

ANNUAL FINANCIAL REPORT
OF HELLENIC ALUMINIUM INDUSTRY S.A. “ELVAL S.A.”
FOR THE FISCAL YEAR 2008

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The present Annual Financial Report of Hellenic Aluminium Industry S.A. for the Fiscal Year 2008, can be found in the official web site of ELVAL S.A. (www.elval.gr) and the official web site of Athens Stock Exchange (www.athex.gr).

Statements of the Board of Directors' Members

(In accordance with article 4 par. 2 of Law 3556/2007)

Hereby we state and confirm that according to our knowledge the Annual Financial Statements of HELLENIC ALUMINIUM INDUSTRY S.A. "ELVAL S.A." for the Fiscal Year 2008, which were drawn up in accordance with the applicable accounting standards, reflect in a true manner the actual details and figures of the assets and liabilities, the equity and the profit and loss of ELVAL SA. and Group ELVAL, as well as the entities included in consolidation.

Also hereby we state and confirm that according to our knowledge the Annual Report of the Board of Directors presents in a true manner the evolution, the performance and the financial position of ELVAL SA. and Group ELVAL, as well as the entities included in consolidation, including their risks and uncertainties they facing up.

Athens, March 27, 2009

The certifying persons,

The Chairman of the
B.o.D.

MILTADIS
LIDORIKIS
Id.C.No N 032204

The Vice President of the
B.o.D.

DIMITRIOS
KYRIAKOPOULOS
Id.C.No N 329672

A Member of the
B.o.D.

NIKOLAOS
KOUDOUNIS
Id.C.No AE 012572

Annual Report of the Board of Directors for Fiscal Year 2008

Dear Shareholders,

In accordance with the provisions laid down in Law No. 3556/2007 and the executive decisions made by the Hellenic Capital Market Commission based on that law, we are pleased to submit the Annual Report of the Board of Directors for Fiscal Year 2008.

The companies included in the consolidated financial reports of the ELVAL Group, in addition to ELVAL S.A., are:

<u>Corporate name</u>	<u>Country of registration</u>	<u>Holding</u>	<u>Method of consolidation</u>
ETEM S.A.	Greece	58.78%	Full Consolidation
SYMETAL S.A.	Greece	99.99%	Full Consolidation
VIOMAL S.A.	Greece	50.00%	Full Consolidation
ELVAL COLOR S.A.	Greece	95.94%	Full Consolidation
VIEXAL LTD	Greece	73.33%	Full Consolidation
BRIDGNORTH ALUMINIUM Ltd	England	100.00%	Full Consolidation
BLYTHE Ltd	Cyprus	100.00%	Full Consolidation
STEELMET ROMANIA S.A.	Romania	51.76%	Full Consolidation
KANAL S.A.	Greece	89.70%	Full Consolidation
ATHENS ART CENTRE S.A.	Greece	100.00%	Full Consolidation
KERONIA S.A.(ELVAL SERVICE CENTER S.A.)	Greece	100.00%	Full Consolidation
ANAMET S.A.	Greece	26.67%	Equity Method
STEELMET S.A.	Greece	29.56%	Equity Method
DIAPEM COMMERCIAL S.A.	Greece	33.33%	Equity Method
VEPEM S.A.	Greece	50.00%	Equity Method
ELKEME S.A.	Greece	40.00%	Equity Method
TEPRO METAL AG	Germany	40.39%	Equity Method
METAL GLOBE Doo	Serbia	40.00%	Equity Method
AFSEL S.A.	Greece	50.00%	Equity Method

1. Development, performance and financial position of the Company and the Group

General Comments

2008 had two aspects. For the most part of the year, while our product demand and their prices were considered satisfactory, the prices of oil and raw materials, in general, reached extremely high rates resulting in a significant increase in the production cost and working capital. On the contrary, the end of the year was marked by the global financial recession which led to a significant decline in demand and a rapid decrease in the prices of raw materials. The sudden decrease in the aluminium price in December obliged us to account for impairment of our core inventory, which is not covered by Hedging contracts, by the amount of 12.8 million euro.

Under these circumstances, ELVAL SA has reported losses before tax (for the first time in its history) which stood at 12.4 million euro. Turnover amounted to 541 million euro, reduced by 11.5%, also affected by the reduced volume of sales and the lower prices of our products, earnings before interest, tax, depreciation and amortization (after the impairment) amounted to 12.7 million euro, losses before tax amounted to 12.4 million euro and the losses after tax to 1.2 million euro.

Similar problems in the subsidiary companies have led the consolidated results before tax to losses that stood at 29.2 million euro versus earnings of 30.9 million euro in 2007, including an

inventory impairment of 20.3 million euro. Consolidated turnover amounted to 902.5 million euro, down by 7.9%, earnings before interest, tax, depreciation and amortization to 32.6 million euro versus 86.5 million euro, losses before tax to 29.2 million euro and losses after tax to 14.2 million euro versus earnings of 22.7 million euro in 2007.

Within the year, the working capital was increased due to the increased prices of raw materials, having as a result the increase of borrowings both for the company and the Group, as well as a negative impact of the increased financial expenditures on the results. It is indicatively reported that on 30/9/2008 the loans of the company amounted to 154.9 million euro and the loans of the Group to 333.9 million euro. During the last quarter, however, the reduction in the price of aluminium and the volume of inventory and, generally, our efforts to reduce working capital have brought significant positive cash flows from operating activities and, despite our investment program in progress, the scene changed and, as a result, the loans of the company were reduced to 127.9 million euro and the loans of the Group to 291.2 million euro.

Respect to the environment is a fundamental principle for ELVAL SA and for that reason the Company has developed and applied a System of Environmental Administration in order to covers all its business activities. This System is implemented in all levels of Company's functions and is communicated to all its employees and whoever concerned, in order to acknowledge that it is active, aiming at the same time at the participation of everyone in the protection of environment. The System consists of mechanisms for prevention and minimization of all bad effects to the environment and mechanisms of continuing improvement. In parallel, the Company, during last year, has been inspected and certified for the implementation of the proper environmental administration in relation to ISO 14001:2004 certificate. Company's environmental program of 2008 has been concluded with significant actions while an amount of €9.5 mil. was invested in more effective environmental protection and other relevant investments.

a. Significant events occurred in fiscal year 2008

On February 1st 2008, Western Attica Prefecture approved the separation of aluminium foil production branch to SYMETAL SA, a 99.99% subsidiary of ELVAL SA, through its decision No. 220/1-2-2008. The separation of aluminium foil production branch conducted in accordance with the Law No. 2166/93. The separation decision date was the 31st of October 2007 and the separation realized according to ELVAL's and SYMETAL's General Assembly decisions of 28 December 2007.

In particular, since the 1st of February, the Foil plant in Inofyta has been operated by SYMETAL SA. ELVAL SA is now supplying SYMETAL SA with foilstock to be used as raw material for the production of foil. Company turnover is affected by the above transactions since sales of foil that were made by ELVAL before the partition does not have the same value as the sale of foilstock (which was considered a semi-finished product before the partition). It must further be noted that because of the aforementioned separation the data on the company balance sheet for 31/12/2008 is not comparable with that for 31/12/2007. At consolidated level, the above transactions will not have any effect.

On October 29th 2008, ELVAL S.A., Furukawa – Sky Aluminum Corp. and the wholly owned subsidiary of ELVAL in the U.K., Bridgnorth Aluminium Ltd have signed a Memorandum of Understanding, according to which Furukawa – Sky Aluminum Corp. will acquire the 25% of the share capital of Bridgnorth Aluminium Ltd through capital increase of the latter for 14 million £ in cash.

The capital increase will be used for the expansion of the company's production capacity. The Memorandum of Understanding also includes the signing of a Technology Transfer

Agreement from Furukawa – Sky Aluminum Corp. for the continuous development and quality superiority of the products as well as the production efficiency of Bridgnorth Aluminium Ltd. Bridgnorth Aluminium Ltd is focused on the production of lithographic strip and holds the third position in the world in terms of market share by volume.

Furukawa – Sky Aluminum Corp. is the biggest aluminium rolled products manufacturer in Japan, with which ELVAL has already a long term technical support agreement and have jointly established in Greece AFSEL, a company for marketing aluminium products used for manufacturing heat exchangers for the automotive industry.

On December 31st 2008, Western Attica Prefecture approved the separation of ETEM's smelter branch to ANOXAL SA, a 100% subsidiary of ETEM SA, through its decision No. 38279/31-12-2008. The separation of smelter branch conducted in accordance with the Law No. 2166/93. The separation decision date was the 31st of August 2008 and the separation realized according to ETEM's and ANOXAL's General Assembly decisions of 19 December 2008.

b. Company and Group Operations – financial data

Market data – Global financial environment

During the first quarters of the year, the demand for end products stood at normal levels and satisfactory prices, at least in the European countries; however, during the last quarter, there was a delay in the absorption of scheduled orders, while the new orders were placed in the short-term and at low prices. The USA market still remains subdued, even though the dollar strengthened.

In terms of cost, the opposite is observed. The first months of the year were negatively influenced by the high energy cost (due to the increased oil prices which influence accordingly the prices of the natural gas), as well as by a large number of other cost factors (solvents, etc.). During the last months, the price of petrol fluctuated in lower levels resulting in the de-escalation of cost (with a certain time delay).

The course of the primary aluminium markets (raw material) was proportional to the course of all raw materials. Throughout the year, it fluctuated in very high prices and, during the last quarter, there was a gradual de-escalation up to the beginning of December, when there was a rapid decline. In particular, the LME cash price was in average 1,660 euro/per ton in January 2008; in July 2008, it reached the maximum prices for the year (2,080 euro/per ton) and returned to 1,680 euro/per ton at the end of September and to 1,350 euro/per ton at the beginning of December. Since then, the decline has been rapid, up to below the level of 1,000 euro/per ton, to end up to 1,044 euro/ton on 31st December.

In addition, f/x markets also presented intense volatility. The annual average exchange rate between dollar and euro ranged to 1.47, presenting great fluctuation, from minimum 1.246 to 1.599. Similarly, the average exchange rate between euro and pound ranged to 0.796, from minimum 0.741 to 0.9785

Production – Sales

At company level, the production of 2008 came to 181.4 thousand tons compared with 191.5 thousand tons in 2007 while the total turnover in value coming to 183,8 tons compared with 195,8 tons in 2007 (not comparable amounts because 2007 turnover in tons have been increased from the delayed shipments of 2006 owing to problems at harbors). In detail the year sales of ELVAL S.A. per category are given in the table below:

TURNOVER BREAKDOWN OF THE COMPANY						
TURNOVER CATEGORY	AMOUNTS IN TONS		AMOUNTS IN THOUSAND EURO		DIFFERENCE (%) IN VOLUME AND VALUE	
	2008	2007	2008	2007	2008/2007	2008/2007
1. PRODUCTION TURNOVER						
DOMESTIC	63,163	39,718	172,349.55	121,295.56	59.03%	42.09%
EXPORTS	120,602	156,103	338,980.49	464,341.01	-22.74%	-27.00%
TOTAL	183,765	195,821	511,330.04	585,636.57	-6.16%	-12.69%
2. OTHER SALES & INCOME FROM SERVICES	--	--	29,674.21	25,391.66	--	16.8%
GRAND TOTAL	183,765	195,821	541,004.25	611,028.23	-6.16%	-11.46%

Due to the separation of Foil production branch, there is a reduction in exports and increase in domestic sales. In 2007, the sales of foil products pertained to exports to a great extent, and, in 2008, these products are recorded as exports of the subsidiary company SIMETAL S.A. On the contrary, foilstock sales (raw material for the production of foil) sold to SIMETAL by ELVAL are recorded as domestic sales.

The turnover of the consolidated income statement reached 902.5 million euro – after the elimination of intercompany sales of 147.4 million euro- and it is reduced by 7.9% in relation to 2007. About 48% of the consolidated turnover comes from the parent company ELVAL S.A. and the remaining percentage mainly from the companies ETEM S.A., BRIDGNORTH ALUMINIUM LTD and SIMETAL S.A., with 152.7 million euro, 165.8 million euro and 87.4 million euro respectively, after the elimination of intercompany transactions.

Exports

In 2008, 66% of the sales volume was directed to foreign markets in 60 countries. In particular, 56.8% out of the total sum of exports was directed to EU countries , 11.8% to countries of the Far East, mainly China (2.5%), and Singapore (3.6%), 4.6% to countries of Middle East, 24.1% to other countries, mainly USA (17.5%) and finally 2.7% to Australia.

At a group level, sales were directed to 85 countries, while, in the Greek market, they stood at 155.7 million euro versus 166.5 million euro in 2007 and sales abroad to 746.7 million euro. The sales to EU countries (excluding Greece) amount for approximately 60.1% of the total consolidated sales.

Investments - Participations

The capital expenditures of the Group amounted to 73.8 million euro and of the company to 27 million euro. At a parent company level and within 2008, plots in Inofita of a total area of 18 thousand square meters and value of 1.8 million euro were acquired and were incorporated in the existing plants. Furthermore, within the context of the 3-year investment program in the Inofita plant, 15 million euro was disbursed and the bigger part of the program has already been completed. SIMETAL implements an investment program which mainly pertains to the purchase and installation of a new rolling mill and has made investment expenditures that amounted to 15 million euro. Finally, the extrusion companies have made investments of a total sum of 22.1 million euro, 10.3 million euro out of which are investments made by ETEM and 11.8 million euro investments of its subsidiary company Steelmet SA in Bulgaria, and mainly pertain to the construction of new storage facilities, a plastic profile plant and an office building in Sofia, Bulgaria, as well as the installation of a delacquering line in the plant of Agios Thomas, in Viotia.

On October, 2 2008 ELVAL SA announced the 100% acquisition of KERONIA SA. KERONIA SA had no productive activity and had in its ownership a property next to ELVAL's plant. KERONIA SA, after the acquisition from ELVAL SA, change its productive activity to logistics and distribution services of aluminium products and also change its name to ELVAL SERVICE CENTER SA.

On October, 14 2008 ETEM SA, a 58.78% subsidiary of ELVAL SA, announced the acquisition of an additional 35 percent interest in AL – AMAR (Libya) for €1.2 mill. in cash increasing its ownership from 55 to 90 percent.

Notes on the Balance Sheets

As mentioned earlier, the Corporate Financial Statements are not comparable to the respective ones of 2007, due to the separation of aluminium foil production branch and its contribution in SIMETAL. More precisely, the assets and liabilities were in the region of 69.3 million euro and 20.7 million euro respectively.

Fixed Assets have been influenced by the value of the contributed fixed assets, in the region of 22.7 million euro and by the aforementioned investments in plots, mechanical equipment and shares,

Current Assets present a significant reduction mainly due to the reduction of the value of inventory by 48 million euro, due to the contribution, but mainly due to the performed impairment, the low price of aluminium and the lower volume of inventories.

In the Liabilities, Shareholder's Equity appears to be reduced by 16 million euro due to profit distribution in 2007, losses in 2008, but, mainly by the negative valuation of the derivatives for risk coverage.

The total Bank loans amount to 127.9 million euro, which is broken down into 83.8 million euro in long-term borrowings, 44 million euro in short-term borrowings, 42.7 million euro of which pertain to the scheduled instalments of the long-term loans that will be paid off within 2009.

The consolidated financial statements resulted from the consolidation of the respective financial statements of the parent company ELVAL S.A., its subsidiaries and its affiliated companies, as presented in the table at the beginning of this report.

The participation in the other companies, HELLENIC CABLES S.A., ALPHA TRUST S.A. headquartered in Athens, EVETAM S.A. headquartered in Volos, DIA.VI.PE.THI.V. S.A., headquartered in the Industrial Area of Thisvi, Viotia, and ALURAME SRL headquartered in

Italy is included in the consolidated Financial Statements as financial assets available for sale, since the participation in them is smaller than 20%.

Minority Rights amounting to 19.3 million euro in the share capital and 20.2 million euro in the Reserves and Profits (that is, a total sum of 39.5 million euro) resulted from the entries of full consolidation, and are recorded in the Shareholder's Equity and Liabilities.

The accounts Customers and Suppliers being recorded in Assets and Shareholder's Equity and Liabilities of the consolidated Balance Sheet were formed after elimination (clearing) of 34.2 thousand euro of intercompany debts and liabilities.

Notes on Income Statements

The total volume of sales (541 million euro) includes product sales, which were mentioned in the relevant sales table, which amount to 511.3 million euro and belong, mainly, to the Statistical Classification of Economic Activities – 91 274.2 (aluminium production), as well as the other earnings of 29.7 million euro, which mainly pertain to sales of other materials and sub-products, the assigned direct expenses of product sales.

After the deduction of the cost of sales of products and materials, the gross operating loss amounts to 674 thousand euro. Cost of sales has been burdened by the implemented 12.8 million euro inventory impairment. The implementation of an annual weighted average for the inventory valuation, due to the high prices of aluminium almost throughout the year, kept the value of inventory in high levels and the sudden decline in the price of aluminium at the end of the year resulted in a need for their impairment. At a Group level, similar conditions had a negative impact on the financial results though an 20.3 million euro inventory impairment.

For the most part of the year, due to the increased need in working capital, borrowing remained at high levels and financial expenditures were burdened by 8.7 million euro at a corporate level and 25.8 million euro at consolidated level.

Losses before tax amounted to 12.4 million euro for the company and 29.2 million euro for the Group. Positive deferred taxes (due to the transferred loss and of the gradual reduction of tax rates) finally led to loss after tax amounting to 1.2 million euro for the company and 14.1 million euro for the Group.

For the fiscal year 2008, dividend distribution is not proposed due to losses.

The ratios presenting the financial position of the Company and the Group from 2007 to 2008 were as follows:

RATIOS	CONSOLIDATED		COMPANY	
	31/12/08	31/12/07	31/12/08	31/12/07
Profitability (% of sales)				
Gross profit	4.70%	9.21%	-0.12%	6.06%
Gross profit before impairment of inventories	6.96%	9.21%	2.23%	6.06%
Earnings before interest, taxes, depreciation and amortization (EBITDA)	3.61%	8.74%	2.34%	7.94%
Earnings (losses) after taxes and minority interests	-0.98%	2.21%	-0.23%	3.09%
Evolution (%)				
Sales	-7.87%	13.92%	-11.46%	10.75%
Earnings before interest, taxes, depreciation and amortization (EBITDA)	-61.95%	5.01%	-73.87%	6.79%
Earnings (losses) after taxes and minority interests	-140.84%	4.53%	-106.46%	19.30%
Financial (%)				
Interest expense / Earnings before interest, taxes, depreciation and amortization (EBITDA)	79.1%	21.1%	68.4%	15.9%
Liquidity (:1)				
General Liquidity (Current Assets / Current Liabilities)	1.66	2.53	2.50	3.52
Debt (:1)				
Total Liabilities / Equity	1.09	0.91	0.49	0.52
Bank Loans / Equity	0.62	0.52	0.27	0.29
Equity / Total Liabilities	1.00	1.19	2.05	1.92
Fixed Assets turnover (:1)				
Equity / Non-current assets	0.93	1.12	1.07	1.20

c. Transactions with related parties

Following is a summary of ELVAL SA transactions with related parties, in accordance with IAS 24:

Company, 2008 amounts - in €

<u>Entities</u>	<u>Relation</u>	<u>Sales of goods and services</u>	<u>Purchases of goods and services</u>	<u>Receivables</u>	<u>Payables</u>	<u>Dividend income</u>
ETEM SA	Subsidiary	9,090,944	427,977	5,675,675	-	440,253
ANOXAL SA.(*)	Subsidiary	-	-	5,904	-	-
STEELMET SA (BG) (*)	Subsidiary	1,971,122	1,457	930,310	9,708	-
BRIDGNORTH ALUMINIUM LTD	Subsidiary	73,836	12,271	385,257	289,538	-
ELVAL COLOUR SA	Subsidiary	469,272	13,916,526	-	1,320,505	1,025,448
STEELMET ROMANIA SA	Subsidiary	7,226,609	-	1,888,773	-	-
VIOMAL SA	Subsidiary	8,854,107	392,356	4,994,361	247,909	358,701
SYMETAL SA	Subsidiary	81,467,287	16,634,429	14,556,764	1,351,842	119,993
K.AN.AL. SA	Subsidiary	12,360	62,115	-	96,321	-
VIEXAL LTD	Subsidiary	-	614,871	11,064	12,775	37,064
ELVL SERVICE CENTER SA (KERONIA SA)	Subsidiary	8,825	-	10,502	-	-
BLYTHE Ltd	Subsidiary	-	-	-	-	1,850,841
Total Subsidiaries		109,174,362	32,062,002	28,458,610	3,328,598	3,832,300
ELVAL AUTOMOTIVE GMBH(**)	Associate	11,324,303	311,791	6,071,431	1,936,558	-
METAL GLOBE SA	Associate	543,510	52,661	360,074	19,674	-
MKC GMBH(**)	Associate	3,470,929	36,932	635,399	3,547	-
TEPROMETALL VERTRIEBS(**)	Associate	2,442,406	783,286	2,247	82,671	-
ANAMET SA	Associate	8,434	4,181,111	-	21,782	44,800
DIAPEM COMMERCIAL SA	Associate	1,550	1,847	-	170,070	-
TEPROMETAL AG	Associate	-	161,504	-	-	-
ELKEME SA	Associate	489	499,418	-	320,720	-
AFSEL SA	Associate	23,254	203,737	-	52,665	-
STEELMET SA.	Associate	100	2,502,326	208	662,884	483,583
Total Associates		17,814,975	8,734,613	7,069,359	3,270,571	528,383
GENECOS SA	Other	1,111,338	459,405	725,661	39,696	-
METAL AGENCIES LTD	Other	3,019,721	35,071	971,692	32,821	-
HALCOR SA	Other	632,134	517,741	157,417	242,658	-
HELLENIC CABLES SA	Other	86,427	702,193	306	95,568	10,137
VIOHALCO SA	Other	3,522	159,570	-	-	-
ALURAME SRL	Other	3,400	419,591	3,400	12,232	-
STEELMET (CY) LTD	Other	-	1,985,807	-	963,375	-
TEKA SYSTEMS	Other	375	3,813,872	446	1,491,497	-
ICME ECAB SA	Other	-	142,234	-	33,419	-
Others	Other	31,859	375,954	22,349	163,159	450
Total other parties		4,888,776	8,611,438	1,881,271	3,074,425	10,587
Grand total		131,878,113	49,408,053	37,409,240	9,673,594	4,371,270

(*) Subsidiaries of ETEM SA

(**) Subsidiaries of TEPROMETAL AG

Benefits to Key Management Personnel
Amounts in €

 Fees - benefits to the members of the
 Board of Directors and executives

CONSOLIDATED		COMPANY	
31/12/2008	31/12/2007	31/12/2008	31/12/2007
2,778,387	2,883,886	1,157,357	1,686,966

Company, 2007 amounts - in €

<u>Entities</u>	<u>Relation</u>	<u>Sales of goods and services</u>	<u>Purchases of goods and services</u>	<u>Receivables</u>	<u>Payables</u>	<u>Dividend income</u>
ETEM SA	Subsidiary	17,436,231	877,385	5,999,186	-	872,495
STEELMET SA (BG) (*)	Subsidiary	2,834,546	-	234,692	-	-
BRIDGNORTH ALUMINIUM LTD	Subsidiary	60,000	560,785	319,966	716,746	-
ELVAL COLOUR SA	Subsidiary	174,819	17,910,512	672,458	8,606,428	870,884
STEELMET ROMANIA SA	Subsidiary	6,819,883	-	1,415,593	-	-
VIOMAL SA	Subsidiary	9,355,038	354,143	5,321,507	191,781	414,520
SYMETAL SA	Subsidiary	3,681,871	110,520	768,789	639,666	-
K.AN.AL. SA	Subsidiary	12,893	70,799	10,405	50,961	-
VIEXAL LTD	Subsidiary	-	858,500	-	22,722	-
BLYTHE Ltd	Subsidiary	-	-	-	-	1,547,162
Total Subsidiaries		40,375,281	20,742,644	14,742,596	10,228,304	3,705,061
ELVAL AUTOMOTIVE GMBH(**)	Associate	13,623,532	281,607	6,746,597	1,626,568	-
METAL GLOBE SA	Associate	413,900	59,213	172,757	60,337	-
MKC GMBH(**)	Associate	5,677,446	28,854	1,420,443	921	-
TEPROMETALL VERTRIEBS(**)	Associate	-	1,104,461	708,605	118,224	-
ANAMET SA	Associate	-	5,064,015	8,761	15,398	92,800
DIAPEM COMMERCIAL SA	Associate	1,550	1,847	-	169,504	-
ELKEME SA	Associate	534	442,292	636	385,093	-
STEELMET SA	Associate	75	2,213,156	89	484,706	318,660
Total Associates		19,717,037	9,195,445	9,057,888	2,860,751	411,460
GENECOS SA	Other	1,019,494	436,575	847,382	15,992	-
METAL AGENCIES LTD	Other	19,951,205	3,614	3,916,115	17,421	-
HALCOR SA	Other	658,970	533,082	1,045,733	436,553	-
HELLENIC CABLES SA	Other	72,099	734,214	48,793	106,924	7,798
VIOHALCO SA	Other	18,000	263,983	173,143	41,866	-
ALURAME SRL	Other	-	470,101	-	27,097	-
STEELMET (CY) LTD	Other	-	2,772,309	-	645,333	-
TEKA SYSTEMS SA	Other	18	3,073,109	21	739,687	-
TELECABLES SA	Other	430	32,743	-	-	-
SOVEL SA	Other	-	49,125	-	22,257	-
SIDENOR SA	Other	10,159	16,501	-	123,716	-
ICME ECAB SA	Other	-	198,527	-	-	-
DIAVIPETHIV SA	Other	-	98,369	-	1,801	-
Others	Other	27,428	74,926	16,309	8,025	1,844
Total other parties		21,757,803	8,757,178	6,047,496	2,186,672	9,642
Grand total		81,850,121	38,695,267	29,847,980	15,275,727	4,126,163

(*) Subsidiaries of ETEM SA

(**) Subsidiaries of TEPROMETAL AG

Following is a summary of ELVAL Group transactions with related parties:

Consolidated – 2008 amounts - in €

<u>Entities</u>	<u>Sales of goods and services</u>	<u>Purchases of goods and services</u>	<u>Receivables</u>	<u>Payables</u>
ELVAL AUTOMOTIVE GMBH	11,343,716	546,900	6,071,431	2,095,685
MKC GMBH	3,682,607	41,672	673,005	4,636
TEPROMETALL VERTRIEBS SA	6,766,334	1,084,113	750,144	207,507
STEELMET SA	41,705	3,211,318	6,979	1,320,675
ANAMET SA	77,987	12,297,675	2,509	33,861
GENECOS SA	1,118,716	550,226	729,087	65,789
ICME ECAB SA	780,590	1,772,103	39,753	225,930
METAL AGENCIES LTD	16,009,498	383,847	3,859,193	353,329
STOMANA INDUSTRY	1,395,854	735,587	337,591	101,316
HALCOR SA	1,682,948	18,620,840	302,446	3,486,417
HELLENIC CABLES SA	2,173,444	1,299,686	27,295	314,636
PANELKO SA	119,721	1,262,243	13,156	371,062
SOFIA MED SA	180,965	9,019,403	13,141	1,926,966
STEELMET (CY) LTD	1,873,320	3,332,354	1,184,602	1,364,684
TEKA SYSTEMS SA	91,144	5,350,803	8,078	1,634,269
Others	2,908,984	5,860,197	763,142	1,517,399
Grand total	50,247,533	65,368,967	14,781,552	15,024,161

Consolidated – 2007 amounts - in €

<u>Entities</u>	<u>Sales of goods and services</u>	<u>Purchases of goods and services</u>	<u>Receivables</u>	<u>Payables</u>
ELVAL AUTOMOTIVE GMBH	13,640,749	526,558	6,745,895	1,718,711
MKC GMBH	5,779,441	28,854	1,420,443	921
TEPROMETALL VERTRIEBS SA	58,551	1,212,545	713,104	143,888
STEELMET SA	116,643	2,931,452	5,457	936,689
ANAMET SA	64,909	15,652,551	15,410	138,846
GENECOS SA	1,022,372	506,919	848,795	42,705
METAL AGENCIES LTD	20,998,645	74,001	4,169,296	101,992
STOMANA INDUSTRY	3,088,068	138,111	199,027	418,347
HALCOR SA	1,695,145	18,155,055	1,227,832	5,056,504
HELLENIC CABLES SA	955,297	1,690,316	56,523	149,207
SOFIA MED SA	333,044	10,909,162	11,113	1,906,990
STEELMET (CY) LTD	2,185,522	3,804,875	607,716	985,247
ICME ECAB SA	137,688	3,579,905	25,091	104,418
TEKA SYSTEMS SA	143,064	3,489,656	27,149	802,790
Others	3,834,039	3,965,258	942,222	1,108,595
Grand total	54,053,177	66,665,218	17,015,073	13,615,850

2. Significant events after balance sheet date

On February 26, 2009 ETEM announced that its Board of Directors decided to separate its ETALBOND production branch to ETALBOND SA, a 100% subsidiary of ETEM SA. The separation of ETALBOND production branch will be conducted in accordance with the Law No. 2166/93. The separation decision date will be the February 28, 2009.

