



Annual Financial Report

For the Period from 1st of January to 31st of December 2008

In accordance with Law 3556/2007

**SIDENOR STEEL PRODUCTS
MANUFACTURING COMPANY S.A.**

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

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A. Board of Directors' Statements**(According to article 4, par 2, of Law no. 3556/2007)**

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

1. George Kalfarentzos, son of Christos, Chairman of the Board of Directors,
2. Sarantos Milios, son of Konstantinos, Managing Director and BoD member,
3. George Passas, son of Nikolaos, BoD member as per decision of the Company's Board of Directors, dated 29-03-09

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

(a) These corporate and consolidated financial statements of SIDENOR SA., for the fiscal year 01.01.2008-31.12.2008, which have been compiled according to I.A.S. 1, depict the actual details and figures of the assets and liabilities, the net assets and the profit and loss of SIDENOR S.A., as well as the companies included in the consolidation in total, as defined in paragraph 2 of article 4 of Law no. 3556/2007, and

(b) the Board of Directors' Report of SIDENOR S.A. for the fiscal year 01.01.2008 – 31.12.2008 depicts the actual details of the evolution, performance and position of SIDENOR S.A., as well as the companies included in the Group consolidation in total, including the description of the main risks and uncertainties these are confronted with, as defined in par. 2 of article 4 of Law no. 3556/2007.

Athens, 29 March 2009

The certifying persons,

The BoD Chairman

**The Managing Director
& BoD Member**

**The Member
designated by the BoD**

Kalfarentzos George
ID no. F 147183

Milios
Sarantos
ID no. P 998326

Passas
George
ID no. F 020251

B. Board of Directors' Annual Report

The Annual Report of the Board of Directors which follows (hereby referred to as «Report»), concerns the financial year 2008 (01.01.2008 - 31.12.2008). The Report has been prepared in accordance and in line with the respective provisions of Law no. 3556/2007 (Government Gazette Issue 91A/30.4.2007) and the executive decisions issued thereunder by the Capital Market Commission and, in particular, Decision no. 7/448/11.10.2007 of the BoD of the Capital Market Commission.

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

Company	Participation	Consolidation Method	Anaudited Years
2008			
SIDENOR	-	-	2007 - 2008
SOVEL S. A.	62,56%	Full Consolidation	2006 - 2008
DEPAL S.A.	100,00%	Full Consolidation	2007 - 2008
STOMANA INDUSTRY S.A.	100,00%	Full Consolidation	2005 - 2008
ERLIKON S.A.	98,92%	Full Consolidation	2006 - 2008
AEIFOROS S.A.	90,00%	Full Consolidation	2007 - 2008
ETAL S.A.	93,73%	Full Consolidation	2007 - 2008
PROSAL S.A.	70,00%	Full Consolidation	2007 - 2008
PROSAL TUBES SA	70,00%	Full Consolidation	2007 - 2008
TEPRO STEEL EAD	100,00%	Full Consolidation	2002 - 2008
DOJLAN STEEL LLCOP	75,00%	Full Consolidation	2008
ELMONTE HOLDINGS LIMITED	100,00%	Full Consolidation	2008
BOZETTI LTD	100,00%	Full Consolidation	2008
VEMET SA	100,00%	Full Consolidation	2003 - 2008
ETIL SA	69,99%	Full Consolidation	2004 - 2008
PRAKSYS SA	51,00%	Full Consolidation	2007 - 2008
DIA.VI.PE.THIV. SA	68,76%	Full Consolidation	2002 - 2008
AEIFOROS BULGARIA SA	90,00%	Full Consolidation	2007 - 2008
VET SA	61,62%	Full Consolidation	2007 - 2008
VEAT SA	40,66%	Full Consolidation	2003 - 2008
SIGMA SA	69,28%	Full Consolidation	2003 - 2008
ARGOS SA	69,28%	Full Consolidation	2005 - 2008
SIDERAL SHPK (ANAMET AL SHPK)	100,00%	Full Consolidation	2006 - 2008
SIDEROM STEEL SLR	100,00%	Full Consolidation	2007 - 2008
PORT VIDIN SOUTH SA	90,00%	Full Consolidation	2008
CORINTH PIPEWORKS SA	78,55%	Full Consolidation	2007 - 2008
SIDMA S.A.	24,18%	Equity	2006 - 2008
DIAPEM S.A.	33,35%	Equity	2003 - 2008
BEPEM S.A.	50,00%	Equity	2003 - 2008
METALLOURGIA ATTIKIS S.A.	50,00%	Equity	2002 - 2008
ELKEME S.A.	20,00%	Equity	2007 - 2008
DOMOPLEX LTD	45,00%	Equity	2007 - 2008
ZAO TMK - CPW	38,49%	Equity	2007 - 2008
BIODIESEL S.A.	15,64%	Equity	2006 - 2008

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

A. Important events in the financial year 2008

The most important events that took place during the financial year 2008 are the following:

Operation of New Long Products Rolling Mill from subsidiary STOMANA Industry Inaugurated

During the period of first quarter of 2008, the operation of New Long Products Rolling Mill of STOMANA Industry S.A., a subsidiary of SIDENOR Group, was inaugurated in Pernik Bulgaria. His Excellency the President of the Republic of Bulgaria, Mr. Georgi Parvanov, inaugurated the new unit in the beginning of June of the same year.

This investment of Euro 80 m. is part of the significant investment program totally amounting to Euro 130 m. implemented at STOMANA INDUSTRY since 2001, when the company was incorporated into SIDENOR Group. The new unit has increased the company's production capacity of long products to 1,000,000 tons per year. The unit covers a total surface of 25,000m² including production facilities, administrative buildings and warehouses. The company also produces flat products with a production capacity of 400,000 tons per year. The total annual production capacity of the company amounts to 1,400,000 tons of finished products.

Participation

On 13/02/2008, SIDENOR STEEL PRODUCTS SA acquired additional shares of STOMANA INDUSTRY SA, and thus the Group owns 100% of the company's total share capital.

During the current period, parent company SIDENOR S.A bought from its subsidiary, ELMONTE HOLDINGS limited. the 1.97% of its subsidiary CORINTH PIPEWORKS S.A.

On 31/01/2008 the company PORT VIDIN NORTH SA was established in Vidin, Bulgaria. 90% of its share capital belongs to STOMANA INDUSTRY SA. The operating activity of the new company is to provide port services.

On August 4th 2008, the parent company, SIDENOR S.A. acquired the remaining 9.08% of the share capital of DEPAL S.A. As a consequence thereof, SIDENOR S.A's participation in its subsidiaries, ETIL S.A., ARGOS S.A. and SIGMA S.A. increased by 6%.

In January 2008, participation in the affiliated SIDMA S.A. increased by 0.03%.

On 31/12/2008, BIODIESEL S.A., in which SIDENOR S.A. participates by 15.64% (through its investment in SOVEL S.A.) was consolidated for the first time under the net equity method.

Cooperation of SIDENOR S.A. with NUCOR Corporation.

SIDENOR S.A. announced that discussions between SIDENOR and NUCOR concerning the possible formation of a joint venture between the companies continue in a cooperative and friendly nature. However, the current turmoil in the world financial markets has delayed the completion of this effort. Both SIDENOR and NUCOR expect to conclude their discussions when the future outlook becomes clearer.

Replacement of a Member of the Board of Directors

On April 9, 2008, the Board of Directors of the Company convened in order to elect a new member of the Board in replacement of the deceased Vice-chairman of the Board Mr. GRIGORIOS KONSTANTAKOPOULOS. The Board of Directors elected Mr. GEORGE PASSAS, economist, as the new member of the Board. The election of Mr. George Passas as a temporary Director was ratified by the first Annual General Meeting of the Company's Shareholders that took place after his election, on 10.06.2008.

Decisions of the Annual General Meeting and the Repeat Annual General Meeting

During the Annual General Meeting and the Repeat Annual General Meeting of the Company's Shareholders that took place in Athens, on June 10th, 2008 at 12.30 pm and on June 26th, 2008 at 11.30 am respectively, the following was decided:

(a) Approval of the annual financial statements of the financial year 2007 and the relevant Board of Directors Report and the Chartered Accountant/Auditor's Report.

(b) Release of the BoD members and the Chartered Accountant-Auditor from any compensation liabilities for the financial year 2007.

(c) Distribution of the profits for the year 2007.

(d) The beneficiaries of the dividend (Euro 0.25 per share) would be the shareholders of the Company after the closing of the ATHEXATHEX on 25/06/2008. From 26/06/2008, the Company's shares will ex-dividend. The payment of the dividend will be made through the network of ALPHA BANK branches, starting on July 3, 2008 until the end of the year.

(e) Election as auditors for the financial year 1/1-31/12/2008 of the audit firm "PriceWaterHouseCoopers" with their remuneration to be fixed following their pertinent offer.

(f) Ratification of the election dated 09.04.2008 of Mr. George Passas as a temporary BoD member of the Company in replacement of the deceased Mr. Grigorios Konstantakopoulos.

(g) Approval as members of the new Board of Directors for one year (this period of the members of the Board of Directors will begin on the day following the election and will end on the day that the 2009 Annual General Meeting is convened), of the following parties.

1. GEORGE KALFARENTZOS, BOD CHAIRMAN, EXECUTIVE MEMBER
2. NIKOLAOS KOUDOUNIS, BOD VICE-CHAIRMAN, EXECUTIVE MEMBER
3. EFSTATHIOS STRIMBER, NON-EXECUTIVE AND INDEPENDENT MEMBER
4. GEORGE PASSAS, EXECUTIVE MEMBER
5. IOANNIS IKONOMOU, NON-EXECUTIVE MEMBER
6. ATHANASSIOS MITROPOULOS, NON-EXECUTIVE MEMBER
7. SARANTOS MILIOS, EXECUTIVE MEMBER
8. DIMITRIOS PARASKEVOPOULOS, NON-EXECUTIVE MEMBER
9. ANDREAS KYRIAZIS, NON-EXECUTIVE AND INDEPENDENT MEMBER

(h) Approval of the remuneration to the BoD members in accordance with article 24(2) of C.L. 2190/1920.

(i) Conversion of the total Company shares to registered one and relevant amendment to article 7 of the Company Articles in order to facilitate the monitoring of the Company Shareholders' rights through the market.

(j) Issue of common Bond loans, based on Law no. 3156/2003, of a total of EUR 60 million, which will be covered completely by banks and will be used, partly to replace existing short-term credit with long-term one and partly to finance investment company projects, as well as to participate in the increase of the capital shares of subsidiaries.

Conversion of all SIDENOR S.A. shares to registered ones.

Following the Annual General Meeting of the Shareholders of SIDENOR S.A. dated 10/6/2008 and the subsequent amendment to article 7 of its Articles regarding conversion of the total Company shares (96,129,491) into registered ones, the Ministry of Development, by its decision no. K2-8355/30/6/2008 approved the amendment to the relevant article. Following that, ATHEX's BoD, in its meeting dated 10/7/2008, approved the trading of the new converted shares.

Inventories' valuation

By application of the provisions of IAS 2, according to which inventories are valued at the lower of the acquisition cost and the net realizable value, a depreciation of EUR (60,296) thousand for the Group and EUR (31,128) thousand for the parent company took place. The above amounts burdened the results of the period.

B Significant transactions with related parties

The transactions of the related parties concern primarily the trade and manufacturing of steel products (finished and semi finished). Through these transactions the companies are able to achieve economies of scale by taking advantage of the group's size. Group's commercial transactions with its related parties (persons or entities) during 2008 have been performed under market terms and in the context of the usual business activity. An exception to the above is the amount of EUR 5,816,652 (2,213,629 for the company) that is included in the receivables from DIAVIPETHIV and regards concession of land of 337,742 s.m. (145,471 for the company) total surface, in the context of the Regulatory Plan Implementation Act for the Industrial Region of Thisvi-Viotia (see note 6).

The transactions between affiliated parties within the meaning of IAS 24 are analyzed as follows:

Transactions with subsidiaries

(amounts in thousand €)

SUBSIDIARIES	SALES OF GOODS & SERVICES	PURCHASES	PPE PRODUCTS - SERVICES	RECEIVABLES	PAYABLES	DIVIDEND INCOME
SIDENOR	214.970	115.579	711	51.067	76.019	103.268
SOVEL	54.527	52.527	304	75.541	384	-
STOMANA	64.164	100.091	1.246	8.933	17.967	-
CPW	1.080	3.228	7	4.400	664	-
ERLIKON	1.961	15.811	13	463	6.249	-
AEIFOROS	2.915	783	43	98	90	240
DEPAL	1.798	307	-	2.194	6	366
PROSAL	63	3.711	-	-	2.322	-
ETHL	11.157	385	18	707	204	139
ARGOS	6.711	64	43	535	18	-
BET	6.578	65	-	-	935	-
PRAKSYS	845	27	-	293	36	-
ETAL	141	2.258	-	-	3.292	-
TEPROSTEEL	2.134	399	307	998	43	-
AEIFOROS BULGARIA	1.331	373	8	79	30	-
SIGMA	7.094	617	46	553	6	-
PROSAL TUBES	3.748	124	42	501	203	-
DOJRAN	6.501	61.744	-	1.428	19.433	-
DIAVIPETHIV	1.401	701	-	444	7.680	-
SIDEROM	21	24.419	-	21	8.278	-
SIDERAL	-	40	-	-	2.405	-
CPW AMERICA	-	3.072	-	-	1.990	-
TOTAL	389.141	386.327	2.789	148.255	148.255	104.012

The majority of the transactions with subsidiary companies have been realized by SIDENOR, Sovel, Stomana and Dojran and concern buy and sell transactions on finished and semi-finished steel products.

SIDENOR's dividend income concerns dividend from Stomana (€92,134 thousand), from Sovel (€8,959 thousand), from Bozetti (€1,492 thousand), from Aeiforos (€529 thousand), from Praksis (€ 74 thousand), from Depal (€ 58 thousand) and from Etil (€22 thousand).

Accordingly DEPAL's dividend income concerns dividend from Etil (€366 thousand), from Aeiforos which concerns dividend from Aeiforos Bulgaria (€ 240 thousand), and from Etil's which concerns dividend from Argos (€139 thousand).

Transactions with affiliated companies

(amounts in thousand €)

AFFILIATES	SALES OF GOODS & SERVICES	PURCHASES	PPE PRODUCTS - SERVICES	RECEIVABLES	PAYABLES	DIVIDEND INCOME
SIDENOR	6.408	2.916	12	13.598	398	690
SOVEL	1	59	-	-	155	423
STOMANA	19.421	292	-	182	8	-
CPW	658	256	-	1.680	40	-
ERLIKON	299	449	-	2.898	69	-
AEIFOROS	-	9	-	-	6	-
PROSAL	-	182	-	1.351	38	-
ETHL	-	348	-	-	96	-
ARGOS	-	119	-	-	54	-
BET	-	45	-	-	16	-
PRAKSYS	-	-	-	-	146	-
ETAL	8	-	-	-	-	-
SIGMA	-	33	-	2	8	-
PROSAL TUBES	46	476	-	-	476	-
TOTAL	26.841	5.184	12	19.711	1.510	1.113

The most important transactions with affiliated companies are realized by SIDENOR and Stomana with Sidma. The latter operates as a commercial intermediate for part of the products of the steel group.

SIDENOR's dividend income concerns dividend from Domoplex (€512 thousand), from Sidma (€98 thousand) and from Attica Metallurgy (€80 thousand) and accordingly SOVEL's concerns dividend income from Sidma (€423 thousands).

Transactions with other affiliated companies

The transactions with the other affiliated companies concern the companies of the Viohalco Group, where SIDENOR is also a subsidiary.

(amounts in thousand €)

OTHER AFFILIATED	SALES OF GOODS & SERVICES	PURCHASES	PPE PRODUCTS - SERVICES	RECEIVABLES	PAYABLES	DIVIDEND INCOME
SIDENOR	21.539	33.668	254	21.991	1.689	28
SOVEL	66	75.526	101	25	1.073	93
STOMANA	14.699	9.493	-	9.633	1.923	-
CPW	4.220	6.779	-	3.181	1.865	-
ERLIKON	1.210	493	1	654	207	-
AEIFOROS	212	28	1	8	8	-
DEPAL	81	3	-	-	1	-
PROSAL	-	91	-	194	13	-
ETHL	608	252	-	429	5	-
ARGOS	98	4	-	73	1	-
BET	-	11	-	-	1	-
PRAKSYS	-	37	-	1	2	-
ETAL	10	102	-	-	5	-
TEPROSTEEL	-	10	-	-	25	-
AEIFOROS BULGARIA	-	108	-	-	-	-
SIGMA	1.810	65	-	20	26	-
PROSAL TUBES	-	42	39	-	17	-
BOZETTI	2.129	-	-	1.105	-	-
DOJLAN	4.912	113	-	554	34	-
DIAPIPETHIV	91	-	-	23	927	-
SIDEROM	-	194	-	-	87	-
TOTAL	51.684	127.018	396	37.892	7.909	121

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

Sovel's dividend income is mainly sourced at Anamet (€28 thousand) and accordingly Sidenor's dividend income is sourced at Steelmet (€93 thousand).

Directors' and Senior Officers' Remuneration

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

(amounts in thousand €)

	Group		Company	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Total remuneration of Executives & Directors of the Board	6.102	5.663	2.720	2.343
Compensation for termination of employment		750		
Obligations to Executives & Directors of the Board (earnings distribution)	3.127	3.510	1.500	1.800

C. Company Branches

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

D. Group Trends and Performance

The year 2008 was a very special year for the steel industry at international level and, which also affected SIDENOR Group activities. The sharp increase in raw material prices in the first half and the subsequent sharp correction thereof in the last quarter created unprecedented conditions that adversely affected Group results.

SIDENOR Group consolidated sales for 2008 amounted to EUR 1,713 million, a 23.27% increase as compared to the respective 2007 year. The total sales volume was at 2,358 million tons, an increase of 2.92%. Pretax profits in 2008 amounted to EUR 47 million compared to EUR 139 million in 2007, while earnings before taxes, financial and investment results and depreciation (EBITDA) formed at EUR 140 million, marking a 34.17% decrease. Finally, the net consolidated profits, after taxes and minority rights, amounted to EUR 29 million, compared to EUR 92 million in 2007.

The sharp decrease in the steel and scrap during the fourth quarter of 2008 due to the financial crisis, which in addition to the diminishing margins, forced the Group to proceed to inventory revaluation at the end of the year by the amount of 60 mil. Euro..

The selling and administration expenses of the Group in 2008 amounted to EUR 162 million, representing 9.44% of the consolidated turnover, compared to 10.59% in 2007, while the financial results amounted to EUR 38 million, representing 2.21% of the consolidated turnover, compared to 1.82% that they represented in 2007.

Regarding the parent company SIDENOR S.A., turnover in 2008 amounted to EUR 418 million, marking a 5.86% increase, while earnings before taxes, financial and investment results and depreciation (EBITDA) amounted to EUR 77 million compared to EUR 37 million in 2007.

As the SIDENOR Group implemented its investment program during 2008, it made investments totalling EUR 73 million. The SIDENOR Group's investment program is in accordance with the broader strategy for further improvement of production plants' productivity, the reinforcement of safety at the work place, and constant growth.

The following Tables display the growth of the Group's major financial ratios:

	31/12/2008	31/12/2007
Debt to Equity Ratio	0,76	0,73
Current Ratio	1,33	1,78

	31/12/2008	31/12/2007
Return on Equity	4,60%	15,50%
EBITDA Margin	8,17%	15,30%

The total personnel employed as at 31/12/2008 amounted for the Group to 3,409 employees and for the parent company to 364. On 31/12/2007, the Group had 3,365 employees, while the parent company had 366.

The Group's management, after careful consideration of the unprecedented and highly volatile adverse conditions due to the global financial crisis and in order to secure the Group's liquidity, will propose to the Annual Ordinary General Meeting of its shareholders the non-distribution of dividend for fiscal year 2008.

E. Primary Risks

Market Risk

The main market risk is the risk of fluctuations in the prices of raw materials (scrap), seriously affecting the value of its products. Also, other market risks emerge from the exchange and interest rates affecting the Group's financial results or the value of its financial instruments.

The purpose of risk management against market conditions is to control the Group's exposure to those risks, within the framework of acceptable parameters and with a concurrent optimization of results.

Credit Risk

Credit risk refers to the Group's risk of incurring a loss in the event a customer or third party fails to fulfill his contractual obligations under a financial instrument agreement. It is related to receivables from customers and investment securities.

Customers and Other Receivables

The Group's exposure to credit risk is mainly affected by the specific characteristics of each customer. The demographic characteristics of the Group's customer base, including the risk of payment default characterising the specific market and country wherein customers operate, do not affect credit risk to the same extent, as no correlation between geographic location and credit risk has been observed. No customer exceeds 10% of sales and, as a result, market risk is divided among a large number of customers.

The Board of Directors has established a credit policy whereby each new customer is being individually controlled for its creditworthiness before presenting the usual payment terms. The creditworthiness audit that the Group is conducting includes the banking and other third party credit rating services that are available. Credit limits are set on a customer by customer basis and are re-estimated according to current trends and if necessary the sales and collection terms are readjusted. Customer credit lines are mainly determined based on the insurance limits set by the insurance companies based on which the company proceeds with insuring the receivables.

