessee is obliged to pay the lessor as indemnification an amount equal to four months of lease, based on the last applicable rent. With regard to transportation means, lease contracts may be terminated at any time without notice, however the lessee must pay an early termination penalty that ranges between 2 to half of the remaining due leasing fees, depending on the company with which the contract has been concluded.

The future total payable leasing fees are illustrated below:

Amounts in Euros	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/08	**31/12/07**	**31/12/08**	**31/12/07**
Less than 1 year	261.839	234.880	261.839	229.766
1-5 years	429.354	576.765	429.354	576.765
Over 5 years	577.578	577.598	577.578	577.598
Total	**1.268.771**	**1.389.244**	**1.268.771**	**1.384.129**

34) Contingent liabilities

a) The Company has contingent liabilities related to bank guarantees, issued in the framework of its ordinary course of business. The said contingent liabilities are shown below:

Amount in Euros	CONSOLIDATED FIGURES		COMPANY FIGURES	
Liabilities	**31/12/08**	**31/12/07**	**31/12/08**	**31/12/07**
Guarantees to suppliers	23.871.593	16.005.556	23.871.593	16.005.556
Good performance guarantees given to customers	39.102.204	38.198.221	39.102.204	38.198.221
Counter-guarantees for EIB loans	27.034.233	33.934.444	27.034.233	33.934.444
Total	**90.008.030**	**88.138.221**	**90.008.030**	**88.138.221**

b) The cases in court or under arbitration that are pending at the balance sheet date are shown below:

Amounts in Euros	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2008	**31/12/2007**	**31/12/2008**	**31/12/2007**
Lawsuits related to Corinth plant accident	2.555.620	2.914.920	2.555.620	2.914.920
Other lawsuits	159.322	310.922	159.322	310.922
Contractual obligations	4.998.645	2.960.347	4.998.645	2.960.347
Tax obligations	244.510	-	-	-
Total	**7.958.097**	**6.186.189**	**7.713.587**	**6.186.189**

The Company and the Group, in case of negative result of the above cases (of which €4.632.805 are related to litigations or under arbitration differences), has formed a provision of a total amount of €5.866.411 and €5.069.735 respectively, see note 21 (2007: €5.652.483 – Group and Company).

The fiscal tax obligations are related to the associated company TMK-CPW.

The total amount of provisions that have been formed is deemed sufficient and no additional burden is expected to arise (note 21).

35) Related party transaction

Group is controlled by SIDENOR S.A. (incorporated in Greece), that owns 78,55% of the Company' s shares. The remaining 21,45% of the shares are free floated. The ultimate shareholder of the Group is VIOHALCO, also incorporated in Greece.

The following transactions are with related parties:

(i) Sales:

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	**31/12/2008**	**31/12/2007**	**31/12/2008**	**31/12/2007**
Sales of goods				
Subsidiaries	-	-	167.342.160	223.263.565
Other related parties	3.659.931	3.115.363	3.659.931	3.115.243
	3.659.931	**3.115.363**	**171.002.091**	**226.378.808**
Sales of services				
Subsidiaries	-	-	2.296.899	811.726
Other related parties	2.298.653	1.756.380	835.877	209.897
	2.298.653	**1.756.380**	**3.132.776**	**1.021.623**
Sales of fixed assets				
Subsidiaries	-	-	-	-
Other related parties	5.985	10.879.265	-	10.879.265
	5.985	**10.879.265**	**-**	**10.879.265**
Dividend income				
Subsidiaries	-	-	2.314.691	847.700
Other related parties	-	-	-	-
	-	**-**	**2.314.691**	**847.700**
Sale of participations				
Gain from sale of participations	-	2.224.312,28	-	864.998
Cash inflow from the sale of participations (less cash of subsidiaries)	-	14.524.384	-	14.712.800

(ii) Purchases:

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	**31/12/2008**	**31/12/2007**	**31/12/2008**	**31/12/2007**
Purchase of goods				
Subsidiaries	-	-	634	51.228
Other related parties	8.391.109	4.867.370	3.066.948	883.652
	8.391.109	**4.867.370**	**3.067.582**	**934.880**
Purchases of services				
Subsidiaries	-	-	546.636	1.428.484
Other related parties	4.944.601	3.938.317	4.944.601	3.928.995
	4.944.601	**3.938.317**	**5.491.237**	**5.357.479**
Purchases of fixed assets				
Subsidiaries	-	-	2.331	10.437
Other related parties	325.242	542.268	325.242	537.596
	325.242	**542.268**	**327.573**	**548.033**

The provision of services as well as the sales and purchases of goods are executed at arms' length . Purchases of goods and services are executed with the usual commercial terms and conditions.

(iii) Fees to member of the BoD and Management compensation

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	**31/12/2008**	**31/12/2007**	**31/12/2008**	**31/12/2007**
Fees to member of the BoD and Management compensation	901.602	923.475	901.602	923.475
Employment termination fees	-	750.000	-	750.000
Total	**901.602**	**1.673.475**	**901.602**	**1.673.475**
Employment termination fees payable	-	750.000	-	750.000
Payables to BoD and Management	13.953	**43.430,00**	13.953	**43.430**
Total	**13.953**	**793.430**	**13.953**	**793.430**

(iv) Balances at year end from sales and purchases of goods, services and fixed assets

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	**31/12/2008**	**31/12/2007**	**31/12/2008**	**31/12/2007**
Receivables from related parties:				
Subsidiaries	-	-	-	14.030.824
Other related parties	5.172.927	5.264.431	4.345.582	4.604.839
Long term liabilities related land contribution in associated company (note 6)	3.603.023	-	3.603.023	-
Advance in increase of share capital of affiliates (note 9)	484.431	-	484.431	-
Total	**9.260.381**	**5.264.431**	**8.433.036**	**18.635.663**
Payables to related parties:				
Subsidiaries	-	-	20.618.894	319.989
Other related parties	4.626.623	4.102.942	2.234.531	3.052.822
Employment termination fees payable	-	750.000	-	750.000
Total	**4.626.623**	**4.102.942**	**22.853.425**	**3.372.811**

Other related parties are subsidiaries of Viohalco Group.

Payables and receivables to and from affiliated entities do not have specific settlement terms and are non-interest bearing.

The amounts receivables are related with sales of goods and services. During 2007 and 2008 no provision has been made for the impairment for balances regarding related parties.

The amounts payable are related with purchase of goods and services.

It is noted, that in 2008, the Group sold goods with a value of €5.281.726 and €142.022, through its related companies SIDMA S.A. and ANTIMET S.A. (acting as agents), respectively. The said transactions do not appear in the corresponding table with the sales of goods to related parties. On the other hand, the receivables from the said sales amounting to €1.680.109 and €73.984, respectively, at 31/12/2008, are included in the corresponding table with the receivables from related parties, as stipulated by the agreements with the companies in question.

36) Other short-term financing liabilities

	CONSOLIDATED FIGURES		COMPANY FIGURES	
Amounts in Euros	**31/12/08**	**31/12/07**	**31/12/08**	**31/12/07**
Short term financing liabilities	6.194.998	-	6.194.998	-
Total	**6.194.998**	**-**	**6.194.998**	**-**

The said liabilities are denominated in USD and are payable within six months. At 31/12/2008 the fair value of the interest rate is 4,09% and equal to its book value.

37) Unaudited fiscal years

The consolidated companies have been tax audited as follows: Corinth Pipeworks S.A. has been tax audited until 2006. CPW European Trading Gmbh has been tax audited until 2007.

The following companies have not been tax audited since their incorporation: DIAVIPETHIV S.A. (11/10/2001) and ZAO TMK CPW (28/01/2007).