On March 24, 2009 and in continuation of the Memorandum of Understanding which was announced on October 29, 2008, ELVAL S.A., Furukawa-Sky Aluminum Corp. and Bridgnorth Aluminium Ltd, a wholly owned subsidiary of ELVAL S.A. in the United Kingdom, have completed the shareholders' agreement.

In accordance with the shareholders' agreement and after obtaining necessary approvals from the relevant Competition authorities, Furukawa-Sky Aluminum Corp. based in Tokyo, holds 25% of the shares of Bridgnorth Aluminium Ltd by means of a capital increase of the latter. The remaining shares continue to be held by Elval S.A. based in Athens. This is the first overseas equity investment in a rolling mill to be made by Furukawa-Sky Aluminum.

In addition to the equity participation, the parties have agreed a Technology Agreement, under which Bridgnorth Aluminium Ltd will receive continuous technology support from Furukawa-Sky both in terms of development and quality superiority of the products as well as production efficiency.

The objectives of the agreements are to further improve the quality of the company's products and to strengthen the company's position in the global market, with emphasis on lithographic strip.

Bridgnorth Aluminium Ltd is an aluminium rolling mill based in Bridgnorth, Shropshire, UK. The company is focused on the production of lithographic strip and is currently #3 in the World in terms of market share by volume.

3. Risks and uncertainties

The Group's risk management policies are applied in order to identify and analyze the risks faced by the Group and to set risk tolerance limits and to apply control on such limits. The risk management policies and relevant systems are periodically examined in order to incorporate changes that arise in market conditions and in the Group's activities.

The supervision of adherence to the risk management policies and procedures has been appointed to the Internal Audit department, which realizes planned and unscheduled audits as regards to the implementation of procedures, with the audit results being disclosed to the Board of Directors

Credit risk

Credit risk is the risk of loss for the Group in the case a customer or third party in a financial instrument transaction, does not fulfil his contractual obligations and is mainly related to the receivables from customers and to investments in securities.

(a) Customers and other receivables

The Group's exposure to credit risk is mainly affected by the characteristics of each customer. The demographic characteristics of the Group's client base, including the risk of default payments that characterizes the specific market and the country where customers operate in,

affect credit risk less as there is no geographic concentration of credit risk. Until the separation to aluminum foil production branch to SYMETAL SA., no customer exceeded 10% of the period's total sales, while no customer exceeded 10% of the open balances of customers. Therefore the commercial risk is divided to a large number of customers. After the separation of foil branch, the customer SYMETAL SA. exceeds 10% of the period's total sales and 10% of the open balances of customers but its customer base is extensive and there is no final customer in Group level that exceeds 10% of period's total sales and 10% of the open balances.

The Board of Directors has established a credit policy, according to which each new customer is examined on an individual basis for his credit ability before the ordinary payment terms are proposed to such. The examination of credit ability performed by the Group includes the examination of bank resources and other third party resources for credit rating, if available. Credit lines are defined for each customer, and are re-examined according to the current conditions, while if necessary the sales and payment terms are readjusted. The credit lines of customers are mainly defined according to the insurance limit received for them from insurance companies and following the receivables are insured according to such limits.

During the monitoring of customer credit risk, customers are grouped according to their credit characteristics, the maturity characteristics of their receivables and any possibly prior payment problems displayed. Customers and other receivables mainly include wholesale customers of the Group. Customers characterized as "high risk" are placed in a special customer statement and future sales must be pre-collected and approved by the Board of Directors. According to the customer's history and capacity, in order to secure its receivables, the Group requests real guarantees or collateral (i.e. letters of guarantee), when possible.

The Group registers an impairment provision, which represents its estimation for losses regarding its customers, other receivables and investments in securities. This provision is mainly comprised of impairment losses of specific receivables that it is estimated (based on the given conditions) that they will be realized but have not yet been finalized.

(b) Investments

Investments are classified by the Group according to the purpose for which they were acquired. The Management decides on the proper classification of the investment when such is initiated and re-examines the classification at each balance sheet date.

The Management considers that there will be no case of default payments for such investments.

(c) Guarantees

The Group has a policy not to provide financial guarantees, except for by exception, guarantees to subsidiaries or affiliated companies following a decision by the Board of Directors

Liquidity risk

Liquidity risk refers to the risk that the Group may not be able to fulfill its financial obligations when they mature. The approach adopted by the Group for the liquidity management is to secure, through holding the absolutely necessary cash and adequate credit lines from cooperating banks, that there will be at all times adequate liquidity to fulfill its obligations when such mature, under normal as well as difficult conditions, without sustaining non-acceptable losses or risking the Group's reputation.

To avoid liquidity risks, the Group realizes a cash flow provision for a period of one year during the preparation of the annual budget, and a monthly rolling three-month provision in order to secure that it has adequate cash equivalents to cover its operating needs, including covering its financial liabilities. This policy does not take into account the relevant effect from extreme conditions that cannot be forecasted.

Market risk

Market risk corresponds to risk from changes in the prices of raw materials, foreign exchange rates and interest rates that affect the Group's results or the value of its financial instruments. The aim of market condition risk management is to control the Group's exposure to such risks in the context of acceptable parameters, by optimizing performance at the same time.

The Group realizes transaction on financial derivatives in order to hedge part of the risk from market conditions.

(a) Risk from Fluctuation of Prices of Metal Raw Materials (aluminium)

The Group bases both its purchases and its sales on market prices/indices for the price of aluminium it uses and that are included in its products. The risk from the fluctuation of metal prices is covered with hedging (futures contracts on the London Metal Exchange – LME). However the Group does not cover its entire basic operational stock with hedging and as a result a possible decrease in metal prices may negatively affect its results through the devaluation of stocks.

(b) Foreign exchange risk

The Group is exposed to foreign exchange risk in the sales and purchases it realizes and in loans that have been issued in currencies other than the operating currency of the Group's companies, which is mainly the euro. Currencies in which such transactions take place is mainly the euro, USD, GBP.

Throughout time, the Group hedges the largest part of its estimated exposure to foreign currency in relation to estimated sales and purchases, as well as its receivables and liabilities in foreign currency. The Group mainly enters into foreign exchange futures contracts with external third parties to face risk from changes in exchange rates. Such contracts mainly mature in less than one year from the balance sheet date. When deemed necessary, the contracts are renewed at their maturity. In some cases foreign exchange risk may be covered also with loans in the respective currencies.

The interest of loans is in a currency that does not differ from that of cash flows, which arise from the Group's operating activities, mainly the euro.

The Group's investments in other subsidiaries are not hedged, as such foreign exchange positions are considered long-term

(c) Interest rate risk

The Group finances its investments as well as its needs in working capital through bank debt and corporate bond loans, and as a consequence its results are charged with debit interest. Increasing trends in interest rates will have a negative effect on results as the Group will be charged with additional borrowing costs.

Interest rate risk is contained as part of the group's loans are with fixed interest rates, either directly or through the use of financial instruments (interest rate swaps)

Capital management

The policy of the Board of Directors corresponds to maintaining a powerful capital base, in order to maintain trust in the Group from investors, creditors and the market and to allow the future development of the Group's activities. The Board of Directors monitors the return on capital, which is defined by the Group as the net results divided with the total net position, excluding non-convertible preferred shares and minority interest. The Board of Directors also monitors the level of dividends to shareholders of common shares.

The Board of Directors tries to maintain a balance between the highest returns that would be plausible with higher debt levels and the advantages and security that would be provided by a powerful and healthy capital position.

The Group does not have a specific plan for purchase of own shares

4. Perspectives for 2009

Under the global financial recession conjuncture, we intensify our efforts to further reinforce our presence in the sectors of economy (food and beverage packaging) which are not affected by the crisis (by approaching new customers, performing tests and having our products certified by them), or even by developing collaborations with strong partners, such as our recent collaboration with Furukawa-Sky Aluminium. At the same time, we maintain our presence in the affected sectors (transportation, construction, etc.) and we are ready to strengthen it when exiting from the crisis given that our plants are ready to operate at increased capacity after the completion of a significant part of our investment program.

Apart from our efforts to boost sales, we also continue the efforts for the constant cost reduction through restructuring programs, preparation of expenditure budget from the beginning and performance improvement. Emphasis is given to the compression of working capital and borrowing respectively. The reduced energy cost and the reduction in interest rates contribute positively to our efforts.

Each company of the Group has developed a detailed business plan and, despite the uncertainty in the global financial environment, we expect that the Group will be in a stronger position once exiting from the crisis.

With the aforementioned we ask you, dear Shareholders to approve the Financial Statements of the Company and the Group, as well as the present report for the fiscal year from January 1st to December 31st 2008 and decide on the remaining topics of the General Meeting.

Athens, March 27, 2009

The Chairman of the B.o.D.

MILTADIS LIDORIKIS

Explanatory Report of the Board of Directors to the Ordinary General Meeting of Shareholders (par. 7 & 8, art. 4 of Law 3556/2007)

a) Structure of Share Capital

The share capital of the Company amounts to EUR 37,230,244.50 and is divided into 124,100,815 ordinary unregistered shares with a nominal value of EUR 0.30 each. All shares are listed and traded in the large-cap equities market of Athens Stock Exchange. The shares of the Company are dematerialized, unregistered and have voting rights.

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

- Right on dividend from the annual profits of the Company. Dividend per share is paid to its holder within two (2) months from the date the General Meeting having approved the financial statements was held. The right to dividend collection is deleted following five (5) years from the end of the year during which its distribution was approved by the General Meeting.
- Pre-emption right to each rise in share capital and subscription for new shares
- Right to participate in the General Meeting of shareholders
- The capacity of shareholder automatically signifies that the latter accepts the Company's Articles of Association and the decisions made by its bodies provided they are in line with such Articles and Law.
- The shares of the Company are indivisible and the Company acknowledges only a single owner of each share. All co-owners of a share by entirety as well as those having the usufruct or bare ownership thereof shall be represented at the General Meeting by a single person appointed by the same following agreement. In case of disagreement, the share of the foregoing persons shall not be represented.
- The liability of shareholders shall be limited to the nominal capital of each share.

b) Restrictions on the transfer of Company shares

Shares of the Company shall be transferred as per legal stipulations and the Articles of Association lay no restrictions whatsoever on the transfer thereof.

c) Significant direct or indirect holdings within the meaning of art. 9 and 10 of Law 3556/2007

On 31/12/2008, the significant (over 5%) holdings are established as follows:

- VIOHALCO S.A.: 65.88% of voting rights and 64% of share capital
- Mr. Evangelos Stasinopoulos: 8.17% of voting rights (to which a 6.27% holding of WHEATLAND HOLDINGS LTD has been added);
- WHEATLAND HOLDINGS LTD: 6.27% of share capital.

d) Shares providing special audit rights

There are no shares of the Company providing their holders with special audit rights.

e) Restrictions on voting right

The Company's Articles of Association do not lay down any restrictions on the voting rights arising from its shares. The rules of the Company's Articles of Association regulating voting issues are set forth in Article 24 of its Articles of Association and are as follows:

- Each share represents one (1) vote at the General Meeting.
- Shareholders wishing to attend a General Meeting, at least five (5) days prior to its holding, shall be obliged to furnish at the Company's offices an attestation issued by Athens Central Securities Depository regarding the number of shares registered in their name and have their shares blocked until the day of the General Meeting. Powers of attorney of the shareholders' representatives must be furnished at the Company's offices within the same deadline.

f) Agreements between Shareholders of the Company

The Company has not been notified of any agreements between its shareholders that may entail restrictions on the transfer of its shares or on the exercise of the voting rights arising from its shares.

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

The rules stipulated by the Company's Articles of Association as regards the appointment and replacement of members of the Board of Directors and to amendments thereof do not differ from the stipulations of Codified Law 2190/1920.

h) Competence of the BoD to issue new shares or purchase own shares

- Article 6(1) of the Company's Articles of Association stipulates that only the General Meeting of shareholders held with a two-thirds (2/3) quorum of the paid-up share capital shall be entitled to increase the Company's share capital through the issue of new shares by way of decision made by a 2/3 majority of the represented votes.
- The Company's Articles of Association do not stipulate the assignment of any rights falling under the competence of the General Meeting with respect to the issue of shares and share capital increase to the BoD or certain members of the latter.
- The Board of Directors shall purchase own shares in the context of a decision made by the General Meeting pursuant to Article 16 of Codified Law 2190/1920.
- In pursuance of Article 13(3) of Codified Law 2190/1920 and a decision of the General Meeting made on 18.6.2002, during the month of December of the years 2006-2013 the Board of Directors of the Company shall increase the Company's share capital without amending its Articles of Association by issuing new shares in the context of implementation of an approved Stock Option Plan, details of which are given in note 17 of the Annual Financial Statements for the year 2008.

i) Important agreements put into effect, amended or expiring in the case of change of control following public offer

The agreements of joint bonded loans issue of both the Company and the consolidated companies, which were fully taken over by Banks and are cited in note 19 of the Annual Financial Statements of the year 2008, and have a total balance equal to € 291.1 million on 31/12/2008 (Company: €127.9 million) include a clause on the change of control which provides the bond-holders with the right of early termination.

There are no other agreements that are put into effect, amended or expiring in case the control of the Company changes.

j) Agreements with members of the Board of Directors or personnel of the Company

There are no agreements concluded between the Company and members of its BoD or its personnel that stipulate the payment of indemnity especially in the case of resignation or dismissal without any well-founded reasons or termination of their tenure or employment

Athens, March 27, 2009

The Chairman of the B.o.D.

MILTADIS LIDORIKIS

Independent Auditors Report of Annual Financial Statements **(THE OPINION HAS BEEN TRANSLATED FROM THE GREEK ORIGINAL VERSION)**

To The Shareholders of ELVAL HELLENIC ALUMINIUM INDUSTRY S.A.

Report on the Financial Statements

We have audited the accompanying financial statements of ELVAL S.A., and the consolidated financial statements of the Company and its subsidiaries (“the Group”), which comprise the corresponding balance sheets as at December 31, 2008, and the income statements, statements of changes in equity and cash flow statements for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. 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 the Greek Auditing Standards, which are based on International Standards of 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 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 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 aforementioned financial statements present fairly, in all material respects, the financial position of ELVAL S.A. and the Group as of December 31, 2008, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Report on Other Legal and Regulatory Requirements

The Board of Directors' Report contains information that is required by articles 43a and 107 and 37 of C.L. 2190/1920 and is consistent with the aforementioned financial statements.

Athens, 30 March 2009
THE CERTIFIED AUDITOR ACCOUNTANT

George Anastopoulos
S.O.E.L. R.N. 15451
ERNST & YOUNG (HELLAS) CERTIFIED AUDITORS ACCOUNTANTS S.A.
11th Km. National Road Athens-Lamia
GR 144 51 Metamorphosi Attica
COMPANY S.O.E.L. R.N. 107

Annual Financial Statements (Company and Consolidated)
according to International Financial Reporting Standards
for the Fiscal Year 2008

The Chairman of the
B.o.D.

**MILTIADIS
LIDORIKIS**
Id.C.No N 032204

A Member of the
B.o.D.

**NIKOLAOS
KOUDOUNIS**
Id.C.No AE 012572

The General Manager

**LAMBROS
VAROUCAS**
Id.C.No. AB 535203

The Finance
Director

**NIKOLAOS
PSIRAKIS**
Id.C.No T 015643

Reg. No. 9239 CLASS A'

ELVAL

HELLENIC ALUMINIUM INDUSTRY S.A.

Societe Anonyme Registration Number 3954/06/B/86/13

2-4 Mesogeion Ave., Athens Tower

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i. Balance Sheets

		CONSOLIDATED		COMPANY	
Amounts in Euros	Note	31/12/008	31/12/2007	31/12/008	31/12/2007
ASSETS					
Non-current assets					
Property, plant and equipment	6	512,272,583	486,317,547	289,402,277	312,321,683
Intangible assets	8	2,393,495	808,237	1,263,787	481,605
Investment properties	7	4,980,565	5,214,638	-	-
Investments in associates	10	7,493,540	8,105,150	4,451,423	4,451,423
Investments in subsidiaries	9	-	-	138,480,211	81,874,443
Available for sale investments	11	1,415,707	1,484,034	680,039	680,039
Deferred tax assets	12	11,553,464	2,898,006	-	-
Derivatives	15	388,096	949,653	122,641	404,557
Other receivables	14	2,735,165	2,822,919	2,324,632	2,296,165
Total non-current assets		543,232,615	508,600,184	436,725,010	402,509,915
Current assets					
Inventories	13	220,657,566	267,871,505	110,419,242	158,653,821
Trade and other receivables	14	229,103,768	234,319,351	133,636,083	153,758,474
Derivatives	15	11,738,824	3,802,821	10,158,359	3,746,608
Cash on hand and cash equivalents	16	12,325,295	28,509,190	1,680,349	14,490,668
Total current assets		473,825,453	534,502,867	255,894,033	330,649,571
Total assets		1,017,058,068	1,043,103,051	692,619,043	733,159,486
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	17	37,230,245	37,230,245	37,230,245	37,230,245
Share premium	17	158,760,404	158,760,404	158,760,404	158,760,404
Foreign exchange differences due to consolidation of foreign subsidiaries		(8,670,818)	(1,476,926)	-	-
Fair value reserves	18	(38,556,963)	(7,496,659)	(9,695,599)	(1,244,483)
Other reserves	18	164,779,502	157,069,832	134,514,619	133,727,014
Retained earnings		154,623,789	177,323,135	145,075,391	153,288,237
Total equity attributable to equity holders of the Company		468,166,159	521,410,031	465,885,060	481,761,417
Minority interest		39,478,549	45,927,009	-	-
Total equity		507,644,708	567,337,040	465,885,060	481,761,417
LIABILITIES					
Long-term liabilities					
Loans	19	161,972,866	181,732,175	83,799,347	98,172,059
Liabilities from leasing activities	19	-	3,925	-	-
Derivatives	15	3,202,296	2,979,774	2,270,774	43,750
Deferred tax liabilities	12	40,848,709	59,978,537	25,400,892	44,248,879
Employee benefit liability	20	8,523,957	8,250,215	5,751,052	6,048,381
Government grants	21	9,906,214	10,776,010	6,980,509	8,863,304
Provisions	23	-	566,144	-	-
Total long-term liabilities		224,454,042	264,286,780	124,202,574	157,376,373
Short-term liabilities					
Trade and other payables	22	90,821,201	84,900,391	35,300,849	45,187,618
Income tax payable	26	759,068	3,388,544	348,800	2,708,879
Loans	19	129,188,922	110,629,848	44,122,468	39,908,474
Liabilities from leasing activities	19	4,150	28,902	-	-
Derivatives	15	62,498,970	12,081,546	22,309,292	5,766,725
Provisions	23	1,687,007	450,000	450,000	450,000
Total short-term liabilities		284,959,318	211,479,231	102,531,409	94,021,696
Total liabilities		509,413,360	475,766,011	226,733,983	251,398,069
Total equity and liabilities		1,017,058,068	1,043,103,051	692,619,043	733,159,486

The notes on pages 7 to 51 constitute an integral part of these financial statements.

ii. Income Statements

<i>Amounts in Euros</i>	<i>Note</i>	Consolidated (continuing operations)		Company (continuing operations)	
		12 months ended	12 months ended	12 months ended	12 months ended
		31 December	31 December	31 December	31 December
		2008	2007	2008	2007
Sales		902,459,671	979,575,281	541,004,254	611,028,232
Cost of sales	24	(860,015,426)	(889,393,829)	(541,678,217)	(573,998,877)
Gross profit / (loss)		42,444,245	90,181,452	(673,963)	37,029,355
Selling and distribution expenses	24	(34,582,970)	(32,722,088)	(4,640,420)	(6,748,727)
Administrative expenses	24	(22,670,511)	(22,010,441)	(11,157,365)	(10,169,685)
Other operating income / (expenses) - net	27	3,350,384	4,953,041	3,704,849	1,540,129
Operating results		(11,458,852)	40,401,964	(12,766,899)	21,651,072
Finance income	25	7,827,463	7,608,211	4,645,353	5,891,416
Finance expense	25	(25,755,657)	(18,017,728)	(8,670,657)	(7,717,246)
Income from dividends	27	139,168	108,102	4,371,270	4,126,163
Share of profit / loss from associates	10 & 27	44,488	791,451	-	-
Profits / (loss) before taxes		(29,203,390)	30,892,000	(12,420,933)	23,951,405
Income tax expense	26	15,033,307	(8,229,491)	11,200,733	(5,069,238)
Profit / (loss) of the period from continuing operations		(14,170,083)	22,662,509	(1,220,200)	18,882,167
Distributed to:					
Equity holders of the Company		(8,851,773)	21,674,761	(1,220,200)	18,882,167
Minority interest		(5,318,310)	987,748	-	-
		(14,170,083)	22,662,509	(1,220,200)	18,882,167
Earnings per share attributable to the shareholders of the Company for the period (Euros)					
Basic	31	(0.071)	0.175	(0.010)	0.152
Diluted	31	(0.071)	0.174	(0.010)	0.152
Depreciation and amortization of the period	6, 7 & 8	44,940,877	46,259,961	25,988,102	27,530,800

The notes on pages 7 to 51 constitute an integral part of these financial statements.