When monitoring customer credit risk, customers are classified in accordance with their credit profile, the maturity of their receivables and any prior collection problems they may have displayed. Customers and

other receivables mainly concern wholesale customers of the Group. Customers characterized as “high risk” are placed on a special list and future sales have to be prepaid. Depending on the customer’s prior record and profession, the Group reserves the right to demand tangible or other guarantees (such as letters of guarantee).

The Group records provision for impairment, which represents its assessment of losses incurred in relation to customer and other receivables and investments in securities. This projection mainly consists of losses due to the impairment of specific receivables that are deemed realizable in relation to specific conditions but which have not as yet been finalized.

Investments

Investments are classified by the Group based on the purpose for which they were obtained. Management decides on the suitable classification of the investment at the time of its purchase and reexamines said classification at each of the dates when it is due for assessment.

Management estimates that payment default will not be observed on these investments.

Guarantees

The policy of the Group is not to offer guarantees, except only to subsidiaries or affiliated companies and then only by decision of the Board of Directors.

Liquidity Risk

Liquidity risk is the risk of the Group not being able to fulfill its financial obligations when these become due. The approach adopted by the Group regarding liquidity management is to ensure, by maintaining minimum necessary cash reserves and sufficient credit limits from the banks with which it cooperates, that it will always have enough liquidity in order to fulfill its financial liabilities when those become due, under normal as well as exceptional circumstances, without incurring unacceptable losses or risking the Group’s reputation.

In order to avoid liquidity risks, the Group anticipates annual cash flows when drafting the annual budget, as well as a rolling monthly prediction for a period of three months, in order to ensure that it will always have enough cash reserves in order to cover its operational costs, including the fulfillment of its financial obligations. The effect of unforeseeable extreme circumstances is not taken into consideration in this policy.

Currency Risk

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

To avoid this risk the Group makes use of forward contracts and pays its vendors promptly.

If, as at 31.12.2008, the EUR was appreciated/ depreciated by 9% compared to the RUR, with the other variables remaining fixed, the Group’s net worth, as affected by the subsidiary Corinth Pipeworks S.A., would be increased/decreased by EUR 1,790,700 and EUR 2,147,000 respectively.

If, as at 31/12/2008, the USD was appreciated/ depreciated by 11% (2007: 6%) compared to the EUR, with the other variables remaining fixed, profits after tax of the Group, as affected by the subsidiary, Corinth Pipeworks S.A., would be increased/ decreased by €4,882,752 (2007: decreased by € 69,112) and €6,089,724 (2007: increased by € 78,500) respectively, mainly due to the currency losses/ profits occurring from the conversion to EUR of the receivables, liabilities and cash and cash equivalents to USD. Net Assets would be respectively affected.

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

The Group's investments in other subsidiaries are not hedged, as these are regarded as long-term currency investments and have mainly been in Euros.

Interest Rate Risk

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

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

If, as at 31/12/2008, interest rates were increased (decreased) by 0.25% / (-0.25%), the Group's profits before taxes effect would be (loss) / profit equal to (-€1,187 thousand) / €1,187 thousand. Under the same scenario the company's profits before taxes effect would be (loss) / profit equal to (-€496 thousand) / €496 thousand. Group and company net assets would be affected proportionally.

Capital Management

The policy of the Board of Directors consists of the preservation of a solid capital base, in order to maintain investor, creditor and market confidence in the Group and to allow the future expansion of its activities. The Board of Directors monitors the return on capital, which is defined by the Group as the net results divided by the total net position, not taking non-convertible preferred shares and minority rights into consideration. The Board of Directors also monitors the level of dividends paid to the holders of common shares.

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

Fair value estimation

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

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

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

F. Development of Activities in 2009

For 2009, SIDENOR Group, in order to adapt itself to the new international market conditions, along with its strategy of expansion to new markets, sets as top priorities the effective management of working capital, the production of positive cash flows and the reduction in the production and operation cost.

As to the markets of Southeastern Europe, the Group believes that, in spite of the investment restraint observed, there are positive prospects for further increase of market shares that are supported by both the comparative advantage drawn from the investments already made and the need to develop and modernize such economies.

As to the pipe works industry, the current financial credit crisis, in contrast with the deadlock regarding the commencement of new projects, also presents opportunities, since big energy companies with significant

cash holdings and/or high creditworthiness regard this phase as being characterized by the low steel/ freight prices is ideal to make investments.

Finally, the security at the workplace, the protection of the environment, the harmonic cohabitation in the local society and the ongoing training of the personnel remain the non-negotiable objectives directly linked to the operations of the company.

Information in accordance with article 4, par. 7 and 8, of Law no. 3556/2007**a) Structure of the Company's Share Capital**

The company's share capital amounts to Euro 39,413,091.31, divided into 96,129,491 common registered shares of € 0.41 nominal value each. All shares are listed for trading in the Athens Stock Exchange market, in the Large Capitalization class. The Company shares are intangible, registered shares with voting rights.

Based on the Company's Articles, the shareholders' rights and obligations are as follows:

- A right on the dividend from the Company's annual profits. Each share's dividend is paid to its holder within two (2) months from the date of the General Meeting that approved the financial statements. The right to collect the dividend expires upon lapse of five (5) years from the end of the year during which the dividend's allocation was approved by the General Meeting.
- A pre-emption right in any share capital increase and acquisition of new shares.
- A right to participate in the General Shareholders' Meeting.
- The quality of a shareholder entails ipso jure the acceptance of the Company's Articles and the decisions taken by its bodies that are consistent with them and the law.
- The Company shares are indivisible and the Company recognizes only one holder for each share. All indivisible co-holders of a share, as well as those enjoying the beneficial use or naked ownership thereof, are represented in the General Meeting by only one person nominated by them following agreement. In case of dispute, the above share is not represented.
- Shareholders are not involved beyond each share's nominal amount.

b) Restrictions to the transfer of the Company's shares

The transfer of Company shares is subject to the provisions of law and no restrictions apply to the transfer of shares under the Company's Articles of Association.

c) Significant direct or indirect holdings in the meaning of articles 9 to 11 of Law no. 3556/2007

The significant (above 5%) holdings as at 31/12/2008 (direct and indirect ones) were as follows:

- VIOHALKO S.A. : 64.93% of the voting rights and 64.93% of the share capital.

d) Shares granting special controlling rights

There are no Company shares granting their owners special controlling rights.

e) Restrictions to voting rights

The Company's Articles do not provide for restrictions to the voting rights emanating from its shares. The rules of the Company's Articles of Associations regulating the voting issues are included in article 24 thereof and provide for as follows:

- Each share provides one voting right in the General Meeting.
- Shareholders, in order to acquire the right to attend the General Meeting, shall be obliged, at least five (5) days before the date of the meeting, to produce at the Company's offices, a certification by the Athens Central Securities Depository stating the number of shares registered in their number and the blocking of such shares until the General Meeting date. Within the same period, proxies provided to the shareholders' representatives must be also produced at the Company offices.

f) Agreements between Company Shareholders

To the Company's best knowledge, there are no agreements between shareholders entailing restrictions to the transfer of its shares or to the exercise of the voting rights emanating from its shares.

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

The rules provided for by the Company's Articles both as to the nomination and replacement of BoD members and as to amendments thereto are not different from those provided for by C.L. no 2190/1920.

h) Board of Directors' competence for new share issuances or treasure share purchase

In accordance with the provision of article 13, par. 1, of C.L. no. 2190/1920, article 6, par. 1, of the Articles states that, within the first five years from the Company's incorporation or within five (5) years from the General Meeting decision granting such a right, the Board of Directors, by its decision taken by majority of two thirds (2/3) of its total members, may increase in total or in part the share capital by issuing new shares by an amount not greater than the initially paid-up share capital or the share capital paid-up on the date that such a decision was taken by the General Meeting. This power of the Board of Directors may be renewed by the General Meeting for a period which shall not exceed five (5) years for each renewal. Such increases in the share capital shall not constitute amendments to the Articles.

The Board of Directors may proceed to the acquisition of treasury shares only in the context of a decision taken by the General Meeting pursuant to article 16, par. 5 to 13, of C.L. no 2190/1920.

In application of par. 9, article 13, of C.L. no. 2190/1920 and the decision taken by the General Meeting on 26/6/2002, the Company's Board of Directors, in December 2006 to 2013, shall increase the Company's share capital with no amendment to its Articles, by issuing new shares in the context of implementation of the Stock Option Plan approved by the same General Meeting, analytical data of which are laid down in note 18 to the 2008 Annual Financial Report.

i) Significant agreements that enter in effect, are modified or expire in case of change in the control.

The bank loan agreements concluded by both the Company and the companies consolidated in the Group, which are referred to in note 20 of the annual financial statements (on a consolidated basis, € 253 m. of long-term and € 280 of short-term loans and, at company level, €110 m. of long-term and €88 m. of short-term loans) contain a clause regarding change in the control that provides the debenture holding lenders with a right of early termination thereof.

No other agreements exist that enter in effect, are modified or expire in the event of change in the Company's control.

j) Agreements with Board of Directors' members or the Company's staff

There are no agreements between the Company and the members of its Board of Directors or its staff that provide for the payment of compensation especially in the event of resignation or dismissal without material cause or end of tenure or employment.

C. Independent Auditor's Report

To the Shareholders of SIDENOR Steel Products Manufacturing Company S.A.

Report on the Financial Statements

We have audited the accompanying financial statements of SIDENOR Steel Products Manufacturing Company S.A. (the Company) and the consolidated financial statements of the Company and its subsidiaries (the Group) which comprise the company and consolidated balance sheet as of 31 December 2008 and the company and consolidated income statement, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Opinion

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

Reference on Other Legal Matters

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

Athens, 30/3/2009



PricewaterhouseCoopers
268 Kifissias Avenue, 152 32 Halandri
AM SOEL 113

Dimitrios Sourbis
Chartered Accountant
AM SOEL 16891



Annual Financial Statements for the year ended 31 December 2007
Prepared in accordance to International Financial Reporting
Standards (IFRS)

SIDENOR STEEL PRODUCTS
MANUFACTURING COMPANY S.A.
S.A.Reg.No: 2310/06/B/86/20 2-4 Mesogheion Ave. Athens

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Balance Sheet

		GROUP		COMPANY	
Amounts in Euro	Notes	31/12/2008	31/12/2007	31/12/2008	31/12/2007
ASSETS					
Non-current assets					
Land & Buildings	6	263.987.369	253.021.021	59.719.234	60.764.437
Machinery	6	469.774.095	429.636.500	83.924.307	88.311.182
Other tangible assets	6	67.220.007	101.990.441	4.838.853	3.018.345
Intangible assets	6	951.546	600.940	109.073	167.935
Investment in associates	8	30.584.715	29.625.176	9.082.992	9.070.812
Investments in subsidiaries	9	-	-	203.318.871	195.269.484
Available for sale financial assets	10	1.485.009	1.540.954	1.354.368	1.372.340
Deferred tax assets	12	133.198	1.277.027	-	-
Derivative financial instruments	15	181.859	1.122.708	181.859	585.828
Other receivables	14	4.576.130	4.288.946	3.861.428	1.452.683
		838.893.928	823.103.713	366.390.985	360.013.046
Current Assets					
Inventories	13	391.394.682	390.462.204	85.306.169	86.365.928
Trade and other receivables	14	343.789.471	287.952.713	222.454.729	208.721.277
Tax receivables	14	2.369.715	-	-	-
Non-current assets held for sale	7	-	3.918.560	-	-
Derivative financial instruments	15	3.324.973	1.549.428	-	-
Financial assets at fair value through profit or loss	11	48.537	106.737	-	-
Cash and cash equivalents	16	35.420.254	37.201.099	8.895.037	5.068.688
		776.347.632	721.190.741	316.655.935	300.155.893
Total assets		1.615.241.560	1.544.294.454	683.046.920	660.168.940
EQUITY					
Capital and reserves attributable to equity holders					
Share capital	17	39.413.091	39.413.091	39.413.091	39.413.091
Share premium	17	120.046.867	120.046.867	120.046.867	120.046.867
Currency translation adjustments		-2.154.242	-1.047.831	-	-
Other reserves	19	98.216.837	100.924.409	56.469.933	55.394.586
Retained earnings		328.717.858	315.209.094	113.672.671	78.259.259
Total		584.240.411	574.545.630	329.602.562	293.113.803
Minority interest		112.520.630	146.839.959	-	-
Total equity		696.761.041	721.385.589	329.602.562	293.113.803
LIABILITIES					
Non-current liabilities					
Borrowings	20	252.561.628	327.100.072	110.000.000	188.000.000
Derivative financial instruments	15	379.178	264.002	-	-
Deferred tax liabilities	12	58.486.846	65.049.875	19.608.853	23.261.546
Retirement benefit obligations	22	4.992.436	4.936.711	1.622.906	1.486.873
Government grants	23	12.957.405	13.972.672	302.647	382.284
Provisions for other liabilities and charges	25	4.495.838	6.544.798	266.629	194.258
Other non-current liabilities	24	817.448	108.631	-	-
		334.690.780	417.976.761	131.801.035	213.324.961
Current liabilities					
Trade and other payables	24	264.428.687	186.160.599	116.486.341	73.994.407
Current tax liabilities	24	18.929.635	16.153.048	16.565.430	6.864.741
Borrowings	20	280.287.709	199.134.085	88.444.196	72.648.215
Other current liabilities		6.194.998	-	-	-
Finance lease liabilities	21	640	16.363	-	-
Derivative financial instruments	15	10.802.817	1.298.685	-	-
Retirement benefit obligations		513.195	1.160.365	147.356	222.813
Provisions for other liabilities and charges	25	2.632.057	1.008.960	-	-
		583.789.739	404.932.105	221.643.323	153.730.176
Total liabilities		918.480.519	822.908.865	353.444.358	367.055.137
Total equity and liabilities		1.615.241.560	1.544.294.454	683.046.920	660.168.940

The notes on pages 24 to 75 form an integral part of these annual financial statements.

Income Statement

Amounts in €	Notes	GROUP		COMPANY	
		1/1 - 31/12/2008	1/1 - 31/12/2007	1/1 - 31/12/2008	1/1 - 31/12/2007
Sales	5	1.713.440.625	1.390.039.325	418.160.755	394.692.772
Cost of sales	26	-1.469.083.896	-1.099.982.005	-387.877.071	-326.344.375
Gross profit		244.356.729	290.057.320	30.283.684	68.348.397
Selling expenses	26	-123.254.932	-108.324.303	-28.732.914	-23.754.319
Administrative expenses	26	-38.426.723	-38.837.884	-15.889.670	-15.188.024
Other operating Income	30	26.387.405	27.775.628	17.778.257	16.186.659
Other operating Expenses	30	-27.359.297	-9.879.575	-15.701.400	-12.920.539
Operating results		81.703.182	160.791.185	-12.262.042	32.672.173
Finance Income	28	5.460.906	3.682.168	104.235	54.749
Finance Expenses	28	-43.296.701	-29.015.547	-14.457.299	-12.395.570
Dividend income	30	85.932	96.175	103.986.250	18.144.728
Profit/(loss) from participations		-130.065	1.902.016	-732.988	-1.431.283
Profit/(loss) from subsidiaries	8	3.590.392	1.051.456	-	-
Profit before taxes		47.413.645	138.507.453	76.638.157	37.044.797
Income tax expense	29	-15.359.231	-26.661.889	-15.814.048	-8.921.005
Net Profit for continuing operations		32.054.414	111.845.563	60.824.109	28.123.791
Attributable to :					
Equity holders of the company		29.259.529	91.637.778	60.824.109	28.123.791
Minority interest		2.794.885	20.207.785	-	-
		32.054.414	111.845.563	60.824.109	28.123.791
Earnings per share attributable to the equity holders of the Company during the year (expressed in Euro per share)					
Basic	36	0,304	0,954	0,633	0,293
Dilluted	36	0,304	0,952	0,633	0,292

The notes on pages 24 to 75 form an integral part of these annual financial statements.

Statement of changes in shareholders' equity

Attributable to equity holders of the company						
Amounts in €	Share Capital	Other Reserves	Retained Earnings	Total	Minority interest	Total equity
Balance at 1st of January 2007	159.024.522	91.148.998	239.253.058	489.426.578	128.204.673	617.631.251
Currency translation	-	-705.999	-	-705.999	-55.977	-761.976
Profit/(loss) recognised directly on equity	-	-1.573.953	-	-1.573.953	-434.451	-2.008.403
Profit for the year	-	-	91.637.778	91.637.778	20.207.785	111.845.563
Total recognised income for the year	-	-2.279.951	91.637.778	89.357.827	19.717.357	109.075.184
Share Capital Issuance / (decrease)	435.436	-	-	435.436	234.160	669.596
Increase-decrease % of participation in subsidiary	-	-583.500	19.910.997	19.327.498	3.645.377	22.972.875
Transfer of reserves	-	11.591.032	-11.591.032	-	-	-
Dividend	-	-	-24.001.708	-24.001.708	-4.961.608	-28.963.317
	435.436	11.007.532	-15.681.743	-4.238.775	-1.082.071	-5.320.846
Balance as of 31 December 2007	159.459.958	99.876.578	315.209.094	574.545.630	146.839.959	721.385.589
Balance at 1st of January 2008	159.459.958	99.876.578	315.209.093,94	574.545.630	146.839.959	721.385.589
Currency translation	-	-1.106.411	-	-1.106.411	-371.723	-1.478.134
Profit/(loss) recognised directly on equity	-	-5.226.620	-	-5.226.620	-1.361.774	-6.588.394
Profit for the year	-	-	29.259.529	29.259.529	2.794.885	32.054.414,0
Total recognised income for the year	-	-6.333.032	29.259.529	22.926.497	1.061.388	23.987.886
Share Capital Issuance / (decrease)	-	-	-	-	61.356	61.356
Change % of participation in subsidiary	-	551.045	10.249.612	10.800.657	-29.976.295	-19.175.637
Transfer of reserves	-	1.968.004	-1.968.004	-	-	-
Dividend	-	-	-24.032.373	-24.032.373	-5.465.780	-29.498.152
	-	2.519.049	-15.750.764	-13.231.716	-35.380.718	-48.612.433
Balance as of 31 December 2008	159.459.958	96.062.596	328.717.858	584.240.412	112.520.630	696.761.042
COMPANY						
Balance at 1st of January 2007	159.024.522	54.027.373	75.592.051	288.643.946	-	288.643.946
Profit/(loss) recognised directly on equity	-	-87.662	-	-87.662	-	-87.662
Profit for the year	-	-	28.123.791	28.123.791	-	28.123.791
Total recognised income for the year	-	-87.662	28.123.791	28.036.129	-	28.036.129
Share Capital Issuance / (decrease)	435.436	-	-	435.436	-	435.436
Transfer of reserves	-	1.454.875	-1.454.875	-	-	-
Dividend	-	-	-24.001.708	-24.001.708	-	-24.001.708
	435.436	1.454.875	-25.456.583	-23.566.272	-	-23.566.272
Balance as of 31 December 2007	159.459.958	55.394.586	78.259.259	293.113.803	-	293.113.803
Balance at 1st of January 2008	159.459.958	55.394.586	78.259.259	293.113.803	-	293.113.803
Profit/(loss) recognised directly on equity	-	-302.977	-	-302.977	-	-302.977
Profit for the year	-	-	60.824.109	60.824.109	-	60.824.109
Total recognised income for the year	-	-302.977	60.824.109	60.521.132	-	60.521.132
Transfer of reserves	-	1.378.324	-1.378.324	-	-	-
Dividend	-	-	-24.032.373	-24.032.373	-	-24.032.373
	-	1.378.324	-25.410.697	-24.032.373	-	-24.032.373
Balance as of 31 December 2008	159.459.958	56.469.933	113.672.671	329.602.561	-	329.602.561

The notes on pages 24 to 75 form an integral part of these annual financial statements.

Cash Flow Statement

Amounts in €	Notes	GROUP		COMPANY	
		1/1 - 31/12/2008	1/1 - 31/12/2007	1/1 - 31/12/2008	1/1 - 31/12/2007
Cash flow from operating activities					
Cash generated from operations	31	173.098.988	136.193.739	27.164.948	22.086.637
Interest paid		-44.034.342	-27.739.933	-15.059.770	-11.751.879
Income tax paid		-23.291.294	-37.248.318	-6.864.740	-18.698.509
Net cash flows from operating activities		105.773.352	71.205.487	5.240.438	-8.363.751
Cash flows from investing activities					
Purchase of property, plant and equipment	6	-73.475.219	-104.491.564	-10.512.766	-21.625.204
Purchase of intangible assets	6	-261.625	-586.831	-	-
Sale of property, plant and equipment	31	1.432.673	2.479.898	14.925	68.840
Sale of investments		-	36.265.969	-	-
Dividends received	30	1.234.096	1.428.984	103.986.250	15.548.302
Purchase of available-for-sale financial assets	10	-	-7.323	-	-7.323
Sale of available-for-sale financial assets		-	28.686	-	-
Sale of financial assets at fair value through profit or loss	11	-	278.329	-	-
Interests received		4.530	-	-	-
Increase-acquisition of participation in associates		-12.180	-4.345.360	-12.180	-3.126.533
Increase-acquisition of participation in subsidiaries		-19.175.114	-10.000	-30.004.394	-1.917.409
Capital return of subsidiary		-	-	21.239.893	12.158.100
Other		-	8.408	-	-
Net cash flows from investing activities		-90.252.839,48	-68.950.804	84.711.728	1.098.774
Cash flow from financing activities					
Shares issuance	17	-	435.436	-	435.436
Dividends distributed to the shareholders of the parent company		-24.026.033	-23.996.954	-24.026.033	-23.996.954
Proceeds from borrowings		727.376.425	335.186.562	134.000.000	130.464.931
Repayment of borrowings		-720.761.245	-288.073.330	-196.204.019	-97.431.818
Repayment of finance lease obligations		-15.723	-2.011.445	-	-
Dividends distributed to minority		-5.727.302	-6.531.445	-	-
Proceeds from grants	23	74.263	-	-	-
Proceeds from Share Capital increase (minority stake)		61.356	234.160	-	-
Other	28	5.456.376	2.559.932	104.235	54.749
Net cash flows from financing activities		-17.561.881	17.802.915	-86.125.817	9.526.343
Net (decrease)/increase in cash and cash equivalents		-2.041.369	20.057.599	3.826.349	2.261.366
Cash and cash equivalents at the beginning of the year	16	37.201.099	17.616.636	5.068.688	2.807.322
Foreign exchange differences in cash and cash equivalents		260.523	-473.135	-	-
Cash and cash equivalents at the end of the period	16	35.420.254	37.201.099	8.895.037	5.068.688

Athens, 29 March 2009

The BoD
Chairman

The Managing
Director

The Chief Financial
Officer

George Kalfarentzos
ID Card no. F 147183

Sarantos Milios
ID Card no. P 998326

Konstantinos Natsis
LICENSE No 0039960
A Class

The notes on pages 24 to 75 form an integral part of these annual financial statements.

