

Interim Financial Statements according to the International Financial Reporting Standards (IFRS)

1st Quarter 2006

It is hereby confirmed that the interim Corporate and Consolidated Financial Statements included herein are those that have been approved by the Board of Directors of ELVAL, HELLENIC ALUMINIUM INDUSTRY S.A., on 17 May 2006 and posted on the Company's web-site, www.elval.gr. It should be noted that the purpose of the summary financial statements that have been published in the press is to provide the reader with certain general financial figures and not the Company's and Group's overall financial position and results according to the International Financial Reporting Standards (IFRS). It should also be noted that due to simplification certain figures of the summary financial statements that have been published in the press have been abridged.

<u>The Chairman of the Bo.o.D.</u>	<u>The Vice –Chairman of the B.o.D.</u>	<u>The General Manager</u>	<u>The Finance Director</u>
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I. Balance Sheet

<i>Amounts in Euros</i>	Note	CONSOLIDATED		COMPANY	
		31/03/2006	31/12/2005	31/03/2006	31/12/2005
ASSETS					
Non-current assets					
Tangible fixed assets	6	497,161,420	504,616,510	330,172,660	334,809,080
Intangible assets	7	2,719,768	3,194,292	1,464,632	1,807,645
Investments in real estate		5,579,503	5,637,258	-	-
Investments in companies that are consolidated based on the net worth method	10	7,097,739	6,827,361	4,361,423	4,361,423
Investments in companies that are consolidated based on the integrated consolidation method	9	-	-	81,362,181	81,362,181
Financial assets available for sale		1,029,477	1,029,477	404,082	404,082
Other investments		-	-	-	-
Deferred tax claims		41,170	37,250	-	-
Derivatives	13	917,548	540,236	188,506	-
Other receivables		4,177,662	3,861,881	2,289,302	2,258,761
		518,724,287	525,744,265	420,242,786	425,003,172
Current assets					
Stocks		219,403,324	207,953,688	141,925,944	135,394,702
Commercial and other receivables		218,710,121	191,584,861	144,192,971	126,484,863
Derivatives	13	20,473,061	19,839,519	10,982,812	11,953,814
Cash on hand and equivalent cash accounts		15,207,846	13,712,643	2,593,994	1,291,962
		473,794,352	433,090,711	299,695,721	275,125,341
Total assets		992,518,639	958,834,976	719,938,507	700,128,513
OWNER'S EQUITY					
Capital and reserves attributable to the company's equity holders					
Share capital		372,182,245	372,182,245	372,182,245	372,182,245
Above par reserve		158,654,004	158,654,004	158,654,004	158,654,004
Foreign exchange differences due to the consolidation of foreign subsidiaries		507,453	759,488	-	-
Other reserves		155,981,065	154,056,497	126,012,055	126,112,078
Profits (losses) carried forward		159,208,023	155,554,709	143,323,127	139,448,237
Total		511,568,790	506,242,943	465,207,431	461,432,564
Minority interest		45,399,246	44,553,398	-	-
Total owner's equity		556,968,036	550,796,341	465,207,431	461,432,564
LIABILITIES					
Long-term liabilities					
Loans	11	140,350,261	136,762,780	72,587,354	73,250,108
Liabilities from leasing activities	12	76,773	34,837	-	-
Derivatives	13	145,207	323,904	-	45,377
Deferred tax liabilities		62,341,604	61,140,083	45,896,053	45,666,145
Liabilities or personnel compensation due to retirement		7,747,423	7,544,135	5,969,523	5,782,021
Government grants		11,150,179	11,388,927	10,024,476	10,190,374
Provisions		140,805	174,396	-	-
		221,952,252	217,369,062	134,477,406	134,934,025
Short-term liabilities					
Suppliers and other liabilities		77,340,384	72,512,365	53,125,457	46,350,160
Current tax liabilities		4,895,069	1,746,171	2,131,707	1,273,215
Loans	11	127,114,545	110,673,987	61,287,039	51,825,329
Liabilities from leasing activities	12	70,895	69,457	-	-
Derivatives	13	4,009,559	5,499,694	3,556,568	4,160,321
Provisions		167,899	167,899	152,899	152,899
		213,598,351	190,669,573	120,253,670	103,761,924
Total liabilities		435,550,603	408,038,635	254,731,076	238,695,949
Total owner's equity and liabilities		992,518,639	958,834,976	719,938,507	700,128,513

The notes on pages 9 to 18 constitute an integral part of these financial statements,

II. Income Statement

<i>Amounts in Euros</i>	Note	CONSOLIDATED		COMPANY	
		3months until 31/3/2006	3months until 31/3/2005	3months until 31/3/2006	3months until 31/3/2005
Sales		204,331,820	169,587,526	139,530,181	114,204,561
Cost of sales		-186,362,261	-150,907,497	-129,956,328	-107,324,594
Gross profit		17,969,559	18,680,029	9,573,853	6,879,967
Distribution expenses		-6,483,627	-5,482,619	-1,499,380	-1,433,558
Administrative expenses		-4,929,262	-3,976,434	-2,776,338	-1,910,321
Other operating income /(expenses) (net)		1,955,464	783,395	237,703	250,319
Operating results		8,512,134	10,004,370	5,535,838	3,786,407
Financial expenses – net		-1,846,155	-3,372,074	-833,697	-856,192
Income from dividends			52,203	574,000	1,159,100
Profits/ Losses from related companies	10	303,016	213,806	-	-
Profits before taxes		6,968,995	6,898,305	5,276,141	4,089,315
Income tax		-2,269,181	-2,386,385	-1,401,251	-1,871,533
Net profits of the period from ongoing activities		4,699,814	4,511,920	3,874,890	2,217,782
Distributed to:					
Shareholders of the parent company		4,081,046	3,705,307	3,874,890	2,217,782
Minority interest		618,768	806,613	-	-
		4,699,814	4,511,920	3,874,890	2,217,782
Profits per share attributable to the shareholders of the parent company for the period (expressed in Euros per share)					
Basic and diluted	18	0.033	0.030	0.031	0.018
Depreciation of the period		11,441,460	10,513,021	7,099,356	6,675,875

The notes on pages 9 to 18 constitute an integral part of these financial statements,

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III. Statement of changes in equity

<i>Amounts in Euros</i>	Attributable to the shareholders of the parent company					Total	Minority interest	Total Equity
	Share capital	Reserves at fair value	Other reserves	Results carried forward	Foreign exchange differences due to consolidation			
CONSOLIDATED								
Balance as of 31 December 2004	195,872,248	-	138,100,755	153,601,261	-15,313	487,558,951	43,463,675	531,022,627
Application of I.A.S. 32 & 39		4,812,000				4,812,000		4,812,000
Balance as of 1 January 2005	195,872,248	4,812,000	138,100,755	153,601,261	-15,313	492,370,951	43,463,675	535,834,627
Foreign exchange differences				-174,934	735,325	560,391	58,183	618,574
Profit / (Loss recognized directly in equity)		1,470,143		-5,497		1,464,646	-49,381	1,415,265
Net profit of the period				3,705,307		3,705,307	806,613	4,511,920
Total recognized net profit of the period	-	1,470,143	-	3,524,875	735,325	5,730,344	815,415	6,545,759
Transfer of reserves			99,318	-99,318		-		-
	-	-	99,318	-99,318	-	-	-	-
Balance as of 31 March 2005	195,872,248	6,282,143	138,200,073	157,026,819	720,012	498,101,296	44,279,090	542,380,386
Balance as of 31 December 2004	195,872,248	-	138,100,755	153,601,261	-15,313	487,558,951	43,463,675	531,022,627
Application of I.A.S.32 & 39		4,812,000				4,812,000		4,812,000
Balance as of 1 January 2005	195,872,248	4,812,000	138,100,755	153,601,261	-15,313	492,370,951	43,463,675	535,834,627
Foreign exchange differences			92	18,304	774,802	793,197	80,758	873,955
Profit / (Loss recognized directly in equity)	-	5,623,127	-	-	-	5,623,127	156,152	5,779,279
Net profit of the period				9,936,883	-	9,936,883	2,076,872	12,013,755
Total recognized net profit of the period	-	5,623,127	92	9,955,186	774,802	16,353,208	2,313,782	18,666,990
Increase % of participation in subsidiaries						-	12,362	12,362
Transfer of reserves			5,520,523	-5,520,523		-		-
Dividends				-2,481,216		-2,481,216	-1,236,421	-3,717,637
	-	-	5,520,523	-8,001,740	-	-2,481,216	-1,224,059	-3,705,276
Balance as of 31 December 2005	195,872,248	10,435,127	143,621,370	155,554,708	759,489	506,242,943	44,553,398	550,796,341

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Attributable to the shareholders of the parent company

