



CORINTH PIPEWORKS S.A.
PIPE INDUSTRY AND REAL ESTATE

**Annual Financial Statements according to the
International Financial Reporting Standards
("IFRS")**

December 31, 2007

Societe Anonyme Registration Number 1343/06/B/86/35
2-4 Mesogeion Ave. Athens

Table of Contents	Pages
Balance Sheet	3
Income statement	4
Owner's Equity Statement	5
Cash flow statement	6
Notes on the financial statements	7
1. General information	7
2. Summary of significant accounting policies	7
3. Financial risk management	18
4. Critical accounting estimates and judgements	22
5. Reporting by sector	23
6. Property, plant and equipment	27
7. Intangible Assets	29
8. Investments in subsidiaries	29
9. Investments in associates	31
10. a) Financial instruments by category	32
b) Credit quality of financial assets	33
11. Inventories	34
12. Trade and other receivables	34
13. Derivative financial instruments	36
14. Other financial assets at fair value through profit or loss	37
15. Cash & Cash equivalents	38
16. Share capital and premium	38
17. Other reserves	38
18. Borrowings	40
19. Deferred income tax	42
20. Retirement benefit obligations	44
21. Provisions	45
22. Suppliers and other liabilities	46
23. Expenses by nature	46
24. Employee benefit expenses	48
25. Other operating income	49
26. Other Operating Expenses	49
27. Other profit / (loss) net	50
28. Financial expenses – net	50
29. Taxation	50
30. Foreign exchange differences	51
31. Earnings per share	52
32. Operational cash flows	52
33. Commitments	53
34. Contingent liabilities	54
35. Related party transactions	54
36. Unaudited fiscal years	56

37. Post balance sheet events	56
Independent auditor's report	57

December 31 2007

Balance Sheet

Amounts in Euros

	Note	CONSOLIDATED FIGURES		COMPANY FIGURES	
		31/12/2007	31/12/2006	31/12/2007	31/12/2006
ASSETS					
Non-Current assets					
Tangible fixed assets	6	153.250.226	186.894.087	153.225.202	168.374.878
Intangible assets	7	215.597	-	215.597	-
Investments in associated companies	9	7.987.071	-	687.125	-
Investments in subsidiary companies	8	-	-	11.319.068	24.706.474
Deferred Tax Asset	19	1.277.027	4.146.240	-	3.542.015
Derivative financial instruments	13	536.880	562.315	536.880	562.315
Other receivables	12	394.300	998.800	394.300	946.138
		163.661.101	192.601.442	166.378.172	198.131.820
Current Assets					
Inventories	11	95.862.995	56.984.122	80.728.112	55.860.845
Trade and other receivables	12	64.961.334	64.337.080	54.392.964	64.459.097
Income tax		931.120	-	-	-
Derivative financial instruments	13	1.549.428	2.821.661	1.549.428	2.821.661
Financial assets at fair value through profit and loss	14	106.737	380.066	106.737	101.737
Cash & Cash equivalent	15	11.591.569	8.366.061	4.163.313	2.068.595
		175.003.183	132.888.990	140.940.554	125.311.935
Total Assets		338.664.284	325.490.432	307.318.726	323.443.755
EQUITY					
Equity attributable to shareholders of the company					
Share capital	16	96.852.757	96.852.757	96.852.757	96.852.757
Reserve from issuance of shares above par	17	27.427.850	27.427.850	27.427.850	27.427.850
Foreign exchange difference from consolidation of subsidiaries	17	-900.755	-186.420	-	-
Other reserves	17	14.167.721	15.948.453	14.167.721	15.947.669
Profits / (losses) carried forward		-13.959.331	-47.931.557	-13.473.433	-43.327.138
Total		123.588.242	92.111.083	124.974.895	96.901.138
Minority rights		-	1.494.398	-	-
Total equity		123.588.242	93.605.481	124.974.895	96.901.138
LIABILITIES					
Long-term liabilities					
Loans	18	65.578.501	87.246.551	65.578.501	87.246.551
Deferred tax liabilities	19	-	-	57.113	-
Liabilities for personnel compensation due to withdrawal from service	20	1.673.374	2.291.677	1.673.376	2.291.676
Subsidies		-	955.579	-	-
Provisions	21	5.040.060	4.763.568	5.040.060	4.763.568
Other long-term liabilities		108.631	13.468	-	-
		72.400.566	95.270.843	72.349.050	94.301.795
Short-term liabilities					
Suppliers and other liabilities	22	108.562.866	102.951.721	76.272.049	99.284.286
Income tax		180.244	277.617	140.897	-
Loans	18	31.670.728	31.819.479	31.670.728	31.819.450
Derivatives	13	1.298.685	223.088	1.298.685	223.088
Provisions	21	962.953	1.342.204	612.422	913.998
		142.675.476	136.614.109	109.994.781	132.240.822
Total liabilities		215.076.042	231.884.952	182.343.831	226.542.617
Total equity and liabilities		338.664.284	325.490.432	307.318.726	323.443.755

The notes on pages 6 to 56 constitute an integral part of these financial statements.

December 31 2007
Income statement

		CONSOLIDATED FIGURES		COMPANY FIGURES	
		12months until 31/12/2007	12months until 31/12/2006	12months until 31/12/2007	12months until 31/12/2006
<i>Amounts in Euros</i>					
	Note				
Sales	5	357.527.531	319.407.681	340.594.070	304.202.150
Cost of sales	23	-272.901.205	-245.622.326	-257.981.686	-234.053.046
Gross profit		84.626.326	73.785.355	82.612.384	70.149.104
Selling expenses	23	-49.156.254	-45.729.893	-51.244.572	-46.370.154
Administrative expenses	23	-9.499.811	-7.520.643	-7.316.151	-6.032.029
Other income	25	10.970.763	13.385.020	10.710.053	13.997.998
Other expenses	26	-2.462.061	-2.474.908	-337.964	-1.482.302
Other gains / (losses) -net	27	14.019.201	-1.146.435	9.293.047	2.297.085
Operating profit		48.498.164	30.298.495	43.716.797	32.559.702
Finance income	28	1.318.807	120.741	1.100.635	103.073
Finance expenses	28	-9.880.328	-10.970.668	-9.877.601	-10.959.191
Finance expenses - net	28	-8.561.521	-10.849.927	-8.776.966	-10.856.118
Share of profit / (loss) of associates	9	164.248	-	-	-
Profit before income tax		40.100.892	19.448.569	34.939.831	21.703.585
Income tax	29	-6.139.866	16.955.942	-5.086.126	15.702.695
Profit for the year		33.961.025	36.404.510	29.853.705	37.406.280
Attributable to:					
Equity holders of the company		33.971.441	36.423.855	29.853.705	37.406.280
Minority interest		-10.416	-19.345	-	-
		33.961.025	36.404.510	29.853.705	37.406.280
Profits/(losses) per share that attributable to the equity holders of the company during the year (expressed in € per share)					
Basic and reduced	31	0,274	0,293	0,240	0,301

The notes on pages 6 to 56 constitute an integral part of these financial statements.