1 General Information

These current financial statements include the annual separate financial statements of SIDENOR STEEL PRODUCTS MANUFACTURING COMPANY S.A. (the Company”) and the annual consolidated financial statements of the Company and its subsidiaries (together the “Group”) that are subject to approval by the Company’s Annual General Meeting to take place on 16/6/2009.

The main activities of the Group are the production and sale of steel construction and industrial products and steel pipes.

The Group operates in Greece, in the broader region of the Balkans and Europe, as well as in the United States of America. The Company’s shares are listed on the Athens Stock Exchange. The SIDENOR Group of companies is a member of the VIOHALCO Group of companies.

The Company is registered in Athens, Greece, 2-4 Mesogheion Ave., Attiki. The Company’s website address is www.sidenor.gr.

These financial statements have been approved for issue by the Board of Directors on March 29th, 2009.

2. Summary of significant accounting policies

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

2.1 New standards, amendments to standards and interpretations:

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

Standards effective for year ended on 31 December 2008

IAS 39 (Amendment) “Financial Instruments: Recognition and Measurement” and IFRS 7 (Amendment) “Financial Instruments: Disclosures” – Reclassification of financial instruments (applicable after 1 July 2008).

This amendment allows a financial entity to reclassify non-derivative financial instruments (excluding those classified by the company at the fair value through profit or loss at their initial recognition) in a class different from the “fair value through profit or loss” in certain cases. This amendment also allows a financial entity to transfer from the “available for sale” category to the “loans and receivables” category a financial instrument that could satisfy the definition of “loans and receivables” (if it had not been classified as available-for-sale), as long as the financial entity intends and is able to preserve such financial instrument in the near future. The above amendment shall not affect the Group financial statements.

Interpretations effective for year ended on 31 December 2008

IFRIC 11 - IFRS 2: Group and Treasury Share Transactions (applicable to annual accounting periods starting on or after 1st March 2007)

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

IFRIC 12 - Service Concession Arrangements (applicable to the annual accounting periods starting on or after 1 January 2008)

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

IFRIC 14 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (applicable to the annual accounting periods starting on or after 1 January 2008)

IFRIC 14 applies to post-employment and other long-term employee defined benefit plans. The interpretation clarifies when refunds or reductions in future contributions should be regarded as available, how a minimum funding requirement might affect the availability of reductions in future contributions and when a minimum funding requirement might give rise to a liability. As the Group does not operate any such benefit plans for its employees, this interpretation is not relevant to the Group.

Standards effective after year ended 31 December 2008**IAS 1 (Revised) “Presentation of Financial Statements”** (applicable to the annual accounting periods starting on or after 1 January 2009)

IAS has been revised to enhance the usefulness of information presented in the financial statements. The most significant changes are as follows: the requirement that the statement of changes in equity include only transactions with shareholders, the introduction of a new statement of comprehensive income that combines all items of income and expense recognised in profit or loss together with “other comprehensive income”, and the requirement to present restatements of financial statements or retrospective application of a new accounting policy as at the beginning of the earliest comparative period. The Group shall apply the above amendments and shall make the necessary changes in the presentation of its financial statements for 2009.

IAS 23 (Amendment) “Borrowing Costs” (applicable to the annual accounting periods starting on or after 1 January 2009)

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

IFRS 3 (Revised) ‘Business Combinations’ and IAS 27 (Amended) ‘Consolidated and Separate Financial Statements’ (applicable to the annual accounting periods starting on or after 1 July 2009)

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

IFRIC 8 - Operating Segments (applicable to the annual accounting periods starting on or after 1 January 2009)

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

Interpretations effective after year ended 31 December 2008

No new interpretations affecting the Company's financial statements and being applicable after the year ended 31 December 2008 have been issued.

Amendments to standards constituting a part of the annual improvement plan implemented by IASB (International Accounting Standard Board).

The following amendments describe the most significant changes made to the IFRS as a consequence of the results from the annual improvement plan implemented by IASB published in May 2008. The following amendments, unless otherwise laid down, shall apply to the annual accounting years starting on or after 1 January 2009.

IAS 1 (Amendment) "Presentation of Financial Statements"

The amendment clarifies that certain financial assets and liabilities classified as held for commercial use pursuant to IAS 39 "Financial Instruments: Recognition and Measurement" constitute examples of current assets and liabilities respectively. The Group shall apply such amendment from 1 January 2009. However, it is not expected to affect its financial statements.

IAS 19 (Amendment) "Employee Benefits"

The changes in that standard are as follows:

- An amendment to the plan resulting in a change in the extent to which commitments for benefits are affected by future increases in the salaries is an abridgment, while an amendment changing the benefits attributed to prior service causes a negative cost of prior service if it results in a decrease in the current value of defined-benefit liabilities.
- The definition of the plan's return on assets has been amended to determine that plan management costs are deducted from the calculation of the plan's return on assets only to the extent that such costs have been excluded from the measurement of the defined-benefit liability.
- The distinction between short-term and long-term employee benefits shall be based on whether the benefits shall be settled within or after the 12 months of service provision by the employees.
- IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" requires that contingent liabilities must be disclosed not recognized. IAS 19 has been amended for reasons of consistency.

The Group shall apply such amendments from 1 January 2009. These amendments are not expected to affect the financial statements.

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

According to this amendment, an investment in an associate shall be treated as a single asset for reasons of impairment control and any impairment loss shall not be allocated to the specific assets included in the investment. Impairment loss reversals shall be recorded as adjustment to the accounting balance of the investment to the extent that the recoverable amount of the investment in the associate increases. The Group shall apply this amendment from 1 January 2009.

IAS 36 (Amendment) "Impairment of Assets"

This amendment requires that in case that fair value decreased by the cost to sell is calculated based on the discounted cash flows, disclosures must be made equivalent to those made for the calculation of the value in use. The Group shall apply this amendment and shall provide the disclosure required where applicable for impairment control from 1 January 2009.

IAS 38 (Amendment) “Intangible Assets”

This amendment requires that a payment may be recognized as advance payment only if made before the acquisition of the right of access to products or the receipt of services. This amendment means, in practice, that when the Group acquires access to the products or receives the services, then the payment must be expensed. The Group shall apply this amendment from 1 January 2009.

IAS 39 (Amendment) “Financial Instruments: Recognition and Measurement”

The changes in this standard are as follows:

- There may be transfers to and from the “fair value through profit or loss” category when a derivative starts or ceases meeting the conditions as a cash flow hedging instruments or as a net investment hedging instrument.
- The definition of the financial asset or the financial liability at fair value through profit or loss as regards assets held as available for commercial use has been modified. It is clarified that a financial asset or liability constituting a part of a portfolio of financial instruments under common management with documented evidence of an actual recent short-term earning collection plan shall be included to this type of portfolio at initial recognition.
- The applicable direction on the determination and documentation of hedges states that a hedging instrument must involve a party not belonging to the reporting financial entity and states a segment as an example of a financial entity. This means that for the hedge accounting to be applied at segment level, the conditions for the hedge accounting must be met at the same time by the segment applying it. This amendment removes this requirement so that IAS 39 is consistent with IFRS 8 “Reporting Segments” which requires the disclosure for segments to be based on information presented to the Chief Operating Decision Maker.
- When the carrying amount of a debit instrument is re-measured at the cessation of the fair value hedge accounting, the amendment clarifies that a revised effective rate (calculated on the date of cessation of the fair value hedge accounting) must be used.

The Group shall apply IAS 39 (Amendment) from 1 January 2009. It is not expected to affect its financial statements.

IFRS 5 (Amendment) "Non-Current Assets Held for Sale and Discontinued Operations" (and subsequent amendments to IFRS 1 "First-Time Adoption of International Financial Reporting Standards") (applicable to annual accounting periods starting on or after 1 July 2009)

The amendment clarifies that all assets and liabilities of a subsidiary are classified as held for sale if a sale plan for partial disposal results in a loss in its control and relevant disclosures must be made for that subsidiary, as long as the definition of a discontinued operation is met. The subsequent amendment to IFRS 1 lays down that these amendments shall be applied in the future from the date of transition to IFRS. The Group shall apply this amendment in the future to all disposals of subsidiaries from 1 January 2010.

2.2 Basis of preparation

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

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Group’s accounting policies. Moreover, it requires the use of calculations and assumptions affecting the aforementioned assets and liabilities’ amounts, the disclosure of contingent receivables and liabilities existing on the financial statements’ preparation date and of the aforementioned income and expense amounts during the reported year. Although these calculations are based on the best possible knowledge of

management with respect to the current conditions and activities, the actual results can eventually differ from these estimates.

These annual financial statements have been prepared by the management in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (IASB), including the International Accounting Standards ("IAS") and Interpretations issued by the International Financial Reporting Interpretations Committee, as adopted by the European Union (EU).

All IFRS issued by the IASB, which apply to the preparation of these financial statements have been adopted by the European Council following an approval process undertaken by European Commission ("EC"), except for specific provisions of IAS 39 "Financial Instruments: Recognition and Measurement" that relate to hedging of deposit portfolios.

As the Group is not impacted by the provisions regarding deposit portfolio hedging that are not required by the IAS 39 edition as adopted by the EU, these financial statements have been prepared in compliance with IFRS that have been adopted by the EU and IFRS that have been issued by the IASB.

2.3 Financial statements

(a) Subsidiary companies

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

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

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

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

(b) Associates

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

The Group's share of its associates' post-acquisition profits or losses is recognized in the income statement, and its share of post-acquisition movements in reserves is recognized in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured

receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate.

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

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

(c) Increase of equity participation in subsidiaries

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

2.4 Segment Reporting

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

2.5 Foreign exchange conversions

(a) Functional and presentation currency

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

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

(b) Transactions and balances

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

(c) Group Companies

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

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

Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions). All resulting exchange differences are recognized as a separate component of equity.

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

2.6 Property, Plant and Equipment

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

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

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

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

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

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

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

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

2.7 Intangible Assets

Computer Software

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

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

Development Expenses

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

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

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

2.9 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The cost of impairment is recognized as cost at the Income Statement during the fiscal year of the impairment.

2.10 Financial assets

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

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

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

(b) Loans and receivables

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

(c) Held-to-maturity investments

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

(d) Available-for-sale financial assets

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

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

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

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

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

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

2.11 Derivative Financial Instruments

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognized in equity. The gain or loss relating to the ineffective portion is recognized immediately in the income statement.

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item affects profit or loss. The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognized in the income statement within finance costs.

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

2.12 Inventories

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

2.13 Trade Receivables

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

2.14 Cash and equivalents

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

2.15 Share capital

Ordinary shares are classified as equity. Direct expenses attributable to the issue of new shares appear following the subtraction of the relevant income tax, as a deduction from the proceeds. Expenses directly linked to new share issued for the acquisition of companies, are included in the acquisition cost of these companies.

Treasury share acquisition cost is deducted from equity attributable to the Company's equity holders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included as reserves in equity attributable to the Company's equity holders.

2.16 Suppliers

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

2.17 Borrowings

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

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

2.18 Deferred Income Tax

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

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

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

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

2.19 Income Tax

Income tax is calculated based on the tax rates enacted and in effect in the countries where the Group operations take place, and is recognized as an expense during the year in which the related income arises.

2.20 Employee benefits

(a) Pension obligations

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

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

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

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

(b) Termination benefits

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

(c) Short term benefits

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

2.21 Government Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognized in the income statement over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the income statement on a straight line basis over the expected lives of the related assets.

2.22 Share Options Plan to Employees

The company has granted prior to 2002, rights for the acquisition of shares (Share Option Plans) to certain executives which are vesting gradually from year 2002 up to year 2011. The exercise price of the right was fixed as the mid-closing price of the share on the Athens Stock Exchange. The company did not account for these Share Options in accordance with provisions of IFRS 2 "Share Based Payments", since they were

granted before November 7, 2002, the effective date which IFRS 2 provisions become applicable, apart from the paragraphs 44 and 45 of the IFRS 2.

2.23 Provisions

A provision shall be recognized when:

- i. an entity has a present obligation (legal or constructive) as a result of a past event;
- ii. it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- iii. a reliable estimate can be made of the amount of the obligation.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2.24 Revenue Recognition

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

(a) Sales of goods — wholesale

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

(b) Sales of services

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

(c) Interest income

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

(d) Dividends

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

2.25 Leases

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

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

2.26 Dividend distribution

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

2.27 Roundings

The numbers contained in these financial statements have been rounded to Euros. Accordingly in certain cases, the sum of the numbers in a column may not conform to the total figure given for that column or the figure presented in the notes may differ to the number shown in the primary financial statements.

2.28 Earnings per Share

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

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

3 Financial Risk Management

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

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

3.1 Credit Risk

Credit risk refers to the Group's risk of incurring a loss in the event a customer or third party fails to fulfill his contractual obligations under a financial instrument agreement. It is related to receivables from customers and investment securities.

3.2 Customers and Other Receivables

The Group's exposure to credit risk is mainly affected by the specific characteristics of each customer. The demographic characteristics of the Group's customer base, including the risk of payment default

characterizing the specific market and country wherein customers operate, do not affect credit risk to the same extent, as no correlation between geographic location and credit risk has been observed. No customer exceeds 10% of sales and, as a result, market risk is divided among a large number of customers.

The Board of Directors has established a credit policy whereby each new customer is being individually controlled for its creditworthiness before presenting the usual payment terms. The creditworthiness audit that the Group is conducting includes the banking and other third party credit rating services that are available. Credit limits are set on a customer by customer basis and are re-estimated according to current trends and if necessary the sales and collection terms are readjusted. Customer credit lines are mainly determined based on the insurance limits set by the insurance companies based on which the company proceeds with insuring the receivables.

When monitoring customer credit risk, customers are classified in accordance with their credit profile, the maturity of their receivables and any prior collection problems they may have displayed. Customers and other receivables mainly concern wholesale customers of the Group. Customers characterized as “high risk” are placed on a special list and future sales have to be prepaid. Depending on the customer’s prior record and profession, the Group reserves the right to demand tangible or other guarantees (such as letters of guarantee).

The Group records a depreciation projection which represents its assessment of losses incurred in relation to customer liabilities, other receivables and investments in securities. This projection mainly consists of losses due to the devaluation of specific receivables that were deemed realizable in relation to specific conditions but which have not as yet been finalized.

3.3 Investments

Investments are classified by the Group based on the purpose for which they were obtained. Management decides on the suitable classification of the investment at the time of its purchase and reexamines said classification at each of the dates when it is due for assessment.

Management estimates that payment default will not be observed on these investments.

3.4 Guarantees

The policy of the Group is not to offer guarantees, except only to subsidiaries or affiliated companies and then only by decision of the Board of Directors.

3.5 Liquidity Risk

Liquidity risk is the risk that the Group will be unable to fulfill its financial obligations when these become due. The approach adopted by the Group regarding liquidity management is to ensure, by maintaining minimum necessary cash reserves and sufficient credit limits from the banks with which it cooperates, that it will always have enough liquidity in order to fulfill its financial liabilities when those become due, under normal as well as exceptional circumstances, without incurring unacceptable losses or risking the Group’s reputation.

In order to avoid liquidity risks, the Group anticipates annual cash flows when drafting the annual budget, as well as a rolling monthly prediction for a period of three months, in order to ensure that it will always have enough cash reserves in order to cover its operational costs, including the fulfillment of its financial obligations. The effect of unforeseeable extreme circumstances is not taken into consideration in this policy.

3.6 Market Risk

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

The purpose of risk management against market conditions is to control the Group's exposure to those risks, within the framework of acceptable parameters and with a concurrent optimization of results.

3.7 Currency Risk

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

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

If, as at 31.12.2008, EUR was appreciated/ depreciated by 9% compared to RUR, with the other variables remaining fixed, the Group's net worth, as affected by the subsidiary Corinth Pipeworks S.A., would be increased/ decreased by EUR 1,790,700 and EUR 2,147,000 respectively.

If, as at 31/12/2008, USD was appreciated/ depreciated by 11% (2007: 6%) compared to EUR, with the other variables remaining fixed, profits after tax of the Group, as affected by the subsidiary, Corinth Pipeworks S.A., would be increased/ decreased by €4,882,752 (2007: decreased by € 69,112) and €6,089,724 (2007: increased by € 78,500) respectively, mainly due to the currency losses/ profits occurring from the conversion in EUR of the receivables, liabilities and cash and cash equivalents in USD. Net Assets would be respectively affected.

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

3.8 Interest Rate Risk

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

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

If, as at 31/12/2008, interest rates were increased (decreased) by 0.25% / (-0.25%), the Group's profits before taxes effect would be (loss) / profit equal to (-€1,187 thousand). / €1,187 thousand. Under the same scenario the company's profits before taxes effect would be (loss) / profit equal to (-€496 thousand) / €496 thousand. Group and company net assets would be affected proportionally.

3.9 Capital Management

The policy of the Board of Directors consists in the preservation of a solid capital base, in order to maintain investor, creditor and market confidence in the Group and to allow the future expansion of its activities. The Board of Directors monitors the return on capital, which is defined by the Group as the net results divided by the total net position, not taking non-convertible preferred shares and minority rights into consideration. The Board of Directors also monitors the level of dividends paid to the holders of ordinary shares.

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

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

No changes occurred as far as the approach adopted by the group in relation to capital management during the fiscal year.

3.10 Fair value estimation

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

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

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

4. Accounting estimates and assumptions

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

4.1 Critical accounting estimates and assumptions

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

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

b) The Group recognizes provisions for anticipated negative outcome of legal cases based on assessments performed by internal lawyers.

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

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

4.2 Critical judgments in applying the entity's accounting policies

The Group's subsidiary, Corinth Pipeworks SA, during the year 2008, reassessed the potential offset of brought forward tax losses with future taxable profits and recognized a deferred tax asset in relation to part

of the brought forward tax losses amounting to €35,597,868 for which it is probable that the company will realize the related economic benefit due to future taxable profits.

By application of the provisions of IAS 2, according to which inventories are valued at the lower of the acquisition cost and the net realizable value, a depreciation of EUR 60,286 thousand for the Group and EUR 31,128 thousand for the parent company took place. The above amount burdened the results of the period.