Amounts in Euros

	Share capital	Reserves at fair value	Other reserves	Results carried forward	Foreign exchange differences due to consolidation	Total	Minority interest	Total Equity
CONSOLIDATED (continue)								
Balance as of 1 January 2006	195,872,248	10,435,127	143,621,370	155,554,708	759,489	506,242,943	44,553,398	550,796,340
Foreign exchange differences				-248,191	-252,036	-500,227	73,406	-426,821
Profit / (Loss recognized directly in equity)		1,742,978		2,048		1,745,026	153,675	1,898,701
Net profit of the period				4,081,046		4,081,046	618,768	4,699,814
Total recognized net profit of the period	-	1,742,978	-	3,834,902	-252,036	5,325,845	845,848	6,171,694
Transfer of reserves			181,589	-181,589		-		-
	-	-	181,589	-181,589	-	-	-	-
Balance as of 31 March 2006	195,872,248	12,178,105	143,802,959	159,208,023	507,453	511,568,790	45,399,246	556,968,036

Amounts in Euros

Attributable to the shareholders of the parent company

	Share capital	Reserves at fair value	Other reserves	Results carried forward	Total	Total Equity
COMPANY						
Balance as of 31 December 2004	195,872,248	-	117,457,874	137,190,234	450,520,356	450,520,356
Application of I.A,S,32 & 39		4,625,250				
Balance as of 1 January 2005	195,872,248	4,625,250	117,457,874	137,190,234	455,145,606	455,145,606
Profit / (Loss recognized directly in equity)		1,715,290			1,715,290	1,715,290
Net profit of the period				2,217,782	2,217,782	2,217,782
Total recognized net profit of the period	-	1,715,290	-	2,217,782	3,933,072	3,933,072
Balance as of 31 March 2005	195,872,248	6,340,540	117,457,874	139,408,015	459,078,678	459,078,678
Balance as of 31 December 2004	195,872,248	-	117,457,875	137,190,233	450,520,356	450,520,356
Application of I.A,S,32 & 39		4,625,250			4,625,250	4,625,250
Balance as of 1 January 2005	195,872,248	4,625,250	117,457,875	137,190,233	455,145,606	455,145,606
Profit / (Loss recognized directly in equity)	-	1,185,837	-	-	1,185,837	1,185,837

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Amounts in Euros

Attributable to the shareholders of the parent company

	Share capital	Reserves at fair value	Other reserves	Results carried forward	Total	Total Equity
COMPANY (continue)						
Net profit of the period				7,582,337	7,582,337	7,582,337
Total recognized net profit of the period	-	1,185,837	-	7,582,337	8,768,174	8,768,174
Transfer of reserves			2,843,118	-2,843,118	-	
Dividends				-2,481,216	-2,481,216	-2,481,216
	-	-	2,843,118	-5,324,334	-2,481,216	-2,481,216
Balance as of 31 December 2005	195,872,248	5,811,087	120,300,993	139,448,237	461,432,564	461,432,564
Balance as of 1 January 2006	195,872,248	5,811,087	120,300,992	139,448,237	461,432,564	461,432,564
Profit / (Loss recognized directly in equity)	-	-100,023			-100,023	-100,023
Net profit of the period	-	-	-	3,874,890	3,874,890	3,874,890
Total recognized net profit of the period	-	-100,023	-	3,874,890	3,774,867	3,774,867
Balance as of 31 March 2006	195,872,248	5,711,064	120,300,992	143,323,127	465,207,431	465,207,431

The notes on pages 9 to 18 constitute an integral part of these financial statements,

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IV. Cash Flow Statement

<i>Amounts in Euros</i>	Note	CONSOLIDATED		COMPANY	
		1/1 to 31/3/2006	1/1 to 31/3/2005	1/1 to 31/3/2006	1/1 to 31/3/2005
Cash flows from operating activities					
Cash flows from operating activities	8	-14,682,566	-8,177,766	-6,718,570	-6,511,259
Interest paid		-1,536,429	-3,014,938	-166,560	-162,905
Income tax paid		-42,367	-73,169		
Net cash flows from operating activities		-16,261,362	-11,265,873	-6,885,130	-6,674,164
Cash flows from investment activities					
Purchase of tangible assets		-4,177,807	-3,885,963	-2,143,801	-1,782,454
Purchase of intangible assets		-47,606	-43,103	-840	
Investments in real estate		-57,927			
Sale of tangible fixed assets		31,454	24,941	16,114	21,000
Dividends received		-	52,203	574,000	1,159,100
Interest received		1,300,368	971,980	942,957	635,829
Increase in related company holdings		-20,040		-	-
Increase in other company holdings		-	35,875	-	-
Other		-24,282	-	-	-3,499
Net cash flows from investment activities		-2,995,840	-2,844,067	-611,571	29,976
Cash flows from financing activities					
Dividends paid to the shareholders of the parent company		-224	-	-224	-
Loans received		21,845,846	27,321,470	9,461,709	10,958,859
Settlement of loans		-1,059,299	-14,579,560	-662,753	-902,534
Changes in leasing principle		43,375	63,940	-	-
Net cash flows from financing activities		20,829,698	12,805,850	8,798,732	10,056,325
Net (decrease)/increase in cash on hand and cash equivalent accounts		1,572,496	-1,304,092	1,302,031	3,412,136
Cash on hand at beginning of period		13,712,643	11,729,864	1,291,963	1,075,069
Foreign exchange differences in cash on hand		-77,293	128,715	-	-
Cash on hand at end of period		15,207,846	10,554,487	2,593,994	4,487,206

The notes on pages 9 to 18 constitute an integral part of these financial statements,

V. Notes to interim Financial Statements

1. General Information

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

ELVAL S.A. HELLENIC ALUMINIUM INDUSTRY (the “Company”) and its subsidiaries (together the “Group”) are active , in trms of production, in Greece, Great Britain and Bulgaria (through ETEM S.A.), and promotes their products international, primarily to the European Union, the United States of America and the Far East,

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

The Company’s shares are listed on the Athens Stock Exchange,

The interim financial statements have been approved from the Board of Directors of the company on 17 May 2006,

2. Brief presentation of the significant accounting principles

The basic accounting policies adopted by the Group in the preparation of these present financial reports are described hereunder. The said policies have been applied consistently during all relevant fiscal years.

- 2.1. New standards, interpretations amendments to the existing International Accounting Standards. New International Financial Reporting Standards (IFRS) have been issued, along with new amendments and interpretations, which are compulsory for the fiscal years starting from 1 January 2006 or later. The conclusions of the Management of the Group and the Company with regard to the effect of the adoption of the above new standards and interpretations are given hereunder:

IAS 19 (amendment) Employee Benefits (applicable since 1.1.2006)

The said amendment enables companies to elect an alternative method for recognizing actuarial gains and losses. It may impose new recognition prerequisites in the cases of multi-employer plans where there is no sufficient information for the application of fixed benefit accounting. Furthermore, it adds new disclosure requirements. The said amendment is not applicable to the Group.

IAS 39 (amendment) Cash Flow Hedge Accounting for forecast intragroup transactions (applicable since 1.1.2006)

The said amendment allows the exchange currency risk in a highly probable forecast intragroup transaction to be designated as the hedged item in the consolidated financial statements as long as: (a) the transaction is made in a currency different from the functional currency of the company involved in the transaction; and (b) the currency risk will not have an effect on the consolidated net income. The said amendment is not relevant to the operations of the Group, as the Group does not have any intragroup transactions that could be designated as hedged items.

IAS 39 (amendment) Fair Value Option (applicable since 1.1.2006)

The said amendment has changed the definition of financial instruments measured at fair value through profit and loss and has restricted the financial instruments included in the said category. The Group feels that the said amendment will not have a material effect on the measurement of financial instruments, as the Group and the Company will be capable of complying with the amended criteria for the measurement of financial instruments at their current value through profit and loss. The Group and the Company will apply the said amendment in the annual financial statements of fiscal year 2006.

IAS 39 and IFRS 4 (amendment) Financial Guarantee Contracts (applicable since 1.1.2006)

The said amendment requires that financial guarantees issued, except if the Company has asserted that they are insurance contracts, are initially recognized and measured at fair value, but they are subsequently measured at the higher of: (a) the non-amortized balance of relevant collected and deferred fees; and (b) the cost required for settling the liability at the balance sheet date. The Management has concluded that the said amendment is not applicable to the Group and the Company.

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IFRS 1 (amendment) First-time Adoption of the International Financial Reporting Standards and IFRS 6 Exploration for and Evaluation of Mineral Resources (applicable since 1.1.2006)

The said amendments are not relevant to the operations of the Group.