December 31 2007

Owner's Equity Statement

Attributable to the shareholders of the parent company

<i>Amounts in Euros</i>	Note	Share capital	Reserves at fair value	Other reserves	Results carried forward	Foreign exchange differences due to consolidation	Total	Minority rights	Total equity
CONSOLIDATED FIGURES									
Balance at January 1, 2006		124.280.607	-2.129.857	13.577.787	-84.355.411	124.287	51.497.413	1.513.743	53.011.156
Foreign exchange difference	17	-	-	-	-	-310.707	-310.707	-	-310.707
Profit / (Loss) after tax from change of fair market value of cash flow hedge	17	-	4.500.523	-	-	-	4.500.523	-	4.500.523
Net profit / (loss) of year		-	-	-	36.423.855	-	36.423.855	-19.345	36.404.510
Total recognized net profit / (loss) of year		-	4.500.523	-	36.423.855	-310.707	40.613.671	-19.345	40.594.326
Balance at December 31, 2006		124.280.607	2.370.666	13.577.787	-47.931.556	-186.420	92.111.084	1.494.398	93.605.482
Balance at January 1, 2007		124.280.607	2.370.666	13.577.787	-47.931.556	-186.420	92.111.084	1.494.398	93.605.482
Foreign exchange difference	17	-	-	-	-	-714.334	-714.334	-	-714.334
Profit / (Loss) after tax from change of fair market value of cash flow hedge	17	-	-1.779.948	-	-	-	-1.779.948	-	-1.779.948
Net profit / (loss) of year		-	-	-	33.971.441	-	33.971.441	-10.416	33.961.025
Total recognized net profit / (loss) of year		-	-1.779.948	-	33.971.441	-714.334	31.477.159	-10.416	31.466.743
Sale of subsidiary								-1.483.982	-1.483.982
Transfer to retained earnings		-	-	-784	784	-	-	-	-
Balance at December 31, 2007		124.280.607	590.718	13.577.003	-13.959.331	-900.754	123.588.243	-	123.588.243

Attributable to the shareholders of the parent company

<i>Amounts in Euros</i>	Note	Share capital	Reserves at fair value	Other reserves	Results carried forward	Total equity
COMPANY FIGURES						
Balance at January 1, 2006		124.280.607	-2.129.857	13.577.003	-80.733.418	54.994.335
Profit / (Loss) after tax from change of fair market value of cash flow hedge	17	-	4.500.523	-	-	4.500.523
Net profit / (loss) of year		-	-	-	37.406.280	37.406.280
Total recognized net profit / (loss) of year		-	4.500.523	-	37.406.280	41.906.803
Balance at December 31, 2006		124.280.607	2.370.666	13.577.003	-43.327.138	96.901.138
Balance at January 1, 2007		124.280.607	2.370.666	13.577.003	-43.327.138	96.901.138
Profit / (Loss) after tax from change of fair market value of cash flow hedge	17	-	-1.779.948	-	-	-1.779.948
Net profit / (loss) of year		-	-	-	29.853.705	29.853.705
Total recognized net profit / (loss) of year		-	-1.779.948	-	29.853.705	28.073.757
Balance at December 31, 2007		124.280.607	590.718	13.577.003	-13.473.433	124.974.895

The notes on pages 6 to 56 constitute an integral part of these financial statements.

December 31 2007
Cash flow statement

<i>Amounts in Euros</i>	Note	CONSOLIDATED FIGURES		COMPANY FIGURES	
		1/1 until 31/12/2007	1/1 until 31/12/2006	1/1 until 31/12/2007	1/1 until 31/12/2006
Cash flows from operating activities					
Cash flows from operating activities	32	18.949.398	97.025.109	13.608.064	99.967.748
Interest paid		-9.812.482	-11.133.447	-9.809.754	-11.121.973
Income tax paid		-2.620.207	-1.118.517	-780.921	-
Net cash flows from operating activities		6.516.710	84.773.145	3.017.389	88.845.775
Cash flows from investment activities					
Purchase of tangible fixed assets	6	-7.071.866	-3.753.622	-6.871.697	-9.416.299
Purchase of intangible fixed assets	7	-355.093	-	-355.093	-
Sale of tangible fixed assets	32	11.531.409	1.247.619	11.529.533	10.754.133
Sales of subsidiaries less subsidiaries' cash and cash equivalents	8	14.524.384	-	14.712.800	-
Dividends received		-	750	847.700	1.060.169
Purchase of financial assets at fair value through profit and loss	14	-	-250.000	-	-
Sale of financial assets at fair value through profit and loss	14	278.329	913.245	-	-
Interest received	28	691.747	120.741	473.577	103.073
Increase in subsidiary's share capital	8	-	-	-69.680	-
Purchase of associated company	9	-1.218.827	-	-	-
Increase - purchase of share in subsidiaries	8	-	-	-	-10.750.000
Net cash flows from investment activities		18.380.083	-1.721.267	20.267.140	-8.248.924
Cash flows from financing activities					
Dividends paid to the shareholders of the parent company		-98	-17.656	-98	-15.489
Proceeds from borrowings		20.720.000	-	20.720.000	-
Repayments of borrowings		-40.560.136	-78.370.250	-40.560.106	-78.358.135
Payments of leasing principle		-1.349.604	-1.514.244	-1.349.607	-1.514.244
Subsidies received		-	628.312	-	-
Net cash flows from financing activities		-21.189.838	-79.273.838	-21.189.811	-79.887.868
Net (decrease)/increase in cash and cash equivalent					
Cash and cash equivalent at the beginning of the period	15	8.366.061	4.909.847	2.068.595	1.359.613
Foreign exchange differences in cash and cash equivalent		-481.447	-321.827	-	-
Cash and cash equivalent at year-end	15	11.591.569	8.366.060	4.163.313	2.068.595

The notes on pages 6 to 56 constitute an integral part of these financial statements.

Notes on the financial statements

1. General information

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

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

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

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

The financial information contained herein has been approved for publication by the company’s Board of Directors on March 14, 2008.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. The annual financial statements were prepared according to the same accounting principles that were followed for the preparation and the presentation of the Company’s and the Group’s financial statements for 2005, unless otherwise stated.

2.1 Framework in which the financial statements have been prepared

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

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

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

The financial statements have been prepared on the going concern basis. This principle is based on the acknowledgment that the company will have the necessary financial resources in order to meet its short-term liabilities that arise either from loan contracts or suppliers so that it may continue its activities without any problems for at least the next 12 months.

2.2 New standards, interpretations and amendment of existing standards

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

Standards effective for 2007

IFRS 7 - Financial Instruments: Disclosures and the complementary amendment to IAS 1 - Presentation of Financial Statements: Capital Disclosures

This standard and amendment introduces new disclosures relating to financial instruments and does not have any impact on the classification and valuation of the group's financial instruments, or the disclosures relating to taxation and trade and other payables. The pronouncements of this standard have been applied in the preparation of these financial statements.