Corinth Pipeworks S.A is currently under tax auditing for the year 2007. The audit will be completed in 2009.

38) Post balance sheet events

There are no post balance sheet events that are likely to affect the financial statements of the Group and the parent company.

D. Independent auditor's report

To the Shareholders of "Corinth Pipeworks SA"

Report on the Financial Statements

We have audited the accompanying financial statements of Corinth Pipeworks SA (the Company) and the consolidated financial statements of the Company and its subsidiaries (the Group) which comprise the company and consolidated balance sheet as of 31 December 2008 and the company and consolidated income statement, statement of changes in equity and cash flow statement 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 European Union. This responsibility includes: designing, implementing and maintaining internal control 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 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 system of internal control 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 system of internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the 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 financial statements present fairly, in all material respects, the financial position of the Company and the Group as of 31 December 2008 and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Reference on Other Legal Matters

We verified the consistency of the Board of Directors' report with the accompanying financial statements, in accordance with the articles 43a, 107 and 37 of Law 2190/1920.

Athens, March 24, 2009

PRICEWATERHOUSECOOPERS

THE AUDITOR

Dimitris Sourmbis
Reg. No SOEL 16891

E. Data and Information - Group and Company

CORINTH PIPEWORKS S.A.
PIPE INDUSTRY AND REAL ESTATE

Company's No in the Registry of S.A.: 1343/06/B/86/35
Athens Tower, Building B', 2-4 Mesogeion Av., Athens
Financial data and information for the period from January 1, 2008 to December 31, 2008
(published as per L.2190, article 135, on companies preparing their annual financial statements, consolidated or not according to IFRS)

The figures and information illustrated below, aim at providing summary general information about the financial position and results of CORINTH PIPEWORKS S.A. (the Company) and its GROUP. We advise the reader, before making any investment decision or other transaction concerning the Company, to visit the Company's web site where the financial statements together with the audit report, when required, are uploaded.

Website:	www.cpw.gr
Date of approval by Board of Directors:	March 24, 2009
Supervising authority	Ministry of Development (department for limited companies)
Boeard of Directors	Bakouris Konstantinos - Chairman, Fikioris Meletios - Vice chairman, Catsambas Christoforos, Stavropoulos Ioannis, Stiber Efstathios, Kyriazis Andreas.
Certified auditor :	Dimitris Sourbis (Reg. No SOEL 16891)
Audit firm :	PRICEWATERHOUSECOOPERS, Audit firm, S. A.
Review audit type :	Unqualified opinion

BALANCE SHEET (Amounts in €)

	GROUP		COMPANY	
	31-Dec-2008	31-Dec-2007	31-Dec-2008	31-Dec-2007
ASSETS				
Tangible fixed assets	144.160.178	153.250.226	144.114.864	153.225.202
Intangible assets	97.244	215.597	97.244	215.597
Investments in associated companies	9.037.676	7.987.071	687.125	687.125
Investments in subsidiary companies	-	-	11.319.068	11.319.068
Deferred tax assets	133.198	1.277.027	-	-
Financial assets	3.373.510	2.193.045	3.373.510	2.193.045
Inventories	125.338.067	95.862.995	112.719.165	80.728.112
Trade receivables	63.726.525	45.352.492	59.526.579	22.019.236
Cash and cash equivalents	19.405.270	11.591.569	13.360.065	4.163.313
Other assets	31.035.111	20.934.262	30.329.574	32.768.028
TOTAL ASSETS	396.306.779	338.664.284	375.527.194	307.318.726
EQUITY AND LIABILITIES				
Share capital	96.852.757	96.852.757	96.852.757	96.852.757
Other shareholders equity items	27.849.819	26.735.485	27.613.728	28.122.138
Total equity (a)	124.702.576	123.588.242	124.466.485	124.974.895
Long term loans	7.500.000	65.578.501	7.500.000	65.578.501
Provisions/other long term liabilities	5.355.613	6.822.065	7.265.433	6.770.549
Financial items	10.802.817	1.298.685	10.802.817	1.298.685
Short term loans	62.928.501	31.670.728	62.928.501	31.670.728
Short term provisions	2.469.806	962.953	2.360.286	612.422
Other short term liabilities	182.547.466	108.743.110	160.203.672	76.412.946
Total liabilities (b)	271.604.203	215.076.042	251.060.709	182.343.831
TOTAL EQUITY AND LIABILITIES (c) = (a) + (b)	396.306.779	338.664.284	375.527.194	307.318.726