IFRS 7 Financial Instruments: Disclosures, and concurrent amendment to IAS 1, Presentation of Financial Statements, Capital Disclosures (applicable since 1.1.2006).

IFRS 7 has introduced additional disclosures in order to improve the information provided on financial instruments. It has required the disclosure of quantitative and qualitative information about risk exposure that is due to financial instruments. More specifically, it has defined the minimum required disclosures related to credit risk, liquidity risk and market risk (it has necessitated a sensitivity analysis with regard to market risk). IFRS 7 has replaced IAS 30 (Disclosures in the Financial Statements of Banks and Similar Financial Institutions) and the disclosure requirements of IAS 32 (Financial Instruments: Presentation and Disclosure). It applies to all companies preparing financial statements in accordance with the IFRS. The amendment to IAS 1 has introduced disclosures with regard to the amounts of an entity's capital and the method used for managing the said capital. The Group and the Company has evaluated the effect of IFRS 7 and the amendment to IAS 1 and has concluded that the additional disclosures required by their adoption include the sensitivity analysis with regard to market risk and capital disclosures. The Group will apply IFRS 7 and the amendment to IAS 1 starting from 1 January 2007.

Interpretation 4, Determining whether an arrangement contains a lease (applicable since 1.1.2006)

Interpretation 4 requires determination of whether an arrangement is, or contains, a lease. More specifically, it requires an assessment of whether: (a) the fulfillment of the arrangement is dependent on the use of a specific assets or assets; and (b) the arrangement conveys to the lessee a right to use the asset only. The Company has concluded that Interpretation 4 does not have any effect on the accounting presentation of existing arrangements.

2.2. Framework in which the financial statements are prepared

The financial statements of ELVAL of the period end on 31 March 2006 have been prepared according to the International Financial Reporting Standard (IFRS),

Until 31 December 2004 all financial statements had been prepared according to the Greek General Accepted Accounting Principles (G,A,A,P,). The G,A,A,P, differ from the I,F,R,S, at certain points, During the preparation of these statements, the Administration amended some of the accounting, presentation, valuation and consolidation methods that it applied in the past according to the Greek General Accepted Accounting Principles so that these may be consistent with the I,F,R,S, The figures of 2004 have been adjusted based on these amendments

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

2.3. Principles of consolidation and holdings

(a) Subsidiary companies

Subsidiary companies are companies over which the Group, directly or indirectly, controls their financial policies, Subsidiary companies are fully consolidated (integrated consolidation) from the day control over them is acquired and cease to be consolidated from the day this control is no longer exercised,

Buy-outs of subsidiary companies are accounted for based on the buy-out method, The acquisition cost of a subsidiary company is estimated as the fair value of the assets that were acquired, of the shares that were issued and of the liabilities that were undertaken on the day the buy-out was effected, plus any cost that is directly associated with the buy-out, Assets, liabilities and potential liabilities that are recognised in a business combination are estimated at the time of the buy-out at their fair values regardless of the holding percentage, The buy-out cost that exceeds the fair value of the individual assets that were acquired is recorded as goodwill, If the total buy-out cost is less than the fair value of the individual assets that were acquired, the difference is recorded in the results,

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Inter-company transactions, balances and non-realised profits from transactions between the Group's companies are not recorded, The same applies to non-realised losses, unless there are indications that the value of the fixed asset that was transferred has been decreased, The accounting principles that are applied by the Group's subsidiary companies have been amended so that they may be consistent with those that have been adopted by the Group,

(b) Associated companies

Associated companies are companies over which the Group exercises significant influence, but not control, which, in general, applies when the holding percentage in the voting rights of an associated company ranges between 20% and 50%, Investments in associated companies are accounted for according to the net worth method and are initially recognised at their acquisition cost, The account in which investments in associated companies are recorded also includes the goodwill that arises during the buy-out (decreased by possible devaluation losses),

In its corporate statements, the Company records its holdings in subsidiary and associated companies at their acquisition cost, less any possible devaluation of the value thereof,

The Group's share in the profits or losses of its related companies after the relative buy-out has been completed is recorded in the results, Accumulated changes affect the book value of the Group's investments in related companies, If the Group's share in the losses of an associated company is greater than the value of its investment therein, additional losses are not recognised, unless payments have been made or liabilities have been undertaken on the related company's behalf,

Non-realised profits that arise from transactions between the Group and its related companies are not taken into consideration to the extent of the Group's holding therein, The same applies to non-realised losses, unless there are indications that the value of the fixed asset that was transferred has been decreased, The accounting principles that are applied by the Group's related companies have been amended so that they may be consistent with those that have been adopted by the Group,

2.3.2. Information per sector

A business sector is defined as a group of assets and activities that provide products and services that are subject to risks and performances different to those that other business sectors are subject to, A geographic sector is defined as a geographic region in which products and services are provided and which is subject to risks and performances different to those that other regions are subject to,

2.3.3. Foreign exchange conversions

(a) Functional currency and presentation currency

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

(b) Transactions and balances

Transactions that are carried out in a foreign currency are converted to the functional currency based on the exchange rate that is applicable on the day the transaction is carried out, Profits and losses from foreign exchange differences that arise from the settlement of such transactions during the period and from the conversion of monetary assets that are expressed in a foreign currency based on the exchange rate that is applicable on the balance sheet date are recorded in the results, Foreign exchange differences from non-monetary assets that are estimated at fair value are considered as part of the fair value and are, consequently, recorded in the same account as the differences in the fair value,

(c) The Group's Companies

The figures recorded in the financial statements of the Group's companies (none of which as of 31 December 2005 operate in a hyperinflation economy) that are expressed in a different functional currency from the Group's presentation currency, are converted as follows:

- i. Assets and liabilities are converted based on the exchange rates that are applicable on the balance sheet date,
- ii. Income and expenses are converted based on the period's average exchange rates unless the average exchange rate is not a fair estimation of the accumulated affect of the exchange rates that were applicable on the day on

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which the transactions were carried out, in which case income and expenses are converted based on the actual exchange rates that were applicable on the day on which the transactions were carried out, and

- iii. Any foreign exchange difference that may arise is recorded in an owner's equity reserve account and transferred to the results when these companies are sold,

In the consolidated financial statements, foreign exchange differences that may arise due to the conversion of the Group's net investment in a foreign company are recorded in owner's equity, Upon the sale of a foreign company, any accumulated foreign exchange difference is transferred to the income statement as part of the sale's profit or loss,

Goodwill and adjustments of fair values that arise from the buy-out of foreign companies are regarded as the latter's assets and liabilities and are converted based on the exchange rate that is applicable on the balance sheet date,

2.3.4. Tangible fixed assets

Tangible fixed assets are recorded at their acquisition cost less accumulated depreciation and devaluation, The acquisition cost includes all the expenses that are directly attributable to the asset's acquisition, As noted in Note 2,1, the Company valued fields, buildings and machinery at their fair values on 1 January 2004, which were used as a deemed cost on the date of transition to the I,F,R,S,

Expenses that are incurred after the purchase of a tangible fixed asset are recorded as an increase of the tangible fixed asset's book value or as a separate fixed asset only if the Group acquires future financial gains therefrom and the cost thereof may be estimated with a certain degree of reliability, Repair and maintenance costs are recorded in the results when these are incurred,

Lots are not depreciated, Other tangible fixed assets are depreciated based on the straight line method during their remaining useful lives, which are set as follows:

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

The residual values and useful lives of tangible fixed assets may be revaluated in any balance sheet,

When the book value of a tangible fixed asset exceeds its recoverable value, the difference (devaluation) is immediately recorded in the results as an expense,

During the sale of a tangible fixed asset, any difference that may arise between the price that is received and the book value thereof is recorded in the results as a profit or loss,

Investments in real estate are recorded at their acquisition value and are estimated at cost less the relative depreciation and any possible devaluation, During the periods noted herein no devaluation was necessary, The fair value of these real estates as of 31 December 2005 does not differ significantly from the value that is noted in the balance sheet based on the Management's estimations,

2.3.5. Intangible assets

(a) Concessions and industrial property rights

Concessions and industrial property rights include trade marks and licenses and are estimated at their acquisition cost less depreciation, These assets are depreciated base don the straight line method during their useful life, which ranges between 10-15 years,

(b) Software

Software licenses are estimated at their acquisition cost, less depreciation, These assets are depreciated based on the straight line method during their useful life, which ranges between 3 to 4 years,

Expenditures that are required for the development and maintenance of software programs are recognised as an expense when these programs are developed, Expenditures that are undertaken for the development of specific software programs that are controlled by the Group are recognised as intangible assets, Such expenditures include personnel fees and a proportion of

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general expenses, Software programs that are developed by the Company are depreciated during their useful lives, which range between 3-4 years,