5. Segment Information

Primary reporting format – business sectors

The Group is divided into two business sectors:

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

The results per segment for the year ended 31 December 2008 are as follows

Year ended 31 December 2008 (amounts in €)	Steel Construction Products	Pipes	Unallocated	Total
Total gross sales per segment	1.682.804.090	400.530.557	-	2.083.334.647
Intra-company sales	-328.393.488	-41.500.535	-	-369.894.022
Net sales	1.354.410.603	359.030.022	-	1.713.440.625
Operating results	62.084.073	19.619.108	-	81.703.181
Financial income - expenditures	-30.400.818	-7.434.978	-	-37.835.796
Income from Investments	-	-	85.932	85.932
Profits/Losses from investments	-	-	-130.065	-130.065
Share of profit of associates	-	-	3.590.392	3.590.392
Profit before taxes	31.683.255	12.184.130	3.546.259	47.413.644
Income tax	-	-	-15.359.231	-15.359.231
Profit for the year	31.683.255	12.184.130	-11.812.972	32.054.414

31/12/2008	Steel Construction Products	Pipes	Unallocated	Total
Assets (apart from investments in associates)	1.197.355.119	387.301.725	-	1.584.656.844
Investments in Associates	21.547.040	9.037.676	-	30.584.716
Total Assets	1.218.902.159	396.339.401	-	1.615.241.560
Total liabilities	657.460.236	261.020.282	-	918.480.518
Investments in tangible and intangible assets and in fixed assets	67.287.545	6.449.299	-	73.736.844

Other items per segment included in the results for the year ended 31 December 2008

Year ended 31 December 2008 (amounts in €)	Steel Construction Products	Pipes	Unallocated	Total
Depreciation of property, plant and equipment	46.029.587	11.877.081	-	57.906.668
Depreciation of intangible assets	242.330	118.352	-	360.682
Total depreciation	46.271.917	11.995.433	-	58.267.349
Impairment of receivables	-1.957.049	8.247	-	-1.948.802
Impairment of inventories	111.657	-719.119	-	-607.462

The results per segment for the year ended 31 December 2007 are as follows

Year ended 31 December 2007 (amounts in €)	Steel Construction Products	Pipes	Unallocated	Total
Total gross sales per segment	1.326.801.014	368.030.298	-	1.694.831.312
Intra-company sales	-295.209.311	-9.582.677	-	-304.791.987
Net sales	1.031.591.703	358.447.621	-	1.390.039.325
Operating results	114.836.236	45.954.949	-	160.791.185
Financial income - expenditures	-	-	-25.333.379	-25.333.379
Income from investments	-	-	96.175	96.175
Profit / loss of associates	-	-	1.902.016	1.902.016
Share in results by subsidiaries	-	-	1.051.456	1.051.456
Profit before taxes	114.836.236	45.954.949	-22.283.733	138.507.453
Income tax expense	-	-	-26.661.889	-26.661.889
Profit for the year	114.836.236	45.954.949	-48.945.622	111.845.563

31/12/2007	Steel Construction Products	Pipes	Unallocated	Total
Assets (apart from investments in associates)	1.349.430.108	165.239.170	-	1.514.669.278
Investments in Associates	22.289.366	7.335.811	-	29.625.176
Total Assets	1.055.508.418	340.991.437	-	1.544.294.454
Total liabilities	603.536.020	219.372.846	-	822.908.865
Investments in tangible and intangible assets and in fixed assets	94.429.632	10.648.764	-	105.078.395

Other items per segment included in the results for the year ended 31 December 2007

	Steel			
	Construction	Pipes	Unallocated	Total
Year ended 31 December 2007 (amounts in €)				
Depreciation of property, plant and equipment	39.688.774	11.879.268	-	51.568.042
Depreciation of intangible assets	131.008	139.496	-	270.504
Total depreciation	39.819.782	12.018.764	-	51.838.546
Impairment of receivables	74.404	1.159.297	-	1.233.701
Impairment of inventories	-111.657	-1.753.665	-	-1.865.322

In application of the provisions of IAS 2 according to which the inventories are valued at the lowest price between the acquisition cost and the net realizable value, the impairment of the amount of ύψους €(60.286) thousand was recognized for the Group. Of this, an amount of €(56.662) thousand concerns the steel sector and an amount of €(3.624) thousand concerns the pipe sector.

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

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

Secondary Reporting Format – Geographical Segment

<i>Amounts in €</i>	GROUP		COMPANY	
Sales	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Greece	700.541.745	551.849.210	243.639.617	252.059.584
European Union	622.620.264	472.810.423	105.719.509	81.598.744
Other European countries	86.210.330	89.710.556	61.382.995	54.793.219
Asia	81.019.547	27.061.491	-	-
America	222.350.415	234.580.204	7.418.635	6.241.225
Africa	698.324	14.027.441	-	-
Total	1.713.440.625	1.390.039.325	418.160.755	394.692.772

Analysis of sales per category

<i>Amounts in €</i>	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Sales of merchandise & products	1.969.441.010	1.599.114.861	361.660.354	369.041.118
Income from services	65.587.783	56.435.972	19.469.490	18.973.127
Other	48.305.855	39.280.479	37.030.911	6.678.526
Inter company	-369.894.022	-304.791.987	-	-
Total	1.713.440.625	1.390.039.325	418.160.755	394.692.772

Total assets (without investments in associates)	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Greece	1.173.197.787	1.034.291.970	673.963.927	651.098.127
Other	411.459.057	480.377.306	-	-
Total	1.584.656.844	1.514.669.277	673.963.927	651.098.127
Investments in Associates				
Greece	27.205.729	19.133.361	5.848.640	5.836.460
Other	3.378.987	10.491.817	3.234.352	3.234.352
Total	30.584.716	29.625.178	9.082.992	9.070.812
Total Assets	1.615.241.560	1.544.294.454	683.046.919	660.168.939

Investments in property, plant and equipment and intangible assets	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Greece	42.737.835	43.685.105	10.512.766	21.625.204
Other	30.999.009	61.393.291	-	-
Total	73.736.844	105.078.395	10.512.766	21.625.204

6. Property, plant and equipment and intangible assets

Property, plant and equipment

Group							
<i>Amounts in Euro</i>	Land	Buildings	Machinery	Vehicles	Furniture and Fittings	Assets under construction	Total
Cost							
Balance as at January 1 2007	91.188.614	193.137.840	545.273.878	5.954.970	14.263.248	52.049.943	901.868.492
Foreign exchange differences	-355	-710	-4.197	-39	-11.320	-38	-16.660
Additions	6.445.092	6.983.090	22.440.462	480.970	1.003.691	67.138.259	104.491.564
Sales	-	-559.000	-1.895.340	-16.965	-25.337	-	-2.496.642
Destructions	-	-	-14.647	-32.911	-27.508	-119.178	-194.244
Write off	-	-	-	-	-	-38.318	-38.318
Contribution to associate	-	-	-4.209.185	-	-	-	-4.209.185
Acquisition of subsidiaries	648.071	-	-	-	14.404	-	662.474
Spare Parts Consumption	-	-	-1.231.284	-	-	-	-1.231.284
Reclassifications	-307.986	3.438.124	18.294.474	481.440	27.686	-21.933.737	-
Sale of subsidiaries	-7.429.498	-5.216.402	-125.004	-440.671	-1.108.969	-	-14.320.544
Balance as at December 31 2007	90.543.937	197.782.941	578.529.157	6.426.792	14.135.895	97.096.931	984.515.654
Accumulated depreciation							
Balance as at January 1 2007	-	-26.804.747	-110.269.942	-3.704.421	-11.540.641	-	-152.319.751
Foreign exchange differences	-	110	303	2	11.465	-	11.879
Depreciation	-	-9.517.383	-40.303.667	-538.932	-1.208.061	-	-51.568.042
Sales	-	58.081	118.553	14.217	18.332	-	209.183
Destructions	-	-	10.719	35.468	24.951	-	71.138
Contribution to associate	-	-	1.034.955	-	-	-	1.034.955
Spare Parts Consumption	-	-	517.988	-	-	-	517.988
Reclassifications	-	1.724	-109	-1.724	109	-	-
Sale of subsidiaries	-	956.357	-1.457	170.831	1.049.228	-	2.174.959
Balance as at December 31 2007	-	-35.305.858	-148.892.658	-4.024.560	-11.644.617	-	-199.867.692
<i>Amounts in Euro</i>	Land	Buildings	Machinery	Vehicles	Furniture and Fittings	Assets under construction	Total
Cost							
Balance as at January 1 2008	90.543.937	197.782.941	578.529.157	6.426.792	14.135.895	97.096.931	984.515.654
Foreign exchange differences	-12.846	33.174	46.948	122	8.798	8.359	84.555
Additions	461.584	6.091.112	19.867.993	431.231	912.563	45.710.734	73.475.219
Sales	-	-4.605	-1.621.110	-576.114	-16.707	-	-2.218.535
Destructions	-	-	-1.358.792	-	-85.290	-34.337	-1.478.420
Write off	-	-	-	-	-	-78.968	-78.968
Contribution to associate	221.451	-	-	-	-	-	221.451
Transfer from non-current assets available for sale	-	-	3.918.560	-	-	-	3.918.560
Spare Parts Consumption	-	-	-1.538.875	-	-	-	-1.538.875
Reclassifications	-	14.371.529	65.615.057	-	350.414	-80.337.000	-
Balance as at December 31 2008	91.214.126	218.274.152	663.458.939	6.282.032	15.305.674	62.365.718	1.056.900.641
Accumulated depreciation							
Balance as at January 1 2008	-	-35.305.858	-148.892.658	-4.024.560	-11.644.617	-	-199.867.692
Foreign exchange differences	-	-1.183	-4.725	-32	-7.480	-	-13.420
Depreciation	-	-10.194.059	-46.073.895	-473.808	-1.164.905	-	-57.906.668
Sales	-	192	375.660	481.808	14.981	-	872.641
Destructions	-	-	458.044	-	85.195	-	543.239
Spare Parts Consumption	-	-	452.730	-	-	-	452.730
Balance as at December 31 2008	-	-45.500.909	-193.684.844	-4.016.591	-12.716.826	-	-255.919.170
Net book value as at December 31 2008	91.214.126	172.773.243	469.774.095	2.265.441	2.588.848	62.365.718	800.981.471
COMPANY							
<i>Amounts in Euro</i>	Land	Buildings	Machinery	Vehicles	Furniture and spare parts	Tangible assets under construction	Total
Cost							
Balance as at January 1st 2007	20.305.115	32.121.799	112.657.166	594.049	6.004.440	2.912.267	174.594.837
Additions	12.849.853	553.310	6.743.476	-	285.786	1.192.778	21.625.204
Sales	-	-	-279.581	-	-1.799	-	-281.380
Spare Parts consumption	-	-	-343.081	-	-	-	-343.081
Reclassifications	-	847.364	883.470	-	21.164	-1.751.998	-
Balance as at December 31st 2007	33.154.968	33.522.473	119.661.449	594.049	6.309.592	2.353.047	195.595.579
Accumulated depreciation							
Balance as at January 1st 2007	-	-4.339.608	-22.824.197	-580.716	-5.269.655	-	-33.014.177
Depreciation	-	-1.573.397	-8.912.307	-4.888	-383.660	-	-10.874.251
Sales	-	-	43.155	-	576	-	43.731
Spare Parts consumption	-	-	343.081	-	-	-	343.081.23
Balance as at December 31st 2007	-	-5.913.005	-31.350.267	-585.604	-5.652.739	-	-43.501.615
Net book value as at December 31st 2007	33.154.968	27.609.469	88.311.182	8.445	656.853	2.353.047	152.093.964

<i>Amounts in Euro</i>	Land	Buildings	Machinery	Vehicles	Furniture and spare parts	Tangible assets under construction	Total
Cost							
Balance as at January 1st 2008	33.154.968	33.522.473	119.661.449	594.049	6.309.592	2.353.047	195.595.579
Additions	167.018	2.336.529	4.675.820	21.500	178.782	3.133.116	10.512.766
Sales	-	-	-8.200	-	-5.386	-	-13.586
Destructions	-	-	-1.268.000	-	-	-	-1.268.000
Contribution to associate	-2.213.629	-	-	-	-	-	-2.213.629
0	-	-	-96.218	-	-	-	-96.218
Reclassifications	-	290.058	886.098	-	48.179	-1.224.335	-
Balance as at December 31st 2008	31.108.358	36.149.060	123.850.950	615.549	6.531.168	4.261.828	202.516.913
Accumulated depreciation							
Balance as at January 1st 2008	-	-5.913.005	-31.350.267	-585.604	-5.652.739	-	-43.501.615
Depreciation	-	-1.625.179	-9.043.923	-5.133	-330.353	-	-11.004.588
Sales	-	-	-	-	4.138	-	4.138
Destructions	-	-	373.356	-	-	-	373.356
Spare Parts consumption	-	-	94.191	-	-	-	94.191
Balance as at December 31st 2008	-	-7.538.184	-39.926.643	-590.738	-5.978.954	-	-54.034.519
Net book value as at December 31st 2008	31.108.358	28.610.876	83.924.307	24.811	552.214	4.261.828	148.482.394

With the ratification of the Implementation Act of the Regulatory Plan for the Industrial Region of Thisvi-Viotia No. 5931/28-9-2006 and the relevant decision taken by the General Secretary of the Central Greece Region, the subsidiary company, DIAVIPETHIV S.A. (an organization of the Industrial Region of Thisvi-Viotia) acquired a total area of 195 stremmas and 281 additional stremmas to cover common needs of the companies/ users of the industrial area. The said areas have come from a respective concession of land from the companies located thereat. In the context of the above, SIDENOR S.A. has conceded a land of 192,271 s.m. and of EUR 2,213,629 value, which has been recorded as long-term receivable from DIAVIPETHIV S.A., given that, pursuant to Law no. 2545/97 (article 5), the said area shall be returned to the owners, as long as the designation of the organization is removed. CORINTH PIPEWORKS S.A. has also conceded an area of 145,471 s.m. of EUR 3,603,023 value.

Mortgages and notices of mortgages in favour of banks totally amounting to EUR 128,200 thousand for loans of EUR 63,704 thousand outstanding balance exist on the fixed assets of the subsidiaries.

The income statement includes rents totally amounting to €541,449 (2007: EUR 500,310 thousand) and EUR 867 thousand (2007: €834 thousand) for the Group and the Company respectively regarding lease of transportation means and buildings (note 26).

Machinery and vehicles included in the above that are held under finance leases:

Machinery

Amounts in Euro

Cost-finance leases
Accumulated depreciation
net book value

CONSOLIDATED FIGURES

31/12/2008	31/12/2007
9.069.380	9.069.380
-4.206.990	-3.602.468
4.862.390	5.466.912

Vehicles

Amounts in Euro

Cost-finance leases
Accumulated depreciation
net book value

CONSOLIDATED FIGURES

31/12/2008	31/12/2007
391.382	391.382
-218.818	-190.228
172.564	201.154

Intangible assets

GROUP

Amounts in €

Cost

Balance as at January 1st 2007

Additions

Reclassifications

Balance as at December 31 2007

Development Expenses	Software	Other	Total
-	325.195	525.077	850.272
355.093	231.738	-	586.831
-	525.077	-525.077	-
355.093	1.082.011	-	1.437.104

Accumulated depreciation

Balance as at January 1st 2007

Foreign exchange differences

Depreciation

Reclassifications

Balance as at December 31 2007

-	-81.680	-483.981	-565.661
-	1	-	1
-139.496	-131.008	-	-270.504
-	-483.982	483.982	-
-139.496	-696.669	1	-836.163

Net book value as at December 31st 2007

215.597	385.342	1	600.940
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Amounts in €

Cost

Balance as at January 1st 2008

Foreign exchange differences

Additions

Contribution of intangibles

Balance as at December 31 2008

Development Expenses	Software	Other	Total
355.093	1.082.011	-	1.437.104
-	497	-	497
-	261.625	-	261.625
-	-	449.328	449.328
355.093	1.344.133	449.328	2.148.554

Accumulated depreciation

Balance as at January 1st 2008

Foreign exchange differences

Depreciation

Balance as at December 31 2008

-139.496	-696.669	1	-836.163
-1	-162	-	-163
-118.352	-242.330	-	-360.682
-257.849	-939.160	1	-1.197.008

Net book value as at December 31st 2008

97.244	404.973	449.329	951.546
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COMPANY

Amounts in €

Cost

Balance as at January 1st 2007

Balance as at December 31st 2007

Software	Total
315.943	315.943
315.943	315.943

Accumulated depreciation

Balance as at January 1st 2007

Depreciation

Balance as at December 31st 2007

-80.493	-80.493
-67.515	-67.515
-148.008	-148.008

Net book value as at December 31st 2007

167.935	167.935
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Amounts in €

Cost

Balance as at January 1st 2008

Balance as at December 31st 2008

Software	Total
315.943	315.943
315.943	315.943

Accumulated depreciation

Balance as at January 1st 2008

Depreciation

Balance as at December 31st 2008

-148.008	-148.008
-58.862	-58.862
-206.871	-206.871

Net book value as at December 31st 2008

109.073	109.073
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7. Non-Current Assets Available for Sale

The Group has no non-current assets available for sale Machinery of a total value of € 3,919 thousand that, during the year, was regarded as non-current assets has been transferred by the company to fixed assets.

8. Investments in associates

Amounts in €

	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Beginning of the year	29.625.176	19.194.034	9.070.812	5.836.460
Share of profit/(loss) after tax	3.590.392	1.051.456	-	-
Income from dividends	-955.072	-1.045.926	-	-
Foreign exchange differences	-1.733.245	-567.577	-	-
Additions	12.180	4.345.360	12.180	3.126.533
Sales	-	-	-	-
Participation with contribution of fixed assets	-	6.540.011	-	-
Transfer from financial instruments available for sale	40.000	107.820	-	107.820
Investment increase in associate	5.284	-	-	-
Balance at the year end	30.584.715	29.625.176	9.082.992	9.070.812

The associate companies that are consolidated using the equity method are the following:

Company	Country	Holding Percentgae	
		31/12/2008	31/12/2007
SIDMA S.A.	Greece	24,18%	24,15%
DIAPEM S.A.	Greece	33,35%	33,35%
BEPEN S.A.	Greece	50,00%	50,00%
METALLOURGIA ATTIKIS S.A.	Greece	50,00%	50,00%
ELKEME S.A.	Greece	20,00%	20,00%
DOMOPLEX LTD	Cyprus	45,00%	45,00%
BIODIESEL S.A.	Ελλάδα	15,64%	
ZAO TMK-CPW	Russia	38,49%	38,49%

Condensed financial information of Associates

	31/12/2008	31/12/2007
Assets	282.312.605	247.904.802
Liabilities	187.216.862	160.817.779
Revenues (Sales)	292.348.602	198.944.914
Profit (loss) after tax	7.560.577	5.204.447

In January 2008, the participation to the affiliated company SIDMA S.A. increased by 0.03%.

On 31/12/2008, BIODIESEL S.A., in which SIDENOR S.A. participates by 15.64% (through its participation in SOVEL S.A. which holds a 25% direct participation) is consolidated for the first time under the net equity method.

9. Investments in subsidiaries

COMPANY

Amounts in €

	31/12/2008	31/12/2007
Beginning of the year	195.269.484	206.940.431
Additions	30.004.394	1.917.409
Reductions	-21.955.006	-13.588.356
Balance at year end	203.318.871	195.269.484

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

Company 2008	Country	Direct Participation Percentage	Indirect Participation Percentage	Direct & Indirect Particip.%	Activity sector
SOVEL S. A.	Greece	62,56%	0,00%	62,56%	Steel Construction Products
DEPAL S.A.	Greece	100,00%	0,00%	100,00%	Steel Construction Products
STOMANA INDUSTRY S.A.	Bulgaria	100,00%	0,00%	100,00%	Steel Construction Products
ERLIKON S.A.	Greece	98,92%	0,00%	98,92%	Steel Construction Products
AEIFOROS S.A.	Greece	90,00%	0,00%	90,00%	Steel Construction Products
ETAL S.A.	Greece	83,26%	10,47%	93,73%	Steel Construction Products
PROSAL S.A.	Greece	70,00%	0,00%	70,00%	Pipes
PROSAL TUBES SA	Bulgaria	0,00%	70,00%	70,00%	Pipes
TEPRO STEEL EAD	Bulgaria	100,00%	0,00%	100,00%	Steel Construction Products
DOJRAN STEEL LLCOP	F.Y.R.O.M.	75,00%	0,00%	75,00%	Steel Construction Products
ELMONTE HOLDINGS LIMITED	Cyprus	100,00%	0,00%	100,00%	Steel Construction Products
BOZETTI LTD	Cyprus	100,00%	0,00%	100,00%	Steel Construction Products
VEMET SA	Greece	100,00%	0,00%	100,00%	Steel Construction Products
ETIL SA	Greece	3,89%	66,10%	69,99%	Steel Construction Products
PRAKSYS SA	Greece	51,00%	0,00%	51,00%	Steel Construction Products
DIA.VI.PE.THIV. SA	Greece	51,97%	16,79%	68,76%	Pipes
AEIFOROS BULGARIA SA	Bulgaria	0,00%	90,00%	90,00%	Steel Construction Products
VET SA	Greece	0,00%	61,62%	61,62%	Pipes
VEAT SA	Greece	0,00%	40,66%	40,66%	Steel Construction Products
SIGMA SA	Bulgaria	0,00%	69,28%	69,28%	Steel Construction Products
ARGOS SA	Greece	0,00%	69,28%	69,28%	Steel Construction Products
SIDERAL SHPK (ANAMET AL SHPK)	Albania	100,00%	0,00%	100,00%	Steel Construction Products
SIDEROM STEEL SLR	Romania	100,00%	0,00%	100,00%	Steel Construction Products
PORT VIDIN SOUTH SA	Bulgaria	0,00%	90,00%	90,00%	Steel Construction Products
CORINTH PIPEWORKS SA	Greece	1,97%	76,58%	78,55%	Pipes

Company 2007	Country	Direct Participation Percentage	Indirect Participation Percentage	Direct & Indirect Particip.%	Activity sector
SOVEL S. A.	Greece	62,56%	0,00%	62,56%	Steel Construction Products
DEPAL S.A.	Greece	90,92%	0,00%	90,92%	Steel Construction Products
STOMANA INDUSTRY S.A.	Bulgaria	85,97%	0,00%	85,97%	Steel Construction Products
ERLIKON S.A.	Greece	98,92%	0,00%	98,92%	Steel Construction Products
AEIFOROS S.A.	Greece	90,00%	0,00%	90,00%	Steel Construction Products
ETAL S.A.	Greece	83,26%	10,47%	93,73%	Steel Construction Products
PROSAL S.A.	Greece	70,00%	0,00%	70,00%	Pipes
PROSAL TUBES SA	Bulgaria	0,00%	70,00%	70,00%	Pipes
TEPRO STEEL EAD	Bulgaria	100,00%	0,00%	100,00%	Steel Construction Products
DOJRAN STEEL LLCOP	F.Y.R.O.M.	75,00%	0,00%	75,00%	Steel Construction Products
ELMONTE HOLDINGS LIMITED	Cyprus	100,00%	0,00%	100,00%	Steel Construction Products
BOZETTI LTD	Cyprus	100,00%	0,00%	100,00%	Steel Construction Products
VEMET SA	Greece	100,00%	0,00%	100,00%	Steel Construction Products
ETIL SA	Greece	3,89%	60,10%	63,98%	Steel Construction Products
PRAKSYS SA	Greece	51,00%	0,00%	51,00%	Steel Construction Products
DIA.VI.PE.THIV. SA	Greece	51,97%	16,79%	68,76%	Pipes
AEIFOROS BULGARIA SA	Bulgaria	0,00%	90,00%	90,00%	Steel Construction Products
VET SA	Greece	0,00%	61,62%	61,62%	Pipes
VEAT SA	Greece	0,00%	40,66%	40,66%	Steel Construction Products
SIGMA SA	Bulgaria	0,00%	63,34%	63,34%	Steel Construction Products
ARGOS SA	Greece	0,00%	63,34%	63,34%	Steel Construction Products
SIDERAL SHPK (ANAMET AL SHPK)	Albania	100,00%	0,00%	100,00%	Steel Construction Products
SIDEROM STEEL SLR	Romania	100,00%	0,00%	100,00%	Steel Construction Products
CORINTH PIPEWORKS SA	Greece	0,00%	78,55%	78,55%	Pipes

On 13/02/2008, SIDENOR STEEL PRODUCTS SA acquired additional shares of STOMANA INDUSTRY SA, and thus the Group owns 100% of the company's total share capital.