Interpretations effective for 2007

IFRIC 7 - Applying the Restatement Approach under IAS 29

This interpretation provides guidance on how to apply requirements of IAS 29 in a reporting period in which a company identifies the existence of hyperinflation in the economy of its functional currency, when the economy was not hyperinflationary in the prior period. As none of the Group companies operate in a hyperinflationary economy this interpretation does not affect the Group's financial statements.

IFRIC 8 - Scope of IFRS 2

This interpretation considers transactions involving the issuance of equity instruments – where the identifiable consideration received is less than the fair value of the equity instruments issued – to establish whether or not they fall within the scope of IFRS 2. This interpretation will not affect the Group's financial statements.

IFRIC 9 - Reassessment of Embedded Derivatives

This interpretation requires an entity to assess whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative when the entity first becomes a party to the contract. This interpretation is not relevant to the Group's operations.

IFRIC 10 - Interim Financial Reporting and Impairment

This interpretation prohibits the impairment losses recognised in an interim period on goodwill, investments in equity instruments and investments in financial assets carried at cost to be reversed at a subsequent balance sheet date. This interpretation does not have any impact on the Group's financial statements.

Standards effective after 1 January 2008

IFRS 8 - Operating Segments

This standard is effective for annual periods beginning on or after 1 January 2009 and 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.

IAS 23 – Borrowing Costs

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

Interpretations effective after 1 January 2008

IFRIC 11 - IFRS 2: Group and Treasury share transactions

This interpretation is effective for annual periods beginning on or after 1 March 2007 and 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

This interpretation is effective for annual periods beginning on or after 1 January 2008 and applies to companies that participate in service concession arrangements. This interpretation is not relevant to the Group's operations.

IFRIC 13 – Customer Loyalty Programmes

This interpretation is effective for annual periods beginning on or after 1 July 2008 and clarifies the treatment of entities that grant loyalty award credits such as "points" and "travel miles" to customers who buy other goods or services. This interpretation is not relevant to the Group's operations.

IFRIC 14 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

This interpretation is effective for annual periods beginning on or after 1 January 2008 and 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.

2.3 Consolidation

(a) Subsidiaries

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

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement (see Note 2.6).

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

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

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

(b) Associates

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

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

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

2.4 Segment Reporting

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

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

2.5 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in euros, which is the Company's functional and presentation currency.

(b) Transactions and balances

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

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security, and other changes in the carrying amount of the security. Translation differences are recognized in profit or loss, and other changes in carrying amount are recognized in equity.

Translation differences on non-monetary financial assets and liabilities are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available for sale are, included in the fair value reserve in equity.

(c) Group companies

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

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognized as a separate component of equity.

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

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

2.6 Property, plant and equipment

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

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

Depreciation on assets is calculated using the straight-line method to allocate the cost of each asset to its residual value over its estimated useful life, as shown on the table below for the main classes of assets:

- Buildings	20-33	Years
- Machinery – technical installations and other mechanical equipment	8-16	Years
- Transportation equipment	7 – 10	Years
- Furniture and other equipment	4 - 5	Years

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

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

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

2.7 Intangible assets

Research expenditure is 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 already been recognized as an expense will not be recognized as intangible assets in a future period. Development costs that have been capitalised, are registered as intangible assets and are amortised from the commencement of their production on a straight line basis over the period of its useful life, not exceeding 5 years.

2.8 Impairment of non-financial assets

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

2.9 Financial assets

The Group classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial assets. 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

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as 'held for trading' 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 realised 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 and with no intention of trading. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The Group's and Company's loans and receivables comprise "trade and other receivables" and cash and cash equivalents in the balance sheet. (note 2.12 and 2.13).

(c) Investments held to maturity

This category includes non-derivatives with fixed or designated payments and with a specific maturity which the Group intends and has the capacity to hold onto until they mature. At the balance sheet date the Group had no investments on this category.

(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. At the balance sheet date the Group had no investments on this category.

Purchases and sales of financial assets are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit and loss are initially recognized at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available for sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

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

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

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement. Impairment testing of trade receivables is described in note 2.12.

2.10 Derivative financial instruments and hedging activities

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

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

The fair values of various derivative instruments used for hedging purposes are disclosed in note 12. Movements on the hedging reserve in shareholders’ equity are shown in note 16. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining hedged item is more than 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

Cash flow hedge

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

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item affects profit or loss (for example when the forecast sale that is hedged takes place). 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". The gain or loss relating to the ineffective portion is recognized in the income statement within "other gains/(losses) - net".

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".

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

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

2.11 Inventories

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

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

2.12 Trade receivables

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

2.13 Cash and cash equivalents

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

2.14 Share capital

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

2.15 Trade payables

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

2.16 Borrowings

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

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

2.17 Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company's subsidiaries and associates operate and generate taxable income.

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

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

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

2.18 Employee benefits

(a) Short-term benefits

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

(b) Benefits following withdrawal from service

Benefits following withdrawal from service include fixed benefit schemes.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. Personnel benefits are discounted based on the interest rate of long-term treasury bonds.

Actuarial profits and losses that arise from adjustments on the basis of historic data and are above or below the margin of 10% of the accumulated liability are recorded in the results within the expected average insurance term of the scheme's participants. Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past service costs are amortised on a straight-line basis over the vesting period.

2.19 Subsidies

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

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

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

2.20 Provisions

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

- i. the Group has a present legal or constructive obligation as a result of past events
- ii. it is more likely than not that an outflow of resources will be required to settle the obligation
- iii. the amount has been reliably estimated.

Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

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

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

2.21 Revenue recognition

Revenue comprises the fair value of the sale of goods and services, net of value-added tax and any excise duties, rebates and discounts. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is recognised as follows:

(a) Sales of goods

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

(b) Sales of services

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

(c) Interest income

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

(d) Dividend income

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

2.22 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 capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant periodic rate of interest on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and the lease term.

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

3. Financial risk management

3.1 Financial risk factors

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

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

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

(a) Market risk

(i) Foreign exchange risk

The Group operates internationally (more than 95% of the sales are abroad, while all raw and indirect materials are imported) and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. The Group follows a full hedging policy, either with natural hedging (purchase of resources based on the sale currency) or with FX forwards or with both.

At 31/12/07, if the US Dollar had strengthened / weakened by 6% (2006:8%) against Euro, with all other variables held constant, the Company's and Group's profit before tax would have been reduced / increased correspondingly by €69.112 (2006:2.596.797) and €78.500 (2006: 2.212.086), mainly as a result of foreign exchange losses / gains on translation of US Dollar – denominated trade receivables, payables and cash and cash equivalents. Equity would have been correspondingly affected. It is noted that in the analysis above the percentage of increase / decrease of foreign currency against Euro, was calculated according to the annual historic variation of the foreign currency against Euro (source: Bloomberg).