iii. Statements of Changes in Equity

		Attributable to the shareholders of the parent Company							
		Share capital (note 17)	Reserves at fair value (note 18)	Other reserves (note 18)	Retained earnings	Foreign exchange differences due to consolidation	Total	Minority interest	Total Equity
Amounts in Euros									
CONSOLIDATED									
Balance as of 1 January 2007		195,872,249	5,716,217	145,063,290	172,420,302	1,521,343	520,593,401	46,531,053	567,124,454
Foreign exchange differences		-	-	-	(3,439)	(2,998,269)	(3,001,708)	(127,151)	(3,128,859)
Profit/ (Loss) recognized directly in equity		-	(13,217,566)	-	55,629	-	(13,161,937)	(357,623)	(13,519,560)
Net profit of the period		-	-	-	21,674,761	-	21,674,761	987,748	22,662,509
Total recognized net profit of the period		-	(13,217,566)	-	21,726,951	(2,998,269)	5,511,116	502,974	6,014,090
Issue of share capital		118,400	-	-	-	-	118,400	-	118,400
Minority interests in share capital issue		-	-	-	-	-	-	150,000	150,000
Increase of percentage in subsidiaries		-	4,690	104,811	47,747	-	157,248	(185,414)	(28,166)
Transfer of reserves		-	-	11,901,731	(11,909,433)	-	(7,702)	7,702	-
Dividend		-	-	-	(4,962,432)	-	(4,962,432)	(1,079,306)	(6,041,738)
		118,400	4,690	12,006,542	(16,824,118)	-	(4,694,486)	(1,107,018)	(5,801,504)
Balance as of 31 December 2007		195,990,649	(7,496,659)	157,069,832	177,323,135	(1,476,926)	521,410,031	45,927,009	567,337,040
Balance as of 1 January 2008		195,990,649	(7,496,659)	157,069,832	177,323,135	(1,476,926)	521,410,031	45,927,009	567,337,040
Foreign exchange differences		-	1,441,022	-	-	(7,193,767)	(5,752,745)	(191,415)	(5,944,160)
Profit/ (Loss) recognized directly in equity		-	(32,501,640)	-	-	-	(32,501,640)	(118,821)	(32,620,461)
Net profit of the period		-	-	-	(8,851,773)	-	(8,851,773)	(5,318,310)	(14,170,083)
Total recognized net profit of the period		-	(31,060,618)	-	(8,851,773)	(7,193,767)	(47,106,158)	(5,628,546)	(52,734,704)
Increase of percentage in subsidiaries		-	314	19,136	48,002	(125)	67,327	(94,346)	(27,019)
Transfer of reserves		-	-	7,690,534	(7,690,534)	-	-	-	-
Dividend		-	-	-	(6,205,041)	-	(6,205,041)	(725,568)	(6,930,609)
		-	314	7,709,670	(13,847,573)	(125)	(6,137,714)	(819,914)	(6,957,628)
Balance as of 31 December 2008		195,990,649	(38,556,963)	164,779,502	154,623,789	(8,670,818)	468,166,159	39,478,549	507,644,708
		Share capital (note 17)	Reserves at fair value (note 18)	Other reserves (note 18)	Retained earnings	Total Equity			
COMPANY									
Balance as of 1 January 2007		195,872,249	5,100,677	120,661,772	152,433,532	474,068,230			
Profit/ (Loss) recognized directly in equity		-	(6,345,160)	-	212	(6,344,948)			
Net profit of the period		-	-	-	18,882,167	18,882,167			
Total recognized net profit of the period		-	(6,345,160)	-	18,882,379	12,537,219			
Issue of share capital		118,400	-	-	-	118,400			
Transfer of reserves		-	-	13,065,242	(13,065,242)	-			
Dividend		-	-	-	(4,962,432)	(4,962,432)			
		118,400	-	13,065,242	(18,027,674)	(4,844,032)			
Balance as of 31 December 2007		195,990,649	(1,244,483)	133,727,014	153,288,237	481,761,417			
Balance as of 1 January 2008		195,990,649	(1,244,483)	133,727,014	153,288,237	481,761,417			
Profit/ (Loss) recognized directly in equity		-	(8,451,116)	-	-	(8,451,116)			
Net profit of the period		-	-	-	(1,220,200)	(1,220,200)			
Total recognized net profit of the period		-	(8,451,116)	-	(1,220,200)	(9,671,316)			
Transfer of reserves		-	-	787,605	(787,605)	-			
Dividend		-	-	-	(6,205,041)	(6,205,041)			
		-	-	787,605	(6,992,646)	(6,205,041)			
Balance as of 31 December 2008		195,990,649	(9,695,599)	134,514,619	145,075,391	465,885,060			

The notes on pages 7 to 51 constitute an integral part of these financial statements.

iv. Cash Flow Statements

		CONSOLIDATED		COMPANY	
		12 months ended 31 December 2008	12 months ended 31 December 2007	12 months ended 31 December 2008	12 months ended 31 December 2007
<i>Amounts in Euros</i>					
Cash flows from operating activities	<i>Note</i>				
Profit / (loss) for the period		(29,203,390)	30,892,000	(12,420,933)	23,951,405
<u>Adjustments for:</u>					
Depreciation of property, plant and equipment	6	43,796,294	44,705,027	25,346,682	26,637,568
Amortization of intangible assets	8	910,510	1,320,861	641,420	893,232
Depreciation of investment property	7	234,073	234,073	-	-
Amortization of government grants	21	(921,207)	(1,086,159)	(551,099)	(687,091)
Impairment of property, plant and equipment	6, 27	825,771	-	-	-
Results from investing activities		(5,958,756)	(7,752,269)	(9,024,670)	(10,436,412)
Finance expense and related expenses	25	22,316,887	15,760,987	8,670,657	7,717,246
Results from hedging		349,470	(3,861,676)	1,371,600	(3,861,676)
Provisions for impairments of inventories	13	20,106,113	200,082	12,560,797	200,000
Provisions for impairments of trade and other payables		2,599,555	1,069,125	357,101	217,776
Other provisions		944,604	795,302	92,808	488,192
Change in inventories		20,522,888	(9,124,296)	23,637,626	15,192,646
Change in trade and other receivables		(1,094,667)	(24,452,059)	(5,309,960)	(17,685,208)
Change in trade and other payables (except liabilities in banks)		11,353,386	(2,406,728)	(5,294,074)	(7,634,356)
Interest paid		(23,306,150)	(14,976,871)	(9,137,362)	(7,743,769)
Income tax paid		(4,484,739)	(4,570,634)	(2,354,252)	(894,206)
Net cash flows from operating activities		58,990,642	26,746,765	28,586,341	26,355,347
Cash flows from investment activities					
Acquisition of subsidiaries, associates and other investments		(8,112,934)	(486,129)	(7,993,019)	(972,506)
Proceeds from sale of subsidiaries, associates and other investments		-	285,629	-	236,629
Purchase of property, plant and equipment	6	(72,668,144)	(47,776,097)	(26,813,456)	(24,446,221)
Purchase of intangible assets	8	(1,211,146)	(324,949)	(169,950)	(155,928)
Proceeds from sale of property, plant and equipment and intangible assets	6, 8	979,886	541,407	477,058	464,396
Interest received		5,893,130	6,382,826	4,645,353	5,891,416
Cash separation to foil production branch	9	-	-	(9,556,537)	-
Dividends received	28	667,551	519,660	4,371,270	4,126,180
Net cash flows from investment activities		(74,451,657)	(40,857,653)	(35,039,281)	(14,856,034)
Cash flows from financing activities					
Proceeds from issue of share capital	17	-	118,400	-	118,400
Proceeds from issue of share capital (minority portion)		-	150,000	-	-
Proceeds from borrowings		68,729,270	89,354,618	36,048,000	35,000,000
Repayment of borrowings		(61,691,821)	(69,171,505)	(36,206,717)	(38,153,131)
Payment of finance lease liabilities		(28,676)	(90,967)	-	-
Receipts from government grants	21	51,411	1,446,650	-	23,614
Dividends paid		(6,924,230)	(6,052,260)	(6,198,662)	(4,958,056)
Net cash flows from financing activities		135,954	15,754,936	(6,357,379)	(7,969,173)
Net (decrease)/increase in cash on hand and cash equivalent accounts		(15,325,061)	1,644,048	(12,810,319)	3,530,140
Cash on hand at beginning of period	16	28,509,190	27,485,119	14,490,668	10,960,528
Exchange differences on cash and cash equivalents		(858,834)	(619,977)	-	-
Cash on hand at end of period		12,325,295	28,509,190	1,680,349	14,490,668

The notes on pages 7 to 51 constitute an integral part of these financial statements.

v. Notes to Annual Financial Statements

1. General Information

The financial statements presented here include the corporate financial statement of ELVAL S.A. HELLENIC ALUMINIUM INDUSTRY (the “Company”) and the consolidated financial statements of the Company and its subsidiaries (together the “Group”). The names of the Company’s subsidiaries are presented in Note 9 of the financial statements

The Company and the Group are active , in terms of production, in Greece, Great Britain and Bulgaria (through ETEM S.A.) and promotes their products international, primarily to the European Union, the United States of America and the Far East.

The Company is seated in Greece, 2-4 Mesogheion Ave. Athens and its main facilities are located at the 57th kilometre of the Athens-Lamia National Road, Inofita, Viotia. Company’s electronic address is www.elval.gr.

Company’s shares are listed on the Athens Stock Exchange. ELVAL is subsidiary of VIOHALCO Group of Companies.

The present financial statements are subject to the approval of the Company’s Ordinary General Meeting that is expected to convene on June 17, 2009.

The Annual Financial Statements have been approved from the Board of Directors of the Company on March 27, 2009.

2. Overview of the significant accounting principles

2.1. Framework in which the financial statements have been prepared

The Company’s financial statements included herein concern the fiscal year that ended on 31 December 2008 and have been prepared according to the International Financial Reporting Standards (“IFRS”) as adopted by the European Union.

Pursuant to European Legislation 1606/2002 and Law 3229/04 (as this has been amended by Law 3301/40), Greek companies that are listed on any stock exchange (domestic or international) are obligated to prepare their institutional financial statements for fiscal years that begin from 1 January 2005 and thereafter according to the IFRS.

These financial statements have been prepared on the historical cost basis except for specific financial assets and liabilities, which are measured at their fair values in accordance with IFRS.

The Group, applying the transitional provisions of IFRS 2 ‘*Share-based payment*’, did not recognize in the financial statements included herein, share option plans, since these had been issued prior to November 7, 2002.

The preparation of financial statements based on 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 contingent receivables and liabilities on the day the financial statements are prepared and the aforementioned income and expense figures during the period. In spite 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 accounting principles that have been presented below (Notes 2.2 to 2.23) have been applied from the Company and the Group with consistency to all years presented at the financial statements:

2.2. Basis of consolidation

(a) Investments in subsidiary companies

Subsidiary companies are companies over which the Group, directly or indirectly, controls their financial and operating policies. Subsidiary companies are fully consolidated from the day control over them is acquired and cease to be consolidated from the day this control is no longer exist.

Acquisitions of subsidiaries are accounted for based on the purchase method. The acquisition cost of a subsidiary company is estimated as the fair value of the assets that were acquired, of the shares that were issued and of the liabilities that were undertaken on the day the acquisition was effected, plus any cost that is directly associated with the acquisition. Identifiable assets, liabilities and contingent liabilities that are recognised in a business combination are measured, at the day of the acquisition, at their fair values regardless of the holding percentage. The acquisition cost that exceeds the fair value of the

identifiable assets and liabilities that were acquired is recorded as goodwill. Goodwill is periodically subject, at least annually, to an impairment test, based on the provision of IAS 36 '*Impairment of Assets*'. If the total acquisition cost is less than the fair values of the identifiable assets and liabilities that were acquired, the difference is recognized in the profit and loss.

Inter-company transactions, balances and non-realised profits from transactions between the Group's companies are eliminated in the preparing the consolidated financial statements. The same applies to non-realised losses, unless there are indications that the value of the fixed asset that was transferred has been impaired. The accounting principles that are applied by the Group's subsidiary companies have been amended so that they may be consistent with those that have been adopted by the Group.

(b) Investments in associates

Associated companies are companies over which the Group exercises significant influence, but not control, which, in general, applies when the holding percentage in the voting rights ranges between 20% and 50%. Investments in associates are accounted for using the equity method and recognised initially at their acquisition cost. The Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses.

In the Company financial statements, Investments in Subsidiaries and Investments in Associates are recorded at cost, less accumulated impairments.

2.3. Foreign currency

a) Functional currency and presentation currency

The figures recorded in the financial statements of Group entities are expressed in the currency of the economic environment in which each company operates ("functional currency"). The consolidated financial statements are expressed in Euros, which constitutes both the Company's functional currency and its presentation currency.

(b) Transactions and balances

Transactions that are carried out in a foreign currency are converted to the Company's functional currency based on the exchange rate that is applicable on the day the transaction is carried out. Profits and losses from foreign exchange differences that arise from the settlement of such transactions during the period and from the conversion of monetary assets that are expressed in a foreign currency based on the exchange rate that is applicable on the balance sheet date are recorded in the results.

(c) Group Companies

The figures recorded in the financial statements of the Group companies (none of which as of 31 December 2008 operate in a hyperinflation economy) that are expressed in a different functional currency from the Group's presentation currency, are converted as follows:

- i. Assets and liabilities are converted based on the exchange rates that are applicable on the balance sheet date,
- ii. Income and expenses are converted based on the period's average exchange rates unless the average exchange rate is not a reasonable estimation of the accumulated affect of the exchange rates that were applicable on the day on which the transactions were carried out, in which case, income and expenses are converted based on the actual exchange rates that were applicable on the day on which the transactions were carried out, and
- iii. Any foreign exchange difference that may arise is recorded in an equity reserve named "Foreign exchange differences due to consolidation" and transferred to profit and loss when these companies are sold.

Goodwill and adjustments of fair values that arise from acquisitions of foreign entities are recognized as assets and liabilities and are converted based on the exchange rate that is applicable on the balance sheet date.

2.4. Property, plant and equipment

Items in property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The acquisition cost includes all the expenses that are directly attributable to the acquisition of the asset. On January 1st 2004, the Group valued fields, buildings and machinery at their fair values, which were used as a deemed cost on the date of transition to the IFRSs.

Further expenditures that executed after a purchase of an item of Property plant and equipment are recognized in the carrying amount of the item or as a separate item of Property plant and equipment only if there is a possibility that future economic benefits shall flow to the Group and only if the cost of the new item can be measured reliably. Repair and maintenance costs are recognized in profit and loss when these are incurred.

Land is not depreciated. Depreciation is recognized in profit and loss on a straight-line basis over the estimated useful lives of each part of an item of Property, plant and equipment, which are set as follows:

-	Buildings	10-20	years
-	Machinery	2-25	years
-	Motor vehicles	4-6	years
-	Other equipment	5-7	years

The residual values and useful lives are reviewed at each reporting date.

When the carrying amount of an item of Property, plant and equipment exceeds its recoverable amount, the difference (impairment) is recorded in profit and loss (*note 2.7*).

During the sale of an item of Property, plant and equipment, any difference that may arise between the price that is received and its carrying amount thereof is recorded as gain or loss in profit and loss.

2.5. Investment property

Investment properties related to lands and buildings and initially recorded at their fair values, which were used as a deemed cost on the date of transition to the IFRSs. Lands are measured at their cost less any impairments and buildings are depreciated on a straight-line basis over their estimated useful lives. During the periods noted herein no impairment was necessary. Based on Management's estimations, the fair values of investment properties as of 31 December 2007 & 2008 does not differ significantly from the value that is noted in the balance sheet.

2.6. Intangible assets

Intangible fixed assets that are acquired separately are recognized at their acquisition cost while intangible fixed assets that are acquired through business acquisitions are recognized at their fair value on the date of acquisition. They are subsequently measured at this amount less accumulated amortisation and any possible accumulated impairment. Intangible fixed assets may have either a definite or indefinite useful life. The cost of intangible fixed assets that have a definite useful life are amortized during the period of their estimated useful life with the straight line method. Intangible fixed assets are amortized from the date on which they become available. Intangible fixed assets with an indefinite useful life are not amortized but are periodically subject (at least annually) to an impairment test of their value based on the provisions of IAS 36 '*Impairment of Assets*'. Residual values are not recognized. The useful life of intangible fixed assets is evaluated on an annual basis.

Software licenses are estimated at their acquisition cost less accumulated amortisation and accumulated impairment losses. These assets are amortized on a straight-line basis over the estimated useful lives, which ranges between 3 to 4 years.

Expenditures that are required for the development and maintenance of software programs are recognised as an expense when these programs are developed.

2.7. Impairment

Group's assets not measured at fair value, are reviewed for impairment when there are indications that their carrying amounts will not be recovered. In this case, the asset's recoverable amount is estimated and if its carrying amount exceeds the estimated recoverable amount, an impairment loss is recognized, which is recorded directly in the profit and loss. The recoverable amount of an asset is the greater of its value in use and its fair value less cost to sell.

Assets that have indefinite lives are not depreciated but are subject to an impairment test on an annual basis and when certain facts indicate that their carrying amounts may not be recovered. Assets that are depreciated are assessed for impairment when there are indications that their carrying amounts will not be recovered.

If an impairment loss is recognized, on each balance sheet date the Group examines if the conditions that led to the recognition thereof continue to exist. In this case, the asset's recoverable value is re-determined and the impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have determined, net of depreciation and amortization, if no impairment loss had recognized.

2.8. Non-derivative financial instruments

Non derivative financial instruments consist of investments in securities and bonds, receivables, loans receivables and cash and cash equivalents. The classification of the above instruments is based on the purpose for which they were acquired. The Management decides on the classification at the time the asset was initially recognised and re-examines its classification on every reporting date. Analytically:

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

This category includes financial assets that were acquired in order to be resold in a short period of time. Financial assets of this category are classified in 'Current Assets' if they are held for commercial purposes or if they are expected to be sold within 12 months of the balance sheet date. During the year the Group did not have any investments in this category.

(b) Loans and receivables

This category includes non-derivative financial assets with fixed or designated payments, which are neither traded in active markets nor intended to be sold. These financial assets are classified in 'Current Assets', with the exception of those financial assets that have a term greater than 12 months from the balance sheet date. These latter assets are showed in "Non-Current Assets".

(c) Held-to-maturity investments

This category includes non-derivative financial assets with fixed or designated payments and specific maturity, and which the Group has the positive intend and ability to hold them to maturity. During the year the Group did not have any investments in this category.

(d) Available-for-sale financial assets

This category includes non-derivatives that are either classified in this category or cannot be classified in any of the aforementioned categories. These assets are classified in 'Non-Current Assets' as long as the Management does not have the intend to liquidate them within 12 months of the balance sheet date. The purchase and sale of an investment is recognised on the day the transaction is carried out, which is also the day on which the Group is bound to purchase or sell the asset. Investments are initially recorded at their fair value plus any expense associated with the transaction. Subsequently, available-for-sale financial assets are measured at their fair value and the relative profit or loss is recorded in an equity reserve until they are sold or sustain an impairment. When an investment is derecognized or impaired the gain or loss is transferred to profit and loss. Impairments recognized in the profit and loss cannot be reversed through profit and loss.

2.9. Derivatives

Derivatives include futures to hedge the financial risk from the change of the stock exchange price of the aluminum, as well as of the parity of US Dollar or the British Pound and interest rate swaps to hedge the risk of future cash flows of the Group from the variation of interest rates.

The results from the liquidated acts of hedging are recognized in profit and loss when effected (difference of interest on interest rate swaps and stock exchange results in aluminum and foreign currency).

The Group in regular basis, examines the effectiveness of the cash flow hedge, on a business and an accounting basis, and in every reporting date records in 'Equity' the result of the valuation of the open positions to the part that valuation is effective.

2.10. Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the annual average weighted cost method. Financial expenses are not included in the cost of inventories. The net realizable value is the estimated selling price in the ordinary course of business, less any possible selling expenses.

2.11. Receivables from customers

Receivables from customers are initially recorded at their fair values and subsequently measured at their amortized cost using the effective interest method, less any impairment losses. 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 relative contractual terms. The impairment loss is equal to the difference between the carrying amount of the receivables and the present value of the estimated future cash flows, discounted with the effective interest rate. The impairment loss is recorded in profit and loss.

2.12. Cash and cash equivalents

Cash on hand and equivalent cash accounts include cash on hand, sight deposits, short-term (up to 3 months) high-liquid and low-risk investments. Bank overdrafts are recorded in the liabilities as short-term loan liabilities.

2.13. Share Capital

Ordinary shares are classified as equity.

Expenses that are directly associated with the issuance of shares capital, after the deduction of the relative income tax, appeal as a reduction of equity. Expenses that are directly associated with the issuance of shares for the acquisition of a company are included in the acquisition cost of the company that is acquired.

2.14. Loans and borrowings

Loans are initially recorded at their fair value, decreased by any possible direct expenses that are required in order to complete the transaction. They are subsequently measured at their amortized cost using the effective interest rate method. Any difference between the amount that has been collected (net of relative expenses) and the settlement value is recorded in profit and loss during the period of the loan based on the effective interest rate method.

Loans are classified as 'Short-Term Liabilities' unless the Group has the right to defer the settlement thereof for at least 12 months from the balance sheet date. Interest expenses of loans are directly recorded in profit and loss.

2.15. Income tax

Income tax is calculating according the tax legislation and tax rates applied in the countries the Group operates and is recorded in profit and loss unless it concerns amounts that are directly recorded in Equity, in which case it is recorded in 'Equity'.

Deferred income tax is recognized using the balance sheet method that arises from temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax is not accounted for if it derives from the initial recognition of an asset or liability item in a transaction that is not a business combination, which when the transaction took place, affected neither the accounting nor the taxation profit or loss. Deferred income tax is determined based on the tax rates that are applicable on the balance sheet date.

Deferred tax claims are recognised to the extent that a future taxable profit will arise from the use of the temporary difference that creates the deferred tax claim.

Deferred income tax is recognised for the temporary differences that arise from investments in subsidiaries and related companies, with the exception of the case in which inversion of temporary differences is controlled by the Group and it is possible that the temporary differences will not invert in the foreseeable future.

2.16. Employee benefits

(a) Short term fringe benefits

Short-term personnel fringe benefits in the form of cash or in kind are recorded as an expense when these accrue.

(b) Fringe benefits following withdrawal from the service

Benefits following withdrawal from the service include both defined contribution plans and defined benefit plans.

i. Defined contribution plans

The defined contribution plan is a program whereby the Company pays a determined amount to a third party legal entity without any other obligation for the period following the termination of employment of personnel. The duties towards benefits in Defined Contribution Plan are registered as an expense in the profits and loss statement during their year of realization.

ii. Defined benefit plans

The established benefits plans are any other pension plan apart from the defined contribution plan. The liability that is recorded in the balance sheet with regard to defined benefit plan is the present value of the commitment for the benefit less the reasonable value of the plan's assets, the changes that arise from non-recognised actuarial profits and losses and the cost of past service. The commitment of the defined benefit is calculated by an independent actuary with the projected unit credit method.

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 plan's participants. The cost of past service is recorded directly in the results, with the exception of the case in which changes to the plan depend on the remaining term of the employee's past service. In this case, the cost of past service is recorded in the results based on the fixed method within the maturing period.

(c) Employment fringe termination benefits

Employment termination fringe benefits are paid when employees decide to retire prior to their respective date of retirement. The Group records these fringe benefits when it is bound, or when it terminates the employment of existing employees based on a detailed schedule for which there is no possibility of withdrawal or when it offers these fringe benefits as an incentive for voluntary retirement. Employment termination fringe benefits that are due in 12 months after the balance sheet date are discounted. In the case of employment termination in which the Group is not able to determine the number of employees who will take advantage of this incentive, these fringe benefits are not accounted for but are recorded as a potential liability.

2.17. Government grants

Government grants are recognised at their fair value when it is certain that the grant will be received and that the Group will comply with all stipulated terms.

Government grants that concern operating expenses are recognised in profit and loss so that these will match the expenses that they will cover. Government grants regarding the purchase of tangible fixed assets are presented in 'Long-term liabilities' as deferred income and are transferred as income to the profit and loss based on a straight-line basis over the expected useful lives of the assets.

2.18. Provisions

Provisions are recognised when:

- (a) There is a present legal or inferred commitment as a result of past events
- (b) Outflow of funds may be demanded for the commitment's settlement
- (c) The amount in question may be reasonably estimated

Provisions are calculated at the present value of expenses that, based on the Management's best possible estimation, are required to cover the present liability on the balance sheet date (Note 4). The discount rate that is used in determining the present value reflects the current market estimations for the temporal value of money and increases that concern the specific liability. Contingent claims and liabilities are not recognized in the Financial Statements.

2.19. Revenue recognition

Revenue includes the fair value of the sale of goods and services, net of Value Added Tax, discounts and returns. Inter-company income within the Group is fully eliminated. Revenue is recognised as follows:

(a) Sale of goods

Revenue from the sales of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of consideration is probable and the associated costs and possible return of goods can be estimated reliably. In events of guarantee for the return of money for sales of goods, the returns are accounted for at each balance sheet date as reduction of sales.

(b) Services

Revenue from services is accounted for in the period in which the services are rendered, based on their stage of completion with relation to services provided overall.

(c) Interest income

Interest income is recognized when interest is rendered accrued with the use of the effective interest rate method. When receivables are impaired, the carrying amount thereof is reduced to their recoverable amount, which is the present value of the expected future cash flows discounted with the effective interest rate. Subsequently, interest is accounted for based on the same interest rate that is applied on the impaired (new carrying amount).

(d) Dividends

Dividend income is recognized in profit and loss, on the date that the Group's right to receive payment has been established upon their approval of their distribution from subsidiaries' General Meetings of shareholders.

2.20. Leases

(a) Group companies as a lessee

Fixed assets leases, in which the Group substantially maintains all the risks and benefits of ownership, are classified as financial leasing. Financial leasing is capitalised from the moment the lease begins at the lower amount between the fixed asset's fair value and the present value of the minimum lease payments. Financial leases net of financial expenses are classified on 'Liabilities'. The part of financial expenses that concerns financial leasing is recorded in profit and loss during the term of the lease. Fixed assets that were acquired through financial leasing are depreciated over the shorter period between the useful lives thereof and the term of their lease.

Leases, in which the lessor substantially maintains all the risks and benefits of ownership, are classified as operating leases. Payments that are made with regard to operating leases are recognised in profit and loss proportionately during the term of the lease.