During the current period, parent company SIDENOR S.A bought from its subsidiary, ELMONTE HOLDINGS limited. the 1,97% of its subsidiary CORINTH PIPEWORKS S.A.

On 31/01/2008 the company PORT VIDIN NORTH SA was established in Vidin, Bulgaria. The 90% of its share capital belongs to STOMANA INDUSTRY SA. The operating activity of the new company is to provide port services.

On August 4th 2008, the parent company, SIDENOR S.A., acquired the remaining 9.08% of the share capital of DEPAL S.A. As a consequence thereof, SIDENOR S.A's participation in its subsidiaries, ETIL S.A., ARGOS S.A. and SIGMA S.A. increased by 6%.

During 2008 and in the context of the application of the Implementation Act of the Regulatory Plan for the Industrial Region of Thisvi-Viotia No.5931/28-09-2006 and the relevant decision taken by the General Secretary of the Central Greece Region (see note 6), SIDENOR S.A. contributed €1,075,737 in cash against a share capital increase of DIAVIPETHIV S.A. Respectively, CORINTH PIPEWORKS S.A. contributed €484,430 in cash.

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

10. Financial assets available for sale

Amounts in €

	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
<u>Listed Securities</u>				
- Domestic participations	5.150	5.150	5.150	5.150
<u>Non Listed Securities</u>				
- Domestic participations	259.332	315.277	129.303	147.276
- Foreign participations	1.220.527	1.220.527	1.219.914	1.219.914
	1.485.009	1.540.954	1.354.368	1.372.340

	GROUP	
	31/12/2008	31/12/2007
<i>Profits / (Losses) from financial instruments sales</i>		
Net book value	-	28.329
Profits / (Losses) from the sale	-	357
Sales Income	-	28.686

	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Begging Balance	1.540.954	1.641.450	1.372.340	1.472.836
Additions	-	7.323	-	7.323
Decrease due to capitalized losses	-35.944	-	-17.972	-
Reclasifications	-20.000	-107.820	-	-107.820
Ending Balance	1.485.009	1.540.954	1.354.368	1.372.340
Non Current Assets	1.485.009	1.540.954	1.354.368	1.372.340

The non-listed securities are valued at acquisition cost net of any losses due to impairment. The said financial assets are valued periodically for any impairment.

11. Financial Assets at Fair Value through Profit or Loss

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

Amounts in €

	GROUP	
	31/12/2008	31/12/2007
Begging Balance	106.737	380.066
Sales	-	-278.329
Fair value adjustments increase / (decrease)	-58.200	5.000
Ending Balance	48.537	106.737
Current Assets	48.537	106.737
	48.537	106.737

Financial instruments at fair value through profit and loss comprise the following

	GROUP	
	31/12/2008	31/12/2007
<u>Listed Securities</u>		
- Domestic participations	48.537	99.400
<u>Non Listed Securities</u>		
- Domestic participations	-	7.337
	48.537	106.737
Fair value gain/(loss) of other financial instruments at fair value through profit and loss	-58.200	5.000

12. Deferred Income Tax

	GROUP		COMPANY	
<i>Amounts in €</i>	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Deferred tax assets:				
Recoverable after 12 months	133.198	1.277.026	-	-
Total	133.198	1.277.026	-	-
Deferred tax liabilities:				
Recoverable after 12 months	-58.486.846	-65.049.876	-19.608.853	-23.261.546
Total	-58.486.846	-65.049.876	-19.608.853	-23.261.546
Net Deferred tax (liability) / asset	-58.353.648	-63.772.850	-19.608.853	-23.261.546

The total change in deferred income tax is as follows:

	GROUP		COMPANY	
<i>Amounts in €</i>	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Balance at beginning of year	-63.772.850	-61.377.260	-23.261.547	-23.894.768
Foreign exchange differences	7.992	-4.622	-	-
Acquisition of subsidiary	-	-42.997	-	-
Sale of Subsidiary	-	1.038.600	-	-
(Charge)/credit to the income statement	3.215.056	-4.056.039	3.551.701	604.000
Tax (charged)/credited to equity	2.196.152	669.468	100.992	29.220.71
Balance at year end	-58.353.649	-63.772.850	-19.608.853	-23.261.547

The movement in deferred tax assets and liabilities prior to their offsetting is as follows:

GROUP	Difference in Depreciation	Difference in Provisions	Non-identifiable intangible assets	Tax Losses	Other	Total
Balance as at January 1st 2007	-80.699.418	1.496.007	2.443.196	17.348.364	-1.965.409	-61.377.260
Foreign exchange difference	-	-4.622	-	-	-	-4.622
(Charge)/credit to the income statement	65.103	356.307	-763.251	-4.180.665	466.466	-4.056.039
(Charge)/credit to equity	-	-	-	-	669.468	669.468
Reclassifications	483.421	46.688	-489.080	-	-41.028	-
Acquisition of subsidiary	-46.736	-	3.739	-	-	-42.997
Sale of Subsidiary	1.042.789	-	-4.189	-	-	1.038.600
Balance as at December 31st 2007	-79.154.841	1.894.379	1.190.415	13.167.699	-870.503	-63.772.850
Balance as at January 1st 2008	-79.154.841	1.894.379	1.190.415	13.167.699	-870.503	-63.772.850
Foreign exchange difference	-	7.556	-	437	-	7.992
(Charge)/credit to the income statement	6.592.143	338.339	-333.611	-4.321.039	939.225	3.215.056
(Charge)/credit to equity	-	-	-	-	2.196.152	2.196.152
Balance as at December 31st 2008	-72.562.698	2.240.274	856.804	8.847.097	2.264.874	-58.353.649

Deferred Tax Liabilities	Difference in Depreciation	Difference in Provisions	Non-identifiable intangible assets	Tax Losses	Other	Total
COMPANY						
<i>Deferred Tax Liabilities</i>						
Balance as at January 1st 2007	-24.223.661	-162.723	528.786	-	-37.169	-23.894.767
(Charge)/credit to the income statement	637.992	15.753	-49.745	-	-	604.000
(Charge)/credit to equity	-	-	-	-	29.221	29.221
Reclassifications	605.710	-71.927	-483.813	-	-49.969	-
Balance as at December 31st 2007	-22.979.960	-218.897	-4.772	-	-57.917	-23.261.546
Balance as at January 1st 2008	-22.979.960	-218.897	-4.772	-	-57.917	-23.261.546
(Charge)/credit to the income statement	3.314.268	315.467	-14.042	-	-63.991	3.551.701
(Charge)/credit to equity	-	-	-	-	100.992	100.992
Balance as at December 31st 2008	-19.665.692	96.570	-18.814	-	-20.916	-19.608.853

Deferred tax is determined using tax rates that are expected to apply when the deferred income tax asset is realized or liability is settled.

The income tax rate applicable to companies transacting in Greece is 25%.

In accordance with Law no. 3697/2008 (see note 29), tax rates have changed and the deferred income tax of previous years has been recalculated, which resulted in an expense amounting to 5,384,101 for the Group and 1,849,207 for the Company.

For the companies transacting in Cyprus, Bulgaria, Former Yugoslavic Republic of Macedonia and Albania, the applicable tax rate is 10%.

Finally, the tax rate applicable to the company transacting in Romania is 16%.

The Group's subsidiary, Corinth Pipeworks SA, reassessed the potential offset of brought forward tax losses with future taxable profits and recognized a deferred tax asset in relation to part of the brought forward tax losses amounting to €35,597,868 for which it is probable that the company will realize the related economic benefit due to future taxable profits.

The deferred tax recognized directly in equity relates to the change in the fair value of derivatives designated as cash flow hedge instruments that was recognized directly in equity (cash flow hedge reserve).

13. Inventories

	GROUP		COMPANY	
<i>Amounts in €</i>	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Merchandise	10.566.266	9.417.392	2.567.857	1.747.013
Finished goods	135.473.746	149.509.919	43.437.406	41.090.101
Semi-finished goods	79.024.090	49.721.356	11.317.314	9.405.879
By-products & residues	5.167.098	5.255.772	1.542.944	777.492
Work in progress	543.988	408.091	-	-
Raw materials-consumables-spare parts & packaging materials	159.054.401	176.306.255	23.243.072	31.684.610
Advances	4.540.161	2.211.027	3.197.577	1.660.833
Total	394.369.751	392.829.812	85.306.169	86.365.928
Minus: Provisions for obsolete, slowmoving inventories:				
Finished goods	-2.975.069	-2.255.950	-	-
Raw materials-consumables-spare parts & packaging materials	-	-111.657	-	-
	-2.975.069	-2.367.607	-	-
Total net realisable value	391.394.682	390.462.204	85.306.169	86.365.928

Cost of inventories recorded as an expense in the cost of sales amounts to €1,167,906 thousand (2007: €854,543 thousand) and €322,511 thousand (2007: €264,884 thousand) for the Group and the Company respectively.

By application of the provisions of IAS 2, according to which inventories are valued at the lower of the acquisition cost and the net realizable value, a depreciation of EUR 60,286 thousand for the Group and EUR 31,128 thousand for the parent company took place. The above amount burdened the results of the period.

The provision for inventories' impairment regards the subsidiary Corinth Pipeworks S.A.

14. Trade & Other Receivables

	GROUP		COMPANY	
<i>Current Assets</i>	31/12/2008	31/12/2007	31/12/2008	31/12/2007
<i>Amounts in €</i>				
Trade debtors	177.592.603	139.555.293	62.589.431	58.286.362
Minus: provision for impairment	-1.715.521	-505.765	-1.153.158	-87.610
Net trade receivables	175.877.082	139.049.528	61.436.273	58.198.752
Other advances	145.076	172.600	67.684	45.203
Notes receivable	54.223.365	57.556.280	51.575.285	55.266.776
Receivables from related parties	57.573.761	54.556.799	82.261.336	83.618.942
Receivables from income tax	2.369.715	-	-	-
Current tax receivables	7.423.527	2.550.018	6.177.264	25.215
Other debtors	33.576.395	26.402.486	8.547.050	8.579.440
Prepayment of income tax	18.873.372	10.829.061	15.485.230	5.997.891
Minus: Impairment provisions	-3.903.107	-3.164.061	-3.095.394	-3.010.942
Total	346.159.186	287.952.711	222.454.729	208.721.277
<i>Non -Current Assets</i>				
Other non-current receivables	4.576.130	4.288.948	3.861.428	1.452.683
Total	4.576.130	4.288.948	3.861.428	1.452.683
Total receivables	350.735.316	292.241.659	226.316.157	210.173.961
<i>Receivables</i>	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Guarantees taken from customers	3.388.184	1.631.500	2.903.184	1.631.500
Other Receivables	2.748.733	1.837.257	949.346	949.346
Total	6.136.917	3.468.757	3.852.530	2.580.846

Trade Receivables that past due and not considered as impaired	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Client tickler				
Trade debtors				
Up to 3 months	26.941.540	4.581.620	2.845.693	1.435.731
3 to 6 months	3.275.444	1.713.253	367.663	529.925
> 6 months	2.775.419	3.605.570	564.622	2.096.217
Total	32.992.403	9.900.443	3.777.977	4.061.873
Impairments Provision movement				
Begging Balance	-3.669.827	-4.903.527	-3.098.552	-3.200.000
Provision for impairment	-2.007.355	-307.411	-1.150.000	-
Impairment Write off	64.924	901.003	-	101.448
Use of provision of impairment	-6.371	-	-	-
Unused amounts reversed	-	640.109	-	-
Ending Balance	-5.618.628	-3.669.827	-4.248.552	-3.098.552
Trade and other receivables per currency				
Euro	287.862.107	241.011.190	222.360.335	209.240.038
Dollar	27.528.601	28.325.210	1.366.761	-
Bulgarian Leva	14.958.573	13.751.257	-	-
FYROM Dinnar	1.960.139	2.725.544	-	-
UK Sterlin	5.319.833	4.273.771	2.589.061	933.923
Rumanian Lei	6.458.070	80.456	-	-
Dirhaim	45	694.042	-	-
Cyprus Pound	6.510.115	1.367.165	-	-
Albanian Leik	137.833	13.024	-	-
Total	350.735.316	292.241.659	226.316.157	210.173.961

The non-current receivables relate to guarantees given to third parties in the normal course of business and have an indefinite maturity date. The Group and the Company estimate that the carrying amount of the receivables approximates their fair values.

An amount of EUR 5,816,652 (EUR 2,213,629 for the company) that is included in the receivables from DIAVIPETHIV and regards concession of land of 337,742 s.m. (145,471 s.m. for the company) total surface, in the context of the Regulatory Plan Implementation Act for the Industrial Region of Thisvi-Viotia (see note 6).

Financial Assets per Category

GROUP

Balances at 31/12/2008

Amounts in €

Assets	Loans and Receivables	Financial Assets at fair value through Profit and Loss	Derivatives for Cash flow Hedge	Available for Sale	Total
Non current financial assets available for sale	-	-	-	1.485.009	1.485.009
Non current financial derivatives	-	-	181.859	-	181.859
Trade and other receivables	321.386.323	-	-	-	321.386.323
Cash and Cash Equivalents	35.420.254	-	-	-	35.420.254
Current financial derivatives	-	-	3.324.973	-	3.324.973
Current financial assets at fair value through P&L	-	48.537	-	-	48.537
Total	356.806.576	48.537	3.506.832	1.485.009	361.846.954

GROUP

Balances at 31/12/2007

Amounts in €

Assets	Loans and Receivables	Financial Assets at fair value through Profit and Loss	Derivatives for Cash flow Hedge	Available for Sale	Total
Non current financial assets available for sale	-	-	-	1.540.954	1.540.954
Non current financial derivatives	-	-	1.122.708	-	1.122.708
Trade and other receivables	278.571.362	-	-	-	278.571.362
Cash and Cash Equivalents	37.201.099	-	-	-	37.201.099
Current financial derivatives	-	-	1.549.428	-	1.549.428
Current financial assets at fair value through P&L	-	106.737	-	-	106.737
Total	315.772.461	106.737	2.672.136	1.540.954	320.092.287

COMPANY
Balances at 31/12/2008

Amounts in €

Assets	Loans and Receivables	Financial Assets at fair value through Profit and Loss	Derivatives for Cash flow Hedge	Available for Sale	Total
Non current financial assets available for sale	-	-	-	1.354.368	1.354.368
Non current financial derivatives	-	-	181.859	-	181.859
Trade and other receivables	218.095.462	-	-	-	218.095.462
Cash and Cash Equivalents	8.895.037	-	-	-	8.895.037
Total	226.990.498	-	181.859	1.354.368	228.526.725

COMPANY
Balances at 31/12/2007

Amounts in €

Assets	Loans and Receivables	Financial Assets at fair value through Profit and Loss	Derivatives for Cash flow Hedge	Available for Sale	Total
Non current financial assets available for sale	-	-	-	1.372.340	1.372.340
Non current financial derivatives	-	-	585.828	-	585.828
Trade and other receivables	201.846.223	-	-	-	201.846.223
Cash and Cash Equivalents	5.068.688	-	-	-	5.068.688
Total	206.914.911	-	585.828	1.372.340	208.873.079

15. Derivative Financial Instruments

Derivative financial instruments

Amounts in €

Non Current Assets

Interest rate swaps for cash flow hedging

Total
Current assets

Interest rate swaps for cash flow hedging

Forwards for cash flow hedging

Total
Non-current liabilities

Interest rate swaps for cash flow hedging

Total
Current liabilities

Forwards for cash flow hedging

Forward foreign exchange held for trading

Total

Profit/(loss) recognised in the income statement

GROUP		COMPANY	
31/12/2008	31/12/2007	31/12/2008	31/12/2007
181.859	1.122.708	181.859	585.828
181.859	1.122.708	181.859	585.828
53.369	-	-	-
3.271.604	1.549.428	-	-
3.324.973	1.549.428	-	-
379.178	264.002	-	-
379.178	264.002	-	-
10.169.059	1.298.685	-	-
633.758	-	-	-
10.802.817	1.298.685	-	-
-6.380.977	8.436.434	-	-

Foreign Exchange Forward Contracts

Inflows

OutFlows

Total

Interest Rates Swaps (Euro)

Foreign Exchange Forward Contracts (USD)

Foreign Exchange Forward Contracts (USD)

GROUP		GROUP	
31/12/2008		31/12/2007	
Up to 1 year	1- 2 years	Up to 1 year	1- 2 years
37.786.630	-	38.792.321	-
-40.309.559	-	-37.498.701	-
-2.522.929	-	1.293.620	-
124.700.000	167.200.000	99.500.000	113.000.000
15.165.602	-	1.800.000	-
140.549.000	54.019.452	-	-

Financial Assets Derivatives

AA+

AA-

A

A-

BBB+

Total

GROUP		COMPANY	
Balance of 31/12/2008		Balance of 31/12/2008	
Interest Rate Swaps	Currency Forwards	Interest Rate Swaps	Currency Forwards
-	16.399	-	-
-	758.044	-	-
50.427	2.060.223	-	-
142.054	610.645	-	-
38.267	209.950	-	-
230.748	3.655.261	-	-
Balance 31/12/2007		Balance 31/12/2007	
Interest Rate Swaps	Currency Forwards	Interest Rate Swaps	Currency Forwards
148.907	937.526	-3.566	-
589.395	258.110	589.395	-
384.407	353.792	-	-
1.122.709	1.549.428	585.829	-

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

Gains and losses relating to forward foreign exchange contracts recognized in equity (hedging reserve) on 31/12/2008 will be recognized in profit or loss during the financial year.

On 31/12/2008, the fixed interest rates of long-term loans covered by interest rate swaps ranged from 3,16% to 5,37% (2007:3,16% – 5,37%). The basic floating rates are based on EURIBOR

The nominal value of outstanding freight futures contracts which regard the subsidiary Corinth Pipeworks S.A. amounted, on 31/12/2008, to USD 1,036,000. Profit and loss recognized in Equity (cash flow hedging reserve) from freight futures contracts, on 31/12/2008, will be transferred in the income statement in the first quarter of 2009.

16. Cash & Cash Equivalents

	GROUP		COMPANY	
<i>Amounts in €</i>	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Cash in hand and at bank	76.711	125.404	35.584	62.707
Short-term bank deposits	35.343.543	37.075.695	8.859.453	5.005.981
Total	35.420.254	37.201.099	8.895.037	5.068.688

17. Share Capital

	GROUP			
<i>Amounts in €</i>	Number of shares	Common stock	Share premium stock	Total
January 1st 2007	96.006.833	39.362.802	119.661.720	159.024.522
Issuance of new shares / (decrease)	122.658	50.290	385.146	435.436
December 31 2007	96.129.491	39.413.091	120.046.867	159.459.958
December 31 2008	96.129.491	39.413.091	120.046.867	159.459.958

	COMPANY			
<i>Amounts in €</i>	Number of shares	Common stock	Share premium stock	Total
January 1st 2007	96.006.833	39.362.802	119.661.720	159.024.522
Issuance of new shares / (decrease)	122.658	50.290	385.146	435.436
December 31 2007	96.129.491	39.413.091	120.046.867	159.459.958
December 31 2008	96.129.491	39.413.091	120.046.867	159.459.958

18. Stock Option Plan

The annual general meeting of the Company's shareholders on 26.06.2002 approved a stock option plan (the "Plan") relating to the offering of the Company's shares to the Group's management and employees. The Plan provided for the number of shares that will potentially be issued if all share options granted are exercised.

Every year, beginning in November 2002, the Company's Board of Directors granted share options that vest in 10% increments every year and may be exercised from 2006. The share options were granted to directors, key management and other executive employees. The options are cancelled if the beneficiary's employment with the Group is terminated before these are vested or exercised.

The precise number of share options granted to each beneficiary is set with a decision of the Company's Board of Directors, based on the beneficiary's position and performance.