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD (Amounts in €)

	GROUP		COMPANY	
	31-Dec-2008	31-Dec-2007	31-Dec-2008	31-Dec-2007
Equity at the beginning of the period (1/1/2008 & 1/1/2007 respectively)	123.588.243	93.605.482	124.974.896	96.901.139
Translation differences	(1.545.248)	(714.334)	-	-
Sale of subsidiary	-	(1.483.982)	-	-
Loss after taxes arising from change of fair value of cash flow hedge	(6.199.101)	(1.779.948)	(6.199.101)	(1.779.948)
Profit for the period, after taxes	8.858.681	33.961.023	5.690.691	29.853.705
Equity at the end of the period (31/12/2008 και 31/12/2007 respectively)	124.702.575	123.588.241	124.466.486	124.974.896

CASH FLOW STATEMENT (Amounts in €)

	GROUP		COMPANY	
	1 Jan - 31 Dec 2008	1 Jan - 31 Dec 2007	1 Jan - 31 Dec 2008	1 Jan - 31 Dec 2007
Operating activities				
Profit before taxes	15.837.726	40.100.891	10.527.692	34.939.831
Adjustments for:	-	-	-	-
Depreciation of tangible fixed assets	10.877.077	11.096.230	10.865.811	10.730.843
Amortization of intangible assets	118.353	139.496	118.353	139.496
(Gains) / losses from sales of tangible fixed assets	25.276	(240.066)	25.276	(239.004)
(Gains) / losses of fair value of financial items in fair value through results	58.200	(5.000)	58.200	(5.000)
	-	-	-	-
Profit / (loss) from sale of affiliates	-	(3.365.781)	-	-
(Κέρδη)/ ζημιές από πώληση συμμετοχών	-	(2.224.312)	-	(864.998)
Interest income	(2.536.328)	(2.438.052)	(2.404.167)	(2.219.879)
Interest expense	9.663.916	10.736.570	9.597.675	10.733.843
Provisions	560.638	580.332	1.588.692	1.759.297
Remuneration to retiring personnel	301.249	363.130	301.252	363.130
Income from dividends	-	-	(2.314.691)	(847.700)
Amortization of subsidies	-	(5.947)	-	-
Write-off of subsidies	-	166.688	-	-
Loss from transfer of subsidiary's receivables - payables	-	-	-	692.586
Impairment of inventories	2.975.069	2.255.950	2.975.069	2.255.950
Impairment of tangible fixed assets	-	38.318	-	-
Income from holdings to associated companies	(2.783.850)	(164.246)	-	-
Translation differences	(187.795)	268.714	-	-
Changes in working capital				
Decrease / (increase) of inventory	(32.450.141)	(42.190.703)	(34.966.122)	(27.118.268)
Decrease / (increase) of receivables	(26.865.723)	(991.241)	(32.114.802)	(4.909.861)
Increase/ (decrease) of liabilities (except loans)	72.623.069	5.939.016	83.297.412	(10.769.288)
Increase / (decrease) of provisions	(79.631)	(392.160)	(70.000)	(314.484)
Increase / (decrease) of the liabilities for remuneration to retiring personnel	(943.065)	(981.430)	(943.064)	(981.433)
Interest paid	(9.829.892)	(10.668.724)	(9.763.650)	(10.665.996)
Income tax paid	(261.096)	(2.620.207)	(96.540)	(780.921)
Total cash (used in) generated from operating activities (a)	**37.103.051**	**5.397.466**	**36.682.396**	**1.898.144**
Investing activities				
Purchases of tangible fixed assets	(5.469.953)	(7.071.866)	(5.440.053)	(6.871.696)
Purchases of Intangible assets	-	(355.093)	-	(355.093)
Sale of tangible fixed assets	56.654	11.531.409	56.280	11.529.533
Sale of shares in affiliate companies	-	14.524.384	-	14.712.800
Sale of financial assets in fair value through results	-	278.329	-	-
Interest received	2.536.328	1.810.991	2.404.167	1.592.821
Purchase of shares of associates	-	(1.218.827)	-	-
Purchase of shares of subsidiaries	-	-	-	(69.680)
Income from dividends	-	-	2.314.691	847.700
Total cash (used in) generated from investing activities (b)	**(2.876.971)**	**19.499.326**	**(664.915)**	**21.386.385**
Financing activities				
Proceeds from borrowings	93.750.206	20.720.000	93.750.206	20.720.000
Repayment of loans	(120.555.613)	(40.560.136)	(120.555.613)	(40.560.106)
Proceeds from increase of share capital	-	-	-	-
Payments of capital of leasing agreements	(15.321)	(1.349.604)	(15.321)	(1.349.607)
Dividends paid to the parent company's shareholders	-	(98)	-	(98)
Total cash / (used in) generated from financing activities (c)	**(26.820.729)**	**(21.189.838)**	**(26.820.729)**	**(21.189.811)**
Net (decrease) / increase in cash and cash equivalents (a)+(b)+(c)	**7.405.352**	**3.706.954**	**9.196.752**	**2.094.718**
Cash and cash equivalents at the beginning of the year	**11.591.569**	**8.366.061**	**4.163.313**	**2.068.595**
Translation differences in cash and cash equivalents	**408.349**	**(481.447)**	**-**	**-**
Cash and cash equivalents at the end of the year	**19.405.270**	**11.591.569**	**13.360.065**	**4.163.313**