(b) Group companies as a lessor

Fixed assets leased under operating leasing are included in "Property, plant and equipment". They are depreciated during their expected useful life by the same method used of similar privately items of Property, plant and equipment. The income from operating leasing recognized in profit and loss during the lease period.

2.21. Segment reporting

A business sector is defined as a group of assets and operations providing goods and services which are subject to risks and returns different from those of other business sectors. A geographic sector is defined as a geographical area where goods and services subject to risks and returns different from other areas are provided. Primary type of information for the Group is business sector.

2.22. Earnings / (losses) per share

Basic earnings per share are calculated by dividing the profit or loss attributable to ordinary shareholders of the company, by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share are determined by the revision of the earnings or losses which correspond to the ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all potential ordinary shares, which comprise convertible notes and share options granted to the personnel.

2.23. Distribution of dividends

The distribution of dividends to the Company's shareholders is recognised as a liability in the financial statements when the distribution thereof is approved by the Annual General Meeting of the shareholders.

2.24. New Standards and Interpretations

The following new interpretations and amendments to standards, became mandatory for the first time for the financial year beginning 1 January 2008 and have no impact in Group's and Company's financial statements:

- **IFRIC 11, "IFRS 2 – Group and Treasury Share Transactions".** IFRIC 11 requires arrangements whereby an employee is granted options to buy equity shares, to be accounted for as equity-settled schemes by an entity even if the entity chooses or is required to buy those equity shares from another party, or the shareholders of the entity provide the equity instruments granted. The interpretation also extends to the way in which subsidiaries, in their separate financial statements, account for such schemes when their employees receive rights to equity instruments of the parent. This Interpretation applies to the way the Group's subsidiaries account, in their individual financial statements, for options granted to their employees to buy equity shares of the Company. The accounting treatment followed by the Group is in line with the relevant provisions of the Interpretation.
- **IFRIC 12, "Service Concession Arrangements".** This Interpretation outlines an approach to account for contractual (service concession) arrangements arising from entities providing public services. It provides that the operator should not account for the infrastructure as property, plant and equipment, but recognise a financial asset and/or an intangible asset. IFRIC 12 is not relevant to the Group. This Interpretation has not yet been endorsed by the EU.
- **IFRIC 14, "IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction".** IFRIC 14 provides guidance on how to assess the limit on the amount of surplus in a defined benefit scheme that can be recognised as an asset under IAS 19 Employee Benefits. It also explains how this limit, also referred to as the "asset

ceiling test”, may be influenced by a minimum funding requirement and aims to standardize current practice. The Group expects that this Interpretation will have no impact on its financial position or performance as all defined benefit schemes are currently in deficit.

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

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

- **IFRIC 13, “Customer Loyalty Programmes”**, effective for financial years beginning on or after 1 July 2008. This Interpretation requires customer loyalty award credits to be accounted for as a separate component of the sales transaction in which they are granted and therefore part of the fair value of the consideration received is allocated to the award credits and deferred over the period that the award credits are fulfilled. This interpretation will have no impact on the Company’s / Group’s financial statements as no such schemes currently exist.
- **IFRIC 15, “Agreements for the Construction of Real Estate”**, effective for financial years beginning on or after 1 January 2009 and is to be applied retrospectively. IFRIC 15 provides guidance on how to determine whether an agreement for the construction of real estate is within the scope of IAS 11 ‘Construction Contracts’ or IAS 18 ‘Revenue’ and, accordingly, when revenue from such construction should be recognised. This Interpretation has not yet been endorsed by the EU. IFRIC 15 is not relevant to the group’s / company’s operations as all revenue transactions are accounted for under IAS 18 and not IAS 11.
- **IFRIC 16, “Hedges of a Net Investment in a foreign operation”**, effective for financial years beginning on or after 1 October 2008 and is to be applied prospectively. IFRIC 16 clarifies three main issues, namely:
 - A presentation currency does not create an exposure to which an entity may apply hedge accounting. Consequently, a parent entity may designate as a hedged risk only the foreign exchange differences arising from a difference between its own functional currency and that of its foreign operation.
 - Hedging instrument(s) may be held by any entity or entities within the group.
 - While IAS 39, ‘Financial Instruments: Recognition and Measurement’, must be applied to determine the amount that needs to be reclassified to profit or loss from the foreign currency translation reserve in respect of the hedging instrument, IAS 21 ‘The Effects of Changes in Foreign Exchange Rates’ must be applied in respect of the hedged item.

This Interpretation has not yet been endorsed by the EU. The Group is in the process of assessing the impact of this interpretation.

- **IFRIC 17, “Distributions of Non-cash Assets to Owners”**, effective for annual periods beginning on or after 1 July, 2009. IFRIC 17 clarifies the following issues, namely:
 - a dividend payable should be recognised when the dividend is appropriately authorised and is no longer at the discretion of the entity;
 - an entity should measure the dividend payable at the fair value of the net assets to be distributed;
 - an entity should recognise the difference between the dividend paid and the carrying amount of the net assets distributed in profit or loss; and
 - an entity to provide additional disclosures if the net assets being held for distribution to owners meet the definition of a discontinued operation.

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

- **IFRIC 18, “Transfers of Assets from Customers”**, effective for financial years beginning on or after 1 July 2009 and is to be applied prospectively. However, limited retrospective application is permitted. This Interpretation is of particular relevance for the utility sector as it clarifies the accounting for agreements where an entity receives an item of PP&E (or cash to construct such an item) from a customer and this equipment in turn is used to connect a customer to the network or to provide ongoing access to supply of goods/services. This Interpretation has not yet been endorsed by the EU. Group is in the process of assessing the impact of this interpretation.
- **IFRS 2, “Share-based Payments” (Amended)**, effective for annual periods beginning on or after 1 January 2009. The amendment clarifies two issues. The definition of ‘vesting condition’, introducing the term ‘non-vesting condition’ for conditions other than service conditions and performance conditions. It also clarifies that the same accounting treatment applies to awards that are effectively cancelled by either the entity or the counterparty. The Group expects that this amendment will have no impact on its financial statements.
- **IAS 39, “Financial Instruments: Recognition and Measurement” and IFRIC 9, “Reassessment of embedded derivatives” (Amended)**, effective for annual periods ending on or after 30 June 2009. This amendment clarifies the accounting treatment of embedded derivatives for entities that make use of the Reclassification Amendment issued by the IASB in October 2008. The reclassification amendment allows entities to reclassify particular financial instruments out of the ‘fair value through profit or loss’ category in specific circumstances. These amendments to IFRIC 9 and IAS 39 clarify that on reclassification of a financial asset out of the ‘fair value through profit or loss’ category, all embedded derivatives have to be assessed and, if necessary, separately accounted for in financial statements. The amendments apply retrospectively and are required to be applied. This amendment is not relevant to the Group. This amendment has not yet been endorsed by the EU.
- **IFRS 1, “First-time Adoption of International Financial Reporting Standards” and IAS 27, “Consolidated and Separate Financial Statements” (Amended)**, effective for annual periods beginning on or after 1 January 2009. The amendments to IFRS 1 allows an entity to determine the ‘cost’ of investments in subsidiaries, jointly controlled entities or associates in its opening IFRS financial statements in accordance with IAS 27 or using a deemed cost. The amendment to IAS 27 requires all dividends from a subsidiary, jointly controlled entity or associate to be recognised in the income statement in the separate financial statement. The amendment to IAS 27 will have to be applied prospectively. The new requirements affect only the parent’s separate financial statement and do not have an impact on the consolidated financial statements. The Group expects that this amendment will have no impact or no material impact on its financial statements.
- **IFRS 3, “Business Combinations” (Revised) and IAS 27, “Consolidated and Separate Financial Statements” (Amended)**, effective for annual periods beginning on or after 1 July 2009. A revised version of IFRS 3 Business Combinations and an amended version of IAS 27 Consolidated and Separate Financial Statements were issued by IASB on January 10, 2008. The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition-related costs and recognising subsequent changes in fair value of contingent consideration in the profit or loss (rather than by adjusting goodwill). The amended IAS 27 requires that a change in ownership interest of a subsidiary is accounted for as an equity transaction. Therefore such a change will have no impact on goodwill, nor will it give rise to a gain or loss. Furthermore the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The changes introduced by IFRS 3 (Revised) and IAS 27 (Amendment) must be applied prospectively and will affect future acquisitions and transactions with minority interests. The revised IFRS 3 and amendments to IAS 27 have not yet been endorsed by the EU.
- **IFRS 8, “Operating Segments”**, effective for annual periods beginning on or after 1 January 2009. IFRS 8 replaces IAS 14 ‘Segment reporting’. IFRS 8 adopts a management approach to segment reporting. The information reported would be that which management uses internally for evaluating the performance of operating segments and allocating resources to those segments. This information may be different from that reported in the balance sheet and income statement and entities will need to provide explanations and reconciliations of the differences. The Group is in the process of assessing the impact of this standard on its financial statements.
- **IFRS 7, “Financial Instruments: Disclosures” (Amended)**, effective for annual periods beginning on or after 1 January 2009. The amendment requires fair value measurements to be disclosed by the source of inputs, using the following three-level hierarchy: a) Quoted prices (unadjusted) in active markets for identical assets and liabilities (Level 1). (b) Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2) (c) Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3). This information must be given by class of financial instrument. The amendment also revises specified minimum liquidity risk disclosures. This amendment will not have a significant impact on the Group. This amendment has not yet been endorsed by the EU.

- **IAS 1, “Presentation of Financial Statements” (Revised)**, effective for annual periods beginning on or after 1 January 2009. IAS 1 has been revised to enhance the usefulness of information presented in the financial statements. Of the main revisions are the requirement that the statement of changes in equity includes only transactions with shareholders; the introduction of a new statement of comprehensive income that combines all items of income and expense recognised in profit or loss together with “other comprehensive income”; and the requirement to present restatements of financial statements or retrospective application of a new accounting policy as at the beginning of the earliest comparative period, i.e. a third column on the balance sheet. The Group will make the necessary changes to the presentation of its financial statements in 2009.
- **IAS 32 and IAS 1, “Puttable Financial Instruments” (Amended)**, effective for annual periods beginning on or after 1 January 2009. The amendment to IAS 32 requires certain puttable financial instruments and obligations arising on liquidation to be classified as equity if certain criteria are met. The amendment to IAS 1 requires disclosure of certain information relating to puttable instruments classified as equity. The Group does not expect these amendments to impact the financial statements.
- **IAS 23, “Borrowing Costs” (Revised)**, effective for annual periods beginning on or after 1 January 2009. The benchmark treatment in the existing standard of expensing all borrowing costs to the income statement is eliminated in the case of qualifying assets. All borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset must be capitalised. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. In accordance with the transitional requirements of the Standard, the Group will adopt this as a prospective change. Accordingly, borrowing costs will be capitalised on qualifying assets with a commencement date after 1 January 2009. No changes will be made for borrowing costs incurred to this date that have been expensed.
- **IAS 39, “Financial Instruments: Recognition and Measurement” (Amended)**, effective for annual periods beginning on or after 1 July 2009. The amendment relates to eligible hedged items and addresses the designation of a one-sided risk in a hedged item, and the designation of inflation as a hedged risk or portion in particular situations. It clarifies that an entity is permitted to designate a portion of the fair value changes or cash flow variability of a financial instrument as hedged item. The amendment to IAS 39 has not yet been endorsed by the EU. The Group has concluded that the amendment will have no impact on the financial position or performance of the Group, as the Group has not entered into any such hedges.

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

- **IFRS 5, “Non-current Assets Held for Sale and Discontinued Operations” (Amended)**, effective for annual periods beginning on or after 1 July 2009. The amendment clarifies that all of a subsidiary’s assets and liabilities are classified as held for sale, under IFRS 5, even when the entity will retain a non-controlling interest in the subsidiary after the sale. To be applied prospectively from the date at which the company first applied IFRS 5. Therefore, any investments in subsidiaries classified as held for sale since IFRS 5 was applied will need to be re-evaluated. Early application is permitted. If early adopted, IAS 27 (as amended in January 2008) must also be adopted from that date.
- **IFRS 7, “Financial Instruments: Disclosures” (Amended)**, effective for annual periods beginning on or after 1 January 2009. This amendment removes the reference to ‘total interest income’ as a component of finance costs.
- **IAS 1, “Presentation of Financial Statements” (Amended)**, effective for annual periods beginning on or after 1 January 2009. This amendment clarifies that assets and liabilities classified as held for trading in accordance with IAS 39 Financial Instruments: Recognition and Measurement are not automatically classified as current in the balance sheet. To be applied retrospectively. Early application is permitted.
- **IAS 8, “Accounting Policies, Changes in Accounting Estimates and Errors” (Amended)**, effective for annual periods beginning on or after 1 January 2009. This amendment clarifies that only implementation guidance that is an integral part of an IFRS is mandatory when selecting accounting policies.
- **IAS 10, “Events after the Reporting Period” (Amended)**, effective for annual periods beginning on or after 1 January 2009. This amendment clarifies that dividends declared after the end of the reporting period are not obligations.
- **IAS 16, “Property, Plant and Equipment” (Amended)**, effective for annual periods beginning on or after 1 January 2009.
 - Replaces the term ‘net selling price’ with ‘fair value less costs to sell’, regarding the recoverable amount, to be consistent with IFRS 5 and IAS 36 Impairment of Assets.

- Items of property, plant & equipment held for rental that are routinely sold in the ordinary course of business after rental, are transferred to inventory when rental ceases and they are held for sale. Proceeds on sale are subsequently shown as revenue. IAS 7 Statement of cash flows is also revised, to require cash payments to manufacture or acquire such items to be classified as cash flows from operating activities. The cash receipts from rents and subsequent sales of such assets are also shown as cash flows from operating activities.
- **IAS 18, “Revenue” (Amended)**, effective for annual periods beginning on or after 1 January 2009. This amendment replaces the term ‘direct costs’ with ‘transaction costs’ as defined in IAS 39.
- **IAS 19, “Employee Benefits” (Amended)**, effective for annual periods beginning on or after 1 January 2009.
 - Revises the definition of ‘past service costs’ to include reductions in benefits related to past services (‘negative past service costs’) and to exclude reductions in benefits related to future services that arise from plan amendments. Amendments to plans that result in a reduction in benefits related to future services are accounted for as a curtailment. To be applied prospectively – to changes to benefits occurring on or after 1 January 2009. Early application is permitted.
 - Revises the definition of ‘return on plan assets’ to exclude plan administration costs if they have already been included in the actuarial assumptions used to measure the defined benefit obligation. To be applied retrospectively. Early application is permitted.
 - Revises the definition of ‘short-term’ and ‘other long term’ employee benefits to focus on the point in time at which the liability is due to be settled. To be applied retrospectively. Early application is permitted.
 - Deletes the reference to the recognition of contingent liabilities to ensure consistency with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. IAS 37 does not allow for the recognition of contingent liabilities. To be applied retrospectively. Early application is permitted.
- **IAS 20, “Accounting for Government Grants and Disclosure of Government Assistance” (Amended)**, effective for annual periods beginning on or after 1 January 2009. Loans granted with no or low interest rates will not be exempt from the requirement to impute interest. Interest is to be imputed on loans granted with below-market interest rates, thereby being consistent with IAS 39. The difference between the amount received and the discounted amount is accounted for as a government grant. To be applied prospectively – to government loans received on or after 1 January 2009. Early application is permitted. However, IFRS 1 First-time Adoption of IFRS has not been revised for first-time adoptees; hence they will be required to impute interest on all such loans outstanding at the date of transition.
- **IAS 23, “Borrowing Costs” (Amended)**, effective for annual periods beginning on or after 1 January 2009. The amendment revises the definition of borrowing costs to consolidate the types of items that are considered components of ‘borrowing costs’ into one – the interest expense calculated using the effective interest rate method as described in IAS 39. To be applied retrospectively. Early application is permitted.
- **IAS 27 “Consolidated and Separate Financial Statements” (Amended)**, effective for annual periods beginning on or after 1 January 2009. When a parent entity accounts for a subsidiary at fair value in accordance with IAS 39 in its separate financial statements, this treatment continues when the subsidiary is subsequently classified as held for sale. To be applied prospectively from the date at which the company first applied IFRS 5. Therefore, any subsidiaries classified as held for sale since IFRS 5 was adopted will need to be re-evaluated. Early application is permitted.
- **IAS 28, “Investment in Associates” (Amended)**, effective for annual periods beginning on or after 1 January 2009.
 - If an associate is accounted for at fair value in accordance with IAS 39 (as it is exempt from the requirements of IAS 28), only the requirement of IAS 28 to disclose the nature and extent of any significant restrictions on the ability of the associate to transfer funds to the entity in the form of cash or repayment of loans applies. To be applied retrospectively, although an entity is permitted to apply it prospectively. Early application is permitted. If early adopted, an entity must also adopt the amendment below, and the amendments to paragraph 3 of IFRS 7 Financial Instruments: Disclosures, paragraph 1 of IAS 31 Joint Ventures and paragraph 4 of IAS 32 Financial Instruments: Presentation at the same time.
 - An investment in an associate is a single asset for the purpose of conducting the impairment test – including any reversal of impairment. Therefore, any impairment is not separately allocated to the goodwill included in the investment balance. Any impairment is reversed if the recoverable amount of the associate increases. If early adopted, an entity must also adopt the amendment above, and the amendments to paragraph 3 of IFRS 7 Financial Instruments: Disclosures, paragraph 1 of IAS 31 Joint Ventures and paragraph 4 of IAS 32 Financial Instruments: Presentation at the same time.

- **IAS 29, “Financial Reporting in Hyperinflationary Economies” (Amended)**, effective for annual periods beginning on or after 1 January 2009. This amendment revises the reference to the exception to measure assets and liabilities at historical cost, such that it notes property, plant and equipment as being an example, rather than implying that it is a definitive list. No specific transition requirements have been stated as it is a clarification of the references rather than a change.
- **IAS 31, “Interest in Joint ventures” (Amended)**, effective for annual periods beginning on or after 1 January 2009. This amendment clarifies that if a joint venture is accounted for at fair value, in accordance with IAS 39 (as it is exempt from the requirements of IAS 31), only the requirements of IAS 31 to disclose the commitments of the venturer and the joint venture, as well as summary financial information about the assets, liabilities, income and expenses will apply. Early application is permitted. If early adopted, an entity must also adopt the amendments to paragraph 3 of IFRS 7 Financial Instruments: Disclosures, IAS 28 Investments in Associates and paragraph 4 of IAS 32 Financial Instruments: Presentation at the same time.
- **IAS 34, “Interim Financial Reporting” (Amended)**, effective for annual periods beginning on or after 1 January 2009. This amendment clarifies that earnings per share is disclosed in interim financial reports if an entity is within the scope of IAS 33.
- **IAS 36, “Impairment of assets” (Amended)**, effective for annual periods beginning on or after 1 January 2009. This amendment clarifies that when discounted cash flows are used to estimate ‘fair value less costs to sell’, the same disclosure is required as when discounted cash flows are used to estimate ‘value in use’. To be applied retrospectively. Early application is permitted.
- **IAS 38, “Intangible Assets” (Amended)**, effective for annual periods beginning on or after 1 January 2009.
 - Expenditure on advertising and promotional activities is recognised as an expense when the entity either has the right to access the goods or has received the services. To be applied retrospectively. Early application is permitted.
 - Deletes references to there being rarely, if ever, persuasive evidence to support an amortisation method for finite life intangible assets that results in a lower amount of accumulated amortisation than under the straight-line method, thereby effectively allowing the use of the unit of production method. To be applied retrospectively. Early application is permitted.
 - A prepayment may only be recognised in the event that payment has been made in advance to obtaining right of access to goods or receipt of services.
- **IAS 39, “Financial instruments recognition and measurement” (Amended)**, effective for annual periods beginning on or after 1 January 2009.
 - Clarifies that changes in circumstances relating to derivatives – specifically derivatives designated or de-designated as hedging instruments after initial recognition – are not reclassifications. Thus, a derivative may be either removed from, or included in, the ‘fair value through profit or loss’ classification after initial recognition. Similarly, when financial assets are reclassified as a result of an insurance company changing its accounting policy in accordance with paragraph 45 of IFRS 4 Insurance Contracts, this is a change in circumstance, not a reclassification. To be applied retrospectively. Early application is permitted.
 - Removes the reference in IAS 39 to a ‘segment’ when determining whether an instrument qualifies as a hedge. To be applied retrospectively. Early application is permitted.
 - Requires use of the revised effective interest rate (rather than the original effective interest rate) when remeasuring a debt instrument on the cessation of fair value hedge accounting. To be applied retrospectively. Early application is permitted.
- **IAS 40, “Investment property” (Amended)**, effective for annual periods beginning on or after 1 January 2009.
 - Revises the scope (and the scope of IAS 16) such that property that is being constructed or developed for future use as an investment property is classified as investment property. If an entity is unable to determine the fair value of an investment property under construction, but expects to be able to determine its fair value on completion, the investment under construction will be measured at cost until such time as fair value can be determined or construction is complete. To be applied prospectively. Early application is permitted. An entity is permitted to apply the amendments to investment properties under construction from any date before 1 January 2009 provided that the fair values of investment properties under construction were determined at those dates.

- Revises the conditions for a voluntary change in accounting policy to be consistent with IAS 8.
- Clarifies that the carrying amount of investment property held under lease is the valuation obtained increased by any recognised liability.

3. Financial Risk Management

3.1. Financial risk factors

The Group is exposed to the following risks arising from the use of its financial instruments.

- Credit Risk
- Liquidity Risk
- Market Risk

This Note provides information regarding the exposure of the Group to each of the above risks, the goals of the Group, its risk assessment and management policies and procedures, as well as the Group's capital management. More quantitative information on these notifications is included throughout the Financial Statements.

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

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

(a) Credit risk

Credit risk is the risk of loss for the Group in the case a customer or third party in a financial instrument transaction, does not fulfil his contractual obligations and is mainly related to the receivables from customers and to investments in securities.

i. Customers and other receivables

The Group's exposure to credit risk is mainly affected by the characteristics of each customer. The demographic characteristics of the Group's client base, including the risk of default payments that characterizes the specific market and the country where customers operate in, affect credit risk less as there is no geographic concentration of credit risk. Until the separation to aluminum foil production branch to SYMETAL SA., no customer exceeded 10% of the period's total sales, while no customer exceeded 10% of the open balances of customers. Therefore the commercial risk is divided to a large number of customers. After the separation of foil branch, the customer SYMETAL SA. exceeds 10% of the period's total sales and 10% of the open balances of customers but its customer base is extensive and there is no final customer in Group level that exceeds 10% of period's total sales and 10% of the open balances.

The Board of Directors has established a credit policy, according to which each new customer is examined on an individual basis for his credit ability before the ordinary payment terms are proposed to such. The examination of credit ability performed by the Group includes the examination of bank resources and other third party resources for credit rating, if available. Credit lines are defined for each customer, and are re-examined according to the current conditions, while if necessary the sales and payment terms are readjusted. The credit lines of customers are mainly defined according to the insurance limit received for them from insurance companies and following the receivables are insured according to such limits.

During the monitoring of customer credit risk, customers are grouped according to their credit characteristics, the maturity characteristics of their receivables and any possibly prior payment problems displayed. Customers and other receivables mainly include wholesale customers of the Group. Customers characterized as "high risk" are placed in a special customer statement and future sales must be pre-collected and approved by the Board of Directors. According to the customer's history and capacity, in order to secure its receivables, the Group requests real guarantees or collateral (i.e. letters of guarantee), when possible.

The Group registers an impairment provision, which represents its estimation for losses regarding its customers, other receivables and investments in securities. This provision is mainly comprised of impairment losses of specific receivables that it is estimated (based on the given conditions) that they will be realized but have not yet been finalized.

ii. Investments

Investments are classified by the Group according to the purpose for which they were acquired. The Management decides on the proper classification of the investment when such is initiated and re-examines the classification at each balance sheet date.

The Management considers that there will be no case of default payments for such investments

iii. Guarantees

The Group has a policy not to provide financial guarantees, except for by exception, guarantees to subsidiaries or affiliated companies following a decision by the Board of Directors.

(b) Liquidity risk

Liquidity risk is the risk that the Group would be unable to fulfill its financial obligations when they fall due. The approach adopted by the Group for the liquidity management is to secure, through holding the minimum necessary cash and sufficient credit limits from cooperating banks, that will always have enough liquidity in order to fulfill its financial liabilities when those become due, under normal as well as difficult conditions, without sustaining non-acceptable losses or risking the Group's reputation

In order to avoid liquidity risks, the Group realizes a cash flow provision for a period of one year during the preparation of the annual budget, and a monthly rolling three-month provision in order to secure that it has adequate cash equivalents to cover its operating needs, including covering its financial liabilities. This policy does not take into account the relevant effect from extreme conditions that cannot be forecasted.

(c) Market risk

Market risk corresponds to risk from changes in the prices of raw materials, foreign exchange rates and interest rates that affect the Group's results or the value of its financial instruments. The aim of market condition risk management is to control the Group's exposure to such risks in the context of acceptable parameters, by optimizing performance at the same time.

The Group realizes transaction on financial derivatives in order to hedge part of the risk from market conditions.

i. Risk from Fluctuation of Prices of Metal Raw Materials (aluminium)

The Group bases both its purchases and its sales on market prices/indices for the price of aluminium it uses and that are included in its products. The risk from the fluctuation of metal prices is covered with hedging (futures contracts on the London Metal Exchange – LME). However the Group does not cover its entire basic operational stock with hedging and as a result a possible decrease in metal prices may negatively affect its results through the devaluation of stocks

ii. Foreign exchange risk

The Group is exposed to foreign exchange risk in its sales and purchases and in loans that have been issued in currencies other than the operating currency of the Group's companies, which is principally the Euro. Currencies in which such transactions take place is mainly the Euro, USD, GBP.