Exercise period: The options may exercised during November, following a written notification by the beneficiary to the Company, and payment of the exercise price.

Total consideration is paid in full at the exercise of the options.

No vested options were exercised during 2008. An analysis of the share options is presented below:

Year	Share options granted but not exercised	Share options vesting in year	Share options exercised	Share options exercisable in year	Exercise Price
2006	901.900	521.400	500.207	-	3,55
2007	401.693	76.100	122.658	-	3,55
2008	279.035	76.100	-	50.735	3,55
2009	279.035	76.100	-	76.100	3,55
2010	-	76.100	-	76.100	3,55
2011	-	76.100	-	76.100	3,55
		901.900	622.865	279.035	

19. Other Reserves

GROUP

Amounts in €	Statutory reserve	Hedging Reserve	Tax free reserves	Other reserves	Total	Currency Translation adjustments	Total
Balance as at January 1st 2007	14.328.640	2.440.158	71.884.434	2.837.597	91.490.829	-341.832	91.148.997
Currency translation differences	-	-	-	-	-	-705.999	-705.999
Transfer to reserves	2.616.637	-	8.974.395	-	11.591.032	-	11.591.032
Increase % of investment in subsidiaries	-53.693	-86.678	-343.296	-99.832	-583.500	-	-583.500
Other	-	-1.573.953	-	-	-1.573.953	-	-1.573.953
Balance as at December 31st 2007	16.891.583	779.528	80.515.532	2.737.765	100.924.408	-1.047.831	99.876.578
Balance as at January 1st 2008	16.891.583	779.528	80.515.532	2.737.765	100.924.408	-1.047.831	99.876.578
Currency translation differences	-	-	-	-	-	-1.106.411	-1.106.411
Transfer to reserves	1.968.004	-	-	-	1.968.004	-	1.968.004
Increase / (decrease) of investment in subsidiaries	480.155	-	38.357	32.508	551.046	-	551.046
Other	-	-5.226.620	-	-	-5.226.620	-	-5.226.620
Balance as at December 31st 2008	19.339.742	-4.447.093	80.553.889	2.770.273	98.216.837	-2.154.242	96.062.596

COMPANY

Amounts in €	Statutory reserve	Hedging Reserve	Tax free reserves	Other reserves	Total
Balance as at January 1st 2007	8.804.373	527.033	44.550.406	145.561	54.027.373
Transfer to reserves	1.454.875	-	-	-	1.454.875
Other	-	-87.662	-	-	-87.662
Balance as at December 31st 2007	10.259.248	439.371	44.550.406	145.561	55.394.586
Balance as at January 1st 2008	10.259.248	439.371	44.550.406	145.561	55.394.586
Transfer to reserves	1.378.324	-	-	-	1.378.324
Other	-	-302.977	-	-	-302.977
Balance as at December 31st 2008	11.637.572	136.394	44.550.406	145.561	56.469.933

Based on Greek tax legislation, tax-free reserves are tax exempted, provided that they are not distributed to the shareholders. The Group does not intend to distribute the tax-free reserves, therefore the income tax that would arise if the tax-free reserves were distributed has not been estimated.

20. Borrowings

<i>Amounts in €</i>	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Long term borrowings				
Bank loans	62.561.628	66.266.736	-	500.000
Bond loans	190.000.000	260.833.336	110.000.000	187.500.000
Total long term borrowings	252.561.628	327.100.072	110.000.000	188.000.000
Current Borrowings				
Credit Limits bank accounts	4.764.568	4.020.486	444.196	466.396
Bank loans	275.523.141	195.113.598	88.000.000	72.181.819
Finance lease liabilities	640	16.363	-	-
Total current borrowings	280.288.350	199.150.448	88.444.196	72.648.215
Total borrowings	532.849.978	526.250.520	198.444.196	260.648.215
Total Cash and Cash Equivalents	35.420.254	37.201.099	8.895.037	5.068.688
Net Debt	497.429.724	489.049.422	189.549.159	255.579.527

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

<i>Amounts in €</i>	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Between 1 and 2 years	83.222.537	145.646.604	41.250.000	86.000.000
Between 2 and 5 years	165.839.037	181.453.468	68.750.000	102.000.000
Over 5 years	3.500.054	-	-	-
Total	252.561.628	327.100.072	110.000.000	188.000.000

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

	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Bank Loans (long term)	5,85%	5,76%	6,72%	6,55%
Bank Loans (short term)	6,07%	5,41%	5,12%	6,03%
Bond loans	4,84%	5,15%	4,96%	5,06%
Financial leasing payments	0,00%	4,60%	-	-

The maturity dates of the loans including the short term and the financial leasing are as follows:

<i>Amounts in €</i>	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Up to 1 year	280.288.349	199.150.448	88.444.196	72.648.215
Between 1 and 2 years	83.222.537	145.668.827	41.250.000	86.000.000
Between 2 and 5 years	165.839.037	181.386.801	68.750.000	102.000.000
Over 5 years	3.500.054	44.444	-	-
Total	532.849.978	526.250.520	198.444.196	260.648.215

	GROUP		COMPANY	
	Current Value		Current Value	
	Beginning	Ending	Beginning	Ending
Long term borrowings				
Bank loans	65.716.441	62.561.627	500.000	-
Bond loans	260.833.336	190.000.000	187.500.000	110.000.000
Total	326.549.777	252.561.627	188.000.000	110.000.000

	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Total Borrowings (per currency)				
Euro	498.671.522	524.322.920	198.444.196	260.648.215
Usd dollar	2.169.135	-	-	-
Leva	32.009.321	1.927.600	-	-
Total	532.849.978	526.250.520	198.444.196	260.648.215

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

	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Up to 6 months	73.783.388	29.445.717	33.750.000	11.557.305
6 to 12 months	57.805.840	67.508.448	27.500.000	22.340.910
1 to 5 years	263.695.585	281.783.404	110.000.000	151.250.000
Over 5 Years	3.500.054	44.444	-	-

On 27/06/2007, the repeat Company's General Meeting approved the additional issue of bond loans up to €100 million which will be covered by bonds. The issue of these loans will be used, mainly, to re-finance current bank debt liabilities and as well as to finance investment activities. Up to the date of financial statements issued, the amount of €45 million has been received by the company. The repeat General Meeting of 26/06/2008 has approved the issue of bond loans up to €60 million which has been received in total.

21. Finance leases

Amounts in €

Finance lease liabilities-minimum lease payments

Up to 1 year

Total

Present value of finance lease liabilities

GROUP	
31/12/2008	31/12/2007
640	16.363
640	16.363
640	16.363

The current value of finance lease liabilities is as follows:

Up to 1 year

Present value of finance lease liabilities

640	16.363
640	16.363

22. Employee Retirement Obligations

<i>Amounts in €</i>	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Balance sheet obligations for:				
Retirement benefits	5,505.631	6.097.076	1.770.262	1.709.686
<i>Amounts in €</i>				
Income statement charge for				
Retirement benefits	1.755.562	1.562.943	303.195	427.197
Present value of unfunded obligations	6.484.603	7.587.634	2.298.532	2.352.920
Unrecognised actuarial (gains)/losses	-741.645	-1.235.575	-491.162	-603.743
Unrecognised past service cost	-237.327	-254.983	-37.108	-39.491
	5,505.631	6.097.076	1.770.262	1.709.686
Balance sheet liability	5,505.631	6.097.076	1.770.262	1.709.686
Changes in the liability recognised on the Balance Sheet				
Net liability at beginning of the year	6.097.076	6.402.080	1.709.686	1.647.335
Employer contributions	-943.061	-981.430	-	-
Benefits paid	-1.403.945	-886.517	-242.619	-364.846
Total expense recognised in the income statement	1.755.562	1.562.943	303.195	427.197
Net liability at end of the year	5,505.631	6.097.076	1.770.262	1.709.686
Additional expenses or (income)	37.108	39.491	37.108	39.491
Actuarial losses or (gains)	502.688	636.673	491.162	603.743
Present value of liability at end of the year	6.045.427	6.773.240	2.298.532	2.352.920
Analysis of expenses recognised in the income statement				
Current service cost	686.207	701.292	217.784	218.901
Interest cost	326.930	315.133	104.984	90.605
Cost of additional benefits	223.385	110.732	-	90.047
Arrangement cost from employee transfers	466.972	62.792	-	-
Profit of curtailment from employee transfers	13.133	247.513	-	-
Actuarial losses or (gains)	39.195	79.697	-21.956	25.261
Expenses	-17.913	20.270	-	-
Past service cost during the year	17.652	25.513	2.383	2.383
Total expense recognised in the income statement	1.755.562	1.562.943	303.195	427.197
The main actuarial assumptions used for accounting purposes are the following:				
Discount rate	6,00% - 4,5%	4,5% - 5%	5,5%	4,8%
Future salary increases	5% - 3,5%	3,5% - 4,5%	3,5%	3,5%

23. Government Grants

<i>Amounts in €</i>	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Balance at beginning of year	13.972.672	15.170.722	382.284	461.920
Received Grants	74.263	-	-	-
Transfer of grant to receivables	-	-505.112	-	-
Depreciation of grants	-1.089.529	-1.075.606	-79.637	-79.637
Approved Grants	-	215.980	-	-
Transfer to Profit & Loss	-	166.688	-	-
Balance at end of year	12.957.405	13.972.672	302.647	382.284

Government grants relate to investments in property, plant and equipment.

24. Trade & Other Payables

	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
<i>Amounts in €</i>				
Trade payables	109.734.953	81.863.812	25.328.536	11.476.321
Notes payable	67.820.942	29.278.159	-	-
Customer prepayments	48.549.296	4.592.868	4.191.512	1.861.167
Social Security Funds	3.721.439	3.620.894	764.087	741.386
Amounts owed to related parties	9.418.964	9.580.487	78.106.429	51.108.207
Amounts owed to other associated companies	69.104	-	69.104	-
Dividends payable	27.940	21.600	27.940	21.600
Minority portion on dividends	20.300	20.466	-	-
Sundry creditors	6.084.677	6.294.956	2.658.487	2.319.970
Deferred income	36.000	29.820.149	22.000	-
Accrued expenses	15.794.665	15.281.581	4.492.934	5.322.523
Other accruals and deferred income	593.016	1.364.556	175.766	501.297
Other taxes and duties	3.228.169	4.421.071	649.545	641.936
Other Liabilities	146.669	108.631	-	-
Total	265.246.135	186.269.230	116.486.341	73.994.407
Long term liabilities	817.448	108.631	-	-
Short term liabilities	264.428.687	186.160.599	116.486.341	73.994.407
Total liabilities	265.246.135	186.269.230	116.486.341	73.994.407

GROUP

31/12/2008

Financial Instruments

Liabilities

	Up to 1 year	1-2 years	2-5 years	over 5 years
Borrowings	280.288.350	103.213.033	189.126.150	3.562.996
Trade and Other Payables	218.050.509	12.792	-	-
Derivatives	5.344.955	264.002	-	-
Other current liabilities concerning financial institution	6.194.998	-	-	-
Total	509.878.812	103.489.827	189.126.150	3.562.996

GROUP

31/12/2007

Liabilities

	Up to 1 year	1-2 years	2-5 years	over 5 years
Borrowings	199.134.085	163.144.014	196.267.687	45.219
Trade and Other Payables	188.456.374	264.385	-	-
Derivatives	1.288.283	264.002	-	-
Financial Leasing	16.363	-	-	-
Total	388.895.105	163.672.401	196.267.687	45.219

COMPANY

31/12/2008

Liabilities

	Up to 1 year	1-2 years	2-5 years	over 5 years
Borrowings	88.444.196	46.533.250	72.878.292	-
Trade and Other Payables	116.062.249	-	-	-
Derivatives	-	-	-	-
Total	204.506.445	46.533.250	72.878.292	-

COMPANY

31/12/2007

Liabilities

	Up to 1 year	1-2 years	2-5 years	over 5 years
Borrowings	72.648.215	96.451.372	108.727.142	-
Trade and Other Payables	71.204.676	-	-	-
Total	143.852.891	96.451.372	108.727.142	-

Other current liabilities (factoring) regard the subsidiary Corinth Pipeworks S.A., are denominated in US Dollar and expire within six months. The effective average weighted rate of the balance sheet date is 4.09% and the fair values are equal to the carrying amounts.

Financial Instruments per category
GROUP
balance as of 31/12/2008
Amounts in €

Liabilities	Hedging Derivatives	Other Financial Liabilities	Total
Long Term Loans	-	252.561.628	252.561.628
Long term Derivatives	379.178	-	379.178
Short term Loans	-	280.287.709	280.287.709
Other current liabilities concerning financial institution	-	6.194.998	6.194.998
Short term Derivatives	10.802.817	-	10.802.817
Total	11.181.995	539.044.336	550.226.331

GROUP
balance as of 31/12/2007
Amounts in €

Liabilities	Hedging Derivatives	Other Financial Liabilities	Total
Long Term Loans	-	327.100.072	327.100.072
Long term Derivatives	264.002	-	264.002
Short term Loans	-	199.150.448	199.150.448
Short term Derivatives	1.298.685	-	1.298.685
Total	1.562.687	526.250.520	527.813.207

Liabilities

	Other financial liabilities	Total
Long Term Loans	110.000.000	110.000.000
Short term Loans	88.444.196	88.444.196
Total	198.444.196	198.444.196

COMPANY
balance as of 31/12/2007
Amounts in €

Liabilities	Other financial liabilities	Total
Long Term Loans	188.000.000	188.000.000
Short term Loans	72.648.215	72.648.215
Total	260.648.215	260.648.215

25. Provisions

Long-term Provisions

GROUP

Amounts in €

	Pending legal cases	Other provisions	Total
January 1st 2007	357.910	2.843.955	7.965.434
Additional provisions for the year	194.689	76.744	1.932.837
Transferred to current liabilities	-	-28.752	-28.752
Transferred from current provisions	-	405.621	405.621
Used provisions during the year	-39.686	-2.305.742	-3.730.342
December 31st 2007	512.912	991.826	6.544.798
Additional provisions for the year	165.575	472.612	2.326.880
Transferred to short term provisions	-	-	-1.917.865
Used provisions during the year	-117.112	-239.423	-2.457.975
December 31st 2008	561.375	1.225.015	4.495.838

Amounts in €

	Other provisions	Total
January 1st 2007	2.500.000	2.500.000
Used provisions during the year	-2.305.742	-2.305.742
December 31st 2007	194.258	194.258
Additional provisions for the year	72.372	72.372
December 31st 2008	266.629	266.629

Short-Term provisions

GROUP

Amounts in €

	Pending legal cases	Other provisions	Total
January 1st 2007	796.576	545.628	1.342.204
Additional provisions for the year	142.000	46.007	188.007
Transferred from non-current provisions	-	28.752	28.752
Used provisions during the year	-443.575	-106.428	-550.003
December 31st 2007	495.001	513.959	1.008.960
Additional provisions for the year	-	162.250	162.250
Transferred from non-current provisions	1.917.865	-	1.917.865
Reversal of non used provisions	-100.000	-150.000	-250.000
Used provisions during the year	-70.000	-137.017	-207.017
December 31st 2008	2.242.866	389.191	2.632.057

26. Expenses per category

<i>Amounts in €</i>	Note	Cost of sales	Selling expenses	Administrative expenses	Total
Employee benefits	27	-56.377.491	-8.054.907	-19.995.797	-84.428.195
Cost of inventories recognised as an expense		-854.543.129	-865.113	-311.531	-855.719.773
<i>Energy</i>		-71.432.905	-320.949	-51.722	-71.805.576
Depreciation		-47.885.120	-1.000.212	-1.855.731	-50.741.063
Insurance Cost		-1.871.036	-4.690.160	-414.366	-6.975.562
Rent		-1.292.822	-861.301	-1.113.185	-3.267.309
Transportation		-3.118.451	-57.826.266	-361.038	-61.305.755
Third Parties Expenses		-54.898.760	-25.369.289	-10.168.304	-90.436.352
Provisions		-2.326	-1.913.608	-183.542	-2.099.477
Other Expenses		-8.559.965	-7.422.277	-4.382.667	-20.364.910
Interests		-	-221	-	-221
Total		-1.099.982.005	-108.324.303	-38.837.884	-1.247.144.192

31/12/2008

<i>Amounts in €</i>	Note	Cost of sales	Selling expenses	Administrative expenses	Total
Employee benefits	27	-63.374.039	-9.045.751	-16.602.919	-89.022.709
Cost of inventories recognised as an expense		-1.167.906.056	-1.075.214	-290.632	-1.169.271.901
<i>Energy</i>		-93.355.175	-351.644	-69.553	-93.776.373
Depreciation		-54.173.900	-1.071.489	-1.999.933	-57.245.322
Insurance Cost		-2.022.161	-4.504.533	-214.651	-6.741.346
Rent		-1.382.500	-1.139.550	-1.168.294	-3.690.343
Transportation		-3.701.378	-66.463.528	-441.600	-70.606.506
Third Parties Expenses		-66.935.939	-25.580.877	-11.579.567	-104.096.383
Provisions		-7.430	-3.099.232	-4.513	-3.111.174
Other Expenses		-16.225.319	-10.923.105	-6.055.041	-33.203.465
Interests		-	-9	-20	-29
Total		-1.469.083.896	-123.254.932	-38.426.723	-1.630.765.552

COMPANY
31/12/2007

<i>Amounts in €</i>	Note	Cost of sales	Selling expenses	Administrative expenses	Total
Employee benefits	27	-8.433.523	-2.574.745	-7.513.327	-18.521.595
Cost of inventories recognised as an expense		-264.883.793	-17.567	-1.513	-264.902.873
<i>Energy</i>		-16.275.954	-	-	-16.275.954
Depreciation		-9.802.735	-104.085	-677.587	-10.584.406
Insurance Cost		-424.841	-1.015.828	-306.615	-1.747.284
Rent		-101.697	-251.133	-391.040	-743.870
Transportation		-694.636	-10.699.328	-182.044	-11.576.008
Third Parties Expenses		-25.353.314	-7.068.380	-4.607.040	-37.028.734
Other Expenses		-373.881	-2.023.033	-1.508.859	-3.905.773
Interests		-	-221	-	-221
Total		-326.344.375	-23.754.319	-15.188.024	-365.286.718

31/12/2008

<i>Amounts in €</i>	Note	Cost of sales	Selling expenses	Administrative expenses	Total
Employee benefits	27	-8.625.338	-3.370.154	-7.021.610	-19.017.101
Cost of inventories recognised as an expense		-322.510.645	-22.755	-3.069	-322.536.469
<i>Energy</i>		-16.344.565	-	-	-16.344.565
Depreciation		-9.962.678	-108.027	-635.446	-10.706.151
Insurance Cost		-419.740	-1.204.101	-48.926	-1.672.768
Rent		-107.284	-268.508	-397.485	-773.277
Transportation		-787.116	-11.810.119	-178.873	-12.776.108
Third Parties Expenses		-28.426.353	-8.143.445	-5.781.613	-42.351.412
Provisions		-	-1.150.000	-	-1.150.000
Other Expenses		-693.351	-2.655.805	-1.822.648	-5.171.804
Total		-387.877.071	-28.732.914	-15.889.670	-432.499.654

The analysis of the depreciation of the group and the company is as follows:

Depreciation	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Cost of sales	-54.173.900	-47.885.120	-9.962.678	-9.802.735
Selling expenses	-1.071.489	-1.000.212	-108.027	-104.085
Administrative expenses	-1.999.933	-1.855.731	-635.446	-677.587
Other Expenses	-1.022.027	-1.097.483	-357.300	-357.360
Total	-58.267.349	-51.838.546	-11.063.451	-10.941.766

27. Employee Benefit Expense

Amounts in €	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Wages and salaries	66.587.750	62.163.185	14.751.139	14.041.474
Social Security Expenses	19.349.214	18.254.063	3.325.182	3.119.306
Cost of defined benefit pension plan	1.755.562	1.562.943	303.195	427.197
Other employee benefits	3.427.000	4.018.263	1.800.000	1.800.000
Total	91.119.526	85.998.453	20.179.516	19.387.977

The other employee benefits are analyzed as follows:

	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Other employee benefits	3.427.000	3.433.000	1.800.000	1.800.000
To employees	-	78.245	-	-
To BoD	-	507.018	-	-
Other benefits	-	-	-	-

The analysis of the above expenses per Group and Company operation is as follows:

	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Cost of sales	-63.374.039	-56.377.491	-8.625.338	-8.433.523
Selling expenses	-9.045.751	-8.054.907	-3.370.154	-2.574.745
Administrative expenses	-16.602.919	-19.995.797	-7.021.610	-7.513.327
Other Expenses	-2.096.817	-1.570.258	-1.162.415	-866.382
Total	-91.119.526	-85.998.453	-20.179.516	-19.387.977

28. Finance cost

Amounts in €	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Income				
Interest income	1.291.804	1.086.385	49.900	27.382
Foreign Exchange differences	3.738.529	1.695.482	-	-
Other	430.573	900.301	54.334	27.366
Total Income	5.460.906	3.682.168	104.235	54.749
Expenses				
Interest and related expenses	-35.190.475	-23.349.231	-14.457.299	-12.395.516
Promissory notes	-2.446.585	-2.574.338	-	-
Finance leases	-674	-91.623	-	-
Foreign Exchange differences	-4.176.588	-1.457.605	-	-55
Other	-1.482.379	-1.542.750	-	-
Total expenses	-43.296.701	-29.015.547	-14.457.299	-12.395.570
Finance costs (net)	-37.835.796	-25.333.379	-14.353.064	-12.340.822

29. Income Tax Expense

<i>Amounts in €</i>	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Current tax	-18.574.287	-22.605.850	-19.365.749	-9.525.005
Deferred tax	3.215.056	-4.056.039	3.551.701	604.000
Total	-15.359.231	-26.661.889	-15.814.048	-8.921.005

	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Accounting profit before taxes	47.413.644	138.507.453	76.638.157	37.044.797
Tax charge	-11.893.852	-34.626.863	-19.159.539	-9.261.199
Permanent differences	-25.246.973	-6.104.390	-952.391	-1.156.845
Setting off effect from tax losses of previous years and earnings of the current year	-691.038	-292.767	-	-
Income not subject to tax	262.752	456.203	2.462.029	1.791.525
Effect of calculating current tax with different tax rate than the one that deferred tax calculated	-297.748	-	-136.817	-
Tax charges due to tax audit	-773.173	-932.621	-	-289.487
Withheld income tax on dividends of prior years	12.318.438	1.293.281	-	-
Differences in current year without the calculation of tax	70.796	301.607	129.099	-
Tax of Profits from sale of an investement	-	-771.626	-	-
Tax losses for which no deferred income tax asset was recognised	-29.741	5.358.605	-	-
Effect on Deferred tax due to tax rate decrease in Greece	5.384.101	-	1.849.207	-
Tax losses for which no deferred income tax asset was recognised	-2.720.870	-	-	-
Additional tax	-471.161	-78.660	-5.637	-4.999
Effect on tax from different tax rates regarding subsidiaries abroad	8.729.238	8.735.343	-	-
Total income tax	-15.359.231	-26.661.889	-15.814.048	-8.921.005

The income tax rate applicable to companies transacting in Greece is 25%.