(c) Research and development expenses

Research expenses are recognised as expenses in the year in which they are incurred, Expenses that are incurred due to development programs (and are associated with the design and testing of new or improved products) are recognised as intangible assets if these are expected to provide the company with future financial gains, All other development expenses are recorded in expense accounts when these are incurred, Development expenses that in previous fiscal years had been recorded as expenses are not recorded as intangible assets in a subsequent fiscal year, Development expenses that have been capitalised are depreciated from the day the product's commercial production begins based on the straight line method over the period the product is expected to generate gains, The depreciation period that has been adopted by the Group does not exceed 5 years,

2.3.6. Devaluation of assets

Assets that have an indefinite useful life are not depreciated, but are subject to a devaluation control on an annual basis and when certain facts indicate that their book value may not be recovered, Assets that are depreciated are subject to control regarding their devaluation when there are indications that their book value will not be recovered, The recoverable value is the greater amount between an asset's fair value, less the cost that is required for the sale thereof and the value due to usage, Losses due to an asset's devaluation are recorded in the income statement as an expense in the year in which they are incurred,

2.3.7. Financial assets

The Group's financial assets are classified into the categories noted below based on the purpose for which they were acquired, The Group's Management decides on the investment's classification at the time the asset was initially recognised and re-examines its classification on every publication date,

(a) Financial assets estimated at their fair value with changes to results

This category includes financial assets that were acquired in order to be resold in a short period of time, Financial assets of this category are recorded in a current asset account if they are held for commercial purposes or if they are expected to be sold within 12 months of the balance sheet date,

(b) Loans and receivables

This category includes non-derivates with fixed or designated payments, which are neither traded in active markets nor intended to be sold, These financial assets are recorded in a current asset account, with the exception of those financial assets that have a term greater than 12 months from the balance sheet date, These latter assets are recorded in a non-current asset account,

(c) Investments held until maturity

This category includes non-derivates with fixed or designated payments and with a specific maturity, and which the Group intends and has the capacity to hold onto until they mature, During the year the Group did not have any investments in this category,

(d) Financial assets available for sale

This category includes non-derivatives that are either classified in this category or cannot be classified in any of the aforementioned categories, These assets are recorded in non-current asset accounts provided the Management does not intend to liquidate them within 12 months of the balance sheet date,

The purchase and sale of an investment is recognised on the day the transaction is carried out, which is also the day on which the Group is bound to purchase or sell the asset, Investments are initially recorded at their fair value plus any expense associated with the transaction, Investments are written off when the right to collect the cash flows that arise therefrom expires or is transferred and the Group has substantially transferred all the risks and benefits that ownership thereof entails,

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Subsequently, assets that are available for sale are valued at their fair value and the relative profit or loss is recorded in an owner's equity reserve account until they are sold or sustain a devaluation, Upon the sale or devaluation of these assets the profit or loss is transferred to the results, Devaluation losses that have been recognised in the results may not be reversed through the results,

Loans and receivables are recognised at their undepreciated cost based on the true interest rate method,

2.3.8. Stocks

Stocks are estimated at the lesser value between their acquisition cost and their net liquid value, The acquisition cost is determined based on the annual average weighted cost method, The cost of finished products and semi-finished stocks includes design expenses, cost of materials, direct labour cost, depreciation and a proportion of the general production expenses, The net liquid value is estimated based on the stock's current sales price within the framework of usual business activities, less any possible selling expenses, wherever such a case concurs,

2.3.9. Commercial receivables

Receivables from customers are initially recorded at their fair value and are subsequently estimated at their undepreciated cost with the use of the true interest rate, less any devaluation loss, Devaluation losses are recognised when there is an objective indication that the Group is not in a position to collect all the amounts that are due pursuant to relative contractual terms, The amount of the devaluation loss is equal to the difference between the book value of the receivables and the present value of the estimated future cash flows, discounted with the true interest rate, The amount of the devaluation loss is recorded as an expense in the results,

2.3.10. Cash on hand and equivalent cash accounts

Cash on hand and equivalent cash accounts include cash on hand, sight deposits, short-term (up to 3 months) high-liquid and low-risk investments and bank overdrafts,

2.3.11. Share capital

Share capital includes the Company's common shares, Common shares are included in owner's equity,

Expenses that are directly associated with the issuance of shares appear as a reduction of the issuance's product,

2.3.12. Loans

Loans are initially recorded at their fair value, decreased by any possible direct expenses that are required in order to complete the transaction, They are subsequently valued at their undepreciated cost based on the true interest rate method, Any difference between the amount that has been collected (net of relative expenses) and the settlement value is recorded in the results during the term of the loan based on the true interest rate method,

Loans are classified as short-term obligations unless the Group has the right to defer the settlement thereof for at least 12 months from the balance sheet date,

2.3.13. Deferred income tax

Deferred income tax is determined with the method of liability that arises from temporary differences between the book value and the tax base of assets and liabilities, Deferred income tax is not accounted for if it arises from an asset's or liability's initial recognition in a transaction, with the exception of a business combination, which, when the transaction was effected, did not affect the accounting or tax profit or loss, Deferred income tax is determined based on the tax rates that are applicable on the balance sheet date,

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

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

2.3.14. Personnel fringe benefits

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(a) Short –term fringe benefits

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

(b) Fringe benefits following withdrawal from service

Fringe benefits following withdrawal from the service include pre-determined benefit plans,

The liability that is recorded in the balance sheet with regard to predetermined fringe benefit plans is the present value of the commitment to the pre-determined fringe benefit less the fair value of the plan's assets, the changes that arise from non-recognised actuarial profits and losses and the cost of past service, The commitment of the pre-determined fringe benefit is calculated by an independent actuary with the projected unit credit method,

Actuarial profits and losses that arise from adjustments on the basis of historic data and are above or below the margin of 10% of the accumulated liability are recorded in the results within the expected average insurance term of the plan's participants, The cost of past service is recorded directly in the results, with the exception of the case in which changes to the plan depend on the remaining term of the employee's past service, In this case, the cost of past service is recorded in the results based on the fixed method within the maturing period,

(c) Employment termination fringe benefits

Employment termination fringe benefits are paid when employees decide to retire prior to their respective date of retirement, The Group records these fringe benefits when it is bound, or when it terminates the employment of existing employees based on a detailed schedule for which there is no possibility of withdrawal or when it offers these fringe benefits as an incentive for voluntary retirement, Employment termination fringe benefits that are due in 12 months after the balance sheet date are discounted,

In the case of employment termination in which the Group is not able to determine the number of employees who will take advantage of this incentive, these fringe benefits are not accounted for but are recorded as a potential liability,

(d) Programs for participation in profits and benefits

The Group records a liability and the relative expense for benefits and participation in profits, This amount is estimated in profits after taxes less any possible necessary reserves stipulated by the law,

2.3.15. Government grants

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

Government grants that concern operating expenses are recognised in the results so that these will match the expenses that they will cover, Government grants regarding the purchase of tangible fixed assets are recorded in long-term liability accounts as deferred income and are transferred as income to the income statement based on the fixed method over the expected useful lives thereof,

2.3.16. Provisions

Provisions are recognised when:

- i. There is a present legal or inferred commitment as a result of past events,
- ii. Outflow of funds may be demanded for the commitment's settlement,
- iii. The amount in question may be reasonably estimated,

Wherever there are various similar liabilities, the possibility that an outflow shall be required for settlement thereof is designated by examining the liability category overall,

Provisions are calculated at the present value of expenses that, based on the Management's best possible estimate, are required to cover the present liability on the balance sheet date (Note 4), The discount rate that is used in determining the present value reflects the current market estimations for the temporal value of money and increases that concern the specific liability,

2.3.17. Recognition of income

Income includes the fair value of the sale of goods and the provision of services, net of Value Added Tax, discounts and returns, Inter-company income within the Group is deleted in full, Income is recognised as follows:

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(a) Sale of goods

Sales of goods are recognised when the Group delivers the goods to its customers and when collection of the claim is reasonably guaranteed,

(b) Provision of services

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

(c) Income from interest

Income from interest is recognised based on time proportion and with the use of the true interest rate, When receivables are devaluated, the book value thereof is reduced to their recoverable amount, which is the present value of the expected future cash flows discounted with the initial true interest rate, Subsequently, interest is accounted for based on the same interest rate that is applied on the decreased (new book) value,

(d) Dividends

Dividends are accounted for as income, when a right to collect has been established, with the approval of the General Meeting of the subsidiary companies,