Throughout time, the Group hedges the largest part of its estimated exposure to foreign currency in relation to estimated sales and purchases, as well as its receivables and liabilities in foreign currency. The Group mainly takes position into foreign exchange futures contracts with external third parties to face risk from changes in exchange rates. Such contracts mainly expire in less than one year from the balance sheet date. When deemed necessary, the contracts are renewed at their maturity. In some cases foreign exchange risk may be covered also with loans in the respective currencies.

The loan interest is in the same currency as that used in the cash flows, which arise from the Group's operating activities, mainly the Euro.

The Group's investments in other subsidiaries are not hedged, as such foreign exchange positions are considered long-term.

iii. Interest rate risk

The Group finances its investments as well as its needs in working capital through bank debt and corporate bond loans, and as a consequence its results are charged with interest expense. Increasing trends in interest rates will have a negative effect on results as the Group will be charged with additional borrowing costs.

Interest rate risk is contained as part of the group's loans are with fixed interest rates, either directly or through the use of financial instruments (interest rate swaps).

(d) Capital management

The policy of the Board of Directors corresponds to maintaining a powerful capital base, in order to maintain trust in the Group from investors, creditors and the market and to allow the future development of the Group's activities. The Board of Directors monitors the return on capital, which is defined by the Group as the net results divided with the total equity, excluding non-convertible preferred shares and minority interest. The Board of Directors also monitors the level of dividends to shareholders of common shares.

The Board of Directors tries to maintain a balance between the highest returns that would be plausible with higher debt levels and the advantages and security that would be provided by a powerful and healthy capital position.

The Group does not have a specific plan for purchase of own shares.

There were no changes in the approach adopted by the Group as regards to capital management during the period.

3.2. Determination of fair values

The fair values of financial assets that are traded in active markets (e.g. derivatives, shares, bonds, mutual funds) are set according to the market prices that are valid on the balance sheet date.

The fair values of financial assets that are not traded in active markets are estimated through the use of evaluation techniques and standards based on market data on the balance sheet date.

The carrying amount of receivables from customers less provisions for doubtful commercial claims is deemed to approximate its fair value.

The fair value of financial liabilities, for the purpose of being recorded in financial statements, are estimated based on the present value of the future cash flows that arise from specific contracts using the effective interest rate that is available for the Group for the use of similar financial instruments.

4. Significant accounting estimations and judgments of the Management

The preparation of the Group's financial statements in accordance with the IFRS requires management to make judgments, estimations and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may eventually differ from these estimates.

The management's estimations and judgements are reviewed on an ongoing basis and are based on historical figures and expectations of future events, which are deemed fair pursuant to current market prices.

Estimations and judgements that have a significant risk of causing a material adjustments to the carrying amounts of assets and liabilities in the following 12 months concern:

(a) Income tax

The companies of the Group are subject to different legislations of income tax. In order to define the provision of the Group for income taxes a substantial concept of the above is required. Upon the normal flow of the business a lot of transactions and estimates take place for which the exact estimation of the tax is uncertain. In the event that the final taxes arising after the tax audits are different than the amounts that were initially recorded, these differences will affect the income tax and the provisions for deferred taxes in the fiscal year that the determination of the tax differences took place.

(b) Inventory

The Group estimates the valuation of the inventory at the lower of cost and net realizable value. The net realizable value may be different related to the one estimated upon the preparation of financial statements.

(c) Assets not measured on fair values

The Company and the Group estimate the valuation of the financial assets not measured on fair values (Investments in subsidiaries, Investments in associates, Property plant and equipment, Investment property) at the lower of cost and recoverable amount. Especially for property, plant and equipment, the Group evaluates their recovery based on the value in use of the Cash Generating Unit they included in. The value in use is calculated based on a 5year business plan established by the management.

(d) Provisions

The provisions are estimated in the present value of the expenses which based on the best evaluation of management, they are required to cover the current liabilities on the balance sheet date. The rate of discount used for the determination of the current value reflecting the current market estimates for the time value of the money and increases regarding the specific liability

5. Information per sector

Primary type of information – Business Sector

The Group is divided into three business sectors

- (1) Rolling aluminium
- (2) Aluminium extrusion
- (3) Paper and formation aluminium

Results per sector for 12 months ended 31 December 2007:

12 months ended 31 December 2007 (amounts in Euros)	Rolling	Extrusion	Paper and Formation Aluminium	Non -allocated	Total
Total gross sales per sector	831,881,765	169,013,098	40,800,413	6,311,561	1,048,006,837
Inter-company sales	(58,611,826)	(6,954,219)	(1,598,443)	(1,267,068)	(68,431,556)
Net sales	773,269,939	162,058,879	39,201,970	5,044,493	979,575,281
Operating profit	29,059,929	7,757,489	1,632,913	1,951,633	40,401,964
Financial income – expenses (note 25)	-	-	-	(10,409,517)	(10,409,517)
Share of profit / (loss) of associated companies	-	-	-	899,553	899,553
Profits before taxes	29,059,929	7,757,489	1,632,913	(7,558,331)	30,892,000
Income tax (note 26)	-	-	-	(8,229,491)	(8,229,491)
Net profit	29,059,929	7,757,489	1,632,913	(15,787,822)	22,662,509

31/12/2007	Rolling	Extrusion	Paper and Formation Aluminium	Non -allocated	Total
Assets	746,203,481	237,835,177	39,181,917	2,642,812	1,025,863,387
Total liabilities	268,916,332	128,059,275	14,419,266	480,488	411,875,361
Investments in property, plant and equipment, intangible assets and investment properties	33,211,783	12,902,249	1,987,014	-	48,101,046

Other items per sector included in the results 12 months ended 31 December 2007:

12 months ended 31 December 2007 (amounts in Euros)	Rolling	Extrusion	Paper and Formation Aluminium	Non -allocated	Total
Depreciation of property, plant and equipment (note 6)	36,316,723	7,007,253	1,367,596	13,455	44,705,027
Amortization of intangible assets (note 8)	956,967	343,228	20,666	-	1,320,861
Depreciation of investment properties (note 7)	-	234,073	-	-	234,073
Total Depreciation	37,273,690	7,584,554	1,388,262	13,455	46,259,961
impairments of receivables	(244,068)	(808,187)	(16,870)	-	(1,069,125)
impairments of inventories	84,739	32,266	-	-	117,005

Results per sector for 12 months ended 31 December 2008:

12 months ended 31 December 2008 (amounts in Euros)	Rolling	Extrusion	Paper and Formation Aluminium	Non -allocated	Total
Total gross sales per sector	842,803,486	158,716,532	41,900,654	6,433,953	1,049,854,625
Inter-company sales	(137,920,299)	(6,065,029)	(2,251,781)	(1,157,845)	(147,394,954)
Net sales	704,883,187	152,651,503	39,648,873	5,276,108	902,459,671
Operating profits	(5,600,607)	(9,768,503)	2,349,536	1,560,722	(11,458,852)
Financial income – expenses (note 25)	-	-	-	(17,928,194)	(17,928,194)
Share of profit / (loss) of associated companies	-	-	-	183,656	183,656
Profits before taxes	(5,600,607)	(9,768,503)	2,349,536	(16,183,816)	(29,203,390)
Income tax (note 26)	-	-	-	15,033,307	15,033,307
Net profit	(5,600,607)	(9,768,503)	2,349,536	(1,150,509)	(14,170,083)

31/12/2008	Rolling	Extrusion	Paper and Formation Aluminium	Non -allocated	Total
Assets	671,413,660	235,491,151	66,323,397	11,240,226	984,468,434
Total liabilities	303,434,511	144,572,120	17,238,249	446,937	465,691,817
Additions in property, plant and equipment, in intangible assets and investment properties	49,580,440	21,967,698	2,302,225	28,927	73,879,290

Other items per sector included in the results 12 months ended 31 December 2008:

12 months ended 31 December 2008 (amounts in Euros)	Rolling	Extrusion	Paper and Formation Aluminium	Non -allocated	Total
Depreciation of property, plant and equipment (note 6)	35,035,863	7,327,530	1,394,096	38,805	43,796,294
Amortization of intangible assets (note 8)	651,326	215,334	43,850	-	910,510
Depreciation of investment properties (note 7)	-	234,073	-	-	234,073
Total Depreciation	35,687,189	7,776,937	1,437,946	38,805	44,940,877
impairments of receivables	(17,743)	2,393,910	223,388	-	2,599,555
impairments of inventories	12,560,797	7,567,890	-	-	20,128,687
impairments of assets	-	825,771	-	-	825,771

Notes:

1. Assets do not include the deferred tax claim, holdings and derivatives that are held for commercial purposes
2. Liabilities include operating liabilities (including derivatives that are held in order to hedge future transactions), They do not include, however, tax liabilities and any loans that cannot be allocated to branches (corporate borrowings)

Secondary type of information – Geographical Sector

Amounts in Euros

Sales	CONSOLIDATED	
	31/12/2008	31/12/2007
Greece	155,707,224	166,462,454
European Union	542,469,276	603,583,293
Other European countries	38,465,236	35,290,628
Asia	71,054,935	79,574,648
Americas	82,585,297	84,571,821
Africa	3,552,581	5,954,057
Oceania	8,625,122	4,138,380
Total	902,459,671	979,575,281

Analysis of sales per category

Sale of merchandise and products	876,317,969	962,031,657
Income form services	26,141,702	13,233,523
Other	-	4,310,101
Total	902,459,671	979,575,281

Total assets

Greece	933,064,920	945,628,419
International	83,993,148	97,474,632
Total	1,017,058,068	1,043,103,051

Investments in property, plant and equipment, intangible assets and investment properties

Greece	71,287,854	43,707,365
International	2,591,436	4,393,681
Total	73,879,290	48,101,046

6. Property, plant and equipment

The Group's and Company's Property, plant and equipment, on which no encumbrances and mortgages exist as of 31 December 2007 and 2008 and any changes thereof during fiscal years 2007 and 2008 are analysed as follows:

CONSOLIDATED

Amounts in Euros

Cost or fair value

	Land	Buildings	Plant and machinery	Transportation means	Furniture and fixtures	Assets under construction	Total
Balance as of 1 January 2007	42,151,011	97,660,302	447,909,046	11,099,292	10,319,253	19,583,145	628,722,049
Foreign exchange differences	(187,529)	(548,455)	(5,062,025)	(81,843)	(10,281)	(92,148)	(5,982,281)
Additions	2,721,868	160,029	3,693,359	651,933	682,257	39,866,651	47,776,097
Sales-Destructions	(12,751)	-	(411,519)	(801,915)	(32,201)	-	(1,258,387)
Reclassification	211,881	4,321,410	15,568,182	1,870,772	177,648	(22,450,610)	(300,717)
Balance as of 31 December 2007	44,884,480	101,593,286	461,697,043	12,738,239	11,136,676	36,907,038	668,956,762

Accumulated depreciation

Balance as of 1 January 2007	-	(16,191,254)	(108,665,033)	(7,897,101)	(8,264,923)	-	(141,018,311)
Foreign exchange differences	-	104,200	1,889,813	85,757	5,032	-	2,084,803
Depreciation of the period	-	(5,337,820)	(37,307,518)	(1,249,215)	(810,473)	-	(44,705,027)
Sales-Destructions	-	-	249,061	722,597	27,662	-	999,321
Reclassification	-	52,368	(121,054)	67,425	1,261	-	-
Balance as of 31 December 2007	-	(21,372,506)	(143,954,731)	(8,270,537)	(9,041,441)	-	(182,639,215)

Net book value as at 31 December 2007

44,884,480	80,220,780	317,742,312	4,467,702	2,095,235	36,907,038	486,317,547
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Cost or fair value

Balance as of 1 January 2008	44,884,480	101,593,286	461,697,043	12,738,239	11,136,676	36,907,038	668,956,762
Foreign exchange differences	(475,778)	(1,346,937)	(13,147,676)	(471,779)	(17,689)	(290,293)	(15,750,152)
Additions	3,869,457	634,786	4,995,338	616,201	702,592	61,849,770	72,668,144
Sales	-	(34,084)	(808,678)	(361,656)	(23,956)	(422,068)	(1,650,442)
Destructions	-	-	(8,324)	-	(3,778)	-	(12,102)
Acquisition of subsidiary	4,416,562	5,881,476	106,593	2,701	13,426	-	10,420,758
Impairments	-	-	(1,509,898)	-	-	-	(1,509,898)
Reclassification	172,172	2,690,458	30,912,063	189,427	117,088	(35,374,321)	(1,293,113)
Balance as of 31 December 2008	52,866,893	109,418,985	482,236,461	12,713,133	11,924,359	62,670,126	731,829,957

Accumulated depreciation

Balance as of 1 January 2008	-	(21,372,506)	(143,954,731)	(8,270,537)	(9,041,441)	-	(182,639,215)
Foreign exchange differences	-	328,010	6,483,740	102,503	7,202	-	6,921,455
Depreciation of the period	-	(5,459,859)	(36,262,992)	(1,196,453)	(876,990)	-	(43,796,294)
Sales	-	-	438,957	262,232	19,437	-	720,626
Destructions	-	-	8,324	-	1,870	-	10,194
Acquisition of subsidiary	-	(1,350,363)	(92,803)	(2,701)	(12,400)	-	(1,458,267)
Impairments	-	-	684,127	-	-	-	684,127
Balance as of 31 December 2008	-	(27,854,718)	(172,695,378)	(9,104,956)	(9,902,322)	-	(219,557,374)

Net book value as at 31 December 2008

52,866,893	81,564,267	309,541,083	3,608,177	2,022,037	62,670,126	512,272,583
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COMPANY

Cost or fair value

Balance as of 1 January 2007	24,288,238	55,862,268	298,145,534	7,846,572	6,544,737	7,417,094	400,104,443
Additions	2,679,636	137,695	966,853	355,252	349,328	19,957,457	24,446,221
Sales-Destructions	-	-	(383,454)	(91,899)	(30,400)	-	(505,753)
Reclassification	-	(477,836)	5,411,739	(106,461)	71,690	(5,199,849)	(300,717)
Balance as of 31 December 2007	26,967,874	55,522,127	304,140,672	8,003,464	6,935,355	22,174,702	423,744,194

Accumulated depreciation

Balance as of 1 January 2007	-	(9,400,109)	(64,052,919)	(5,872,503)	(5,781,053)	-	(85,106,584)
Depreciation of the period	-	(3,212,486)	(22,367,565)	(666,013)	(391,504)	-	(26,637,568)
Sales-Destructions	-	-	225,863	69,917	25,861	-	321,641
Reclassification	-	52,582	(120,007)	67,425	-	-	-
Balance as of 31 December 2007	-	(12,560,013)	(86,314,628)	(6,401,174)	(6,146,696)	-	(111,422,511)

Net book value as at 31 December 2007

26,967,874	42,962,114	217,826,044	1,602,290	788,659	22,174,702	312,321,683
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Cost or fair value

Balance as of 1 January 2008	26,967,874	55,522,127	304,140,672	8,003,464	6,935,355	22,174,702	423,744,194
Additions	1,811,333	528,509	1,021,702	238,876	360,546	22,852,490	26,813,456
Sales-Destructions	-	-	(2,581)	(50,845)	(18,578)	(422,068)	(494,072)
Assets separated to foil production branch (note 9)	-	-	(30,156,752)	(172,808)	(46,824)	(1,574,357)	(31,950,741)
Reclassification	55,078	969,874	13,141,360	-	-	(15,459,427)	(1,293,115)
Balance as of 31 December 2008	28,834,285	57,020,510	288,144,401	8,018,687	7,230,499	27,571,340	416,819,722

Accumulated depreciation

Balance as of 1 January 2008	-	(12,560,013)	(86,314,628)	(6,401,174)	(6,146,696)	-	(111,422,511)
Depreciation of the period	-	(3,250,500)	(21,060,781)	(588,112)	(447,289)	-	(25,346,682)
Sales-Destructions	-	-	416	50,845	13,269	-	64,530
Assets separated to foil production branch (note 9)	-	-	9,102,149	148,462	36,607	-	9,287,218
Balance as of 31 December 2008	-	(15,810,513)	(98,272,844)	(6,789,979)	(6,544,109)	-	(127,417,445)

Net book value as at 31 December 2008

28,834,285	41,209,997	189,871,557	1,228,708	686,390	27,571,340	289,402,277
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The subsidiary company Bridgnorth Ltd, has temporarily out of operation machinery of net book value of £2.2 million. Bridgnorth Ltd operates as a separate cash generating unit and based on its prospective cash flows there is no need for impairment.

Transportation means included in the above based on financial lease:

Transportation means <i>Amounts in Euros</i>	CONSOLIDATED	
	31/12/2008	31/12/2007
Cost – capitalized financial leases	77,613	123,027
Accumulated depreciation	(43,202)	(60,139)
Net book value	34,411	62,889

7. Investment properties

Investment properties as of 31 December 2007 and 31 December 2008 concern land and buildings owned by Company's subsidiaries and are analysed as follows:

<i>Amounts in Euros</i>	CONSOLIDATED	
	31/12/2008	31/12/2007
Cost or fair value		
Opening balance net	5,214,638	5,448,711
Additions	-	-
Depreciation of the period	(234,073)	(234,073)
Balance recorded in the balance sheet	4,980,565	5,214,638

<i>Amounts in Euros</i>	CONSOLIDATED	
	31/12/2008	31/12/2007
Income from leases acknowledged	1,026,990	1,006,940
Direct operating expenses related to investment property by which leases are received	(317,806)	(356,951)
Total	709,184	649,989

8. Intangible assets

Company's and Group's intangible assets as of 31 December 2007 and 2008 are analysed as follows:

CONSOLIDATED

<i>Amounts in Euros</i>	R&D expenses	Trade marks and licenses	Software	Other	Total
Cost or fair value					
Balance as of 1 January 2007	-	2,108	8,449,287	210,761	8,662,156
Foreign exchange differences	-	-	(1,161)	(12,314)	(13,475)
Additions	113,939	-	211,010	-	324,949
Sales	-	-	(1,231)	-	(1,231)
Write-down	-	-	(275,497)	(29,500)	(304,997)
Reclassifications	-	-	300,717	-	300,717
Balance as of 31 December 2007	113,939	2,108	8,683,125	168,947	8,968,119
Accumulated amortization					
Balance as of 1 January 2007	-	(2,108)	(6,961,380)	(194,859)	(7,158,347)
Foreign exchange differences	-	-	1,032	12,314	13,346
Amortization of the period	(113,939)	-	(1,197,758)	(9,164)	(1,320,861)
Sales	-	-	983	-	983
Write-down	-	-	275,497	29,500	304,997
Balance as of 31 December 2007	(113,939)	(2,108)	(7,881,626)	(162,209)	(8,159,882)
Net book value as of 31 December 2007	-	-	801,499	6,738	808,237

CONSOLIDATED

Amounts in Euros

	R&D expenses	Trade marks and licenses	Software	Other	Total
Cost or fair value					
Balance as of 1 January 2008	113,939	2,108	8,683,125	168,947	8,968,119
Foreign exchange differences	-	-	(2,138)	(30,762)	(32,900)
Additions	-	-	1,111,298	99,848	1,211,146
Sales	-	-	(619)	-	(619)
Reclassifications	-	-	1,285,163	-	1,285,163
Balance as of 31 December 2008	113,939	2,108	11,076,829	238,033	11,430,909
Accumulated amortization					
Balance as of 1 January 2008	(113,939)	(2,108)	(7,881,626)	(162,209)	(8,159,882)
Foreign exchange differences	-	-	1,597	30,762	32,359
Amortization of the period	-	-	(885,164)	(25,346)	(910,510)
Sales	-	-	619	-	619
Balance as of 31 December 2008	(113,939)	(2,108)	(8,764,574)	(156,793)	(9,037,414)
Net book value as of 31 December 2008	-	-	2,312,255	81,240	2,393,495

COMPANY

Amounts in Euros

	R&D expenses	Software	Total
Cost or fair value			
Balance as of 1 January 2007	-	5,289,084	5,289,084
Additions	113,939	41,989	155,928
Reclassifications	-	300,717	300,717
Balance as of 31 December 2007	113,939	5,631,790	5,745,729
Accumulated amortization			
Balance as of 1 January 2007	-	(4,370,892)	(4,370,892)
Amortization of the period	(113,939)	(779,293)	(893,232)
Balance as of 31 December 2007	(113,939)	(5,150,185)	(5,264,124)
Net book value as of 31 December 2007	-	481,605	481,605
Balance as of 1 January 2008	113,939	5,631,790	5,745,729
Additions	-	169,950	169,950
Reclassifications	-	1,253,652	1,253,652
Balance as of 31 December 2008	113,939	7,055,392	7,169,331
Accumulated amortization			
Balance as of 1 January 2008	(113,939)	(5,150,185)	(5,264,124)
Amortization of the period	-	(641,420)	(641,420)
Balance as of 31 December 2008	(113,939)	(5,791,605)	(5,905,544)
Net book value as of 31 December 2008	-	1,263,787	1,263,787

9. Investments in subsidiaries

Company's investments in subsidiaries are analyzed as follows:

	COMPANY	
<i>Amounts in Euros</i>	31/12/2008	31/12/2007
Beginning of the period	81,874,443	81,362,181
Additions	56,605,768	512,262
Balance at end of period	138,480,211	81,874,443

Ownership percentages are analyzed below:

Entity Name	Percentage Holdings			
	Country	Direct	Indirect	Total
2007				
ETEM SA	Greece	58.68%		58.68%
VIEXAL LTD	Greece	73.33%		73.33%
VIOMAL SA	Greece	50.00%		50.00%
ELVAL COLOUR SA	Greece	95.94%		95.94%
SYMETAL SA	Greece	99.99%		99.99%
STEELMET ROMANIA SA	Romania	40.00%	11.74%	51.74%
BLYTHE Ltd	Cyprus	100.00%		100.00%
BRIDGNORTH Ltd	England	100.00%		100.00%
ATHENS ART CENTRE SA	Greece	100.00%		100.00%
KANAL SA	Greece	75.00%	14.67%	89.67%
2008				
ETEM SA	Greece	58.78%		58.78%
VIEXAL LTD	Greece	73.33%		73.33%
VIOMAL SA	Greece	50.00%		50.00%
ELVAL COLOUR SA	Greece	95.94%		95.94%
SYMETAL SA	Greece	99.99%		99.99%
STEELMET ROMANIA SA	Romania	40.00%	11.76%	51.76%
BLYTHE Ltd	Cyprus	100.00%		100.00%
BRIDGNORTH Ltd	England	100.00%		100.00%
ATHENS ART CENTRE SA	Greece	100.00%		100.00%
KANAL SA	Greece	75.00%	14.70%	89.70%
ELVAL SERVICE CENTER (KERONIA SA)	Greece	100.00%		100.00%

SEPARATION OF ALUMINUM FOIL PRODUCTION BRANCH

In February 2008, W. Attica Prefecture approved the separation of aluminium foil production branch to SYMETAL SA, a 99.99% subsidiary of ELVAL SA. The fair values of assets and liabilities at the date of separation are analyzed as follows:

	<i>Values in thousand €</i>
Property, plant and equipment	22,664
Inventories	12,037
Trade and other receivables	25,047
Cash and cash equivalents	9,557
Deferred tax liabilities	(4,830)
Loans	(10,000)
Subsidies	(1,341)
Employee benefit liability	(390)
Trade and other payables	(4,131)
Total	48,613

The separation of aluminium foil production branch conducted in accordance with the Law 2166/93. From the above total amount of separated net assets and liabilities, amount of €28,149 thousand concerned issued share capital of SYMETAL SA and the amounts of €6,759 thousand and €13,707 thousand respectively, concerned to special law untaxed reserves and revaluation reserves related to separated items of property, plant and equipment. These two reserves are monitored separately in SYMETAL's accounts.

ACQUISITION OF SUBSIDIARY

On October, 2 2008 the Company announced the 100% acquisition of KERONIA SA for €7,9 mil. in cash. KERONIA SA, at the date of acquisition, had no productive activity and had in its ownership a property next to Company's plant.

According to IFRS 3, KERONIA SA, at the acquisition date, did not meet the definition of business considering the fact that it had no productive activity, it didn't generated revenues and it had no personnel. The above acquisition does not constitute business combination and accounted by the Group as acquisition of group of assets and liabilities with allocation of cost of acquisition between the individual identifiable assets and liabilities in the Group based on their relative fair values at the date of the acquisition.

The fair values of the identifiable assets and liabilities of KERONIA SA at the acquisition date were:

<i>Values in thousand €</i>	<i>Fair value on acquisition date</i>	<i>carrying values on acquisition date</i>
ASSETS		
Property, plant and equipment	8,962	812
Receivables	5	5
Cash	17	17
Total Assets	8,985	834
LIABILITIES		
Long-term liabilities	970	-
Short-term liabilities	49	49
Total Liabilities	1,019	49
EQUITY	7,966	785

During 4th Quarter 2008, KERONIA SA, change its productive activity to logistics and distribution services of aluminum products and also change its name to ELVAL SERVICE CENTER SA. ELVAL SERVICE CENTER SA consolidated with full consolidation on December 31, 2008 and it contributes loss of €23 thousand in Group's consolidated income statement.

ACQUISITION OF MINORITY INTERESTS

On September 2008 ELVAL SA acquired an additional 0.10 percent interest in ETEM SA for €27 thousand in cash, increasing its ownership from 58.68% to 58.78%. This action also led to an increase in the indirect participation in subsidiaries STEELMET ROMANIA SA and K,AN,AL SA. The acquisition of the above minority interests was recognized directly in Equity in the consolidated financial statements as it relates to the acquisition of minority to entities that control already exists.