For the companies transacting in Cyprus, Bulgaria, Former Yugoslavic Republic of Macedonia and Albania, the applicable tax rate is 10%.

Finally, the tax rate applicable to the company transacting in Romania is 16%.

Pursuant to Law no. 3697/2008, regulations have been announced regarding the tax rates. Tax rates applicable to company profits shall be gradually decreased and formed as follows:

YEAR	INCOME TAX RATE
2008 2009	25%
2010	24%
2011	23%
2012	22%
2013	21%
2014 onwards	20%

30. Other Operating income (expenses)

<i>Amounts in €</i>	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Other income				
Subsidies for the year	219.346	11.308	51.514	3.331
Income from other activities	3.221.114	1.994.562	17.589.290	15.278.787
Gains from foreign exchange forwards	10.597.394	9.990.091	-	-
Depreciation of grants	1.043.183	1.075.607	79.637	79.637
Income due to sale of CO2 emission rights	-	948.500	-	583.000
Foreign exchange differences	7.415.583	6.674.415	-	183.257
Consultancy fees	1.154.189	1.286.678	-	-
Profits from affiliate acquisition	-	3.365.781	-	-
Profits from valuating to fair value	-	5.000	-	-
Other income	2.575.682	2.229.925	54.365	55.743
Total	26.226.492	27.581.868	17.774.806	16.183.755
Other expenses				
Production Expenses not Costed	-1.985.978	-1.354.564	-	-
Impairment of fixed assets	-78.968	-	-	-
Foreign exchange differences	-	-3.526	-	-714
Other expenses	-7.823.006	-6.714.117	-15.701.400	-12.748.112
Total	-9.887.953	-8.072.207	-15.701.400	-12.748.827
Profit from sales of fixed assets	160.914	193.760	3.451	2.904
Losses from sales of fixed assets	-74.135	-1.321	-	-171.713
Losses at fair value from foreign exchange forwards	-17.397.209	-1.806.047	-	-
Other operating income-expenses (net)	-971.891	17.896.053	2.076.857	3.266.119
Income from dividends	85.932	96.175	103.986.250	18.144.728
Profits/Losses from related companies				
Profits from related companies	4.273.521	1.139.328	-	-
Losses from related companies	-683.129	-87.872	-	-
Total	3.590.392	1.051.456	-	-
Investments income	-	96.175	103.986.250	18.144.728
Profit from investment sale	85.932	1.922.642,08	129	-
Investment expense	4.273.521	-20.626	-733.117	-1.431.283
Losses from sale of investments	-36.047	-	-	-
Losses from capitalized losses of subsidiary	-35.947	-	-	-
Valuation differences of investents and securities	-58.200	-	-	-

31. Operating Cash Flows

Amounts in €	Note	GROUP		COMPANY	
		1/1 - 31/12/2008	1/1 - 31/12/2007	1/1 - 31/12/2008	1/1 - 31/12/2007
Profits of year		32.054.414	111.845.563	60.824.109	28.123.791
Adjustments for:					
Income tax	29	15.359.231	26.661.889	15.814.048	8.921.005
Depreciation of property, plant and equipment	6	57.906.668	51.568.042	11.004.588	10.874.251
Amortisation of intangible assets	6	360.682	270.504	58.862	67.515
Impairment		2.975.069	2.367.607	-	-
(profits)/losses from the sale of property, plant & equipment		-86.779	-192.439	-3.451	168.809
(Profits) / Losses from sale of an investment		-	-1.922.642	-	-
(Profits) / Losses from Financial assets available for sale		-	-357	-	-
Fair value losses of other financial assets at fair value through profit or loss		58.200	-5.000	-	-
Interest income	28	-5.460.906	-2.559.932	-104.235	-52.113
Interest expense	28	43.296.701	28.159.305	14.457.299	12.395.570
Income from dividends	30	-85.932	-96.175	-103.986.250	-18.144.728
Amortisation of grants	23	-1.089.529	-1.075.606	-79.637	-79.637
Income from associates	8	-3.590.392	-1.051.456	-	-
(Profit) / Loss from the acquisition of an affiliated company		-	-3.327.463	-	-
Losses from destruction of asset		935.180	123.106	894.644	-
Loss from impairment of fixed assets		78.968	-	-	-
Other		1.120.062	879.984	733.086	1.427.621
		143.831.638	211.644.931	-386.936	43.702.084
Changes in working capital					
(Increase)/decrease in inventories		-3.907.546	-91.295.512	1.059.759	-38.339
(Increase)/decrease in receivables		-56.928.278	-727.866	-17.885.651	-17.242.638
(Increase)/decrease in non current assets available for sale		3.918.560	-	-	-
Increase/(decrease) in liabilities		84.583.526	17.336.862	43.094.829	-4.295.372
Increase/(decrease) in provisions		2.192.532	-758.582	1.222.372	-101.448
Increase/(decrease) in retirement benefit obligations		-591.445	-305.004	60.576	62.351
Foreing Exchange Differences		-	298.909	-	-
		29.267.350	-75.451.193	27.551.884	-21.615.446
Net cash flows from operating activities:		173.098.988	136.193.739	27.164.948	22.086.637
<i>Profits / (losses) from the sale of PPE include:</i>					
Amounts in €					
Net book value		1.345.894	2.287.459	11.474	237.649
Profits/(losses) from the sale of PPE		86.779	192.439	3.451	-168.809
Income from the sale of PPE		1.432.673	2.479.898	14.925	68.840
<i>Profits/(losses) from the sale of investments</i>					
Amounts in €					
Net book value		-	34.343.327	-	-
Profits/losses from sale of investments		-	1.922.642	-	-
Income from sale of investments		-	36.265.969	-	-
<i>Profits from other financial instruments include:</i>					
Amounts in €					
Profits / (losses) from valuation or sale of other financial instruments		-58.200	5.000	-	-

32. Commitments

Contractual commitments

Amounts in Euro	GROUP	
	31/12/08	31/12/2007
Tangible fixed assets	3.375.174	10.496.864
	3.375.174	10.496.864

The above contractual commitments regard contracts with suppliers in the context of investments made in the subsidiaries Stomana Industry S.A. (€ 2,488 thousand), Tepro Steel EAD (€729 thousand) and Prosal Tubes EAD (€158 thousand).

The Group leases motor vehicles under operating leases agreements. The future aggregate minimum lease payments are as follows:

Amounts in Euro

	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Up to 1 year	964.047	841.757	420.383	365.559
From 1 to 5 years	1.516.546	1.725.497	547.857	675.372
Over 5 years	577.668	578.438	-	-
	3.058.260	3.145.692	968.241	1.040.930
Charge to the results	1.417.760	1.260.846	505.597	469.722

Capital commitments

The Group has no significant capital commitments on the balance sheet date.

33. Contingent Liabilities - Assets

The Group has contingent liabilities and assets in respect of banks, other guarantees and other matters arising in the ordinary course of business, as follows:

Amounts in Euro

	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Liabilities				
Guarantees for securing payables to suppliers	45.457.110	44.667.152	8.256.133	16.846.569
Good performance guarantees to customers	40.316.370	39.418.306	1.006.671	1.006.671
Counter guarantees for european investment bank	27.034.233	33.934.444	-	-
Other contingent liabilities	11.788.164	13.677.832	266.629	194.258
Total	124.595.878	131.697.734	9.529.433	18.047.497

Amounts in Euro

	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Lawsuits of employees	2.557.665	2.914.920	-	-
Other lawsuits	160.856	310.922	-	-
Contractual liabilities	4.998.645	2.960.347	-	-
Bank letters of guarantee	1.163.956	4.378.024	-	-
Tax liabilities	2.907.042	3.113.619	266.629	194.258
Total	11.788.164	13.677.832	266.629	194.258

A share retention agreement has been made between the company and “International Finance Corporation”, so that its subsidiary “STOMANA SA”, based in Bulgaria, is granted with long term loan.

During the fiscal year 2008, in accordance with Law no. 3697/2008, final tax audit reports were issued against the subsidiary company ETIL SA, which concern the tax audit of fiscal year 1999, for which audit reports had been issued by the Inter-Regional Audit Centre of Thessaloniki. The total burden to the Company amounted to € 224,429 and was covered by provisions made during previous years. At the same time, the company’s appeal filed against the audit reports for the year 2000, which imposed additional taxes of € 1,946,905, which is divided in € 523,204 of main income tax and € 1,423,701 of accruals, is still pending (until 31/12/2008). The Company has submitted a request towards the Committee provided for by article 70 of Law no. 2238/94 aiming at exempting the service rendering sector from the off-balance sheet definition. The company’s management’s view is that the issue will be resolved with a significant reduction in the company’s final liability. The subsidiary has recognized a provision of €246,760 against profit or loss, which is the amount payable if the company’s request is approved.

On the 1st of January, the subsidiary Stomana Industry SA has recognized a provision of €511 thousand against lawsuits by former employees due to dismissals and labour accidents. During the year, an additional provision of €163 thousand has been made for the same reason. From the provision, €118 thousand have been used. The current amount of the provision is €558 thousand.

Moreover the subsidiary CORINTH PIPEWORKS SA recognized, on 31/12/2008, a provision of €5,179 thousand (of which €€2,360 thousand regard cases in court or under arbitration of total amount of €4,633 thousand). It is noted that provisions of €1,917 thousand, that in 2007 were included in provisions concerning contractual obligations, have been transferred to provisions concerning cases in court or under

arbitration. Moreover, the company has formed other provisions of €2,819 thousand regarding losses that may occur as a result of the company's contractual obligations to its customers. The provision was estimated based on historical figures and statistics for the settlement of similar cases in the past.

Tepro Steel EAD has recognized provisions of € 3 thousand for cases in court or under arbitration.

A provision of €1,325 thousand for the Group and €267 thousand for the Company respectively has been formed for audited tax years.

Additionally there have been formed other provisions of €2,634 thousand concerning general expenses of other subsidiaries.

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

34. Existing Collaterals

There are mortgages and liens on the immovable property of subsidiary Corinth Pipelines S.A. amounting to €73.200 thousand in favour of banks for loans with outstanding balance €27,034 thousand and STOMANA S.A. amounting to €55,000 thousand in favour of banks for loans with outstanding balance €36,669 thousand.

35. Related Parties

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

<i>Amounts in Euro</i>	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Sale of goods				
Subsidiary companies	-	-	178.243.591	152.934.065
Affiliate companies	26.811.934	19.284.420	6.400.485	2.172.685
Other Related Parties	45.993.308	37.354.025	21.072.416	12.996.919
	72.805.242	56.638.445	205.716.493	168.103.669
Sale of services				
Subsidiary companies	-	-	36.726.061	34.255.823
Affiliate companies	29.013	62.529	7.550	16.210
Other Related Parties	5.691.086	4.901.172	466.218	294.169
	5.720.099	4.963.702	37.199.828	34.566.202
Sale of PPE				
Subsidiary companies	-	-	13.537	67.600
Other Related Parties	38.409	-	-	-
	38.409	-	13.537	67.600
Purchase of goods				
Subsidiary companies	-	-	110.975.322	93.591.032
Affiliate companies	1.117.050	1.310.337	8.300	181.173
Other Related Parties	110.643.996	78.562.322	26.883.611	19.721.560
	111.761.045	79.872.659	137.867.233	113.493.764
Purchase of services				
Subsidiary companies	-	-	4.604.055	5.153.013
Affiliate companies	4.066.640	3.656.807	2.907.366	2.748.519
Other Related Parties	16.373.759	13.050.122	6.761.000	5.444.869
	20.440.399	16.706.929	14.272.422	13.346.400
Purchase of PPE				
Subsidiary companies	-	-	1.135.245	13.013.898
Affiliate companies	489.465	218.123	12.005	4.780
Other Related Parties	1.754.328	5.699.410	265.976	199.019
	2.243.793	5.917.533	1.413.227	13.217.697

Board of Directors' and Senior Officers' Remuneration

<i>Amounts in Euro</i>	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Salaries and other benefits to directors and key management	6.102.200	5.662.504	2.720.463	2.342.750
Compensations due to termination of employment	-	750.000	-	-
	6.102.200	6.412.504	2.720.463	2.342.750
Liabilities to senior Management and Board Members	3.127.000	3.510.000	1.500.000	1.800.000

<i>Amounts in Euro</i>	GROUP		COMPANY	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Receivables from related parties				
Subsidiary companies	-	-	46.701.741	49.019.545
Affiliate companies	19.711.197	22.973.132	13.598.119	15.966.967
Other Related Parties	37.862.563	31.583.667	21.961.476	18.632.430
	57.573.761	54.556.799	82.261.336	83.618.942
Prepayments for share capital increase				
Subsidiary companies	-	-	3.431.737	-
	-	-	3.431.737	-
<i>Amounts in Euro</i>				
Advances for inventory purchases				
Subsidiary companies	-	-	933.978	1.323.410
Other Related Parties	29.285	-	29.285	-
	29.285	-	963.264	1.323.410
Payables to related parties				
Subsidiary companies	-	-	76.018.730	48.534.655
Affiliate companies	1.510.118	567.245	398.242	60.817
Other Related Parties	7.908.847	9.013.241	1.689.457	2.512.735
Compensations due to termination of employment	-	750.000	-	-
	9.418.964	10.330.486	78.106.429	51.108.207

The services and sales/purchases of goods to and from related parties, are carried out on the basis of the prevailing conditions in the market. There are no special rules of payment and no interest is charged.

36. Earnings per share

Basic	GROUP		COMPANY	
<i>Amounts in Euro</i>	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Profits attributable to shareholders of the parent company	29.259.529	91.637.778	60.824.109	28.123.791
Weighted average number of shares	96.129.491	96.017.055	96.129.491	96.017.055
Basic earnings per share (euro per share)	0,304	0,954	0,633	0,293
Diluted				
<i>Amounts in Euro</i>	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Profits attributable to shareholders of the parent company	29.259.529	91.637.778	60.824.109	28.123.791
Weighted average number of shares	96.129.491	96.213.846	96.129.491	96.213.846
<i>Adjustment for option shares</i>				
Total Weighted average number of shares adjusted for option shares	96.129.491	96.213.846	96.129.491	96.213.846
Diluted earnings per share (euro per share)	0,304	0,952	0,633	0,292

The basic and diluted earnings per share are calculated by dividing the profit attributable to shareholders of the parent company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the company and held as treasury shares.

37. Fiscal Years non-audited by tax authorities

Several of the Group's subsidiary companies have not been audited by tax authorities for various fiscal years from 2002 until 2008:

Companies	Fiscal year
SIDENOR SA	2007 - 2008
SOVEL SA	2006 - 2008
DEPAL SA	2007 - 2008
STOMANA INDUSTRY S.A.	2005 - 2008
ERLIKON EPEKSERGASIA SIRMATON SA	2006 - 2008
AEIFOROS SA	2007 - 2008
ETAL SA	2007 - 2008
PROSAL SA	2007 - 2008
TEPRO STEEL EAD	2002 - 2008
ELMONTE HOLDINGS LIMITED	2008
BOZETTI LTD	2008
BEMET SA	2003 - 2008
ETIL SA	2004 - 2008
PRAKSIS SA	2007 - 2008
ΔΙΑ.ΒΙ.ΠΕ.ΘΙΒ. Α.Ε.	2002 - 2008
AEIFOROS BULGARIA SA	2007 - 2008
BET A.E.	2007 - 2008
BEAT A.E.	2003 - 2008
SIGMA A.E.	2003 - 2008
ΑΡΓΟΣ Α.Ε.Β.ΕΕ.	2005 - 2008
ΣΩΛΗΝΟΥΡΓΕΙΑ ΚΟΡΙΝΘΟΥ Α.Ε.	2007 - 2008
ΣΙΔΗΡΕΜΠΟΡΙΚΗ ΜΑΚΕΔΟΝΙΑΣ ΣΙΔΑΜΑ ΑΕ	2006 - 2008
ΔΙΑΠΕΜ Α.Ε.	2003 - 2008
Β.ΕΠΕ.Μ. Α.Β.Ε.Ε	2003 - 2008
ΜΕΤΑΛΛΟΥΡΓΙΑ ΑΤΤΙΚΗΣ Α.Ε.	2002 - 2008
ΕΛ.Κ.Ε.ΜΕ. Α.Ε.	2007 - 2008
DOMOPLEX LTD	2007 - 2008
DOJLAN STEEL LLCOP	2008
PROSAL TUBES S.A.	2007 - 2008
SIDERAL	2006 - 2008
SIDEROM	2007 - 2008
ZAO TMK - CPW	2007 - 2008
BIODIESEL A.E.	2006 - 2008

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

38. Number of Personnel

Number of personnel employed at the end of the current period: Group: 3,409 and Company: 364. In the respective 2007 period, Group's personnel amounted to 3,365 employees and Company's to 366 employees.

39. Events after the Balance Sheet date

On January 9th 2009, SIDENOR S.A. and its subsidiary, PRAKSYS S.A., acquired 24% and 10% respectively of the Italian AWM S.p.A. The said company transacts in the design and development of customized high-technology mechanical applications in the steel manufacturing and processing industry.

On March 29, 2009 the Company's Board of Directors decided to propose to the Ordinary Meeting of its shareholders to take place on June 16, 2009, the non-distribution of dividend.

40. Significant Events

The most important events that took place during the financial year 2008 are the following:

Operation of New Long Products Rolling Mill from subsidiary STOMANA Industry Inaugurated

During the period of first quarter of 2008, the operation of New Long Products Rolling Mill of STOMANA Industry S.A., a subsidiary of SIDENOR Group, was inaugurated in Pernik Bulgaria. His Excellency the President of the Republic of Bulgaria, Mr. Georgi Parvanov, inaugurated the new unit in the beginning of June of the same year.

This investment of Euro 80 m. is part of the significant investment program totally amounting to Euro 130 m. implemented at STOMANA INDUSTRY since 2001, when the company was incorporated into SIDENOR Group. The new unit has increased the company's production capacity of long products to 1,000,000 tons per year. The unit covers a total surface of 25,000m² including production facilities, administrative buildings and warehouses. The company, also, produces flat products with production capacity of 400,000 tons per year. The total annual production capacity of the company amounts to 1,400,000 tons.

Investments in subsidiaries

On 13/02/2008, SIDENOR STEEL PRODUCTS SA acquired additional shares of STOMANA INDUSTRY SA, and thus the Group owns 100% of the company's total share capital.

During the current period parent company, SIDENOR S.A bought from its subsidiary, ELMONTE HOLDINGS limited. the 1,97% of its subsidiary CORINTH PIPEWORKS S.A.

On 31/01/2008 the company PORT VIDIN NORTH SA was established in Vidin, Bulgaria. The 90% of its share capital belongs to STOMANA INDUSTRY SA. The operating activity of the new company is to provide port services.

On August 4th 2008, the parent company, SIDENOR S.A., acquired the remaining 9.08% of the share capital of DEPAL S.A. As a consequence thereof, SIDENOR S.A's participation in its subsidiaries, ETIL S.A., ARGOS S.A. and SIGMA S.A. increased by 6%.

During January 2008, the participation to the affiliated company SIDMA S.A. increased by 0.03%.

On 31/12/2008, BIODIESEL S.A., in which SIDENOR S.A. participates by 15.64% (through its participation in SOVEL S.A.) is consolidated for the first time under the net equity method.

Cooperation of SIDENOR S.A. with NUCOR Corporation.

SIDENOR S.A. announced that discussions between SIDENOR and NUCOR concerning the possible formation of a joint venture between the companies continue in a cooperative and friendly nature. However, the current turmoil in the world financial markets has delayed the completion of this effort. Both SIDENOR and NUCOR expect to conclude their discussions when the future outlook becomes clearer.