2.3.18. Leases

(a) The Group's company as lessee

Leases of fixed assets, in which the Group substantially maintains all the risks and remunerations that ownership thereof entails, are classified as leasing, Leasing is capitalised from the moment the lease begins at the lesser amount between the fixed asset's fair value and the present value of the minimum rents, Each rent is allocated between the liability and financial expenses so that a fixed interest rate can be applied on the financial liability's balance, The corresponding liabilities that arise from the rents, net of financial expenses, are recorded in liability accounts, The part of financial expenses that concerns leasing is recorded in the results during the term of the lease, Fixed assets that were acquired through leasing are depreciated over the shorter period between the useful lives thereof and the term of their lease,

Leases, in which the lessor substantially maintains all the risks and remunerations that ownership thereof entails are classified as operating leases, Payments that are made with regard to operating leases (net of any incentive that was provided by the lessor) are recognised in the results proportionately during the term of the lease,

(b) The Group's company as lessee

Assets that are leased with operating leases are included in the balance sheet's intangible assets, They are depreciated during the term of their useful lives on the basis that is consistent with similar ownerships of tangible assets, Income from rents (net of any incentive that was provided to the lessees) is recognised with the fixed method during the term of the lease,

2,3,19, Distribution of dividends

The distribution of dividends to the parent company's shareholders is recognised as a liability in the financial statements when the distribution thereof is approved by the General Meeting of the shareholders,

3. Management of financial risks

3.1 Financial risk factors

The Group is exposed to financial risks, such as market risks (changes to foreign exchange rates, interest rates, market prices), credit risks and liquidity risks, The Group's general risk management program focuses on the fact that financial-credit markets cannot be forecasted and seeks to minimise the potential negative affect thereof on the Group's financial performance,

Risk management is carried out centrally by the competent service of the VIOCHALO S.A. Group of companies, which operates with specific rules that have been approved by the Operating Regulations, The Board of Directors provides

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instructions and guidelines on the general management of risks, as well as special instructions on the management of specific risks, such as foreign exchange risks, interest rate risks and credit risks,

(a) Market risk

The Group is active in Europe, and consequently a large part of its transactions are denominated in Euros, All purchases of raw materials (aluminium) are denominated in US Dollars, The Group pre-purchases foreign currency and mainly concludes currency futures with foreign contracting parties in order to face the risk of changes in these foreign exchange rates,

(b) Credit risk

The Group does not face a significant credit risk, whereas it is active in many countries and has an extensive clientele, Any retail sales, which are limited in number and volume, are carried on a cash basis, Goods and services are provided on a wholesale basis primarily to clients with a creditable credit history and almost all sales are covered with credit insurance policies,

(c) Liquidity risk

Liquidity risk is kept at a low level due to the fact there is sufficient cash on hand and sufficient credit limits with collaborating banks,

(d) Interest rate fluctuation risk

The Group's loan obligations are associated with floating interest rates that, depending on market conditions, may either remain floating or may become fixed, In addition, the Group has concluded a bond loan with a fluctuating interest rate, part of which has been covered with a Euribor contract that covers exposure to the risk of future changes in loan interest rates,

(e) Raw material (aluminium) price fluctuating risk

The Group proceeds in hedging the risk that is associated with changes in the prices of metals that are incorporated in manufactured products, through acts of pre-purchase or pre-sale of amounts equal to those of natural acts,

3.2 Determining fair values

The fair values of financial assets that are traded in active markets (stock markets) (e.g., derivatives, shares, bonds, mutual funds) are set according to the published prices that are valid on the balance sheet date, The fair value of financial assets is determined by their offer price, while the fair value of financial liabilities is determined by their demand price,

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

The nominal value less provisions for doubtful commercial claims is deemed to approximate their actual value, The fair value of financial liabilities, for the purpose of being recorded in financial statements, are estimated based on the present value of the future cash flows that arise from specific contracts using the current interest rate that is available for the Group for the use of similar financial-credit means,

4. Significant accounting estimations and judgments of the Management

The management's estimations and judgments are re-examined on a continuous basis and are based on historical figures and expectations of future events, which are deemed fair pursuant to that which is in force,

The Group proceeds in estimations and acknowledgements with regard to the development of future events, Estimations and acknowledgements that entail a significant probability that they will cause substantial adjustments to the book values of assets and liabilities in the following 12 months concern income tax,

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The Group's judgment is required in order to determine the income tax provision, There are many transactions and estimations due to which the tax's final determination is uncertain, If the final tax is different from the initially recognised tax, the difference shall affect the income tax and the provision for deferred taxation of the period,

Certain figures noted in the financial statements and in certain notes of fiscal year 2004 have been reclassified in relation to previously published financial statements so that they may be comparable with those of the current fiscal year,

It should be noted that due to the figures' rounding to thousands of Euros, negligible differences between the financial statements and the table sand analyses may arise,

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5. Information per sector

The Group is divided into three business sectors

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

Results per sector for 3 months until 31 March 2005

3 months until 31 March 2006 (amounts in Euros)	Rolling	Extrusion	Paper and Formation Aluminium	Non -allocated	Total
Total gross sales per sector	177,372,799	33,948,231	6,439,806	1,196,596	218,957,432
Inter-company salesç	-12,691,755	-1,474,394	-270,647	-188,816	-14,625,612
Net sales	164,681,044	32,473,837	6,169,159	1,007,780	204,331,820
Operating profits	6,052,026	2,297,145	-100,270	263,234	8,512,134
Financial income –expenses	-1,184,206	-627,128	-33,867	-955	-1,846,155
Share of results of related companies				303,016	303,016
Profits before taxes	4,867,820	1,670,017	-134,137	565,295	6,968,995
Income taxç	-1,758,350	-434,256	291	-76,866	-2,269,181
Net profit	3,109,470	1,235,762	-133,846	488,429	4,699,814

31/3/2006	Rolling	Extrusion	Paper and Formation Aluminium	Non- allocated	Total
Assets	731,300,730	201,483,752	28,719,907	1,455,260	962,959,649
Total liabilities	269,786,064	95,543,080	7,353,390	526,463	373,208,997
Investments in tangible and intangible assets and investments in real estate fixed assets	2,950,287	1,183,690	91,435		4,225,412

Other items per sector included in the results for the 3 months until 31 March 2006

3 months until 31 March 2006 (Amounts in Euros)	Rolling	Extrusion	Paper and Formation Aluminium	Non-allocated	Total
Depreciation of tangible fixed assets	-9,011,223	-1,515,840	-278,136		-10,805,200
Depreciation of intangible fixed assets	-390,457	-124,656	-5,468		-520,580
Depreciation of investments in real estate fixed assets		-115,681			-115,681
Total depreciation	-9,401,680	-1,756,177	-283,604	-	-11,441,460
Devaluation of receivables		-797,175			-797,175
Devaluation of stocks		-54,840			-54,840

Results per sector for 3 months until 31 March 2005

3 months until 31 March 2005 (Amounts in Euros)	Rolling	Extrusion	Paper and Formation Aluminium	Non-allocated	Total
Total gross sales per sector	153,958,395	24,594,169	5,911,967	955,897	185,420,428
Inter-company sales	-14,399,357	-1,142,556	-150,106	-140,883	-15,832,902
Net sales	139,559,038	23,451,613	5,761,861	815,014	169,587,526
Operating profits	7,428,802	2,067,807	179,161	328,601	10,004,370
Financial income-expenses	-2,799,152	-543,326	-32,503	2,907	-3,372,074
Share of results of related companies				266,009	266,009
Profits before taxes	4,629,649	1,524,481	146,658	597,517	6,898,305
Income tax	-2,033,481	-208,019	-55,706	-89,179	-2,386,385
Net profit	2,596,168	1,316,462	90,952	508,338	4,511,920

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31/3/2005	Rolling	Extrusion	Paper and Formation Aluminium	Non- allocated	Total
Assets	732,796,494	182,482,355	27,915,155	739,017	943,933,021
Total liabilities	271,296,937	78,915,963	8,419,022	455,464	359,087,386
Investments in tangible and intangible assets and investments in real estate fixed assets	2,563,829	1,198,641	166,596		3,929,066

ΛOther items per sector included in the results for the 3 months until 31 March 2005

3 months until 31 March 2005 (Amounts in Euros)	Rolling	Extrusion	Paper and Formation Aluminium	Non-allocated	Total
Depreciation of tangible fixed assets	-8,576,748	-1,236,817	-271,294		-10,084,859
Depreciation of intangible fixed assets	-289,349	-113,276			-402,625
Depreciation of investments in real estate fixed assets		-25,536			-25,536
Total Depreciation	-8,866,097	-1,375,629	-271,294	-	-10,513,020

Notes:

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

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6. Tangible fixed assets

CONSOLIDATED

<i>Amounts in Euros</i>	Land	Buildings	Plant and machinery	Motor vehicles	Furniture and fixtures	Fixed assets under construction	Total
Cost or fair value							
Balance as of 1 January 2005	41,338,110	94,023,327	405,808,975	9,534,163	8,195,837	17,315,844	576,216,256
Foreign exchange differences	61,031	201,463	1,463,410	32,226	5,397	33,718	1,797,246
Additions	576,456	833,003	6,516,678	491,319	857,938	20,016,028	29,291,422
Sales	-	-400	-427,012	-125,556	-133,477	-217,151	-903,596
Destructions	-	-	-	-	-1,221	-	-1,221
Reclassifications	-158,968	582,537	12,047,312	405,162	494,691	-17,510,092	-4,139,359
Balance as of 31 December 2005	41,816,629	95,639,929	425,409,363	10,337,314	9,419,165	19,638,348	602,260,748
Accumulated depreciation							
Balance as of 1 January 2005		-5,792,721	-38,372,405	-5,815,417	-6,205,208		-56,185,751
Foreign exchange differences		-17,558	-211,592	-22,166	-1,121		-252,437
Depreciation of the period		-5,173,005	-33,991,210	-1,050,326	-860,410		-41,074,951
Sales		180	56,469	76,774	55,539		188,962
Reclassifications		57,927	135,372	-197,136	-316,223		-320,060
Balance as of 31 December 2005	-	-10,925,176	-72,383,367	-7,008,272	-7,327,422	-	-97,644,238
Undepreciated value as of 31 December 2005	41,816,629	84,714,753	353,025,996	3,329,042	2,091,742	19,638,348	504,616,510

<i>Amounts in Euros</i>	Land	Buildings	Plant and machinery	Motor vehicles	Furniture and fixtures	Fixed assets under constructions	Total
Cost or fair value							
Balance as of 1 January 2006	41,816,629	95,639,929	425,409,363	10,337,314	9,419,165	19,638,348	602,260,748
Foreign exchange differences	-34,727	-54,237	-887,653	-5,058	1,388	-24,125	-1,004,411
Additions	27,016	683,749	659,070	77,929	122,135	2,607,908	4,177,807
Salesç	-	-16,800	-42,136	-7,373	1,490	-	-64,819
Revaluation	-	-	-24,283	-	-	-	-24,283
Reclassifications	-	-	2,700,506	87,411	-	-2,787,916	-
Balance as of 31 March 2006	41,808,918	96,252,641	427,814,867	10,490,223	9,544,178	19,434,215	605,345,042
Accumulated depreciation							
Balance as of 1 January 2006	-	-10,925,176	-72,383,367	-7,008,272	-7,327,422	-	-97,644,238
Foreign exchange differences	-	7,606	225,124	8,737	-747	-	240,720
Depreciation of the period	-	-1,296,504	-9,018,136	-271,166	-219,394	-	-10,805,200
Sales	-	1,344	19,013	4,738	-	-	25,095
Balance as of 31 March 2006	-	-12,212,730	-81,157,366	-7,265,963	-7,547,563	-	-108,183,622
Undepreciated value as of 31 March 2006	41,808,918	84,039,911	346,657,501	3,224,260	1,996,615	19,434,215	497,161,420

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COMPANY

<i>Amounts in Euros</i>	Land	Buildings	Plant and machinery	Motor vehicles	Furniture and fixtures	Fixed assets under construction	Total
Cost or fair value							
Balance as of 1 January 2005	24,108,334	53,511,122	283,571,190	7,387,294	5,739,060	7,411,722	381,728,723
Additions	152,888	552,709	726,018	327,657	527,460	11,595,786	13,882,519
Sales	-	-	-409,106	-	-19,399	-	-428,505
Destructions	-	-	-	-	-1,221	-	-1,221
Reclassifications	-	389,194	4,556,086	-	72,303	-6,224,258	-1,206,674
Balance as of 31 December 2005	24,261,223	54,453,025	288,444,189	7,714,951	6,318,203	12,783,250	393,974,841
Accumulated depreciation							
Balance as of 1 January 2005		-3,068,022	-21,109,348	-4,500,502	-4,883,158		-33,561,030
Depreciation of the period		-3,113,768	-21,471,571	-776,236	-488,351		-25,849,925
Sales		-	53,636	-	10,407		64,043
Reclassifications		-	181,151	-	-		181,151
Balance as of 31 December 2005	-	-6,181,789	-42,346,132	-5,276,739	-5,361,101	-	-59,165,761
Undepreciated value as of 31 December 2005	24,261,223	48,271,236	246,098,057	2,438,212	957,102	12,783,250	334,809,080

<i>Amounts in Euros</i>	Land	Buildings	Plant and machinery	Motor vehicles	Furniture and fixtures	Fixed assets under construction	Total
Cost or fair value							
Balance as of 1 January 2006	24,261,223	54,453,025	288,444,189	7,714,951	6,318,203	12,783,250	393,974,841
Additions	27,016	665,703	228,919	35,403	48,884	1,137,876	2,143,801
Sales			-23,123	-4,255			-27,378
Balance as of 31 March 2006	24,288,239	55,118,728	288,649,985	7,746,099	6,367,087	13,921,126	396,091,264
Accumulated depreciation							
Balance as of 1 January 2006	-	-6,181,789	-42,346,132	-5,276,739	-5,361,101	-	-59,165,761
Depreciation of the period		-798,624	-5,640,074	-196,324	-120,480		-6,755,502
Sales				2,660			2,660
Balance as of 31 March 2006	-	-6,980,413	-47,986,206	-5,470,403	-5,481,581	-	-65,918,604
Undepreciated value as of 31 March 2006	24,288,239	48,138,315	240,663,779	2,275,696	885,506	13,921,126	330,172,660

ELVAL S.A.

7. Intangible assets

CONSOLIDATED

<i>Amounts in Euros</i>	Trade marks and licenses	Software	Other	Total
Cost or fair value				
Balance s of 1 January 2005	2,108	5,298,947	676,561	5,977,615
Foreign exchange differences	-	975	4,008	4,982
Additions	-	443,387	9,228	452,616
Reclassifications	-	873,440	-	873,440
Balance as of 31 December 2004	2,108	6,616,749	689,797	7,308,653
Accumulated depreciation				
Balance as of 1 January 2005	(2,108)	(2,293,978)	(195,660)	(2,491,745)
Foreign exchange differences	-	(659)	(1,002)	(1,661)
Depreciation of the period	-	(1,640,267)	(26,022)	(1,666,290)
Reclassification	-	45,335	-	45,335
Balance as of 31 December 2005	(2,108)	(3,889,569)	(222,684)	(4,114,361)
Undepreciated value as of 31 December 2005	-	2,727,179	467,112	3,194,292

<i>Amounts in Euros</i>	Trade marks and licenses	Software	Other	Total
Cost or fair value				
Balance as of 1 January 2006	2,108	6,616,749	689,797	7,308,653
Foreign exchange differences		731	-2,270	-1,539
Additions		41,106	6,500	47,606
Balance a of 31 March 2006	2,108	6,658,586	694,027	7,354,720
Accumulated depreciation				
Balance s of 1 January 2006	(2,108)	(3,889,569)	(222,684)	-4,114,361
Foreign exchange differences		-579	569	(10)
Depreciation of the period		-479,455	-41,126	-520,580
Balance as of 31 March 2006	(2,108)	-4,369,603	-263,241	-4,634,952
Undepreciated value as of 31 March 2006	-	2,288,983	430,786	2,719,768

ELVAL S.A.

COMPANY

<i>Amounts in Euros</i>	Software	Total
Cost or fair value		
Balance as of 1 January 2005	3,059,868	3,059,868
Additions	70,435	70,435
Reclassifications	1,024,285	1,024,285
Balance as of 31 December 2005	4,154,588	4,154,588
Accumulated depreciation		
Balance as of 1 January 2005	(1,377,230)	(1,377,230)
Depreciation of the period	(969,712)	(969,712)
Balance as of 31 December 2005	(2,346,942)	(2,346,942)
Undepreciated value as of 31 December 2005	1,807,645	1,807,645

<i>Amounts in Euros</i>	Software	Total
Cost or fair value		
Balance as of 1 January 2006	4,154,588	4,154,588
Additions	840	840
Balance as of 31 March 2006	4,155,428	4,155,428
Accumulated depreciation		
Balance as of 1 January 2006	-2,346,942	-2,346,942
Depreciation of the period	-343,854	-343,854
Balance as of 31 March 2006	-2,690,796	-2,690,796
Undepreciated value as of 31 March 2006	1,464,632	1,464,632