10. Investments in associates

Company's and Group's investments in associated companies are analyzed as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Beginning of the period	8,105,150	7,635,257	4,451,423	4,361,423
Share of profit/ (loss) after taxes	44,488	791,451	-	-
Additions	-	90,000	-	90,000
Foreign exchange differences	(127,715)	-	-	-
Dividends received (-)	(528,383)	(411,558)	-	-
Balance at the end of the period	7,493,540	8,105,150	4,451,423	4,451,423

Brief financial information on associates:

Entity Name	Country	Assets	Liabilities	Revenue	Share of Profit / (loss) after taxes	Holding percentage
2007						
ANAMET SA	Greece	14,408,170	9,463,142	127,818,784	161,068	26.67%
VEPEM SA	Greece	31,505	-	-	(2,347)	50.00%
TEPROMETAL AG	Germany	37,661,096	28,183,354	123,175,072	149,784	40.39%
DIAPEM COMMERCIAL SA	Greece	669,653	27,631	-	3,339	33.33%
ELKEME SA	Greece	2,885,548	932,847	1,762,705	43,301	40.00%
STEELMET SA	Greece	11,664,043	6,821,205	24,440,908	636,260	29.56%
METAL GLOBE Doo	Serbia	3,452,434	2,812,939	4,928,971	(11,932)	40.00%
AFSEL SA	Greece	223,679	72,954	88,868	(39,719)	50.00%
ENERGY SOLUTIONS (*)	Bulgaria	6,489,292	5,796,707	2,342,000	(148,303)	38.60%
COPPERPROM Ltd (*)	Greece	72,195	60,749	84,355	-	20.00%
		77,557,616	54,171,529	284,641,663	791,451	

Entity Name	Country	Assets	Liabilities	Revenue	Share of Profit / (loss) after taxes	Holding percentage
2008						
ANAMET SA	Greece	19,721,206	16,077,732	150,620,073	(177,884)	26.67%
VEPEM SA	Greece	26,131	137	-	(2,756)	50.00%
TEPROMETAL AG	Germany	35,992,768	26,887,126	117,587,403	(150,291)	40.39%
DIAPEM COMMERCIAL SA	Greece	664,534	22,351	-	53	33.33%
ELKEME SA	Greece	2,656,196	670,603	1,906,335	13,157	40.00%
STEELMET SA	Greece	14,753,943	9,396,174	25,557,409	634,581	29.56%
METAL GLOBE Doo	Serbia	3,444,416	3,450,120	6,500,015	(231,042)	40.00%
AFSEL SA	Greece	119,710	18,892	-	129	50.00%
ENERGY SOLUTIONS (*)	Bulgaria	5,049,632	4,464,456	12,378,820	(41,459)	38.60%
COPPERPROM Ltd (*)	Greece	51,715	42,307	49,808	-	20.00%
		82,480,251	61,029,898	314,599,863	44,488	

(*) These companies are associates to the subsidiary ETEM SA and the holding percentages concern ETEM's participation on them.

11. Available for sale financial assets

Financial assets available for sale concern holdings in domestic and foreign companies with a holding percentage less than 20%.

<i>Amounts in Euros</i>	CONSOLIDATED	COMPANY
Balance at 1 January 2007	1,211,870	407,875
Additions	370,244	370,244
Disposals	(98,080)	(98,080)
Share of profit / (loss) recognized to equity	-	-
Reclassifications	-	-
Balance at 31 December 2007	1,484,034	680,039
Non-current assets	1,484,034	680,039

Available-for-sale financial assets include the following:

	CONSOLIDATED 31/12/2007	COMPANY 31/12/2007
<u>Listed:</u>		
- Domestic shares	77,964	77,964
<u>Non-listed:</u>		
- Domestic shares	1,224,162	590,075
- Shares from abroad	181,908	12,000
	1,484,034	680,039

<i>Amounts in Euros</i>	CONSOLIDATED	COMPANY
Balance at 1 January 2008	1,484,034	680,039
Additions	89,915	-
Disposals	-	-
Share of profit / (loss) recognized to equity	-	-
Impairments	(158,242)	-
Balance at 31 December 2008	1,415,707	680,039
Non-current assets	1,415,707	680,039

Available-for-sale financial assets include the following:

	CONSOLIDATED 31/12/2008	COMPANY 31/12/2008
<u>Listed:</u>		
- Domestic shares	77,964	77,964
<u>Non-listed:</u>		
- Domestic shares	1,313,977	590,075
- Shares from abroad	23,766	12,000
	1,415,707	680,039

12. Deferred tax

The deferred tax assets and liabilities are offset when there is an applicable legal right that allows to offset the current tax claims against the current tax liabilities and when the deferred income taxes concern the same tax authority. The offset amounts as they are shown in the balance sheets are as follows:

Deferred tax Amounts in Euros	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Deferred tax assets	11.553.464	2,898,006	-	-
Deferred tax liabilities	(40.848.709)	(59,978,537)	(25.400.892)	(44,248,879)
Total	(29.295.245)	(57,080,531)	(25.400.892)	(44,248,879)

The temporary differences related to the above deferred tax assets and liabilities will be reversed after 12-months time.

The total change in deferred tax is analyzed below:

	CONSOLIDATED			COMPANY		
	Assets	Liabilities	Total	Assets	Liabilities	Total
Balance 1 January 2007	8,235,872	(65,887,742)	(57,651,871)	4,033,353	(47,985,627)	(43,952,274)
Foreign exchange differences of subsidiaries	(236,169)	208,619	(27,550)	-	-	-
(Debit) / credit of profit and loss	(103,833)	(2,946,801)	(3,050,634)	(775,169)	(349,264)	(1,124,433)
(Debit) / credit of equity	3,649,524	-	3,649,524	827,828	-	827,828
Balance as of 31 December 2007	11,545,393	(68,625,924)	(57,080,531)	4,086,012	(48,334,891)	(44,248,879)
Balance 1 January 2008	11,545,393	(68,625,924)	(57,080,531)	4,086,012	(48,334,891)	(44,248,879)
Foreign exchange differences of subsidiaries	(1,233,250)	515,729	(717,521)	-	-	-
(Debit) / credit of profit and loss	3,102,024	14,073,544	17,175,568	2,797,437	8,403,297	11,200,734
Foil production branch separation (note 9)	-	-	-	229,712	4,600,502	4,830,214
Acquisition of group of assets and liabilities (note 9)	-	(969,747)	(969,747)	-	-	-
(Debit) / credit of equity	12,296,986	-	12,296,986	2,817,039	-	2,817,039
Balance as of 31 December 2008	25,711,153	(55,006,398)	(29,295,245)	9,930,200	(35,331,092)	(25,400,892)

Deferred income tax at 31 December relates to the following:

CONSOLIDATED

DEFERRED TAX LIABILITIES

	Revaluation of assets/ Differences in depreciation rates	Difference in provisions	Non –recognised Intangible assets	Hedging	Tax expenses	Tax-rate differences In Subsidiaries	Other	Total
Balance 1 January 2007	(64,895,575)	-	-	-	-	(992,167)	-	(65,887,742)
Foreign exchange differences of subsidiaries	208,619	-	-	-	-	-	-	208,619
(Debit) /credit of profit and loss	(1,681,556)	-	-	-	-	(1,265,245)	-	(2,946,801)
(Debit) /credit of equity	-	-	-	-	-	-	-	-
Balance as of 31 December 2007	(66,368,512)	-	-	-	-	(2,257,412)	-	(68,625,924)
Balance 1 January 2008	(66,368,512)	-	-	-	-	(2,257,412)	-	(68,625,924)
Foreign exchange differences of subsidiaries	515,729	-	-	-	-	-	-	515,729
(Debit) /credit of profit and loss	14,160,193	-	-	-	-	(86,649)	-	14,073,544
Acquisition of group of assets and liabilities (note 9)	(969,747)	-	-	-	-	-	-	(969,747)
Balance as of 31 December 2008	(52,662,337)	-	-	-	-	(2,344,061)	-	(55,006,398)

DEFERRED TAX ASSETS

	Revaluation of assets/ Differences in depreciation rates	Difference in provisions	Non –recognised Intangible assets	Hedging	Tax losses	Un-taxed reserves	Other	Total
Balance 1 January 2007	-	2,292,080	315,968	126,385	3,472,823	1,734,156	294,459	8,235,871
Foreign exchange differences of subsidiaries	-	1,105	-	12,602	(269,095)	-	19,219	(236,169)
(Debit) /credit of profit and loss	-	550,114	(40,061)	(965,419)	199,834	-	151,699	(103,833)
(Debit) /credit of equity	-	-	-	3,649,524	-	-	-	3,649,524
Balance as of 31 December 2007	-	2,843,299	275,907	2,823,092	3,403,562	1,734,156	465,377	11,545,393
Balance 1 January 2008	-	2,843,299	275,907	2,823,092	3,403,562	1,734,156	465,377	11,545,393
Foreign exchange differences of subsidiaries	-	(379)	-	(560,398)	(644,400)	-	(28,073)	(1,233,250)
(Debit) /credit of profit and loss	-	158,402	(215,426)	43,620	3,409,245	-	(293,817)	3,102,024
(Debit) /credit of equity	-	-	-	12,162,791	-	-	134,195	12,296,986
Balance as of 31 December 2008	-	3,001,322	60,481	14,469,105	6,168,407	1,734,156	277,682	25,711,153

COMPANY

DEFERRED TAX LIABILITIES

	Revaluation of assets/ Differences in depreciation rates	Difference in provisions	Non –recognised Intangible assets	Hedging	Tax expenses	Un-taxed reserves	Other	Total
Balance 1 January 2007	(47,985,628)	-	-	-	-	-	-	(47,985,628)
(Debit) /credit of profit and loss	(349,264)	-	-	-	-	-	-	(349,264)
Balance as of 31 December 2007	(48,334,892)	-	-	-	-	-	-	(48,334,892)
Balance 1 January 2008	(48,334,892)	-	-	-	-	-	-	(48,334,892)
(Debit) /credit of profit and loss	8,403,297	-	-	-	-	-	-	8,403,297
Foil production branch separation (note 9)	4,600,502	-	-	-	-	-	-	4,600,502
Balance as of 31 December 2008	(35,331,093)	-	-	-	-	-	-	(35,331,093)

DEFERRED TAX ASSETS

	Revaluation of assets/ Differences in depreciation rates	Difference in provisions	Non –recognised Intangible assets	Hedging	Tax losses	Un-taxed reserves	Other	Total
Balance 1 January 2007	-	1,542,048	170,606	552,418	-	1,734,156	34,126	4,033,354
Foreign exchange differences of subsidiaries	-	-	-	-	-	-	-	-
(Debit) /credit of profit and loss	-	324,751	19,350	(965,419)	-	-	(153,851)	(775,169)
(Debit) /credit of equity	-	-	-	827,828	-	-	-	827,828
Balance as of 31 December 2007	-	1,866,799	189,956	414,827	-	1,734,156	(119,725)	4,086,013
Balance 1 January 2008	-	1,866,799	189,956	414,827	-	1,734,156	(119,725)	4,086,013
(Debit) /credit of profit and loss	-	(441,846)	(105,999)	342,900	3,002,382	-	-	2,797,437
Foil production branch separation (note 9)	-	95,517	-	-	-	-	134,194	229,711
(Debit) /credit of equity	-	-	-	2,817,039	-	-	-	2,817,039
Balance as of 31 December 2008	-	1,520,470	83,957	3,574,766	3,002,382	1,734,156	14,469	9,930,200

From 2001 to 31 December 2008, the Company proceeded to investments of approximately €100 million, subject to development laws 2601/1998 and 3299/2004. Based on these laws, the Company is entitled to create a tax free reserve from accounting earnings and adequate tax earnings of future accounting periods, amounting at most to €63 million approximately. This right ceases gradually as of the accounting period of 2011. The Company has created a future tax benefit of approximately €1.7 million, under a conservative estimation of the possibility to achieve the required non distributed tax earnings in a short period of time (usually one year).

13. Inventories

Group's and the Company's inventories as of 31 December 2007 and 2008 are analysed as follows:

Inventories <i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Merchandise	25,789,360	26,297,214	2,104	3,220
Finished products	53,871,330	67,407,024	29,530,357	47,427,750
Semi-finished	46,531,453	61,921,700	36,174,503	49,637,253
By-products and scrap	20,016,544	16,077,597	15,351,560	12,022,628
Work in progress	9,922,285	8,409,507	-	-
Raw and indirect materials - consumables - spare parts and packaging materials	78,901,098	81,922,326	40,777,400	43,892,464
Down-payments for the purchase of inventory	4,250,388	6,414,507	1,699,911	6,226,302
Total	239,282,458	268,449,875	123,535,835	159,209,617
(less): Impairments of inventory:				
Merchandise	(1,022,299)	-	-	-
Semi-finished products	(4,001,320)	-	(4,001,320)	-
By-products and scrap	(5,149,439)	-	(5,149,439)	-
Raw and indirect materials - consumables - spare parts and packaging materials	(8,096,038)	-	(3,610,038)	-
	(18,269,096)	-	(12,760,797)	-
(less): Provisions for scrap, delayed and destructed inventory:				
Merchandise	-	(22,574)	-	-
Raw and indirect materials - consumables - spare parts and packaging materials	(355,796)	(555,796)	(355,796)	(555,796)
	(355,796)	(578,370)	(355,796)	(555,796)
Total net realizable value	220,657,566	267,871,505	110,419,242	158,653,821

Additionally to the above Group impairments, ETEM SA had additionally impaired its inventory through its cost procedures for the amount of €2,059,591. This amount has increase 2008 cost of sales in Group's income statement.

14. Trade and other receivables

The Group's and the Company's receivables as of 31 December 2006 and 2007 are analysed as follows

Current Assets <i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Customers	151,104,831	151,144,733	79,564,481	96,943,651
Receivables from related parties (note 30)	14,781,552	17,015,073	37,409,240	29,847,979
Notes-cheques receivables	41,007,978	42,868,497	3,734,642	6,314,709
Less: Provision for impairment	(8,851,128)	(6,251,573)	(1,483,265)	(1,126,164)
Net receivables from customers	198,043,233	204,776,730	119,225,098	131,980,175
Other down payments	576,470	624,432	418,470	508,027
Current tax claims	20,417,151	19,354,220	9,298,852	18,118,068
Sundry debtors	10,244,901	9,741,956	4,871,650	3,330,191
Less: Allowance for doubtful debts	(177,987)	(177,987)	(177,987)	(177,987)
Total trade and other receivables	229,103,768	234,319,351	133,636,083	153,758,474
Non-current Assets				
Long-term receivables against related companies	20,907	20,907	-	-
Other long-term receivables	2,714,258	2,802,012	2,324,632	2,296,165
Total other receivables	2,735,165	2,822,919	2,324,632	2,296,165
Total receivables	231,838,933	237,142,270	135,960,715	156,054,639

Ageing Analysis <i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Customers				
Updated	128,350,601	127,993,038	101,116,670	105,360,314
Due				
Up to 6 months	24,310,977	32,718,581	14,373,786	20,305,152
> 6 months	4,373,677	1,196,614	-	-
Total	157,035,255	161,908,233	115,490,456	125,665,466

The above Company's total amounts also include receivables from related parties amounting to €37,409,240 (2007: €29,847,979). The relevant consolidated data are as follows: €14,781,552 (2007: €17,015,073).

Receivables from notes and cheques, in Company and Group level, are neither past due nor impaired.

The company and the Group have made an adequate provision for impairment, in order to cover a bad debt risk. The movement in the provision of impairment for receivables from customers is as follows:

	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Opening balance	6,251,573	5,182,448	1,126,164	908,388
Charge of the year	2,393,735	1,069,125	157,101	217,776
Re-allocation	313,686	-	200,000	-
Foreign exchange differences	(107,866)	-	-	-
Closing balance	8,851,128	6,251,573	1,483,265	1,126,164

15. Derivatives

Derivatives as of 31 December 2007 and 2008 which concern transactions for cash flow hedge for the Group and the Company, analyzed as follows:

Derivatives <i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Non-current assets				
Interest rate swaps	10.328	64,998	-	-
Fx future contracts	286.989	387,715	31.862	387,715
Future contracts (metal)	90.779	496,940	90.779	16,842
Total	388.096	949,653	122.641	404,557
Current assets				
Interest rate swaps	111.090	294,702	68.727	294,702
Fx future contracts	4.029.500	1,383,440	2.491.398	1,383,440
Future contracts (metal)	7.598.234	2,124,679	7.598.234	2,068,466
Total	11.738.824	3,802,821	10.158.359	3,746,608
Long-term liabilities				
Interest rate swaps	861.508	-	-	-
Foreign exchange swaps	2.533	2,936,024	-	-
Future contracts (metal)	2.338.255	43,750	2.270.774	43,750
Total	3.202.296	2,979,774	2.270.774	43,750
Short-term liabilities				
Interest rate swaps	994	8,080	-	-
Fx future contracts	13.968.752	6,821,306	1.414.426	1,012,122
Future contracts (metal)	48.529.224	5,252,160	20.894.866	4,754,603
Total	62.498.970	12,081,546	22.309.292	5,766,725
Details for derivatives contracts				
Nominal value of interest rate swaps	29.595.437	53,349,247	10.000.000	20,000,000
Nominal value of aluminium derivatives	123.038.499	64,143,903	59.315.378	48,114,615
Nominal value of foreign exchange derivatives	134.132.169	189,660,716	69.274.590	98,960,000

Company's and Group's results from the liquidated acts of hedging recorded in the profit and loss for the fiscal year 2008 & 2007 and presented for metal future contracts and fx future contracts in the Sales and the Cost of sales while for interest rate swaps in the Financial income / (expenses) - net.

<i>Amounts in €</i>	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Aluminum futures	8,243,016	4,283,431	10,547,349	4,238,003
Interest rate swaps	304,956	204,914	195,078	185,486
fx futures	(9,782,814)	(2,418,927)	(3,226,939)	(2,376,928)

16. Cash and cash equivalents

Cash and cash equivalents for the Group and the Company analyzed as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Cash on hand	909,610	1,157,283	4,734	33,556
Short-term bank deposits	11,415,685	27,351,907	1,675,615	14,457,112
Total	12,325,295	28,509,190	1,680,349	14,490,668

17. Share capital

The share capital as of 31 December 2007 and 2008 is analysed as follows:

CONSOLIDATED

<i>Amounts in Euros</i>	Number of ordinary shares (*)	Value of ordinary shares	Share premium	Total
1 January 2007	124,060,815	37,218,245	158,654,004	195,872,249
Share capital issue	40,000	12,000	106,400	118,400
31 December 2007	124,100,815	37,230,245	158,760,404	195,990,649
1 January 2008	124,100,815	37,230,245	158,760,404	195,990,649
31 December 2008	124,100,815	37,230,245	158,760,404	195,990,649

COMPANY

<i>Amounts in Euros</i>	Number of ordinary shares (*)	Value of ordinary shares	Share premium	Total
1 January 2007	124,060,815	37,218,245	158,654,004	195,872,249
Share capital issue	40,000	12,000	106,400	118,400
31 December 2007	124,100,815	37,230,245	158,760,404	195,990,649
1 January 2008	124,100,815	37,230,245	158,760,404	195,990,649
31 December 2008	124,100,815	37,230,245	158,760,404	195,990,649

(*) Nominal value €0.30 per share

In December 2007, the share capital increased by 40,000 shares after exercising share options. In 2008, no share options have been exercised.

The Company has adopted an options offer up to the rate of 1.23% of the number of the existing common registered shares up to the time of adoption (1,520,600 options), adjusted in future modifications of the number of shares in which the share capital is divided, under the following terms and conditions:

A) Beneficiaries of the option program: Members of the Board of Directors, Company's employees or employees to related businesses to the Company.

B) Price at which options exercised: The closing price of Company's share in the Athens Stock Exchange on fifteenth of June 2002, namely € 2.96 per option.

C) Exercise of options: Options are secured gradually by 10% annually, beginning from the first business day of November 2002 until the first business day of November 2011. The above secured options are exercised from the first business day of November until the last business day of November for either of the years 2006 up to 2013. Following this closing date any option that is not exercised is cancelled.

The movement of stock options is as follows:

<i>Amounts in Euros</i>	No of stock options	Exercise price	Total
Outstanding as of 1st January 2007	844,800	2.96	2,500,608
Secured during the period	135,160	2.96	400,074
Exercised during the period	(40,000)	2.96	(118,400)
Balance as of 31st December 2007	939,960	2.96	2,782,282
With a right to exercise as of 31 st of December 2007	939,960	2.96	2,782,282
Outstanding as of 1st January 2008	939,960	2.96	2,782,282
Secured during the period	135,160	2.96	400,074
Exercised during the period	-	2.96	-
Balance as of 31st December 2008	1,075,120	2.96	3,182,355
With a right to exercise as of 31 st of December 2008	1,075,120	2.96	3,182,355

18. Reserves

Company's and Group's reserves as of 31 December 2007 and 2008 are analysed as follows:

CONSOLIDATED

<i>Amounts in Euros</i>	Fair value reserve	Legal reserve	Special reserve	Untaxed reserve	Other reserves	Total other reserves
Balance as of 1 January 2007	5,716,217	10,841,275	4,042,838	126,436,594	3,742,583	145,063,290
Transfer from distribution	-	650,458	-	10,461,716	-	11,112,174
Capitalization	-	-	-	(300,000)	-	(300,000)
Reclassification	-	646,013	3,111,870	(410,870)	(787,167)	2,559,846
Transfer to profit and loss	-	-	-	(1,170,289)	-	(1,170,289)
Change in participation in subsidiaries	4,690	19,344	9,383	55,555	20,529	104,811
Distributed to the Company's shareholders	-	-	-	(300,000)	-	(300,000)
Profit / (loss) recognized directly to equity	(13,217,566)	-	-	-	-	-
Balance as of 31 December 2007	(7,496,659)	12,157,090	7,164,091	134,772,706	2,975,945	157,069,832
Balance as of 1 January 2008	(7,496,659)	12,157,090	7,164,091	134,772,706	2,975,945	157,069,832
Foreign exchange differences	1,441,022	-	-	-	-	-
Transfer from distribution	-	1,042,912	-	6,647,622	-	7,690,534
Reclassification	-	-	1,539,197	-	(1,539,197)	-
Change in participation in subsidiaries	314	3,563	4,393	9,582	1,598	19,136
Profit / (loss) recognized directly to equity	(32,501,640)	-	-	-	-	-
Balance as of 31 December 2008	(38,556,963)	13,203,565	8,707,681	141,429,910	1,438,346	164,779,502

COMPANY

<i>Amounts in Euros</i>	Fair value reserves	Legal reserves	Special reserves	Untaxed reserves	Other reserves	Total other reserves
Balance as of 1 January 2007	5,100,677	8,488,245	2,862,016	108,983,130	328,381	120,661,772
Transfer from distribution	-	650,840	-	9,850,358	-	10,501,198
Reclassification	-	-	3,111,870	(547,826)	-	2,564,044
Profit / (loss) recognized directly to equity	(6,345,160)	-	-	-	-	-
Balance as of 31 December 2007	(1,244,483)	9,139,085	5,973,886	118,285,662	328,381	133,727,014
Balance as of 1 January 2008	(1,244,483)	9,139,085	5,973,886	118,285,662	328,381	133,727,014
Transfer from distribution	-	898,178	-	6,647,622	-	7,545,800
Reclassification	-	-	-	(6,758,195)	-	(6,758,195)
Profit / (loss) recognized directly to equity	(8,451,116)	-	-	-	-	-
Balance as of 31 December 2008	(9,695,599)	10,037,263	5,973,886	118,175,089	328,381	134,514,619

18.1. Fair value reserve

The fair value reserves related to valuation of the derivatives used by the Group and the Company (contracts of futures and contracts of interest rate swaps) to hedge the risk from the change in Companies' and Groups' future cash flows. The valuation of derivatives is recorded in the end of every reporting period.

In Company level, the valuation of the derivatives as of 31 December 2008 revealed a loss amounted at €12.9 mil. (2007: loss €1.7 mil), which, after the deduction of the corresponding deferred tax claim of €3.2 mil. (2007: DTA of €0.4 mil.), appears to reduce the balance of Company's Equity.

In the consolidated statements the valuation of the derivatives brought a loss of €52.3 mil. (2007: loss €10.3 million) which after the deduction of the corresponding deferred tax claim of €14.5 mil. (2007: DTA of €2.8 million) appears to reduce the balance of Groups' Equity.

18.2. Legal reserve

Pursuant to the Greek Trade legislation, the companies are obliged, from their FY profits, to form 5% as a legal reserve until it reaches one third of their paid share capital. The distribution of the legal reserve is prohibited.

18.3. Special and untaxed reserves

The special reserves and the tax free reserves include:

- (a) Blocked reserves to cover equity participation of subsidized investment programs. The Ordinary General Meeting of 13th of June 2007 decided the creation of special reserves amounting to € 3,111,870 in total, in order to cover the equity participation of investing programs subject to the provisions of development law 3299/2004.
- (b) Non-distributed tax-exempt earnings based on special provisions of development laws (on the condition that there are sufficient earnings for their creation).
- (c) Reserves from tax-exempt income and reserves specially taxed regarded income from interest for which tax deduction has occurred in the source.