ELEMENTS OF INCOME STATEMENT (Amounts in €)

	GROUP		COMPANY	
	1 Jan - 31 Dec 2008	1 Jan - 31 Dec 2007	1 Jan - 31 Dec 2008	1 Jan - 31 Dec 2007
Turnover	385.122.868	357.527.531	346.006.732	340.594.070
Gross profit	72.561.179	84.626.326	65.306.735	82.612.383
Profit before taxes, financing & investing results	20.181.464	45.989.851	15.406.510	41.720.097
Financing and investing results	(4.343.738)	(5.888.959)	(4.878.818)	(6.780.266)
Profit before taxes	**15.837.726**	**40.100.892**	**10.527.692**	**34.939.831**
Taxation	(6.979.045)	(6.139.866)	(4.837.001)	(5.086.126)
Profit after taxes	**8.858.681**	**33.961.026**	**5.690.691**	**29.853.705**
Attributable to :				
Company's shareholders	8.858.681	33.971.442	5.690.691	29.853.705
Minority interest	-	(10.416)	-	-
	8.858.681	**33.961.026**	**5.690.691**	**29.853.705**
Earnings per share after taxes - basic and reduced	**0,071**	**0,274**	**0,046**	**0,240**
Profit before taxes, financing & investing results before depreciation	31.176.894	57.225.577	26.390.674	52.590.438

Additional data and information:

1. The companies of the Group with their respective countries of residence and percentage holdings, included in the consolidated financial statements, are:

Full consolidation method:	Participation	Percentage holding	Χώρα εγκατάστασης
CPW America Co	Direct	100,00%	USA
CPW European Gmbh	Direct	100,00%	GERMANY
HUMBEL Ltd	Direct	100,00%	CYPRUS
Equity consolidation method			
ZAO TMK-CPW	Indirect	49,00%	RUSSIA
DIAVIPETHIV SA	Direct	21,73%	GREECE