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

(ii) Interest rate risk

The Group has borrowings issued both at constant and variable interest rates, (EURIBOR + spread). The latter produce interest rate risk that is partly offset with the use of interest rate swaps. The relative Group policy in the last 2 years dictates that at least 50% of the borrowings will not be subject to interest rate risk.

At 31/12/07, if interest rates had been 1%/(-1%) higher / lower, with all other variables held constant, the Group's and Company's profit before tax would have been reduced / increased correspondingly by (€677.439)/ €677.439, mainly because of the increased / decreased financial cost of loans with variable interest rate (2006: {€821.102} / {€821.102}). The Group's and Company's Equity would have been correspondingly affected.

December 31 2007
(iii) Price risk

The major part of sales (more than 90%) are on project basis, and the products' prices are constant during the project. What is more, according to the policy decided by the Board of Directors, the prices of raw and indirect materials have to remain constant during the project in order to avoid exposure to risks from changes in prices. For the rest of the sales (hollow sections), product and raw materials' prices are changing according to the international steel prices. However this fact has no substantial influence on the Group's financial results and Equity, because of the low percentage of the specific sales on the total Group's sales.

iv) Credit risk

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

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

(v) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the ability of funding each project that the Group undertakes through an adequate amount of committed credit facilities. Because of the difference between the cash flows of each project Risk Control Management analyzes the facts and whenever it is needed takes advantage of committed credit lines with banks and other financial institutions.

The table below analyses the Group's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 31 December 2007

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

At 31 December 2006

CONSOLIDATED FIGURES	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Borrowing	29.840.136	35.878.774	55.257.615	4.396.873
Derivatives	130.007	-	-	-
Suppliers and other liabilities	84.825.005	13.468	-	-
Financial Leases	1.979.342	13.006	-	-

December 31 2007
31 Δεκεμβρίου 2007

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

31 Δεκεμβρίου 2006

COMPANY FIGURES	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Borrowing	29.840.136	35.878.774	55.257.615	4.396.873
Derivatives	130.007	-	-	-
Suppliers and other liabilities	99.219.641	-	-	-
Financial Leases	1.979.342	13.006	-	-

The table below analyses the Group's derivative financial instruments which will be settled on a gross basis into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 31 December 2007
Forward F/X contracts

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

At 31 December 2006
Forward F/X contracts

Consolidated and company figures	Less than 1 year
Inflows	60.114.964
Outflows	58.987.344

3.2 Capital risk management

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

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital employed. Net debt is calculated as total borrowings (including "current and non-current borrowings" as shown in the balance sheet) less "Cash & cash equivalents" less

December 31 2007

“Available for Sale financial assets”. Total capital employed is calculated as “Capital and reserves attributable to the Company’s shareholders” as shown in the balance sheet plus net debt.

During 2007 the Group strategy which was unchanged from 2006, was to maintain the gearing ratio between 40% - 60%. The gearing ratios at 31 December 2007 and 2006 were as follows:

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Total borrowings (Note 18)	97.249.229	119.066.030	97.249.229	119.066.030
Less: Cash and cash equivalent (Note 15)	-11.591.569	-8.366.061	-4.163.313	-2.068.595
Net Debt	85.657.660	110.699.969	93.085.916	116.997.435
Equity	123.588.241	93.605.481	124.974.895	96.901.138
Total Capital employed	209.245.901	204.305.450	218.060.811	213.898.573
Gearing ratio	41%	54%	43%	55%

3.3 Fair value estimation

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

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

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

4. Critical accounting estimates and judgements

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

4.1 Critical accounting estimates and assumptions

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

- a) The Group's judgment is required in order to determine the income tax provision. There are many transactions and estimations due to which 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.
- b) The Group forms a provision for cases that are under dispute based on evidence provided by the Group's Legal Department.
- c) The Group forms provisions for contractual obligations to clients, which are estimated based on historical and statistical data that arose from the resolution of similar past cases.

4.2 Critical judgments in applying the entity's accounting policies

As referred on note 16 the Group's management re-estimated the possibility of offsetting transferred tax losses with future taxable earnings and recognized deferred tax claim for the transfer of a portion of tax losses amounting to € 69,305,025 for which the realization of a relative financial benefit due to future taxable earnings is possible.

December 31 2007
5. Reporting by sector
First type reporting – Business Sectors

At 31/12/2007 the Group had two business sectors, the production and trade of steel-pipes and the production and trade of hollow-sections.

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

<i>(Amounts in Euros)</i>	Production & trade of steel-pipes	Production & trade of hollow-sections	Total
Total gross sales by sector	559.648.739	20.579.584	580.228.324
Inter-company sales	-222.700.793	-	-222.700.793
Net sales	336.947.947	20.579.584	357.527.531
Operating profits / (losses)	47.722.259	775.908	48.498.167
Net financial expenses (Note 28)			-8.561.522
Share of profits from related companies (Note 8)			164.246
Profits / (Losses) before taxes			40.100.891
Taxation (Note 29)			-6.139.866
Profits / (Losses) for the period after taxes			33.961.025

Respectively, the results of each sector for 12 months until December 31, 2006 had as follows:

<i>(Amounts in Euros)</i>	Production & trade of steel-pipes	Production & trade of hollow-sections	Total
Total gross sales by sector	354.372.863	18.143.485	372.516.349
Inter-company sales	-52.095.400	-1.013.268	-53.108.668
Net sales	302.277.463	17.130.218	319.407.681
Operating profits / (losses)	29.622.353	676.142	30.298.495
Net financial expenses (Note 28)			-10.849.927
Profits / (Losses) before taxes			19.448.568
Taxation (Note 29)			16.955.942
Profits / (Losses) for the period after taxes			36.404.510

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

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

Other figures per sector included in the results for the 12 months until December 31 2006 are the following:

<i>(Amounts in Euros)</i>	Production & trade of steel-pipes	Production & trade of hollow-sections	Total
Amortisation of tangible assets (Note 6)	10.432.912	591.238	11.024.151
Provisions (Note 32)	2.012.201	114.032	2.126.233
Impairment of inventories (Note 11)	300.923	201.362	502.285

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

December 31 2007

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

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

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

<i>(Amounts in Euros)</i>	Production & trade of steel-pipes	Production & trade of hollow-sections	Un-allocated	Total
Assets	91.516.438	11.745.676	227.415.099	330.677.214
Investments in associated companies	7.335.811	-	651.259	7.987.070
Total Assets	98.852.249	11.745.676	228.066.359	338.664.284
Total liabilities	105.985.645	1.698.688	107.391.710	215.076.043
Investments in tangible assets (Notes 6, 7)	4.258.648	58.488	3.109.823	7.426.959

The sectors' assets and liabilities at December 31 2006 and investments in property, plant and equipment for the ended period at that date have as follows:

<i>(Amounts in Euros)</i>	Production & trade of steel-pipes	Production & trade of hollow-sections	Un-allocated	Total
Assets	71.697.334	11.121.231	242.671.868	325.490.432
Total Assets	71.697.334	11.121.231	242.671.868	325.490.432
Total liabilities	99.078.845	3.358.258	129.447.848	231.884.951
Investments in tangible assets (Notes 6, 7)	737.831	602.055	2.413.736	3.753.622

Sectors' assets include stocks, intangible assets, receivables from clients and other receivables, as well as the investment to the related company TMK-CPW. The non-allocated assets include deferred taxes, tangible assets, derivatives determined as means to hedge future commercial transactions, financial assets in reasonable value through results, cash and cash equivalents, taxation, raw and indirect materials, other receivables as well as the investment to the related company DIAVIPETHIV SA.