19. Loans and liabilities from leasing activities

Long-term and short-term loans are analyzed as followed:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Long-term loans				
Bank loans	20,472,866	21,482,175	6,049,347	422,059
Bond loans	141,500,000	160,250,000	77,750,000	97,750,000
Total long-term loans	161,972,866	181,732,175	83,799,347	98,172,059
Short-term loans				
Long term loans paid in current period	77,728,643	54,500,000	42,713,660	38,250,000
Bank loans	51,460,279	56,129,848	1,408,808	1,658,474
Total short-term loans	129,188,922	110,629,848	44,122,468	39,908,474
Total loans	291,161,788	292,362,023	127,921,815	138,080,533

The maturity dates of the long-term loans are presented below:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Between 1 to 2 years	94,973,859	79,557,000	59,457,347	45,422,059
Between 2 to 5 years	65,406,105	101,960,889	24,342,000	52,750,000
More than 5 years	1,592,902	214,286	-	-
	161,972,866	181,732,175	83,799,347	98,172,059

Group's short term loans include loans in £ which upon 31st December 2008 arise to €6.6 mil. (2007: €6.48 mil.).

The actual weighed average interest rates at the date on the balance sheet date are the following:

<u>31/12/2007</u>	CONSOLIDATED			COMPANY		
	€	US\$	£	€	US\$	£
Bank loans (short-term)	6.25%	6.5%	7.5%	6.1%	6.5%	7.5%
Bank loans long-term)	5.65%	-	-	6.4%	-	-
Bonds	4.75%	-	-	4.7%	-	-
Finance lease obligations	6.65%	-	-	-	-	-
<u>31/12/2008</u>	CONSOLIDATED			COMPANY		
	€	US\$	£	€	US\$	£
Bank loans (short-term)	5.1%	5.8%	4.7%	6.1%	5.8%	5.8%
Bank loans long-term)	5.0%	-	-	6.0%	-	-
Bonds	5.8%	-	-	6.1%	-	-
Finance lease obligations	5.0%	-	-	-	-	-

Fair values of loans are approximately equal with their carrying values due to their floating rate interest. The Group has sufficient credit limits to cover future company needs.

The non used part of these credit limits on 31/12/2008 amounted to €119 mil. Approximately at Group level and to €82 mil. at a Company level.

During 2008, the Company issued a long term loan value of Euro 6.0 mill, with a fixed interest rate Euribor plus margin. On June 27, 2008 the Company issued a bond loan value of Euro 30.0 mill, with a fixed interest rate 6mEuribor plus margin. The

new loans will be repaid in 5 years. A bond loan of €10.0 mill, carved out to 99.99% subsidiary SYMETAL SA, due to the separation of aluminium foil production branch (Also see note 9).

In 2008, subsidiary Company ETEM SA, issued two bond loans of Euro 10.0 mill. each, with a fixed interest rate 6mEuribor plus margin. These new loans will be repaid in 5 years.

The Group's finance lease liabilities are analyzed as follows:

<i>Amounts in Euros</i>	CONSOLIDATED	
	31/12/2008	31/12/2007
Liabilities from leasing activities –minimum rents		
Up to 1 year	4,150	29,309
From 1 to 5 years	-	3,925
Total	4,150	33,234
Less: Future leasing financial charges	-	(407)
Current value of liabilities from leasing activities	4,150	32,827
Current value of liabilities from financial activities is analyzed as follows:		
Up to 1 year	4,150	28,902
From 1 to 5 years	-	3,925
Current value of liabilities from financial activities	4,150	32,827

20. Employee benefit liability

Pursuant to the Greek labor law, employees are entitled to an indemnification in the event of their discharge or their retirement, the amount of which is variable depending on the wages, their years of service and the manner by which they withdraw from the company (discharge or retirement). Employees that resign or are discharged justifiably are not entitled to an indemnification. The payable indemnity in the event of retirement is equal to 40% of the indemnification which would be payable in the event of unjustifiable discharge. In Greece these programs are not funded. The Group charges its results for accumulated benefits in each period with a corresponding increase of the retirement liability. Benefits that are paid to pensioners during each period are charged against this liability. The Company's and Group's liability for personnel compensation as of 31 December 2007 and 2008 is analysed as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Balance sheet liabilities for:				
Retirement benefits	8,523,957	8,250,215	5,751,052	6,048,381
Charges to profit and loss				
Retirement benefits (note 24)	1,405,775	1,143,192	1,147,420	905,778
The amounts that have been recorded in the balance sheet are presented below:				
Present value of non-funded liabilities	9,756,269	9,864,518	6,714,504	7,599,943
Non-recorded actuarial profits/(losses)	(888,603)	(1,336,295)	(718,374)	(1,273,555)
Non-recorded cost of past service	(343,709)	(278,008)	(245,078)	(278,007)
Liability recorded in the Balance Sheet	8,523,957	8,250,215	5,751,052	6,048,381
Changes in net liability recognised in the Balance Sheet				
Net liability at the beginning of the period	8,250,215	7,915,326	6,048,381	5,914,479
Foil production branch separation (note 9)	-	-	(390,137)	-
Benefits paid	(1,132,033)	(808,303)	(1,054,612)	(771,876)
Total expenditure recognised in profit and loss (note 24)	1,405,775	1,143,192	1,147,420	905,778
Net liability at the end of the period	8,523,957	8,250,215	5,751,052	6,048,381

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Analysis of expenditures that were recognised in the profit and loss				
Cost of current employment	634,378	636,517	445,283	469,677
Interest on the liability	454,914	367,951	326,312	287,831
Cost of additional benefits	134,339	(39,678)	241,719	111,278
Cost of settlement from employee transfers	7,397	-	89,683	-
Expenses	50,569	5,046	44,423	36,992
Cost of past service during the period	124,178	173,356	-	-
Total expenditure that was recognised in the income statement (note 24)	1,405,775	1,143,192	1,147,420	905,778

The main actuarial acknowledgments that were used for accounting purposes are the following:

Discount rate	5.5%	4.8%	5.5%	4.8%
Future salary increases	4.5%	4.5%	4.5%	4.5%

21. Government grants

The appeared subsidies that have been received against investments in mechanical equipment and their modifications within the fiscal years 2007 and 2008 is as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Balance at the beginning of the period	10,776,010	10,415,519	8,863,304	9,526,781
Subsidies received	51,411	1,446,650	-	23,614
Foil production branch separation (note 9)	-	-	(1,341,227)	-
Other	-	-	9,531	-
Amortization of government grants (note 27)	(921,207)	(1,086,159)	(551,099)	(687,091)
Balance at the end of the fiscal year	9,906,214	10,776,010	6,980,509	8,863,304

22. Trade and other payables

Groups' and Companies' trade and other payables as of 31 December are analyzed as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Suppliers	57,997,178	48,923,867	18,626,584	16,777,762
Notes payable	65,919	65,919	-	-
Cheques payable	807,077	651,695	-	-
Customer down-payments	2,027,994	2,602,936	678,868	1,443,610
Liabilities to Insurance organisations	2,515,110	2,785,652	1,309,581	1,668,186
Amounts due to related parties (note 30)	15,024,161	13,615,850	9,673,594	15,275,727
Dividends payable	22,835	16,457	22,835	16,457
Sundry creditors	3,469,056	4,724,215	2,172,118	3,573,915
Accrued income	15,637	13,010	-	-
Accrued expenses	6,360,248	10,142,292	2,305,781	4,981,478
Other transitory credit accounts	402,217	834,928	204	833,194
Sundry taxes	2,113,769	523,570	511,284	617,289
Total trade and other payables	90,821,201	84,900,391	35,300,849	45,187,618

23. Provisions

The analysis of provisions for the Group and the Company noted below:

LONG-TERM LIABILITIES

CONSOLIDATED

Amounts in Euros

	Other Provisions	Total
1 January 2007	130,146	130,146
Provision charges for the period to profit and loss	435,998	435,998
31 December 2007	566,144	566,144
Re-location	(113,686)	(113,686)
Provisions used	(452,458)	(452,458)
31 December 2008	-	-

SHORT-TERM LIABILITIES

CONSOLIDATED

Amounts in Euros

	Other Provisions	Total
1 January 2007	110,710	110,710
Provision charges for the period to profit and loss	450,000	450,000
Provisions used	(110,710)	(110,710)
31 December 2007	450,000	450,000
Provision charges for the period to profit and loss	1,573,704	1,573,704
Provisions used	(336,697)	(336,697)
31 December 2008	1,687,007	1,687,007

COMPANY

Amounts in Euros

	Other Provisions	Total
1 January 2007	95,710	95,710
Provision charges for the period to profit and loss	450,000	450,000
Provisions used	(95,710)	(95,710)
31 December 2007	450,000	450,000
Provision charges for the period to profit and loss	-	-
Provisions used	-	-
31 December 2008	450,000	450,000

From Group's short-term provisions, amount of €1.4 mil. concern liability of subsidiary ETEM SA to compensate customers due to sale of deficient products.

24. Expenses per category

The Company's and Group's operating expenses for fiscal years 2007 and 2008 are allocated among Cost of sales, Distribution expenses and Administrative expenses as follows:

CONSOLIDATED *Amounts in Euros*

	Note	Cost of sales	Distribution expenses	Administrative expenses	Total
31/12/2007					
Employee benefits		56,875,644	9,395,122	8,551,204	74,821,970
Cost of inventories recognised as an expense		679,079,373	30,089	57,651	679,167,113
Depreciation-Amortization	6, 7 & 8	43,011,927	1,500,373	1,747,660	46,259,961
Insurance costs		1,673,433	1,078,066	404,012	3,155,511
Rents		1,369,430	1,049,963	535,422	2,954,815
Transportation		14,086,199	7,054,869	548,011	21,689,079
Promotional and advertisement expenses		2,023	2,931,030	15,853	2,948,906
Services of third parties		34,743,865	4,436,572	5,823,462	45,003,899
Other expenses		58,551,934	5,246,004	4,327,166	68,125,104
Total		889,393,829	32,722,088	22,010,441	944,126,358
31/12/2008					
Employee benefits		57,264,436	9,951,732	10,208,499	77,424,667
Cost of inventories recognised as an expense		654,949,061	23,887	24,832	654,997,780
Depreciation-Amortization	6, 7 & 8	41,392,087	1,828,651	1,720,139	44,940,877
Insurance costs		2,079,148	579,992	381,145	3,040,285
Rents		2,339,973	1,107,263	602,411	4,049,647
Transportation		15,548,979	6,151,846	589,541	22,290,366
Promotional and advertisement expenses		9,961	2,868,603	279,865	3,158,429
Services of third parties		20,165,497	2,790,277	6,717,002	29,672,776
Other expenses		66,266,284	9,280,719	2,147,077	77,694,080
Total		860,015,426	34,582,970	22,670,511	917,268,907

COMPANY Amounts in Euros

			Distribution	Administrative	
	Note	Cost of sales	expenses	expenses	Total
31/12/2007					
Employee benefits		29,289,059	2,808,554	3,906,183	36,003,796
Cost of inventories recognised as an expense		435,727,520	-	-	435,727,520
Depreciation-Amortization	6,7 & 8	26,555,724	487,538	487,538	27,530,800
Insurance costs		684,391	691,894	385,684	1,761,969
Rents		405,295	341,802	256,096	1,003,193
Transportation		13,456,933	1,370,850	429,814	15,257,597
Services of third parties		30,238,568	399,020	3,708,754	34,346,342
Other expenses		37,641,387	649,069	995,616	39,286,072
Total		573,998,877	6,748,727	10,169,685	590,917,289
31/12/2008					
Employee benefits		27,217,365	2,289,957	4,396,507	33,903,829
Cost of inventories recognised as an expense		406,789,435	-	-	406,789,435
Depreciation-Amortization	6,7 & 8	24,864,811	561,646	561,645	25,988,102
Insurance costs		954,287	136,709	227,817	1,318,813
Rents		953,768	299,392	187,351	1,440,511
Transportation		12,869,522	425,073	425,236	13,719,831
Services of third parties		26,967,560	411,685	4,049,135	31,428,380
Other expenses		41,061,469	515,958	1,309,674	42,887,101
Total		541,678,217	4,640,420	11,157,365	557,476,002

Employee benefits for fiscal years 2007 and 2008 are analysed as follows:

	CONSOLIDATED		COMPANY	
Amounts in Euros	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Personnel fees and expenses	61,491,887	56,587,291	25,174,410	25,597,288
Social security expenses	11,538,368	12,274,935	6,177,005	6,644,940
Retirement cost of fixed contributions schemes	320,973	365,224	-	-
Retirement cost of fixed benefits schemes (note 20)	1,405,775	1,143,192	1,147,420	905,778
Other personnel fringe benefits	2,667,664	4,451,328	1,404,994	2,855,790
Total	77,424,667	74,821,970	33,903,829	36,003,796

Other personnel fringe benefits related to distribution of earnings to personnel and to the members of BoD and consequential benefits of personnel (food, training, etc.).

The number of employees at the end of 2008 is for the Company: 748 (2007 : 842) and for the Group: 2,275 (2007 : 2,294).

25. Finance income / expenses

The Company's and Group's financial income and expenses for fiscal years 2007 and 2008 are analysed as follows:

	CONSOLIDATED		COMPANY	
Amounts in Euros	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Finance Income				
Interest income	1,441,743	945,284	200,885	361,277
Interest income from clients	4,451,388	5,437,542	4,444,468	5,530,139
Foreign exchange differences	1,932,197	1,214,882	-	-
Other	2,135	10,503	-	-
Total finance income	7,827,463	7,608,211	4,645,353	5,891,416
Finance Expenses				
Interest expense and related expenses	(22,316,887)	(15,760,987)	(8,670,657)	(7,717,246)
Finance leases	(1,067)	(1,233)	-	-
Foreign exchange differences	(3,437,519)	(1,838,818)	-	-
Other	(184)	(416,690)	-	-
Total finance expense	(25,755,657)	(18,017,728)	(8,670,657)	(7,717,246)
Finance income / (expenses) - net	(17,928,194)	(10,409,517)	(4,025,304)	(1,825,830)

26. Income tax expense

The income tax presented in the income statement is analysed as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Current tax	(2,142,262)	(5,178,857)	-	(3,944,805)
Deferred tax (note 12)	<u>17,175,569</u>	<u>(3,050,634)</u>	<u>11,200,733</u>	<u>(1,124,433)</u>
Total income tax	<u>15,033,307</u>	<u>(8,229,491)</u>	<u>11,200,733</u>	<u>(5,069,238)</u>

The reconciliation of income tax using Company's effective tax rate (25% for 2008 and 25% for 2007) is analyzed as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Profit / (loss) before taxes	(29,203,390)	30,892,000	(12,420,933)	23,951,405
Tax rate	25%	25%	25%	25%
Income tax	7,300,848	(7,723,000)	3,105,233	(5,987,851)
Decrease tax due to:				
Exempt income	-	204,853	630,107	679,849
Configuration of tax unaudited reserves	-	1,493,720	-	1,489,851
Used tax audit provision	-	452,899	-	452,899
Readjustments of tax values of property plant and equipment	1,559,553	-	493,265	-
Change in tax rate	10,562,010	-	7,165,800	-
Unused provision	-	57,268	-	-
Difference tax rate of foreign subsidiaries	1,189,451	1,196,891	-	-
Increase tax due to:				
Permanent tax difference	(936,282)	(679,540)	(193,672)	(851,318)
Losses less deferred tax	(3,590,874)	(174,531)	-	-
Tax audit results	(4,349)	(976,985)	-	(852,668)
Tax retained in abroad not deductible	(615,291)	-	-	-
Tax audit provision	(67,752)	(437,312)	-	-
Dividend tax of foreign subsidiaries	(364,007)	(1,643,754)	-	-
	<u>15,033,307</u>	<u>(8,229,491)</u>	<u>11,200,733</u>	<u>(5,069,238)</u>

Current tax liabilities <i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Income tax	<u>759,068</u>	<u>3,388,544</u>	<u>348,800</u>	<u>2,708,879</u>

During the FY 2008, an regular tax audit was performed for the Company for the accounting periods 2006-2007, which was completed in January 2009. The audit revealed accounting differences amounting in total to €1,059,481 from which an income tax expense of €338,081 arose. Because of its one-off payment, this amount was reduced by 5% and the final amount paid by the Company amounted to €321,177. The Company had already charged, in the form of a provision, the financial statements of December 31, 2007 with the amount of Euro €348,800

During the FY 2007, an regular tax audit was performed for the Company for the accounting periods 2003-2005, which was completed in July 2007. The audit revealed accounting differences amounting in total to €1,810,392 from which an income tax expense of €897,545 arose. Because of its one-off payment, this amount was reduced by 5% and the final amount paid by the Company amounted to €852,668. The Company had already charged, in the form of a provision, the financial statements of December 31, 2006 with the amount of Euro €452,899 and the difference was included in the profit and loss of 2007.

During the first 3-months period of 2008 a regular tax audit was completed in Company's subsidiaries, VIOMAL SA and ELVAL COLOUR SA. The total charge in 2008 income tax expense account due to the above fact was €239,160.

In Group level the provision for tax unaudited years amount to 188,051 and in Company level amount to €27,623

The fiscal years that the companies of the Group have not been audited by the tax authorities are set out in the following table:

<u>Entity name</u>	<u>Country of registration</u>	<u>Holding percentage</u>	<u>Method of consolidation</u>	<u>Unaudited years</u>
ELVAL SA	Greece		Parent	2008
ETEM SA	Greece	58.78%	Full Consolidation	2005-2008
SYMETAL SA	Greece	99.99%	Full Consolidation	2007-2008
VIOMAL SA SA	Greece	50.00%	Full Consolidation	2007-2008
ELVAL COLOR SA	Greece	95.94%	Full Consolidation	2007-2008
VIEXAL Ltd	Greece	73.33%	Full Consolidation	2003-2008
BRIDGNORTH ALUMINIUM Ltd	England	100.00%	Full Consolidation	2003-2008
BLYTHE Ltd	Cyprus	100.00%	Full Consolidation	-
STEELMET ROMANIA SA	Romania	51.76%	Full Consolidation	2002-2008
KANAL SA	Greece	89.70%	Full Consolidation	2007-2008
ATHENS ART CENTRE SA	Greece	100.00%	Full Consolidation	2005-2008
ELVAL SERVICE CENTER SA (KERONIA SA)	Greece	100.00%	Full Consolidation	2008
ANAMET SA	Greece	26.67%	Equity Method	2000-2008
STEELMET SA	Greece	29.56%	Equity Method	2006-2008
DIAPEM COMMERCIAL SA	Greece	33.33%	Equity Method	2003-2008
VEPEM SA	Greece	50.00%	Equity Method	2003-2008
ELKEME SA	Greece	40.00%	Equity Method	2007-2008
TEPRO METAL AG	Germany	40.39%	Equity Method	2001-2008
METAL GLOBE Doo	Serbia	40.00%	Equity Method	-
AFSEL SA	Greece	50.00%	Equity Method	2007-2008

27. Other operating income / (expense) - net

The Company's and Group's other operating income and expenses for fiscal years 2007 and 2008 are analysed as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Other income				
Subsidies of the fiscal year	103,981	238,341	103,981	-
Income from incidental activities	2,045,016	1,101,487	-	-
Amortization of government grants received (note 21)	921,207	1,086,159	551,099	687,091
Income from services	544,602	1,630,086	110,867	-
Buildings and machinery rents	936,096	1,116,843	460,083	-
Insurance indemnification	426,023	583,639	321,224	341,055
Other income	1,978,973	1,081,348	2,345,278	437,231
Total other income	6,955,898	6,837,903	3,892,532	1,465,377
Other expenses				
Development expenses	(203,958)	(192,334)	-	-
Impairments of investments and other financial assets	(158,242)	(23,058)	-	-
Impairment of property, plant and equipment	(825,771)	-	-	-
Other expenses	(2,467,613)	(2,139,360)	(235,199)	(344,081)
Total other expenses	(3,655,584)	(2,354,752)	(235,199)	(344,081)
Profit /(loss) from the sale of fixed assets	50,070	282,341	47,516	280,284
Profit / (Loss) from the sale of other financial assets	-	187,549	-	138,549
Other operating income-expenses (net)	3,350,384	4,953,041	3,704,849	1,540,129
Income from dividends	139,168	108,102	4,371,270	4,126,163
Share of profit / loss from associated companies				
Share of profit from associates	647,921	993,752	-	-
Share of Loss from associates	(603,433)	(202,301)	-	-
Total (note 10)	44,488	791,451	-	-

28. Commitments

The Group leases cars and buildings by operating leases. The future payable total leases in accordance to the operating leases are as follows:

1. Contractual commitments <i>Amounts in Euros</i>	CONSOLIDATED			
	31/12/2008	31/12/2007		
Tangible fixed assets	1,260,799	1,361,254		
Other	-	315,022		
	1,260,799	1,676,276		

2. Liabilities from operating leases <i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Up to 1 year	937,656	864,255	472,539	512,167
From 1-5 years	2,052,075	2,693,141	1,215,642	1,729,050
More than 5 years	333,697	537,887	138,946	138,946
	3,323,428	4,095,283	1,827,127	2,380,163

Expenses from operating leases included in rents (*note 24*).

29. Contingent assets / liabilities

The Group Contingencies that appear as a result of the normal flow of operations are as follows:

Contingent Liabilities <i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Letters of guarantee for securing liabilities to suppliers	3,205,647	5,282,974	408,770	3,674,806
Letters of guarantee for securing the good performance of contracts with customers	135,625	764,850	40,000	190,000
Other	45,464,628	48,536,800	45,464,628	48,536,800

Contingent Assets <i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Letters of guarantee for securing receivables from customers	405,400	587,714	-	-

No encumbrances and mortgages have been filed against fixed assets.

30. Transactions with related parties

The Company's and Group's main transactions with related companies as of 31/12/2008 and 31/12/2007 and the corresponding receivables and liabilities as of 31 December 2008 and 31 December 2007 analyzed as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Sales of goods				
Subsidiaries	-	-	106,960,879	40,088,504
Associates	22,425,998	21,257,590	17,531,317	19,545,868
Other related entities	25,436,961	31,885,438	4,739,551	21,399,092
	47,862,959	53,143,028	129,231,747	81,033,464
Sale of services				
Subsidiaries	-	-	2,213,483	286,777
Associates	310,266	258,394	283,658	171,169
Other related entities	2,074,308	651,755	149,225	358,711
	2,384,574	910,149	2,646,366	816,657
Purchase of goods				
Subsidiaries	-	-	15,708,030	19,792,968
Associates	12,662,413	15,718,678	4,342,797	5,064,015
Other related entities	31,769,180	31,066,501	786,961	1,074,269
	44,431,593	46,785,178	20,837,788	25,931,252
Purchase of services				
Subsidiaries	-	-	16,353,972	930,121
Associates	5,796,806	5,280,615	4,387,951	4,130,100
Other related entities	7,871,259	11,107,317	4,913,386	5,795,771
	13,668,065	16,387,932	25,655,309	10,855,992
Purchase of fixed assets				
Subsidiaries	-	-	-	19,555
Associates	65,096	71,774	3,865	1,330
Other related entities	7,204,213	3,420,334	2,911,091	1,887,138
	7,269,309	3,492,108	2,914,956	1,908,023
Benefits to Management				
<i>Amounts in Euros</i>	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Fees – benefits to the members of the B.o.D. and Executives	2.778.387	2,883,886	1,157,357	1,686,966
Year-end balances arise from the sale-purchase of goods, services, fixed assets, etc.				
<i>Amounts in Euros</i>	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Receivables from related entities:				
Subsidiaries	-	-	28,458,610	14,742,596
Associates	8,074,012	9,414,773	7,069,359	9,057,888
Other related entities	6,707,540	7,600,300	1,881,271	6,047,495
Total receivables from related parties	14,781,552	17,015,073	37,409,240	29,847,979
Liabilities to related entities:				
Subsidiaries	-	-	3,328,598	10,228,304
Associates	4,390,791	3,611,498	3,270,571	2,860,751
Other related entities	10,633,370	10,004,352	3,074,425	2,186,672
Total liabilities to related parties	15,024,161	13,615,850	9,673,594	15,275,727

31. Earnings / (losses) per share

Basic earnings / (losses) per share are calculated by dividing the gain (loss) that corresponds to the Company's shareholders by the weighted average number of shares during the period.

Basic earnings / (losses) per share <i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Earnings / (losses) that correspond to Company's shareholders	(8,851,773)	21,674,761	(1,220,200)	18,882,167
Weighted average number of shares	124,100,815	124,063,664	124,100,815	124,063,664
Basic earnings / (losses) per share (Euros per share)	(0.071)	0.175	(0.010)	0.152

Diluted earnings / (losses) per share <i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Earnings / (losses) that correspond to Company's shareholders	(8,851,773)	21,674,761	(1,220,200)	18,882,167
Weighted average number of shares	124,100,815	124,063,664	124,100,815	124,063,664
Adjustments for rights on shares	-	316,944	-	316,944
Total weighted average number of shares for diluted earnings / (losses) per share	124,100,815	124,380,608	124,100,815	124,380,608
Diluted earnings / (losses) per share (Euros per share)	(0.071)	0.174	(0.010)	0.152

32. Dividend per share

The Annual General Meeting of shareholders dated June 11, 2008 approved the disposal of profits for the year 2007 and the dividend distribution amounted to € 0.05 per share, total € 6,250,041. The payment of the dividend began on July 4, 2008. For fiscal year 2008, the Company will not distribute dividend due to losses.