Until the 9th of August 2007 the Group consolidated CORINTH METALWORKS S.A. using the full consolidation method. On the above date, CORINTH PIPEWORKS S.A. sold to NOVAL S.A., it's total participation (99,9% of share capital) in CORINTH METALWORKS S.A. Furthermore, until the 30th of September 2007, the Group consolidated DIAVIPETHIV SA., in which participated with 51,625%, using the full consolidation method. On the above date, CORINTH PIPEWORKS S.A. sold 30,25% of it's participation in DIAVIPETHIV SA. It's current holding in the company is 21,37%.

2. The financial statements of the company are consolidated with the full consolidation method in the financial statements of Sidenor S.A., which participates in the company's share capital with 78,55%. The consolidated financial statements of Sidenor S.A. are consolidated in the financial statements of Viohalco S.A.

3. The encumbrances on the Company's fixed assets amount to € 73.200.000.

4. At the balance sheet date, there were lawsuits against the Company (and the Group) amounting to €4.632.806. For the above mentioned cases provisions of €2.360.286 have been formed. The Company and the Group have formed provisions for tax anaudited fiscal years amounting to €100.000, and other provisions amounting to €3.506.125 (the Company) and €2.818.969 (the Group). The total amount of provisions that have been formed is deemed sufficient and no additional burden is expected to arise.

5. The company has been audited by the Tax Authorities until the Fin.Year 2006 (incl.). The companies DIAVIPETHIV SA, CPW European Trading GmbH and ZAO TMK-CPW have never been audited by the Tax Authorities, since their incorporation.

6. Number of employees at the end of the current period: Company 521, Group 531 (31/12/2007: Company 513, Group 525)

7. Cumulative amounts of sales and purchases from the beginning of the year and the balances of receivables and payables of the Group and the Company at the end of the year, resulting from its transactions with associated parties, according to the IFRS 24, are as follows:

	Group	Company
i) Sales of goods, services and fixed assets	5.964.569 €	174.134.867 €
ii) Purchases of goods, services and fixed assets	13.660.952 €	8.886.392 €
iii) Receivables from associated parties	9.260.381 €	8.433.036 €
iv) Payables to associated parties	4.626.623 €	22.853.425 €
v) Directors' & Managers' remuneration	901.602 €	901.602 €
vi) Income from dividends	0 €	2.314.691 €
vii) Directors' & Managers' remuneration payable	13.953 €	13.953 €

Further to the approval of the Regulatory Plan of the industrial zone in Thisvi and the the resolution of the General Secretary of Sterea Ellada region, the subsidiary DIA.VI.PE.THI.V S.A. (Thisvi industrial zone' s administrator) received total surface of 195 acres and another 281 acres for communal needs of the companies settled in the said industrial zone. The land in question was given up by the companies being settled in the industrial zone. In this framework, Corinth Pipeworks S.A. gave up land of 145.471 sq.m. with a value of 3.603.023 €, transaction being posted as a long-term receivable (included in other assets) from DIA.VI.PE.THI.V S.A, since Law 2545/97 (art.5) stipulates that the said land will be returned to its owners if the administrator ceases its operation.

8. In the Income Statement, in the account "Taxation", are included: provision for income tax, as well as deferred tax, which are illustrated below:

	GROUP		COMPANY	
	31/12/08	31/12/07	31/12/08	31/12/07
Income tax	-2.159.485 €	-1.632.270 €	-100.000 €	-893.682 €
Deferred tax	-4.819.560 €	-4.507.596 €	-4.737.001 €	-4.192.444 €

9. The amount in the Balance Sheet, related to "Other shareholders equity items", includes reserves from the issuance of shares above par amounting to €27.427.850.