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

December 31 2007

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

Segment assets and liabilities are reconciled to entity assets and liabilities as follow:

31/12/2007	Assets	Liabilities
Segment assets and liabilities	110.597.925	107.684.333
Unallocated:		
Tangible fixed assets	153.250.226	-
Deferred Tax Asset	1.277.027	-
Derivative financial instruments	2.086.308	1.298.685
Inventories	51.381.556	-
Other receivables	6.790.556	-
Financial assets at fair value through profit and loss	106.737	-
Cash & Cash equivalent	11.591.569	-
Investments in associated companies	651.260	-
Income tax	931.120	180.244
Loans	-	97.249.229
Liabilities for personnel compensation due to withdrawal from service	-	1.673.373
Other liabilities	-	6.990.180
Total	338.664.284	215.076.044
31/12/2006	Assets	Liabilities
Segment assets and liabilities	82.818.564	102.437.103
Unallocated:		
Tangible fixed assets	186.894.087	-
Deferred Tax Asset	4.146.240	-
Derivative financial instruments	3.383.976	223.088
Inventories	32.538.446	-
Other receivables	6.962.994	-
Financial assets at fair value through profit and loss	380.066	-
Cash & Cash equivalent	8.366.061	-
Loans	-	119.066.030
Liabilities for personnel compensation due to withdrawal from service	-	2.291.676
Other liabilities	-	6.633.858
Income tax	-	277.618
Subsidies	-	955.579
Total	325.490.434	231.884.952

December 31 2007
Second type of reporting – geographical sectors.

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

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES	
	12months until 31/12/2007	12months until 31/12/2006
Sales		
Greece	8.188.562	21.416.576
Euro zone	51.695.669	96.904.879
Other European Countries	32.792.635	22.070.036
Asia	26.019.049	11.558.922
America	226.901.199	63.467.264
Africa	11.930.417	103.990.004
Total	357.527.531	319.407.681

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

Total Asset

<i>Amounts in Euros</i>	31/12/2007	31/12/2006
Greece	281.086.655	298.905.105
Eurozone	1.276.231	3.790.401
America	46.106.180	18.648.686
	328.469.066	321.344.192
Related companies (Note 8)	7.987.071	-
Unallocated	2.208.147	4.146.240
Total	338.664.284	325.490.432

Assets refer to the country where they are located..

Investments in tangible assets

<i>Amounts in Euros</i>	12months until 31/12/2007	12months until 31/12/2006
Greece	7.371.851	3.730.362
Eurozone	-	10.202
America	55.108	13.058
Total	7.426.959	3.753.622

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

Analysis of revenue by category

<i>Amounts in Euros</i>	12months until 31/12/2007	12months until 31/12/2006
Sales of merchandise and products	357.201.737	318.340.472
Income from services	231.962	1.067.209
Others	93.832	-
Total	357.527.531	319.407.681

December 31 2007
6. Property, plant and equipment
CONSOLIDATED FIGURES

<i>Amounts in Euros</i>	Land	Buildings	Machinery	Vehicles	Furnitures, fittings and equipment	Assets under construction	Total
Cost							
Balance as of January 1 2006	33.099.000	49.250.813	133.729.362	2.466.124	2.479.900	987.777	222.012.976
Foreign exchange differences	-	-	-	-4.820	-12.035	-	-16.855
Additions	7.427	1.390.628	1.339.886	144.764	89.515	781.403	3.753.623
Sales (Note 32)	-119.333	-1.029.538	-56.831	-163.865	-96.977	-	-1.466.544
Reclassifications	-	883.987	-	-	13.677	-904.690	-7.026
Balance as of December 31 2006	32.987.094	50.495.890	135.012.416	2.442.203	2.474.080	864.490	224.276.173
Accumulated depreciation							
Balance as of January 1 2006	-	-4.830.370	-18.266.098	-1.540.898	-1.997.565	-	-26.634.931
Foreign exchange differences	-	-	-	3.886	9.845	-	13.731
Depreciation of the year (Note 23)	-	-2.467.610	-8.152.022	-201.972	-202.547	-	-11.024.151
Sales (Note 32)	-	76.527	7.723	98.190	73.798	-	256.238
Reclassifications	-	-	-	-	7.026	-	7.026
Balance as of December 31 2006	-	-7.221.453	-26.410.396	-1.640.794	-2.109.443	-	-37.382.086
Undepreciated value as of 31 December 2006	32.987.094	43.274.437	108.602.020	801.409	364.637	864.490	186.894.087
Balance as of January 1 2007	32.987.094	50.495.890	135.012.416	2.442.203	2.474.080	864.490	224.276.173
Foreign exchange differences	-	-	-	-	-11.311	-	-11.311
Additions	1.194.609	518.678	1.051.625	167.484	358.642	3.780.828	7.071.866
Sales (Note 32)	-10.785.053	-559.000	-992	-	-8.462	-	-11.353.507
Impairment	-	-	-	-	-	-38.318	-38.318
Contribution in related company (Note 9)	-	-	-4.209.185	-	-	-	-4.209.185
Reclassifications	-	-260.000	1.292.860	260.000	-	-1.292.860	-
Sales of subsidiaries (Note 8)	-7.429.497	-7.505.648	-1.201.343	-604.291	-1.108.969	-	-17.849.747
Balance as of December 31 2007	15.967.152	42.689.921	131.945.382	2.265.396	1.703.980	3.314.140	197.885.971
Accumulated depreciation							
Balance as of January 1 2007	-	-7.221.453	-26.410.396	-1.640.794	-2.109.443	-	-37.382.086
Foreign exchange differences	-	-	-	-	11.453	-	11.453
Depreciation of the year (Note 23)	-	-2.536.726	-8.201.393	-202.753	-155.358	-	-11.096.230
Sales (Note 32)	-	58.081	177	-	3.907	-	62.165
Contribution in related company (Note 9)	-	-	1.034.955	-	-	-	1.034.955
Sales of subsidiaries (Note 8)	-	1.208.053	249.937	226.684	1.049.324	-	2.733.998
Balance as of December 31 2007	-	-8.492.045	-33.326.720	-1.616.863	-1.200.117	-	-44.635.746
Undepreciated value as of 31 December 2007	15.967.152	34.197.875	98.618.661	648.533	503.863	3.314.140	153.250.226

