

VIOHALCO, S.A.

HELLENIC COPPER AND ALUMINIUM INDUSTRY

Supplementary and Explanatory Annual Administration Report of the Company's Board of Directors to the Annual General Meeting of the Company's Shareholders (art. 11a par.1 and 2 L. 3371/2005)

a) Share Capital structure

The Company's share capital amounts to Euro 59.842.227,30 divided into 199.474.091 common bearer shares of a nominal value of Euro 0,30 each. All shares are quoted in the Athens Exchange, big capitalization category. The Company's shares are dematerialized, bearer shares, with voting right.

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

- Right on the dividend from the Company's annual profits. The dividend for each share is paid to the shareholder after a pertinent resolution of the Annual General Meeting, according to the provisions of C.L. 2190/20. The dividends not having been claimed, within five years after the date they become demandable, are prescribed.
- Priority right in each capital increase and undertaking of new shares.
- Right to attend the Shareholder's General Meeting.
- Being a shareholder entails acceptance of the Company's Articles of Association, as well as the decisions of its instruments, following the above articles and the Law.
- The Company's shares cannot be divided and the Company recognizes only one owner for each share. In the case that the person representing a share is not determined, the Board of Directors can suspend the exercise of the rights, resulting from that share.
- The shareholders are not involved beyond the nominal value of each share.

b) Limitations in the transfer of the Company's shares

The Company's shares can be transferred according to the Law and there are no limitations, regarding their transfer, following the Company's Articles of Association.

c) Significant direct or indirect shareholdings according to the P.D. 51/1992

The significant participations (over 5%), known to the Company, on 31/12/2006, are as follows:

Mr. Nicholas Stassinopoulos : percentage 7,17 % of the total voting rights
Mr. Evangelos Stassinopoulos: percentage 34,90 % of the total voting rights *
DEL MAR INVESTMENT LTD: percentage 17,31 % of the share capital
ARGYLL LTD: percentage 8,73 % of the share capital

* In this percentage, it is also included the percentage of the voting rights corresponding to the participations of the shareholders ARGYLL LTD and DEL MAR INVESTMENT LTD.

COFIDIN, S.A.: percentage 7, 90 % of the share capital and voting rights
COFIDILUX, S.A.: percentage 5,17 % of the share capital and voting rights

d) Shares providing special control rights

There are no shares providing special control rights.

e) Limitations in voting rights

There are not provided by the Company's Articles of Association limitations in the voting rights deriving from its shares.

The regulations of the Articles of Association regarding the exercise of the voting right are included in the articles 30 and 31 of it, mentioning:

- Every share provides the right for one vote at the General Meeting
- The shareholders, in order to have the right to attend the general Meeting have, at least five (5) days before its holding, to submit to the Company's offices a Certificate, issued by the Central Securities Depository of Athens, regarding the number of shares registered in their name, as well as the fact that those shares are blocked until the date of the General Meeting. Within the same time limit the documents of proxy of the shareholders' representatives must be also submitted to the Company's offices.

f) Agreements between the Company's Shareholders

The Company has no information regarding the existence of agreements between shareholders, having as a result limitations in the transfer of its shares or the exercise of the voting rights, deriving from them.

g) Rules concerning the appointment and replacement of the Board of Directors members and the modification of the Articles of Association.

The following differentiations exist, in connection with the provisions of C.L. 2190/20:

- 1) Regarding the resolutions of the General Meeting, for which, according to the C.L. 2190/20, it is enough a quorum of at least 1/5 of the paid up share capital and an absolute majority of the votes represented, the Company's Articles of Association define that an increased percentages of quorum 57% of the paid up share capital and a majority of 65% of the votes represented in the G.M. are required (art. 33 par. 1 and art.34 par.1).
- 2) In addition to the items, requiring according to the C.L 2190/20, an increased quorum of 2/3 of the paid up share capital and a majority of 2/3 of the votes represented, following the Articles of Association a special quorum of 2/3 of the paid up share capital, as well as a majority of 75% of the votes represented is required, for resolutions concerning the election of the Board of Directors members, the change of the type of the shares and the amendment of the article regarding the quorum in the General Meetings (art. 33 par.3 and art. 34 par.2).
- 3) In the first repeat general meeting, for the items, for which an ordinary quorum is required the representation of any percentage of the paid up share capital is enough (art. 33 par. 2) and a majority of 65 % (art.34 par 1), while for the items requiring an increased quorum, a percentage of 60% of the paid up share capital is required (art. 33 par. 4), which is decreased to 58% in the case of a second repeat general meeting (art.33 par. 5) and anyway a majority of 75 % of the votes represented (art. 34 par.2).

- 4) In the case that the position of Board member is vacant, for any reason, the election of a provisional director for the remaining period of time until the first General Meeting, is performed through the unanimous decision of the Board Meeting. In the case that a unanimous decision cannot be achieved, an Extraordinary General Meeting is to be held, to elect the substitute (art.24 par. 1 and 2).

h) Competence of the Board of Directors for the issue of new shares or the purchase of own shares.

1) Following the provisions of art. 13 par.1 of Cod. Law 2190/20, the art. 6 par. 1 of the Articles of Association defines that within the first five years from the Company's incorporation or within the first five years after the resolution of the General Meeting providing such a right, the Board of Directors, through a decision taken by a majority of 5/6 of the total number of its members, can increase in whole or partly the share capital, through the issue of new shares, up to the amount of Euro 14.673,5. The above authority of the Board of Directors can be renewed by the General Meeting for a period of time, which cannot exceed five (5) years.

2) Following the provisions of art. 13 par. 9 of L. 2190/20, the Board of Directors, putting into practice a resolution of the General Meeting establishing a Stock Option Plan, can issue new shares, increasing accordingly the Company's share capital. The Company did not put to use the above possibility.

3) The Board of Directors can proceed to the purchase of own shares only after a decision of the General Meeting, taken according to art. 16 par. 5 to 13 of C.L. 2190/20.

i) Important agreements, which can be brought into force or amended in the case of a change in the control of the company.

There are no important agreements, which can be brought into force or amended in the case of a change in the control of the company.

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

There are no agreements between the Company and members of the Board of Directors or the personnel, which provide the payment of damages, especially in the case of submitting a resignation or dismissing without any justified reason or termination of their term of office or occupation.

Athens, May 16, 2007

THE CHAIRMAN OF THE BOARD OF DIRECTORS

NICHOLAS M. STASSINOPOULOS