10. For comparability purposes with the year end 2007, the amount of €1.119.244 (Group - Company) regarding income from exchange differences of cash has been removed from "other income", as published in 2007, and placed into the "finance income". For the same period, the amount of €856.242 regarding exchange difference expenses from cash has been removed from the "administration expenses", as published in 2007, and placed into the "finance expenses".

Athens, March 24, 2009

THE CHAIRMAN OF THE BOARD OF DIRECTORS	A MEMBER OF THE BOARD OF DIRECTORS	THE GENERAL MANAGER	THE FINANCIAL MANAGER
BAKOURIS KOSTANTINOS Id.C.No.: AB 649471	STAVROPOULOS IOANNIS Id.C.No.: K 221209	CATSAMBAS CHRISTOPHOROS Id.C.No.: AB 287307	MASTORAKIS MICHAEL Id.C.No.: X 625227

F. Information pursuant to article 10 of law 3401/2005

The company in application of the current legislation, has disseminated and made available to the investment community through its website www.cpw.gr as well as through the Athens Exchange website www.athex.gr, during last fiscal year 2008, the information contained in the following table:

SUBJECT	HERMES Prot. No	DATE
Financial Statements under IFRS	43573	13/11/2008
Financial Statements under IFRS	43566	13/11/2008
ANNOUNCEMENT - 9-MONTH 2008 FINANCIAL RESULTS COMMENTARY	43201	11/11/2008
ANNOUNCEMENT OF THE RELEASE DATE OF 9MONTHS 2008 FINANCIAL RESULTS	HELEX	5/11/2009
ANNOUNCEMENT - 1st SEMESTER 2008 FINANCIAL RESULTS COMMENTARY	33570	11/9/2008
Financial Statements under IFRS	33564	11/9/2008
Financial Statements under IFRS	33561	11/9/2008
ANNOUNCEMENT - 1st SEMESTER 2008 FINANCIAL RESULTS COMMENTARY	28711	5/8/2008
Financial Statements under IFRS	28710	5/8/2008
Financial Statements under IFRS	28708	5/8/2008
ANNOUNCEMENT OF THE RELEASE DATE OF 6MONTHS 2008 FINANCIAL RESULTS	28029	30/7/2008
Notification on changes in senior mangement	24608	2/7/2008
Notification on changes in senior mangement	22507	18/6/2008
RESOLUTIONS OF THE ANNUAL ORDINARY GENERAL SHAREHOLDERS MEETING	21638	11/6/2008
DISTRIBUTION OF THE ANNUAL REPORT	17950	26/5/2008
Invitation to the General Shareholders Meeting -- CORINTH PIPEWORKS - CORRECT REAFFIRMATION OF THE INVITATION	16918	19/5/2008
ANNOUNCEMENT - 1st QUARTER 2008 FINANCIAL RESULTS COMMENTARY	16904	19/5/2008
Financial Statements under IFRS	16900	19/5/2008
Financial Statements under IFRS	16898	19/5/2008
Invitation to the General Shareholders Meeting	16710	16/5/2008
CORINTH PIPEWORKS' corporate presentation to the Association of Greek Institutional Investors	16678	16/5/2008
ANNOUNCEMENT OF THE RELEASE DATE OF Q1 2008 FINANCIAL RESULTS	15978	12/5/2008
Corporate presentation to the Association of Greek Institutional Investors -- Change of event date	15589	8/5/2008
Announcement regarding company corporate developments	12027	3/4/2008
ANNOUNCEMENT - REGARDING FINANCIAL RESULTS COMMENTARY	8891	18/3/2008
Financial Statements under IFRS	8879	18/3/2008
Financial Statements under IFRS	8877	18/3/2008
FY 2008 Financial Calendar	8660	17/3/2008
ANNOUNCEMENT OF THE RELEASE DATE OF FY 2007 FINANCIAL RESULTS	8632	17/3/2008
Notification of share transactions	7943	11/3/2008