December 31 2007

COMPANY FIGURES

<i>Amounts in Euros</i>	Land	Buildings	Machinery	Vehicles	Furnitures, fittings and equipment	Assets under construction	Total
Cost							
Balance as of January 1 2006	25.679.000	42.735.431	127.087.386	2.063.149	1.162.664	949.459	199.677.089
Additions	-	267.475	7.526.401	34.764	66.256	1.521.403	9.416.299
Sales (Note 32)	-119.333	-1.016.000	-6.200.000	-	-128	-	-7.335.461
Reclassifications	-	883.987	-	-	20.702	-904.690	-
Balance as of December 31 2006	25.559.667	42.870.893	128.413.787	2.097.913	1.249.495	1.566.172	201.757.927
Accumulated depreciation							
Balance as of January 1 2006	-	-4.201.244	-16.756.169	-1.268.559	-861.540	-	-23.087.512
Depreciation of the year (Note 23)	-	-2.122.393	-7.952.188	-180.831	-116.325	-	-10.371.737
Sales (Note 32)	-	76.200	-	-	-	-	76.200
Balance as of December 31 2006	-	-6.247.437	-24.708.357	-1.449.390	-977.865	-	-33.383.049
Undepreciated value as of 31 December 2006	25.559.667	36.623.456	103.705.430	648.523	271.630	1.566.172	168.374.878
Balance as of January 1 2007	25.559.667	42.870.893	128.413.787	2.097.913	1.249.495	1.566.172	201.757.927
Additions	1.192.539	378.026,97	1.051.625,00	167.483,00	301.194,90	3.780.828,12	6.871.697
Sales (Note 32)	-10.785.053	-559.000	-	-	-4.555	-	-11.348.608
Reclassifications	-	-	2.032.860	-	-	-2.032.860	-
Balance as of December 31 2007	15.967.153	42.689.920	131.498.272	2.265.396	1.546.134	3.314.140	197.281.015
Accumulated depreciation							
Balance as of January 1 2007	-	-6.247.437	-24.708.357	-1.449.390	-977.865	-	-33.383.049
Depreciation of the year (Note 23)	-	-2.302.688	-8.147.929	-167.472	-112.756	-	-10.730.845
Sales (Note 32)	-	58.081	-	-	-	-	58.081
Balance as of December 31 2007	-	-8.492.044	-32.856.286	-1.616.862	-1.090.621	-	-44.055.813
Undepreciated value as of 31 December 2007	15.967.153	34.197.876	98.641.986	648.534	455.513	3.314.140	153.225.202

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

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	12 months until 31/12/2007	12 months until 31/12/2006	12 months until 31/12/2007	12 months until 31/12/2006
Cost of sales	10.276.165	9.966.383	10.276.165	9.966.383
Administrative expenses	218.811	194.952	52.118	62.417
Selling expenses	184.464	170.704	158.729	140.556
Other income / (expenses)	416.790	692.112	243.833	202.383
Total	11.096.230	11.024.151	10.730.845	10.371.738

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

Machinery <i>Amounts in Euros</i>	Consolidated and company figures	
	31/12/2007	31/12/2006
Cost – capitalized leasing	8.795.304	8.795.304
Accumulated depreciation	-3.389.857	-2.840.150
Net Book Amount	5.405.447	5.955.154
Vehicles		
Cost – capitalized leasing	377.318	377.318
Accumulated depreciation	-181.086	-143.354
Net Book Amount	196.232	233.964

Mortgages and statutory notices of mortgage in the amount of € 73.200.000 have been filed against the Group's and the Company's real estate. In 2006 the corresponding amounts were € 73.203.762 against the Group's real estate and € 73.200.000 against the Company's real estate.

The results statement includes rents of total value €500.310 (2006: 525.127) and €495.183 (2006: €486.683) for the Group and the Company correspondingly, that concern renting of vehicles and buildings (Note 23).

December 31 2007
7. Intangible Assets

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

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

Depreciation is included in the cost of sales

8. Investments in subsidiaries

<i>Amounts in Euros</i>	31/12/2007	31/12/2006
Beginning balance	24.706.474	13.956.474
Additions	69.680	10.750.000
Sales	-12.769.961	-
Transfer to related companies	-687.125	-
Closing balance	11.319.068	24.706.474

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

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

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

The net cash inflow is analyzed as follows:

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

December 31 2007

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

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

The net cash inflow is analyzed as follows:

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

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

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

The relative percentages at the end of the year 2006 are presented below:

Company	Country	Acquisition value at beginning of period	Additions	Acquisition value at end of period	Direct holding percentage
2006					
CORINTH METALWORKS S.A.	Greece	11.797.506	-	11.797.506	99,99%
DIA.VI.PE.THI.V. S.A.	Greece	1.589.900	-	1.589.900	51,62%
CPW EUROPEAN TRADING Gmbh	Germany	-	-	-	100,00%
CPW AMERICA CO.	America	567.344	-	567.344	100,00%
HUMBEL Ltd	Cyprus	1.724	10.750.000	10.751.724	100,00%
TOTAL		13.956.474	10.750.000	24.706.474	

During fiscal year 2006 the approved share capital of the company HUMBEL Ltd was increased after voting on November 21, 2006, from 1,000 common shares of value 1K€ (Cyprus pound) each, to 2,000 common stocks of value 1K€ each, with the issuance of 1,000 additional common shares 1K€ each. The above number of shares has been issued for share premium and the issued price of each new share amounts to K€6,178.16 each. The total amount reaches to K€6,178,160 or € 10,750,000. From the above amount K€6,177,160 has been transferred to the reserve (from the issuance of shares) to share premium and K€1,000 to the issued Company's share capital.

The amount, from the additional share capital issuance of share premium will finance the mechanical installation for the production of pipes in a factory seated in Russia within the framework of a joint venture established in 2007 in which Humbel Ltd participates by 49% with a Russian company.

December 31 2007
9. Investments in associates

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Beginning balance	-	-	-	-
Additions	7.758.838	-	-	-
Foreign exchange difference	-567.577	-	-	-
Share of profit from associated companies	164.246	-	-	-
Purchase of associates	631.564	-	687.125	-
Closing balance	7.987.071	-	687.125	-

Additions

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

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

Contribution in tangible assets	6.540.011
Cash spent	1.218.827
Total expense	7.758.838

The profit from the abovementioned acquisition amounts to €3.365.781:

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

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

Change of participation in subsidiary

On 30/9/2007 CORINTH PIPEWORKS S.A. sold percentage 30,25% of its participation (51,625% of share capital) in DIAVIPETHIV SA. Its current participation in the company is 21,37%.