33. Financial risk management

(a) Credit risk

The Financial assets subject to credit risk are as follows:

	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Available for sale financial assets	1,415,707	1,484,034	680,039	680,039
Customers	157,035,255	161,908,233	115,490,456	125,665,466
Cash in hand and cash equivalents	12,325,295	28,509,190	1,680,349	14,490,668
Derivatives	12,126,920	4,752,474	10,281,000	4,151,165
	182,903,177	196,653,931	128,131,844	144,987,338

(b) Liquidity risk

The analysis of financial liabilities and derivatives (buys are presented with minus and sells are presented with plus) is based on their maturity, as follows:

CONSOLIDATED	31/12/2007	<1 year	1- 2 years	2-5 years	>5	Total
31 December 2007						
Financial liabilities						
Bank debt	77,612,023	56,129,848	10,807,000	10,460,889	214,286	77,612,023
Bond loans	214,750,000	54,500,000	68,750,000	91,500,000	-	214,750,000
Financial Leasing Liabilities	32,827	28,902	3,925	-	-	32,827
Trade and other payables	84,900,391	84,793,281		107,110		84,900,391
	377,295,241	195,452,031	79,560,925	102,067,999	214,286	377,295,241

Derivatives (Analysis per category)	31/12/2007	<1 year	1- 2 years	2-5 years	>5	Total
Nominal value of interest rate swaps (in €)	53,349,247	47,549,247	5,800,000	-	-	53,349,247
Nominal value of foreign exchange forward contracts (in USD)	175,310,765	121,271,170	54,039,596	-	-	175,310,766
Nominal value of foreign exchange forward contracts (in GBP)	14,349,950	9,821,678	4,528,272	-	-	14,349,950
Nominal Value of Aluminium Derivatives	64,143,903	60,895,737	2,216,690	1,031,475	-	64,143,902
	307,153,865	239,537,832	66,584,558	1,031,475	-	307,153,865

COMPANY	31/12/2007	<1 year	1- 2 years	2-5 years	>5	Total
31 December 2007						
Financial liabilities						
Bank debt	2,080,533	1,658,474	422,059	-	-	2,080,533
Bond loans	136,000,000	38,250,000	45,000,000	52,750,000	-	136,000,000
Trade and other payables	45,187,618	45,187,618	-	-	-	45,187,618
	183,268,151	85,096,092	45,422,059	52,750,000	-	183,268,151

Derivatives (Analysis per category)	31/12/2007	<1 year	1- 2 years	2-5 years	>5	Total
Nominal value of interest rate swaps (in €)	20,000,000	15,000,000	5,000,000	-	-	20,000,000
Nominal value of foreign exchange forward contracts (in USD)	84,610,050	82,614,719	1,995,331	-	-	84,610,050
Nominal value of foreign exchange forward contracts (in GBP)	14,349,950	9,821,678	4,528,272	-	-	14,349,950
Nominal Value of Aluminium Derivatives	48,114,615	46,500,525	1,614,090	-	-	48,114,615
	167,074,615	153,936,922	13,137,693	-	-	167,074,615

CONSOLIDATED	31/12/2008	<1 year	1- 2 years	2-5 years	>5	Total
31 December 2008						
Financial liabilities						
Bank debt	80,698,127	60,225,261	11,473,859	7,406,105	1,592,902	80,698,127
Bond loans	210,463,660	68,963,660	83,500,000	58,000,000	-	210,463,660
Financial Leasing Liabilities	4,150	4,150	-	-	-	4,150
Trade and other payables	90,821,201	90,821,201	-	-	-	90,821,201
	381,987,138	220,014,272	94,973,859	65,406,105	1,592,902	381,987,138

Derivatives (Analysis per category)	31/12/2008	<1 year	1- 2 years	2-5 years	>5	Total
Nominal value of interest rate swaps (in €)	29,595,437	17,095,452	12,499,985	-	-	29,595,437
Nominal value of foreign exchange forward contracts (in USD)	67,678,950	65,209,403	2,778,453	(308,906)	-	67,678,950
Nominal value of foreign exchange forward contracts (in GBP)	20,240,516	19,507,080	733,436	-	-	20,240,516
Nominal Value of Aluminium Derivatives	(110,628,399)	(101,709,416)	(9,349,183)	430,200	-	(110,628,399)
	6,886,504	102,519	6,662,691	121,294	-	6,886,504

COMPANY	31/12/2008	<1 year	1- 2 years	2-5 years	>5	Total
31 December 2008						
Financial liabilities						
Bank debt	7,458,155	1,408,808	3,457,347	2,592,000	-	7,458,155
Bond loans	120,463,660	42,713,660	56,000,000	21,750,000	-	120,463,660
Trade and other payables	35,300,849	35,300,849	-	-	-	35,300,849
	163,222,664	79,423,317	59,457,347	24,342,000	-	163,222,664

Derivatives (Analysis per category)	31/12/2008	<1 year	1- 2 years	2-5 years	>5	Total
Nominal value of interest rate swaps (in €)	10,000,000	10,000,000	-	-	-	10,000,000
Nominal value of foreign exchange forward contracts (in USD)	18,516,651	19,061,279	(235,722)	(308,906)	-	18,516,651
Nominal value of foreign exchange forward contracts (in GBP)	4,545,235	4,545,235	-	-	-	4,545,235
Nominal Value of Aluminium Derivatives	(59,315,378)	(49,364,920)	(9,950,458)	-	-	(59,315,378)
	(26,253,492)	(15,758,406)	(10,186,180)	(308,906)	-	(26,253,492)

(c) Foreign exchange risk

The risk from changes in foreign exchange fluctuations is as follows:

31 December 2007

CONSOLIDATED (Amounts in Euros)	EURO	USD	GBP	LEVA	RON	OTHER	TOTAL
Trade and other receivables	179,261,911	30,407,837	4,092,752	10,607,898	-	6,543,507	230,913,905
Loans	(285,044,017)	-	(6,596,241)	-	-	(701,235)	(292,341,493)
Trade and other creditors	(49,078,174)	(11,111,621)	(6,140,370)	(3,003,014)	-	(9,580,421)	(78,913,600)
Cash and cash equivalents	14,109,042	6,959,736	1,567,513	310,684	-	503,384	23,450,359
	(140,751,238)	26,255,953	(7,076,346)	7,915,567	-	(3,234,765)	(116,890,829)
Derivatives for hedging of the above Risks (Nominal Value)	(28,135,103)	47,986,189	76,350,765	-	-	-	96,201,851
Total Risk	(168,886,341)	74,242,142	69,274,419	7,915,567	-	(3,234,765)	(20,688,978)

COMPANY (Amounts in Euros)	EURO	USD	GBP	LEVA	RON	OTHER	TOTAL
Trade and other receivables	127,331,450	21,676,534	3,702,577	-	-	-	152,710,561
Loans	(138,080,533)	-	-	-	-	-	(138,080,533)
Trade and other creditors	(42,709,662)	(1,071,630)	(1,256,767)	-	-	-	(45,038,059)
Cash and cash equivalents	7,208,212	3,831,803	1,216,535	-	-	16,118	12,272,668
	(46,250,533)	24,436,707	3,662,345	-	-	16,118	(18,135,363)
Derivatives for hedging of the above Risks (Nominal Value)	(8,985,833)	47,986,189	(14,349,951)	-	-	-	24,650,405
Total Risk	(55,236,366)	72,422,896	(10,687,606)	-	-	16,118	6,515,042

31 December 2008

CONSOLIDATED (Amounts in Euros)	EURO	USD	GBP	LEVA	RON	OTHER	TOTAL
Trade and other receivables	154,278,253	40,134,227	12,056,032	12,374,352	6,475,799	3,785,105	229,103,768
Loans	(283,261,610)	(827,407)	(6,565,515)	-	(507,256)	-	(291,161,788)
Trade and other creditors	(63,315,532)	(7,147,262)	(7,033,349)	(3,912,542)	(9,159,872)	(252,644)	(90,821,201)
Cash and cash equivalents	7,524,400	691,486	2,802,506	349,250	643,220	314,433	12,325,295
	(184,774,489)	32,851,044	1,259,674	8,811,060	(2,548,109)	3,846,894	(140,553,926)
Derivatives for hedging of the above Risks (Nominal Value)	(28,096,638)	(20,251,477)	(26,153,072)	-	-	-	(74,501,187)
Total Risk	(212,871,127)	12,599,567	(24,893,398)	8,811,060	(2,548,109)	3,846,894	(215,055,113)

COMPANY (Amounts in Euros)	EURO	USD	GBP	LEVA	RON	OTHER	TOTAL
Trade and other receivables	101,986,469	27,610,047	3,270,969	-	-	768,598	133,636,083
Loans	(127,760,641)	(157,339)	(3,835)	-	-	-	(127,921,815)
Trade and other creditors	(33,375,616)	(1,520,967)	(260,957)	-	-	(143,309)	(35,300,849)
Cash and cash equivalents	1,455,027	198,902	26,420	-	-	-	1,680,349
	(57,694,761)	26,130,643	3,032,597	-	-	625,289	(27,906,232)
Derivatives for hedging of the above Risks (Nominal Value)	-	(18,516,651)	(4,545,235)	-	-	-	(23,061,886)
Total Risk	(57,694,761)	7,613,992	(1,512,638)	-	-	625,289	(50,968,118)

Sensitivity analysis:

If the foreign currency increased by 10% against the euro, the effect would be:

CONSOLIDATED <i>(Amounts in Euros)</i>	Profit and loss		Equity	
	2008	2007	2008	2007
USD	3,650,116	2,917,328	(2,250,164)	5,331,799
GBP	139,964	(786,261)	(2,905,897)	8,483,418
LEVA	979,007	879,507	-	-
RON	(283,123)	(359,418)	-	-
COMPANY	2008	2007	2008	2007
USD	2,903,405	2,715,190	(2,057,406)	5,331,799
GBP	336,955	406,927	(505,026)	(1,594,439)
RON	-	1,791	-	-

If the foreign currency decreased by 10% against the euro, the effect would be:

CONSOLIDATED <i>(Amounts in Euros)</i>	Profit and loss		Equity	
	2008	2007	2008	2007
USD	(2,986,459)	(2,386,905)	1,841,043	(4,362,381)
GBP	(114,516)	643,304	2,377,552	(6,940,979)
LEVA	(801,006)	(719,597)	-	-
RON	231,646	294,070	-	-
COMPANY	2008	2007	2008	2007
USD	(2,375,513)	(2,221,519)	1,683,332	(4,362,381)
GBP	(275,691)	(332,940)	413,203	1,304,541
RON	-	(1,465)	-	-

(d) Interest rate risk

The risk from interest rate fluctuations is as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Fixed interest rates				
Financial liability items	35,054,392	53,349,247	12,000,000	20,000,000
	35,054,392	53,349,247	12,000,000	20,000,000
Floating interest rates				
Financial liability items	285,774,465	292,362,023	125,921,815	138,080,533
	285,774,465	292,362,023	125,921,815	138,080,533

If interest rates increased / decreased by 0.25% the effect on profit and loss and Equity would be as follows:

CONSOLIDATED	Profit and loss		Equity	
	2008	2007	2008	2007
Floating interest rate	+/-798,997	-/+628,385	-	-
Interest rate swaps	-	-	+/-48,606	+/-197,774
COMPANY	2008	2007	2008	2007
Floating interest rate	+/-302,590	-/+190,532	-	-
Interest rate swaps	-	-	+/-9,007	+/-140,869

(e) Capital Management

The Group monitors and examines its capital adequacy overall based on the ratio net debt to EBITDA (earnings before interest, taxes, depreciation & amortization). The ratio was as follows:

	CONSOLIDATED		COMAPNY	
<i>Amounts in €</i>	2008	2007	2008	2007
Total Debt	291,161,788	292,362,023	127,921,815	138,080,533
Less: Cash and cash equivalents	(12,325,295)	(28,509,190)	(1,680,349)	(14,490,668)
Net debt	278,836,493	263,852,833	126,241,466	123,589,865
EBITDA	32,560,818	85,575,766	12,670,104	48,494,781
Net debt / EBITDA	8.56	3.08	9.96	2.55

34. Additional information

-In February 2008, Western Attica Prefecture approved the separation of aluminium foil production branch to SYMETAL SA, a 99.99% subsidiary of the parent Company. The fair values of assets and liabilities separated to SYMETAL SA, at the date of separation, are analyzed in note 9.

-On October 29, 2008 the Company, Furukawa – Sky Aluminum Corp. and Company's wholly owned subsidiary in the U.K., Bridgnorth Aluminium Ltd have signed a Memorandum of Understanding, according to which Furukawa – Sky Aluminum Corp, will acquire the 25% of the share capital of Bridgnorth Aluminium Ltd through capital increase of the latter for 14 million £ in cash. The capital increase will be used for the expansion of the company's production capacity. The Memorandum of Understanding also includes the signing of a Technology Transfer Agreement from Furukawa – Sky Aluminum Corp, for the continuous development and quality superiority of the products as well as the production efficiency of Bridgnorth Aluminium Ltd.

35. Subsequent events

-On February 26, 2009 ETEM announced that its Board of Directors decided to separate its ETALBOND production branch to ETALBOND SA, a 100% subsidiary of ETEM SA. The separation of ETALBOND production branch will be conduct in accordance with the Law No. 2166/93. The separation decision date will be the February 28, 2009.

-On March 24, 2009 and in continuation of the Memorandum of Understanding which was announced on October 29, 2008, ELVAL S.A., Furukawa-Sky Aluminum Corp. and Bridgnorth Aluminium Ltd, a wholly owned subsidiary of ELVAL S.A. in the United Kingdom, have completed the shareholders' agreement.

In accordance with the shareholders' agreement and after obtaining necessary approvals from the relevant Competition authorities, Furukawa-Sky Aluminum Corp. based in Tokyo, holds 25% of the shares of Bridgnorth Aluminium Ltd by means of a capital increase of the latter. The remaining shares continue to be held by Elval S.A. based in Athens. This is the first overseas equity investment in a rolling mill to be made by Furukawa-Sky Aluminum.

In addition to the equity participation, the parties have agreed a Technology Agreement, under which Bridgnorth Aluminium Ltd will receive continuous technology support from Furukawa-Sky both in terms of development and quality superiority of the products as well as production efficiency.

The objectives of the agreements are to further improve the quality of the company's products and to strengthen the company's position in the global market, with emphasis on lithographic strip.

Bridgnorth Aluminium Ltd is an aluminium rolling mill based in Bridgnorth, Shropshire, UK. The company is focused on the production of lithographic strip and is currently #3 in the World in terms of market share by volume

36. Reclassifications of amounts

In Consolidated Cash Flow Statement for the period 1/1-31/12/2007, "Results from investing activities" have been increased with the amount of €1,086.1 thousand, with equal decrease of the "Amortization of government grants". In Company's Cash Flow Statement for the period 1/1/-31/12/2007, "Results from investing activities" have been increased with the amount of €687.0 thousand, with equal decrease of the "Amortization of government grants". The above reclassifications have been made for presentation purposes.

Figures and information



Summarised financial data and information for the fiscal year from January 1 to December 31, 2008 (According to article 135 of Law 2190 for companies publishing annual statements in accordance with IAS/IFRS)

The figures illustrated below, derived from Company's and Group's Financial Statements, aim to give summary information about the financial position and results of ELVAL S.A./HELLENIC ALUMINIUM INDUSTRY S.A. and the Group ELVAL S.A. Any reader who aims to invest or make any transaction with the Company, should visit the Company's web site (www.elval.gr), where he/she should have access to the Company's and Group's Financial Statements, as provided by the International Financial Reporting Standards, as well as to the audit report of the independent auditor - accountant.

S.A. Reg. No : 3954/06/B/8613

Registered Office address: 2-4 Messogion Av. Athens Tower

Supervising Authority: Ministry of Development (Department for limited companies)

Web address for the Company: www.elval.gr

Board of Directors: Miltiades Lidorakis (Chairman and non executive member), Dimitrios Kyriakopoulos (Vice Chairman and executive member), John Panagiotopoulos (executive member), Konstantinos Katsaros (executive member), Nicholas Koudounis (executive member), Andreas Kyriazis (independent, non executive member), Konstantinos Bakouris (non executive member), Avraam Megri (non executive member), Konstantinos Kouklets (non executive member), Reinhold Wagner (non executive member), Gerard Decoster (independent, non executive member).

Date of approval of the financial statements (from which the summarised figures are derived): March 27, 2009

Certified Auditor: GEORGE ANASTOPOULOS (REG No SOEL 15451)

Audit Firm: ERNST YOUNG (HELLAS) CERTIFIED AUDITORS-ACCOUNTANTS S.A.

Review type: Unqualified opinion

BALANCE SHEET (amounts in Euro)					INCOME STATEMENT FOR THE PERIOD (amounts in Euro)				
ASSETS	GROUP		COMPANY		Total turnover	GROUP		COMPANY	
	31 DEC. 2008	31 DEC. 2007	31 DEC. 2008	31 DEC. 2007		1 Jan-31 Dec. 2008	1 Jan-31 Dec. 2007	1 Jan-31 Dec. 2008	1 Jan-31 Dec. 2007
Property, plant and equipment for own use	512.272.583	486.317.547	289.402.277	312.321.683	Gross profit / (loss)	902.459.671	979.575.281	541.004.254	611.028.232
Investment property	4.980.565	5.214.638	-	-	Profit / (loss) before taxes from financing and investing	42.444.245	90.181.452	(673.963)	37.029.355
Intangible assets	2.393.495	808.237	1.263.787	481.605	Profit / (loss) before taxes	(11.458.852)	40.401.964	(12.766.899)	21.651.072
Other non current assets	23.585.972	16.259.762	146.058.946	89.706.627	Less: taxes	(29.203.390)	30.892.000	(12.420.933)	23.951.405
Inventories	220.857.566	267.871.505	110.419.242	158.053.821	Total profit / (loss) after taxes	(14.170.083)	22.662.509	(1.220.200)	18.882.167
Trade receivables	198.043.233	204.776.730	119.225.098	131.980.175	Attributed to:				
Other current assets	55.124.654	61.854.632	26.249.693	40.015.575	Company's shareholders	(8.851.773)	21.674.761	(1.220.200)	18.882.167
Total assets	1.017.058.068	1.043.103.051	692.619.043	733.159.486	Minority shareholders	(5.318.310)	987.748	-	-
TOTAL EQUITY AND LIABILITIES						(14.170.083)	22.662.509	(1.220.200)	18.882.167
Share capital	37.230.245	37.230.245	37.230.245	37.230.245	Profit / (loss) per share after taxes - basic (in Euro).....	(0,0713)	0,1747	(0,0098)	0,1522
Other shareholders' equity	430.935.914	484.179.786	428.654.815	444.531.172	Proposed dividend per share (in Euro).....	0,0000	0,0500	0,0000	0,0500
Total shareholders' equity (a)	468.166.159	521.410.031	466.885.060	481.761.417	Profit / (loss) before interest, taxes, depreciation and amortization	32.560.818	85.575.766	12.670.104	48.494.782
Minority interest (b)	39.478.549	45.927.009	-	-	Depreciation expense	44.940.877	46.259.961	25.988.102	27.530.800
Total equity (c) = (a) + (b)	507.644.708	567.337.040	466.885.060	481.761.417					
Long term loans and borrowings	161.972.868	181.736.100	83.799.347	98.172.059					
Provisions / Other long term liabilities	62.481.176	82.550.680	40.403.227	59.204.314					
Short term loans and borrowings	129.193.072	110.658.750	44.122.468	39.908.474					
Other short term liabilities	155.766.246	100.820.481	58.408.941	54.113.222					
Total liabilities (d)	509.413.360	475.766.011	226.733.963	251.398.069					
TOTAL EQUITY AND LIABILITIES (e) = (c) + (d)	1.017.058.068	1.043.103.051	692.619.043	733.159.486					
STATEMENT OF CHANGES IN EQUITY (Amounts in Euro)					Additional data and information:				
	GROUP		COMPANY						
	31 DEC. 2008	31 DEC. 2007	31 DEC. 2008	31 DEC. 2007					
Equity at the beginning of the period (01/01/08 and 01/01/07 respectively).....	567.337.040	567.124.454	481.761.417	474.068.230	1. The inventories have been impaired with the amount of €20.3 mill. in Group level and with the amount of €12.8 mill in Company level due to the rough decrease of LME aluminum exchange prices in the last quarter of year 2008. The above amounts have been recorded as loss in Group's and Company's profit and loss account as of December 31, 2008 (see respective disclosure in note 13 of the annual financial statements).				
Profit / (loss) for the period after taxes	(14.170.083)	22.662.509	(1.220.200)	18.882.167	2. Companies that are included in the Group's Financial statements of the fiscal year 2008 are presented in note 26 of the annual financial statements including locations, percentage Group ownership and consolidation method.				
Issue of share capital	-	268.400	-	118.400	3. During the fiscal year 2008, the Company increased its participation to the subsidiary company ETAM SA, by acquiring an additional 0.10 percent interest. Furthermore, the Company obtained control of KERONIA SA by acquiring 100 percent interest. See relative disclosure in note 9 of the annual financial statements.				
Dividends	(6.930.609)	(6.041.738)	(6.205.041)	(4.962.432)	4. The separation of foil production branch to Company's 99.999% subsidiary SYMETAL, was concluded on February 1, 2008. Group figures have not been affected but certain Company balance sheet figures have been changed in comparison with 2007. The assets and liabilities that have moved to SYMETAL are presented in note 9 of the annual financial statements				
Change in investments in subsidiaries	(27.019)	(28.166)	-	-	5. During 2008, no changes have been made to consolidation process in relation to prior fiscal year and Group's Financial Statements consist of all companies that have been included in 31.12.2007 Group's Financial Statements.				
Foreign currency translation differences	(5.944.160)	(3.128.859)	-	-	6. The fiscal years that are unaudited by the tax authorities for the Company and the Group's subsidiaries are presented in note 26 of the annual financial statements.				
Net income recognised directly in equity	(32.620.461)	(13.519.560)	(8.451.116)	(6.344.948)	7. The Company's financial statements are included in the consolidated financial statements prepared by:				
Equity at the end of the period (31/12/08 and 31/12/07 respectively).....	507.644.708	567.337.040	466.885.060	481.761.417					
CASH FLOW STATEMENT (Amounts in Euro) - indirect method									
	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 for the period (continuing activities).....	(29.203.390)	30.892.000	(12.420.933)	23.951.405					
Plus / less adjustments for:									
Depreciation	44.940.877	46.259.961	25.988.102	27.530.800					
Amortization of subsidies	(921.207)	(1.086.159)	(551.099)	(687.091)					
Impairments of property, plant and equipment and intangible assets	825.771	-	-	-					
Impairments of inventories	20.106.113	200.082	12.560.797	200.000					
Provisions	3.544.159	1.864.345	449.909	705.968					
Income less expenses which are not considered as cash flows	349.470	(3.861.676)	1.371.600	(3.861.676)					
Results (income, expenses, profit, loss) from investing activity.....	(5.958.756)	(7.752.187)	(9.024.670)	(10.436.412)					
Interest expense and related expenses	22.316.887	15.760.987	8.670.657	7.717.246					
Plus / less adjustments for changes in working capital accounts or related to operating activities									
Decrease / (increase) of inventories	20.522.888	(9.124.296)	23.637.626	15.192.646					
Decrease / (increase) of receivables	(1.094.667)	(24.452.059)	(5.309.960)	(17.685.208)					
Decrease / (increase) of liabilities (except liabilities from bank loans)	11.353.386	(2.406.728)	(5.294.074)	(7.634.356)					
Less:									
Interest payable and related expenses paid	(23.306.150)	(14.976.871)	(9.137.362)	(7.743.769)					
Taxes paid	(4.464.739)	(4.570.634)	(2.354.252)	(894.208)					
Total net cash (used in) generated from operating activities (a).....	58.990.642	26.746.765	28.586.341	26.355.347					
Investing activities									
(Acquisition) / Sales of subsidiaries, associates and other investments	(8.112.934)	(200.500)	(7.993.019)	(735.877)					
Purchases of property, plant and equipment and intangible assets	(73.879.290)	(48.101.046)	(26.983.406)	(24.602.149)					
Proceeds from sale of property, plant and equipment and intangible assets	979.886	541.407	477.058	464.396					
Interest received	5.893.130	6.382.626	4.645.353	5.891.416					
Cash separation to SYMETAL	-	-	(8.556.537)	-					
Dividends received	667.551	519.660	4.371.270	4.126.180					
Total net cash (used in) generated from investing activities (b).....	(74.451.657)	(40.857.653)	(35.039.281)	(14.856.034)					
Financing activities									
Proceeds from capital increase	-	118.400	-	118.400					
Proceeds from capital increase (minority portion)	-	150.000	-	-					
Proceeds from issued / assumed loans	68.729.270	89.354.818	36.048.000	35.000.000					
Payment of loans	(61.691.821)	(69.171.505)	(36.206.717)	(38.153.131)					
Payment of finance lease liabilities	(28.676)	(80.967)	-	-					
Proceeds from subsidies	51.411	1.446.650	-	23.614					
Dividends paid	(6.924.230)	(6.052.260)	(6.198.662)	(4.958.056)					
Total net cash (used in) generated from financing activities (c).....	135.954	15.754.936	(6.357.379)	(7.969.173)					
Net increase / (decrease) in cash and cash equivalents for the period (a) + (b) + (c)	(15.325.061)	1.644.048	(12.810.319)	3.530.140					
Cash and cash equivalents at the beginning of the period	28.509.190	27.485.119	14.490.668	10.960.528					
Foreign currency translations differences in cash equivalents at the beginning of the period	(858.834)	(619.977)	-	-					
Cash and cash equivalents at the end of the period	12.325.295	28.509.190	1.680.349	14.490.668					

THE CHAIRMAN OF THE B.O.D.
MILTADIS LIDORAKIS
Id.C.No. N 032204

A MEMBER OF THE B.O.D
NIKOLAOS KOUDOUNIS
Id.C.No. AE 012572

Athens, March 30, 2009

THE GENERAL MANAGER
LAMBROS VAROUCHAS
Id.C.No. AB 535203

THE FINANCIAL MANAGER
NICOLAOS PSIRAKIS
AT T 015643
Reg. No. 9239 CLASS A'