8. Cash flows from operating activities

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	1/1 to 31/3/2006	1/1 to 31/3/2005	1/1 to 31/3/2006	1/1 to 31/3/2005
Profits of the period	4,699,814	4,511,920	3,874,890	2,217,782
Adjustments for:				
Tax	2,269,181	2,386,385	1,401,251	1,871,533
Depreciation of tangible assets	10,805,200	10,084,859	6,755,502	6,464,926
Depreciation of intangible assets	520,580	402,625	343,854	210,949
Depreciation of investments in real estate	115,681	25,536	-	
Devaluation	72,718			
(Profits/ losses from the sale of tangible fixed assets	8,270	-14,698	8,605	-11,947
(Income from interest	-1,300,368	-971,980	-942,957	-635,829
Interest expenses	3,146,524	4,344,054	1,776,654	1,492,021
(Income) from dividends		-52,203	-574,000	-1,159,100
(Depreciation) of government grants	-238,748	-229,559	-165,898	-171,173
(Profits) /losses from related companies	-323,056	-213,811	-	-
	19,775,794	20,273,130	12,477,901	10,279,162
Changes in working capital				
(Increase)/ decrease in stocks	-11,882,933	-22,210,551	-6,531,242	-14,398,582
(Increase)/ decrease in receivables	-27,892,905	-13,573,735	-17,928,648	-12,683,716
Increase / (decrease) in liabilities	5,147,783	7,105,217	4,885,919	10,117,020
Increase/ (decrease) in provisions	-33,592	6,283	190,000	-
Increase / (decrease) in liabilities for personnel compensation due to retirement	203,287	212,821	187,500	165,789
	-34,458,360	-28,459,964	-19,196,471	-16,799,489
Net cash flows from operating activities	-14,682,566	-8,186,834	-6,718,570	-6,520,327
<i>The profit / (loss) from the sale of tangible assets includes:</i>				
<i>Amounts in Euros</i>				
Net book value	39,724	10,243	24,719	9,053
Profits / (loss) from the sale of tangible fixed assets	-8,270	14,698	-8,604	11,947
Income from the sale of tangible fixed assets	31,454	24,941	16,114	21,000

ELVAL S.A.

9. Investments in subsidiary companies

The Company's holdings in subsidiary companies are analyzed as follows:

	COMPANY	
	31/03/2006	31/12/2005
<i>Amounts in Euros</i>		
Beginning of the period	81,362,181	81,129,081
Additions	-	233,100
Devaluations	-	-
Balance at end of period	81,362,181	81,362,181

2005	Country	Direct holding percentage	Indirect percentage	Direct & Indirect holding percentage
ETEM S.A.	Greece	58.15%		58.15%
VIEXAL LTD	Greece	73.33%		73.33%
VIOMAL S.A.,	Greece	50.00%		50.00%
ELVAL COLOUR S.A.	Greece	100.00%		100.00%
SYMETAL S.A.	Greece	99.99%		99.99%
VECTOR S.A.	Greece	66.67%		66.67%
STEELMET ROMANIA S.A.	Romania	40.00%	11.63%	51.63%
BLYTHE Ltd	Cyprus	100.00%		100.00%
BRIDGNORTH Ltd	England	100.00%		100.00%
ATHENS ART CENTRE S.A.,	Greece	100.00%		100.00%
K,AN,AL, S.A.	Greece	75.00%	14.54%	89.54%

2006	Country	Direct holding percentage	Indirect percentage	Direct & Indirect holding percentage
ETEM S.A.,	Greece	58.15%		58.15%
VIEXAL LTD	Greece	73.33%		73.33%
VIOMAL S.A.,	Greece	50.00%		50.00%
ELVAL COLOUR S,A	Greece	100.00%		100.00%
SYMETAL S.A.	Greece	99.99%		99.99%
VECTOR S.A.,	Greece	66.67%		66.67%
STEELMET ROMANIA S.A.	Romania	40.00%	11.63%	51.63%
BLYTHE Ltd	Cyprus	100.00%		100.00%
BRIDGNORTH Ltd	England	100.00%		100.00%
ATHENS ART CENTRE S.A.,	Greece	100.00%		100.00%
K,AN,AL, S.A.	Greece	75.00%	14.54%	89.54%

Athens Art Centre S.A. and the newly-established subsidiary company K,AN,AL S.A. have not been included in the consolidation due to the fact that they recorded insignificant figures,

ELVAL S.A.

10. Investments in associated companies

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

	CONSOLIDATED		COMPANY	
	31/03/2006	31/12/2005	31/03/2006	31/12/2005
<i>Amounts in Euros</i>				
Beginning of the period	6,827,361	6,597,748	4,361,423	4,361,423
Share of profit/ (loss) after taxes	323,056	-34,173	-	-
Additions	20,040	428,229	-	-
Sales		-38,858	-	-
Devaluation	-72,718	-125,585	-	-
Balance at the end of the period	7,097,739	6,827,361	4,361,423	4,361,423

Corporate name	Country	Assets	Liabilities	Income (Turnover)	Profit (losses) after taxes	Holding percentage
31/12/2005						
ANAMET S.A.	Greece	5,840,311	2,459,203	68,966,861	978,032	26,67%
V,EPE,M, S.A.	Greece	40,824			-3,058	50,00%
TEPROMETAL AG	Germany	25,798,145	17,769,914	71,545,831	-1,221,323	40,39%
DIAPEM COMMERCIAL S.A	Greece	706,746	73,957		10,787	33,32%
ELKEME S.A.	Greece	2,936,565	1,099,382	1,524,910	88,962	40,00%
STEELMET S.A.	Greece	7,894,207	5,017,241	20,844,927	1,393,335	29,56%
METAL GLOBE DOO	Yugoslavia	2,369,932	2,123,038	5,445,661	217,815	40,00%
INNOVAL S.A.	Greece	2,401,478	2,282,933	712,712	-354,182	49,00%
ENERGY SOLUTIONS	Bulgaria	1,709,000	645,000	1,939,330	238,773	38,60%
BONIFACI LIMITED	Cyprus	29,819	30,137	-	3,323	100,00%
VIOHALCO EXPORTS LTD (COPPERPROM LTD)	Greece	-	-	-	-	20,00%
		49,727,026	31,500,804	170,980,232	1352,466	

Corporate name	Country	Assets	Liabilities	Income (Turnover)	Profit (losses) after taxes	Holding percentage
31/3/2006						
ANAMET S.A.	Greece	7,037,113	3,196,590	19,018,769	459,416	26,67%
V,EPE,M, S.A.,	Greece	-	-	-	-	50,00%
TEPROMETAL AG	Germany	34,336,443	26,072,503	20,232,129	235,709	40,39%
DIAPEM COMMERCIAL S.A.	Greece	660,546	27,636	-	120	33,32%
ELKEME S.A.,	Greece	2,892,280	1,032,260	333,830	22,837	40,00%
STEELMET S.A.,	Greece	8,238,099	5,104,224	4,386,366	256,706	29,56%
METAL GLOBE DOO	Yugoslavia	1,929,050	1,691,967	82,301	-24,769	40,00%
INNOVAL S.A.	Greece	-	-	-	-	49,00%
ENERGY SOLUTIONS	Bulgaria	2,391,000	1,271,000	927,000	65,000	38,60%
BONIFACI LIMITED	Cyprus	-	-	-	-	100,00%
VIOHALCO EXPORTS LTD (COPPERPROM LTD)	Greece	-	-	-	-	20,00%
		57,484,531	38,396,180	44,980,394	1,015,019	

ELVAL S.A.

11. Loans

The Company's and Group's long-term and short term as of 31 December 2005 και 31 March 2006 analyzed as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/3/2006	31/12/2005	31/3/2006	31/12/2005
Long-term loans				
Bank loans	46,600,261	43,012,780	12,587,354	13,250,108
Liabilities from leasing activities	76,773	34,837	-	-
Bond loans	93,750,000	93,750,000	60,000,000	60,000,000
Total long-term loans	140,427,034	136,797,617	72,587,354	73,250,108
			-	-
Short-term loans				
Bank loans	127,114,545	110,673,987	61,287,039	51,825,329
Liabilities from leasing activities	70,895	69,457	-	-
Total short-term loans	127,185,440	110,743,444	61,287,039	51,825,329
Total loans	267,612,474	247,541,060	133,874,393	125,075,437

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

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/3/2006	31/12/2005	31/3/2006	31/12/2005
Between 1 to 2 years	47,690,978	39,403,136	26,511,963	27,174,717
Between 2 to 5 years	92,659,283	89,359,568	46,075,391	46,075,391
More than 5 years		8,000,077		
	140,350,261	136,762,781	72,587,354	73,250,108

12. Leasing

<i>Amounts in Euros</i>	CONSOLIDATED	
	31/3/2006	31/12/2005
Liabilities from leasing activities –minimum rents		
Up to 1 year	74,257	73,368
From 1 to 5 years	78,564	37,237
Total	152,821	110,606
Less: Future leasing financial charges	-5,152	-6,313
Current value of liabilities from leasing activities	147,669	104,293
Current value of liabilities from financial activities is analyzed as follows:		
Up to 1 year	70,895	69,457
From 1 to 5 years	76,773	34,836
Current value of liabilities from financial activities	147,669	104,293

ELVAL S.A.