The Group share in Assets, Liabilities, Revenues, Expenses and Profits of associated companies are illustrated below:

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

December 31 2007
10. a) Financial instruments by category
CONSOLIDATED FIGURES
31/12/2007

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

Liabilities	Παράγωγα προς αντιστάθμιση	Other financial liabilities	Total
Long-term loans	-	65.578.501	65.578.501
Short-term loans	-	31.670.728	31.670.728
Derivative financial instruments (short-term)	1.298.685	-	1.298.685
Total	1.298.685	97.249.229	98.547.914

CONSOLIDATED FIGURES
31/12/2006

Assets	Loans and receivables	Assets at fair value through the profit and loss	Derivatives used for hedging	Total
Long-term derivative financial instruments	-	-	562.315	562.315
Trade and other receivables	60.665.007	-	-	60.665.007
Cash and cash equivalents	8.366.061	-	-	8.366.061
Short-term derivative financial instruments	-	-	2.821.661	2.821.661
Short-term financial assets at fair value through results	-	380.066	-	380.066
Total	69.031.068	380.066	3.383.976	72.795.110

Liabilities	Derivatives used for hedging	Other financial liabilities	Total
Long-term loans	-	87.246.551	87.246.551
Short-term loans	-	31.819.479	31.819.479
Derivative financial instruments (short-term)	223.088	-	223.088
Total	223.088	119.066.030	119.289.118

December 31 2007
COMPANY FIGURES
31/12/2007

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

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

COMPANY FIGURES
31/12/2006

Assets	Loans and receivables	Assets at fair value through the profit and loss	Derivatives used for hedging	Total
Long-term derivative financial instruments	-	-	562.315	562.315
Trade and other receivables	58.453.653	-	-	58.453.653
Cash and cash equivalents	2.068.595	-	-	2.068.595
Short-term derivative financial instruments	-	-	2.821.661	2.821.661
Short-term financial assets at fair value through results	-	101.737	-	101.737
Total	60.522.248	101.737	3.383.976	64.007.961

Liabilities	Derivatives used for hedging	Other financial liabilities	Total
Long-term loans	-	87.246.551	87.246.551
Short-term loans	-	31.819.450	31.819.450
Derivative financial instruments (short-term)	223.088	-	223.088
Total	223.088	119.066.001	119.289.089

b) Credit quality of financial assets
Derivative financial instruments (assets):

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

Consolidated and company figures	
A	1.089.999
A-	258.110
BBB+	738.200
Total	2.086.309

December 31 2007
11. Inventories

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Finished products	46.465.524	16.329.057	31.330.641	15.724.940
Semi-finished products	209.940	8.618.900	209.940	8.618.900
By-products and scrap material	61.925	-	61.925	-
Work in progress	207.896	4.799	207.896	4.799
Raw and indirect materials	46.587.336	28.382.732	46.587.336	28.072.440
Consumables - spare parts & packaging materials	3.885.510	3.991.003	3.885.510	3.784.690
Advances for inventories purchase	700.814	159.916	700.814	157.361
Total	98.118.945	57.486.407	82.984.062	56.363.130
Less: Impairment provision of inventories				
Finished products	-2.255.950	-502.285	-2.255.950	-502.285
Total net value	95.862.995	56.984.122	80.728.112	55.860.845

The cost of stocks that was recorded as an expense in the cost of sales amounts to €229.946.897 (2006: €209.369.172) and €214.757.241(2006: €198.557.024) for the Group and the Company respectively.

During the fiscal year stocks were estimated at the lower value between their cost and their net liquid value. The net liquid value was estimated based on the sales price of finished products in an active market. The net liquid value of certain finished products was lower, and as a result thereof an impairment loss in the amount of €2.255.950 (2006: €502.285) for the Group and the Company. The impairment loss is included in the cost of stocks that was included as an expense in the cost of sales. (Note 23).

12. Trade and other receivables

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Trade receivables	45.247.551	53.503.969	21.858.467	37.332.804
Less: provision for impairment of trade receivables	-285.999	-1.445.296	-230.171	-805.187
Trade receivables net	44.961.552	52.058.673	21.628.296	36.527.617
Pre-payments	1.832.849	2.344.588	1.815.042	2.209.062
Cheques receivable.& Cheques overdue	427.940	448.636	427.940	448.636
Less:Impairment provisions	-37.000	-37.000	-37.000	-37.000
Receivables from related parties (Note 35)	5.264.431	4.556.478	18.635.663	21.516.889
Greek State	2.808.292	2.860.689	2.808.292	1.660.650
Other debtors	1.273.778	828.069	685.239	803.634
Purchases in transit	8.823.790	2.275.747	8.823.790	2.275.747
Total	65.355.632	65.335.880	54.787.262	65.405.235
Current Assets	64.961.332	64.337.080	54.392.962	64.459.097
Non-Current Assets	394.300	998.800	394.300	946.138
Total	65.355.632	65.335.880	54.787.262	65.405.235

Long-term receivables included in non-current assets concern guarantees to third parties within the framework of the company's activities and do not have a specific maturity date. The reasonable values of clients and other receivables are approximately equal to their book values.

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

As of 31/12/2007 trade receivables of €18.439.504 (2006: €34.800.870) and €41.772.759 (2006: €50.331.926) concern clients without delay in their payments, for the Company and the Group respectively.

December 31 2007

Trade receivables that are less than three months past due are not considered impaired. As of 31/12/2007 Trade receivables that were past due but not impaired were €3.188.792 (2006: €1.726.747) for the Group and the Company. These relate to a number of independent customers for whom there is no recent history of default:

Ageing	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Trade receivables				
0-3 months	2.314.998	429.543	2.314.998	429.543
3-6 months	74.365	16.735	74.365	16.735
> 6 months	799.429	1.280.469	799.429	1.280.469
Total	3.188.792	1.726.747	3.188.792	1.726.747

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

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

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Euro	33.289.922	37.444.684	33.455.595	51.889.933
US Dollar	27.390.584	23.549.179	17.316.134	9.493.022
UK Pound	3.321.492	3.603.519	3.321.492	3.603.519
United Arabic Emirates Dirham	694.042	418.760	694.042	418.760
Cyprus Pound	659.592	319.738	-	-
Total	65.355.632	65.335.880	54.787.263	65.405.234

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

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Beginning balance	1.482.296	2.253.030	842.187	724.763
Provision for receivables impairment	240.336	240.000	184.507	240.000
Receivables written off during the year as uncollectible	-759.523	-	-759.523	-
Provision reversed	-640.109	-1.010.734	-	-122.576
Closing balance	323.000	1.482.296	267.171	842.187

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

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Sales & Marketing Expenses (Note 23)	-172.336	-	-184.508	-
Administrative expenses (Note 23)	-	-240.000	-	-240.000
Other income (Note 25)	572.109	1.010.734	-	122.576
Total	399.773	770.734	-184.508	-117.424