Replacement of a Member of the Board of Directors

On April 9, 2008, the Board of Directors of the Company convened in order to elect a new member of the Board in replacement of the deceased Vice-chairman of the Board Mr. GRIGORIOS KONSTANTAKOPOLOS. The Board of Directors elected Mr. GEORGE PASSAS, economist, as the new member of the Board. The election of Mr. George Passas as a temporary director was ratified by the first Annual General Meeting of the Company's Shareholders that took place after his election, on 10.06.2008.

Decisions of the Annual General Meeting and the Repeat Annual General Meeting

During the Annual General Meeting and the Repeat Annual General Meeting of the Company's Shareholders that took place in Athens, on June 10th, 2008 at 12.30 pm and on June 26th, 2008 at 11.30 am respectively, the following were decided:

(a) Approval of the annual financial statements of the financial year 2007 and the relevant Board of Directors Report and the Chartered Accountant/ Auditor's Report.

(b) Release of the BoD members and the Chartered Accountant-Auditor from any compensation liabilities for the financial year 2007.

(c) Distribution of the profits for the year 2007.

(d) The beneficiaries of the dividend (Euro 0.25 per share) would be the shareholders of the Company after the closing of the ATHEXATHEX on 25/06/2008. From 26/06/2008, the Company's shares will be negotiated without the right on the 2007 dividend. The payment of the dividend will be made through the network of the ALPHA BANK branches, starting on July 3, 2008 until the end of the year.

(e) Election as auditors for the financial year 1/1-31/12/2008 of the audit firm "PriceWaterHouseCoopers" with their remuneration to be fixed following their pertinent offer.

(f) Ratification of the election dated 09.04.2008 of Mr. George Passas as a temporary BoD member of the Company in replacement of the deceased Mr. Grigorios Konstantakopoulos.

(g) Approval as members of the new Board of Directors for one year (this period of the members of the Board of Directors will begin on the day following the election and will end on the day that the 2009 Annual General Meeting is convened), of the following parties.

1. GEORGE KALFARENTZOS, BOD CHAIRMAN, EXECUTIVE MEMBER
2. NIKOLAOS KOUDOUNIS, BOD VICE-CHAIRMAN, EXECUTIVE MEMBER
3. EFSTATHIOS STRIMBER, NON-EXECUTIVE AND INDEPENDENT MEMBER
4. GEORGE PASSAS, EXECUTIVE MEMBER
5. IOANNIS IKONOMOU, NON-EXECUTIVE MEMBER
6. ATHANASSIOS MITROPOULOS, NON-EXECUTIVE MEMBER
7. SARANTOS MILIOS, EXECUTIVE MEMBER
8. DIMITRIOS PARASKEVOPOULOS, NON-EXECUTIVE MEMBER
9. ANDREAS KYRIAZIS, NON-EXECUTIVE AND INDEPENDENT MEMBER

(h) Approval of the remuneration to the BoD members in accordance with article 24(2) of C.L. 2190/1920.

(i) Conversion of the total Company shares to registered ones and relevant amendment to article 7 of the Company Articles in order to facilitate the monitoring of the Company Shareholders' rights through the market.

(j) Issue of common Bond loans, based on Law no. 3156/2003, of a total of EUR 60 million, which will be covered completely by banks and will be used, partly to replace existing short-term credit with long-term one and partly to finance investment company projects, as well as to participate in the increase of the capital shares of subsidiaries.

Conversion of the total shares of SIDENOR S.A. to registered ones.

Following the Annual General Meeting of the Shareholders of SIDENOR S.A. dated 10/6/2008 and the subsequent amendment to article 7 of its Articles regarding conversion of the total Company shares (96.129.491) into registered ones, the Ministry of Development, by its decision no. K2-8355/30/6/2008 approved the amendment to the relevant article. Following that, ATHEX's BoD, in its meeting dated 10/7/2008, approved the trading of the new converted shares.

Stock valuation

By application of the provisions of IAS 2, according to which inventories are valued at the lower of the acquisition cost and the net realizable value, a depreciation of EUR 60,286 thousand for the Group and EUR 31,128 thousand for the parent company took place. The above amounts burden the results of the period.

41. Reclassifications

The subsidiary Corinth Pipeworks S.A. proceeded to the following reclassification of accounts regarding the 2007 period:

An amount of €1,119,244 regarding the period 01.01.07 - 31.12.07 and corresponding to credit translation differences of cash was transferred for reasons of comparability from the other operating income, as published in 2007, to financial income.

An amount of €856,242 of the same period regarding debit translation differences of cash was transferred, for reasons of comparability, from administrative expenses, as published in 2007, to financial expenses.

The above reclassifications are presented in the income statement and the notes 5 "Segment Reporting", 26 "Expenses per Category", 28 "Finance Cost" and 30 "Other Income – Expenses".

E. Figures and Information provided for by Article 4 of Law no. 3405/2005

This document contains the information provided for by article 10 of Law no. 3401/2005, which has been published by SIDENOR S.A. during the fiscal year 2008.

The complete text of the announcements is available at SIDENOR S.A.'s website at <http://www.sidenor.gr> (<http://www.sidenor.gr/PlainText.aspx?menutxtid=171&lang=GR>)

2/1/2008	Announcement of Regulated information
2/1/2008	Announcement pursuant to article 9 par. 5 of law 3556/2007
22/1/2008	Regulated information of L/3556 - Notification on the Change of the Participation in a Listed Company
14/2/2008	Sidenor enhancement in balkans
5/3/2008	Regulated information of L/3556 - Notification on the Change of the Participation in a Listed Company
17/3/2008	Financial results of the fiscal year 2007
17/3/2008	Financial calendar 2008
19/3/2008	Financial results of the fiscal year 2007 Press release
28/3/2008	Regulated information of L/3556 - Notification on the Change of the Participation in a Listed Company
7/4/2008	Regulated information of L/3556 - Notification on the Change of the Participation in a Listed Company
10/4/2008	Replacement of a member of the Board
23/4/2008	Regulated information of L/3556 - Notification on the Change of the Participation in a Listed Company
8/5/2008	Change of the presentation day at the Association of Greek Institutional Investors
13/5/2008	Q1 2008 financial results release date.
14/5/2008	Strategic Cooperation with NUCOR CORPORATION
15/5/2008	Answer to Hellenic Capital Market Commission's letter
16/5/2008	Presentation at the Association of Greek Institutional Investors
16/5/2008	Invitation to the Ordinary Shareholders Meeting.
20/5/2008	Conference Call
21/5/2008	Announcement of financial results Q1 2008
26/5/2008	Annual Report 2007
4/6/2008	STOMANA INDUSTRY inaugurates new long products rolling mill
9/6/2008	Announcement of company's statutes' amendments draft
10/6/2008	Dividend distribution for the year 2007
10/6/2008	Announcement of the Annual General Shareholder Meeting 10-6-2008
10/6/2008	Press Release - Annual Ordinary General Shareholders assembly
18/6/2008	New Board of Directors.
26/6/2008	Decisions of the Repeat Ordinary General Shareholders Meeting on 2008-06-26
11/7/2008	Announcement for the floating of new shares from the conversion from another category
17/7/2008	Issue of Bond Loan
17/7/2008	Regulated information of L/3556 - Notification on the Change of the Participation in a Listed Company
30/7/2008	Half year 2008 financial results release date.
31/7/2008	Announcement of the spin of procedures commencements
6/8/2008	Press release - 1st half 2008 financial results.
16/10/2008	Announcement.
22/10/2008	Regulated information of L/3556 - Notification on the Change of the Participation in a Listed Company
5/11/2008	Announcement date of the 9M 2008 Financial Results.
10/11/2008	Offering of SIDENOR S.A. shares to the companies management in application of the Stock Option Plan
14/11/2008	Announcement nine-month 2008 Financial Results
28/11/2008	Termination of the capacity to act as market maker of the company

F. Figures and information



Societe Anonyme Register No. 220265/0626

24 Marginal St. Athens 115 27

Summary Financial Results for the year ended 31 December 2008

(in terms of article 135 of Law 2190, for companies publishing annual statements in accordance with IAS/IFRS)

The figures illustrated below, aim at providing summary information about the financial position and results of "SIDENOR Steel Products Manufacturing Company SA" and the "SIDENOR Group". The reader wishing to be familiar with the company's and group's financial position and results should have access to annual financial statements. Inductively, one can visit the company's web site where the information and data in question, are presented.

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

Web Site Address: www.sidenor.gr

Board of directors: George Katsimiras, Chairman, Executive member, Nikolaos Koutsouris, Vice-Chairman, Executive member, Dimitrios Mili, George Passas, Executive members, Athanasios Mitsopoulos, Ioannis Oikonomou, Dimitrios Paraskevopoulos, Non-Executive members

Date of approval of the financial statements: 29 May 2009

Auditor: Deloitte Touche (Firm No. 50121, 19991)

Audit Firm: PRICEWATERHOUSECOOPERS S.A.

Type of Audit Report: without qualifications

BALANCE SHEET (Group & Company) Amounts in €				
ASSETS	Group		Company	
	31 Dec 2008	31 Dec 2007	31 Dec 2008	31 Dec 2007
Land and Buildings	263,907,289	263,917,951	93,770,394	10,764,431
Machinery	489,774,090	429,436,503	83,924,307	88,211,182
Other Assets for own use	67,228,907	181,890,441	4,038,803	3,018,356
Intangible Assets	901,544	636,543	199,873	167,506
Investments in Associates	26,886,719	29,438,176	212,431,963	264,361,239
Available for sale financial assets	1,488,909	1,846,354	1,434,268	1,372,340
Other Tangible Assets	4,891,187	6,898,801	4,643,207	3,039,011
Investments	291,294,682	286,462,204	80,236,199	86,265,539
Trade Receivables	175,877,082	139,043,528	81,438,273	58,198,752
Other Assets	239,875,889	181,979,769	189,512,459	155,581,213
TOTAL ASSETS	1,810,247,068	1,664,734,436	683,606,623	658,769,360
EQUITY AND LIABILITIES				
Share Capital	39,413,391	39,413,391	39,413,391	39,413,391
Share Premium	120,048,887	120,048,887	120,048,887	120,048,887
Other Reserves/Equity	429,798,453	410,058,872	170,142,566	133,863,846
Total Shareholders' Equity (a)	589,260,731	569,521,150	329,604,844	293,326,124
Minority Interest (b)	12,828,630	168,430,362	-	-
Total Equity (a) + (b) = (c)	602,089,361	737,951,512	329,604,844	293,326,124
Long Term Borrowings	252,581,628	227,190,372	170,000,000	168,000,000
Deferred Tax Liabilities	56,498,940	60,643,875	19,038,863	23,261,546
Provisions / Other Long Term Liabilities	22,842,385	29,838,816	2,192,102	3,260,415
Short Term Borrowings	246,287,739	189,134,083	80,444,199	72,849,218
Other Short Term Liabilities	239,802,029	285,198,523	133,186,127	91,981,981
Total Liabilities (d)	797,494,621	692,430,769	354,844,389	357,363,139
TOTAL EQUITY LIABILITIES (c) + (d) = (e)	1,399,583,982	1,430,382,281	684,449,233	650,689,263

STATEMENT OF CHANGES IN EQUITY (Group & Company) Amounts in €				
Equity	Group		Company	
	1 Jan - 31 Dec 2008	1 Jan - 31 Dec 2007	1 Jan - 31 Dec 2008	1 Jan - 31 Dec 2007
Equity balance at the beginning of the period (1/1/2008 & 1/1/2007 respectively)	737,951,512	602,089,361	293,326,124	293,326,124
Profit/loss for the period	120,048,887	120,048,887	120,048,887	120,048,887
Dividends distributed	(20,000,000)	(20,000,000)	(20,000,000)	(20,000,000)
Minority Interest (b)	12,828,630	168,430,362	-	-
Net income recorded directly in equity	120,048,887	120,048,887	120,048,887	120,048,887
Equity balance at the end of the period (31/12/2008 and 31/12/2007 respectively)	602,089,361	737,951,512	329,604,844	293,326,124

CASH FLOW STATEMENT (Amounts in €) - Indirect Method				
CASH FLOW	Group		Company	
	1 Jan - 31 Dec 2008	1 Jan - 31 Dec 2007	1 Jan - 31 Dec 2008	1 Jan - 31 Dec 2007
Cash generated from operations	47,413,940	128,837,483	79,638,107	37,044,787
Profit before taxes	120,048,887	120,048,887	120,048,887	120,048,887
Adjustments for:				
Depreciation	58,367,349	51,836,549	11,693,481	10,941,336
Amortization	13,989	13,989	-	-
Provisions	1,801,987	1,653,368	1,382,848	39,087
Financial expenses & (profit)/income from investment activities	762,489	168,808	133,689,000	17,875,000
Interest payable & related expenses	42,236,791	29,159,353	16,457,289	12,953,519
Other adjustments	-6,807,455	-6,894,858	949,214	1,295,071
Plus / minus adjustments for working capital changes or related to operating activities				
Decrease (increase) in inventories	-3,807,548	-41,238,812	1,659,709	-39,339
Decrease (increase) in receivables	-62,868,717	-727,898	-17,895,801	-17,242,638
Increase / (decrease) in liabilities (except banks)	94,869,529	17,476,571	43,594,829	-4,265,372
Minor:				
Interest payable & related expenses	-44,834,342	-37,339,333	-10,959,779	-11,751,679
Tax Paid	-12,265,286	-37,249,218	-10,824,745	-18,838,889
Total Cash Generated from Operating Activities (a)	165,275,832	71,396,487	6,248,438	-6,954,771
Cash generated from financing activities				
Acquisition - sale of subsidiaries, associates, joint ventures and other investments	-10,187,294	22,216,301	-30,618,874	-6,081,236
Return of associates' share capital	-	-	21,239,890	12,108,190
Purchase of tangible and intangible assets	-72,738,944	-195,676,265	-10,512,768	-21,625,294
(Increase)/Decrease of other financial assets	-	9,408	-	-
Stated income from tangible and intangible assets	1,422,673	3,479,899	16,428	69,840
Interest income	4,503	-	-	-
Dividends received	1,236,926	1,428,886	133,186,127	15,649,121
Net cash generated from financing activities (b)	-69,233,823	-45,438,884	84,713,238	5,689,776
Cash generated from investing activities				
Share Capital Increase	61,399	699,899	-	433,436
Proceeds from borrowings	727,278,420	330,198,562	134,030,063	130,484,931
Repayment of borrowings	-126,741,340	-288,673,329	-199,294,019	-97,431,618
Repayment of financial lease	-10,723	-2,011,448	-	-
Income from securities	6,498,379	2,559,832	794,238	84,749
Grants	74,263	-	-	-
Dividends paid	-79,763,495	-26,878,228	-26,428,833	-23,168,454
Net Cash Generated from Investing Activities (c)	-22,491,886	-17,892,913	-46,128,972	-8,038,392
Net (decrease)/increase in cash & equivalent for the period (a) + (b) + (c)	-4,915,987	9,064,791	3,032,604	3,241,366
Cash & equivalent accounts at the beginning of the period	27,307,089	17,476,571	6,248,438	2,927,322
Foreign Exchange differences in Cash and cash and cash equivalent	260,523	-477,135	-	-
Cash & equivalent at the end of the period	26,551,625	16,998,736	9,281,042	6,168,688

INCOME STATEMENT (Group & Company) Amounts in €				
Income Statement	Group		Company	
	1 Jan - 31 Dec 2008	1 Jan - 31 Dec 2007	1 Jan - 31 Dec 2008	1 Jan - 31 Dec 2007
Continuing Operations				
Turnover	1,715,046,823	1,386,099,323	419,199,758	394,892,772
Cost of Goods Sold	-1,048,969,836	-1,069,589,000	-287,877,671	-289,344,920
Gross Profit	666,076,987	316,510,323	131,322,087	105,547,852
Selling Expenses	-123,286,922	-109,124,339	-28,732,814	-33,786,319
Administrative Expenses	-18,428,120	-18,027,894	-18,095,470	-15,188,524
Other Income / (Expense) - Net	-871,881	17,099,630	3,076,837	3,266,119
Profit/(Loss) before taxes, financing & investment results	543,489,964	296,468,720	107,569,640	59,839,128
Profit/(Loss) before taxes	543,489,964	296,468,720	107,569,640	59,839,128
Profit/(Loss) after taxes from continuing operations (a)	47,413,940	128,837,483	79,638,107	37,044,787
Minor Taxes	-15,389,121	-10,041,890	-18,914,608	-9,821,963
Profit/(Loss) after taxes from continuing operations (a)	32,024,819	118,795,593	60,723,499	27,222,824
Discontinued				
Company's Shareholders	28,289,320	91,627,778	68,824,139	38,123,791
Minority Interest	3,735,499	27,167,815	-	-
Profit/(Loss) after taxes from continuing operations (a)	32,024,819	118,795,593	60,723,499	27,222,824
Profit/(Loss) after taxes per share - basic (a/c)	0.2644	0.8566	0.8227	0.2828
Profit/(Loss) after taxes per share - diluted (a/c)	0.2644	0.8566	0.8227	0.2828
Proposed Dividend (d/c share)	-	-	-	0.28

Other Important data and Information				
1. These financial statements are consolidated by SIDEROR Group with the following information:	Company	Registered Office	Direct	Consolidation Method
	SIDEROR SA	Greece	94.81%	94.81%
2. Parent Company has been audited from the last audited to the financial period of 2008. The unaudited financial periods for the subsidiaries are being audited at the end of 2008.				
3. On the preceding date of these annual financial statements the disputes against subsidiaries were amounted 7,161 thousands. The provision for any disputes against subsidiaries at 31st of December were amounted 3,189 thousands. Furthermore the provision for two unexpired years is analysed as follows: Group 4,125 thousands, Company 4,387 thousands. The other group's provisions at 31st of December were 4,234 thousands. (Note 3)				
4. Mortgage and ordinary nature of mortgage to the amount of 128,200 thousands in favour of banks, have been filed against the fixed assets of subsidiaries, under the current balance of the loans of 63,704 thousands.				
5. Number of persons employed at 31-12-2008: Company 264 and Group 3,430 while at 31-12-2007: Company 368 and Group 3,365.				
6. Sales and purchases which have been accounted from the beginning of the accounting period as well as the balance of the subsidiaries and (if/when) at the end of the current period, have also been transactions with entities, under the meaning of International Accounting Standard (IAS) 24, are as follows:				
(Amounts in 2008)	2008	2007	2008	2007
a) Sales of goods, services and fixed assets	79,894	61,832	242,850	282,737
b) Purchases of goods, services and fixed assets	124,445	92,487	133,353	160,158
c) Receivables from affiliated entities	87,693	54,837	68,683	64,842
d) Liabilities towards affiliated entities	8,419	10,330	78,118	91,108
e) Key Management Compensation	6,102	6,413	2,720	3,343
f) Payables to directors and key management	3,127	3,879	1,060	1,063
g) Liabilities due to termination of employment	-	750	-	-
7. The amounts that have been recorded due to equity are related to the relation of cash flow hedging reserves (Group 6,088) thousands and Company 6,032) thousands and foreign exchange differences from converting subsidiary financial statements (Group 11,476) thousands.				
8. During the presented period the Company related to its subsidiaries, SIDEROR INDUSTRY SA by 14.82% (ASDAR), COPAL SA by 9.96% (ASDAR), CORINTH PROMOTIONS by 1.67% (Group by SIDEROR INDUSTRY SA), and by 5.00% of SIDEROR SA, (ASDAR), PORT WORTH NORTH SA was considered (full consolidation) for the first time since it has been established during the presented period (presentation date: 31/12/2008), as well as by SIDEROR SA, with the equity method (Notes 8 & 9).				
9. During 2nd quarter 2008, the Group established subsidiary company SIDEROR INDUSTRY SA, distributed 92 million euro dividend (income tax included).				
10. In accordance with IFRS 2.3, at 31-12-2008 or derivation of liabilities took place of total value of 281 thousands (company 123 thousands) (Note 12).				
11. In Income Statements the "Tax Expense" is analysed as follows:				
- Group 2008 Income Tax: 4 (0.004) thousands, deferred tax expense 4 (0.004) thousands and 4 (0.004) thousands, respectively.				
- Company 2008 Income Tax: 4 (0.004) thousands, deferred tax expense 4 (0.004) thousands and 4 (0.004) thousands, respectively.				
12. SIDEROR Group companies, the participation percentages, addresses and consolidation method are analysed in Financial Statements Note 8 & 9.				
13. In the Register general Assembly and in the Register General Assembly of shareholders of parent company that was issued in Athens on June 19th, 2008 and on June 20th, 2008 respectively, the major subjects that were decided are: a) distribution of dividend of euro 0.20 per share to shareholders of the company shares in the registered form; b) approval of issuing common bond loan of a total of 60 million euros.				
14. For some amounts of the previous financial period restatements took place for comparison reasons (note 4)				

THE CHAIRMAN OF THE BOARD OF DIRECTORS
 GEORGE KATSIMIRAS
 ID No.: P 147192

Athens, 29 March 2009
 Chief Executive Officer
 GEORGE PASPAS
 ID No.: P 592128

THE FINANCIAL MANAGER
 NIKOLAOS KOUTSOURIS
 ID No.: AB 570292