13. Derivatives

Derivatives as of 31 December 2005 and 31 March 2006 analyzed as follows:

Derivatives	CONSOLIDATED		COMPANY	
	<u>31/3/2006</u>	<u>31/12/2005</u>	<u>31/3/2006</u>	<u>31/12/2005</u>
<i>Amounts in Euros</i>				
Non current assets				
Interst rate swaps	188,506		188,506	
Fx future contracts		25,657		
Future contracts	<u>729,042</u>	<u>514,579</u>		
Total	<u>917,548</u>	<u>540,236</u>	<u>188,506</u>	<u>-</u>
Current assets				
Fx future contracts	738,108	876,718	611,948	565,893
Future contracts	<u>19,734,953</u>	<u>18,962,801</u>	<u>10,370,864</u>	<u>11,387,922</u>
Total	<u>20,473,061</u>	<u>19,839,519</u>	<u>10,982,812</u>	<u>11,953,814</u>
Long-term liabilities				
Interst rate swaps		323,904		45,377
Future contracts	<u>145,207</u>			
Total	<u>145,207</u>	<u>323,904</u>	<u>-</u>	<u>45,377</u>
Short-term liabilities				
Interst rate swaps	541,912	627,387	88,921	174,398
Fx future contracts	434,588	818,781	434,588	796,731
Future contracts	<u>3,033,059</u>	<u>4,053,526</u>	<u>3,033,059</u>	<u>3,189,193</u>
Total	<u>4,009,559</u>	<u>5,499,694</u>	<u>3,556,568</u>	<u>4,160,321</u>

ELVAL S.A.

14. Commitments

1, Contractual commitments

<i>Amounts in Euros</i>	CONSOLIDATED	
	31/03/2006	31/12/2005
Tangible fixed assets	1,244,219	1,244,219
	<u>1,244,219</u>	<u>1,244,219</u>

2, Liabilities from operating leases

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/3/2006	31/12/2004	31/3/2006	31/12/2004
Up to 1 year	720,805	680,712	429,338	421,744
From 1-5 years	1,917,184	2,159,751	1,248,184	1,490,751
More than 5 years	617,688	569,314	317,488	264,314
	<u>3,255,676</u>	<u>3,409,777</u>	<u>1,995,009</u>	<u>2,176,809</u>
Result charge	<u>64,900</u>	<u>241,952</u>	-	-

15. Potential liabilities / receivables

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/3/2006	31/12/2005	31/3/2006	31/12/2005
liabilities				
Letters of guarantee for securing liabilities to suppliers	2,559,283	2,351,007	1,627,445	1,522,901
Letters of guarantee for securing the good performance of contracts with customers	49,394	350,980	10,740	10,740
Other liabilities	42,216,294	43,554,837	42,216,294	43,554,837
Total	<u>44,824,971</u>	<u>46,256,824</u>	<u>43,854,479</u>	<u>45,088,478</u>

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/3/2006	31/12/2005	31/3/2006	31/12/2005
Receivables				
Letters of guarantee for securing receivables from customers	302,694	302,694		
Total	<u>302,694</u>	<u>302,694</u>	-	-

No liens have been filed against fixed assets,

CO2 emissions: Pursuant to Directive 2003/87 (which has already been incorporated into Greek legislation pursuant to Joint Ministerial Decision H,II, 54409/2632/27-12-2004) establishing a scheme for greenhouse gas emission allowance trading within the Community, a National Allocation Plan for the three-year period 2005-2007 has been submitted. This plan, the finalization of which is pending, establishes the total amount of allowance, the allocation among liable installations, and the basic rules that govern allowance allocation and the operation of the relative system, ELVAL S.A., based on the initial allocation that corresponds thereto from 1 January 2005, by the National CO2 Emission Allocation Plan calculated the deficiencies that concern the results of the company,

ELVAL S.A.

16. Unaudited years

The fiscal years for which the parent company and its subsidiaries have not been tax audited by the tax authorities are presented in table below:

<u>Corporate name</u>	<u>Country of registration</u>	<u>Holding</u>	<u>Method of consolidation</u>	<u>Unaudited years</u>
ELVAL S.A	Greece		Parent	2003-2005
ETEM S.,A,	Greece	58.15%	Integrated Consolidation	2000-2005
SYMETAL S.A.	Greece	99.99%	Integrated Consolidation	2004-2005
VIOMAL S.A.	Greece	50.00%	Integrated Consolidation	2002-2005
ELVAL COLOUR S.A.	Greece	99.99%	Integrated Consolidation	2005
VECTOR S.A.	Greece	66.67%	Integrated Consolidation	2003-2005
VIEXAL LTD	Greece	73.33%	Integrated Consolidation	2003-2005
BRIDGNORTH ALUMINIUM Ltd	England	100.00%	Integrated Consolidation	-
BLYTHE Ltd	Cyprus	100.00%	Integrated Consolidation	-
STEELMET ROMANIA S.A.	Romania	40.00%	Integrated Consolidation	-
ANAMET S.A.	Greece	26.67%	Net worth	1998-2005
STEELEMT S.A.,	Greece	29.56%	Net worth	2004-2005
DIAPEM COMMERCIAL S.A.	Greece	33.32%	Net worth	2003-2005
VEPEM S.A.	Greece	50.00%	Net worth	2003-2005
ELKEME S.A.	Greece	40.00%	Net worth	2003-2005
TEPRO METAL AG	Germany	40.39%	Net worth	-
METAL GLOBE Doo	Yugoslavia	40.00%	Net worth	-

ELVAL S.A.

17. Transactions with related companies

The Company's and Group's main transactions with related companies during fiscal year 2005 and 31/3/2006 and the corresponding receivables and liabilities as of 31 December 2005 and 31 March 2006 analyzed as follows:

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/3/2006	31/12/2005	31/3/2006	31/12/2005
Sales of goods				
Subsidiaries			8,231,823	33,629,954
Other related entities	13,267,021	39,679,012		
	13,267,021	39,679,012	8,231,823	33,629,954
Sale of services				
Subsidiaries				77,154
Other related entities	7,811	899,184		
	7,811	899,184	-	77,154
Purchase of goods				
Subsidiaries			4,669,082	17,091,106
Other related entities	6,352,888	14,742,915		
	6,352,888	14,742,915	4,669,082	17,091,106
Purchase of services				
Subsidiaries			346,975	820,195
Other related entities	2,247,293	10,995,981		
	2,247,293	10,995,981	346,975	820,195
Purchase of fixed assets				
Other related entities	641,205	4,902,175		
	641,205	4,902,175	-	-
Benefits to Management				
<i>Amounts in Euros</i>				
Fees – benefits to the members of the B,o,D and executives	306,588	1,179,108	201,027	804,108
	306,588	1,179,108	201,027	804,108
Year-end balances arise from the sale-purchase of goods, services, fixed assets, etc,				
<i>Amounts in Euros</i>				
Receivables from related entities:				
Subsidiaries			10,898,018	10,041,791
Other related entities	17,469,938	12,484,441		
	17,469,938	12,484,441	10,898,018	10,041,791
Liabilities to related entities:				
Subsidiaries			9,722,780	7,302,102
Other related entities	6,305,899	5,173,027		
	6,305,899	5,173,027	9,722,780	7,302,102

ELVAL S.A.

18. Profits per share

Συνεχιζόμενες δραστηριότητες Βασικά και μειωμένα

Basic gains per share are calculated by dividing the gain that corresponds to the parent Company's shareholders by the weighted average number of shares during the period,

Ongoing activities

<i>Amounts in Euros</i>	CONSOLIDATED		COMPANY	
	31/3/2006	31/12/2005	31/3/2006	31/12/2005
Profits that correspond to the parent company's shareholders	4,081,046	3,705,307	3,874,890	2,217,782
Weighted average number of shares	<u>124,060,815</u>	<u>124,060,815</u>	<u>124,060,815</u>	<u>124,060,815</u>
Basic profits per share (Euros per share)	<u>0.033</u>	<u>0.030</u>	<u>0.031</u>	<u>0.018</u>

19. Information

The number of persons employed by the parent Company and Group at the end of the current period amounted to 813, and 2142 respectively

20. Significant events after the balance sheet date

The Boards of Directors of the companies VECTOR, S.A. and ELVAL COLOUR, S.A., during their meetings dated 19/4/2006, decided to start the merger procedure of the two companies, through absorption of VECTOR, S.A. by ELVAL COLOUR, S.A.