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

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

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

13. Derivative financial instruments

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Non Current Assets				
Interest rate swaps	536.880	562.315	536.880	562.315
Total	536.880	562.315	536.880	562.315
Current Assets				
Forward foreign exchange contracts – cash flow hedges	1.549.428	2.821.661	1.549.428	2.821.661
Total	1.549.428	2.821.661	1.549.428	2.821.661
Short-term Liabilities				
Forward foreign exchange contracts – cash flow hedges	1.298.685	223.088	1.298.685	223.088
Total	1.298.685	223.088	1.298.685	223.088

The maximum exposure to credit risk at the reporting date for the Group and the Company is the fair value of the derivative assets in the Balance Sheet.

a) Forward foreign exchange contracts

The notional principal amounts of the outstanding forward foreign exchange contracts at 31/12/2007 were USD 37.799.452, compared to USD 130.816.349 and GBP 11.601.814 at 31/12/2006. Gains and losses recognized in the hedging reserve in equity on forward foreign exchange contracts, at 31/12/2007 are recognized in the income statement in various dates between one to six months from the Balance Sheet date.

b) Interest rate swaps

The notional principal amounts of the outstanding interest rate swaps contracts at 31/12/2007 were €32.000.000 (compared to €47.000.000 at 31/12/2006). Gains and losses recognized in the hedging reserve in equity on interest rate swaps contracts at 31/12/2007 are recognized in the income statement until the repayment of the bank borrowings.

As of December 31, 2006 the variable interest rates of long-term loans that are covered with Swaps fixed interest rates fluctuated between 3,88% and 4,15% (31/12/2006: between 4,2% and 4,9%).

14. Other financial assets at fair value through profit or loss

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES	COMPANY FIGURES
Balance at January 1, 2006	1.002.873	75.337
Additions	250.000	-
Sales	-900.000	-
Changes in fair value	27.193	26.400
Balance at December 31, 2006	380.066	101.737
Μη Current Assets	-	-
Current Assets	380.066	101.737
Total	380.066	101.737

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

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES 31/12/2006	COMPANY FIGURES 31/12/2006
<u>Listed securities</u>		
- Greek securities	94.400	94.400
<u>Not-listed securities</u>		
- Greek securities	7.337	7.337
- Bonds	250.000	-
- Mutual funds	28.329	-
Total	380.066	101.737

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

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

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

Reasonable value profits/(losses) [including profits/(losses) from sales] of financial assets at reasonable value through results are recorded in the income statement under other operating income (net) (note27) and additionally are presented in the net cash flows from operating activities in the cash flow statement.

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

December 31 2007

15. Cash & Cash equivalents

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Cash on hand	9.848	6.258	8.186	2.430
Cash at banks	11.581.721	8.359.803	4.155.127	2.066.165
Total	11.591.569	8.366.061	4.163.313	2.068.595

16. Share capital and premium

<i>Amounts in Euros</i>	Number of shares	Ordinary shares	Share premium	Total
January 1, 2006	124.170.201	96.852.757	27.427.850	124.280.607
December 31, 2006	124.170.201	96.852.757	27.427.850	124.280.607
December 31, 2007	124.170.201	96.852.757	27.427.850	124.280.607

The total number of approved common shares amounts to 124,170,201 shares (2005: 124,170,201 shares) of a nominal value of 0.78 Euros each (2005: 0.78 Euros each). All issued shares have been paid up in full.

17. Other reserves
CONSOLIDATED FIGURES

<i>Amounts in Euros</i>	Statutory reserve	Fair Value Reserve	Extra- ordinary reserves	Untaxed reserves	Other reserves	Total	Foreign exchange Differences from the Consolidation of foreign subsidiaries	Total
Balance at January 1, 2006	1.461.864	-2.129.857	2.640.148	9.385.491	90.284	11.447.930	124.287	11.572.217
Foreign exchange difference	-	-	-	-	-	-	-310.707	-310.707
Gain / (loss) from cash flow hedge, net of tax	-	4.500.523	-	-	-	4.500.523	-	4.500.523
Balance at December 31, 2006	1.461.864	2.370.666	2.640.148	9.385.491	90.284	15.948.453	-186.420	15.762.033
Balance at January 1, 2007	1.461.864	2.370.666	2.640.148	9.385.491	90.284	15.948.453	-186.420	15.762.033
Foreign exchange difference	-	-	-	-	-	-	-714.334	-714.334
Transfer to retained earnings	-784	-	-	-	-	-784	-	-784
Profit / (Loss) after tax from change of fair market value of cash flow hedge	-	-1.779.948	-	-	-	-1.779.948	-	-1.779.948
Balance at December 31, 2007	1.461.080	590.718	2.640.148	9.385.491	90.284	14.167.721	-900.754	13.266.967

COMPANY FIGURES

<i>Amounts in Euros</i>	Statutory reserve	Fair Value Reserve	Extra- ordinary reserves	Untaxed reserves	Other reserves	Total
Balance at January 1, 2006	1.461.080	-2.129.857	2.640.148	9.385.491	90.284	11.447.146
Profit / (Loss) after tax from change of fair market value of cash flow hedge	-	4.500.523	-	-	-	4.500.523
Balance at December 31, 2006	1.461.080	2.370.666	2.640.148	9.385.491	90.284	15.947.669
Balance at January 1, 2007	1.461.080	2.370.666	2.640.148	9.385.491	90.284	15.947.669
Profit / (Loss) after tax from change of fair market value of cash flow hedge	-	-1.779.948	-	-	-	-1.779.948
Balance at December 31, 2007	1.461.080	590.718	2.640.148	9.385.491	90.284	14.167.721

(a) Statutory reserves

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

(b) Extraordinary reserves

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

(c) Untaxed reserves

Special law untaxed reserves

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

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

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

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

In case where distribution is decided the company will be called the corresponding tax.

December 31 2007
18. Borrowings

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Long-Term borrowings				
Bank loans	27.245.165	34.567.240	27.245.165	34.567.240
Leasing	-	12.643	-	12.643
Debentures	38.333.336	52.666.668	38.333.336	52.666.668
Total Long-Term borrowings	65.578.501	87.246.551	65.578.501	87.246.551
Short-Term borrowings				
Bank loans	31.655.407	29.840.136	31.655.407	29.840.107
Leasing	15.321	1.979.343	15.321	1.979.343
Total Short-Term borrowings	31.670.728	31.819.479	31.670.728	31.819.450
Total borrowings	97.249.229	119.066.030	97.249.229	119.066.001

Loan liabilities are guaranteed with statutory notices of mortgage against the Group's lots and buildings (Note 6).

The Group's exposure to the risk of changes in loan interest rates and the contractual dates resetting interest rates are as follows:

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Up to 1 year	35.743.908	38.110.243	35.743.908	38.110.214
1-5 years	61.505.321	45.991.987	61.505.321	45.991.987
Over 5 years	-	34.963.800	-	34.963.800
Total	97.249.229	119.066.030	97.249.229	119.066.001

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

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Up to 1 year	38.276.079	31.655.407	38.276.079	31.655.407
1-5 years	27.302.422	51.319.401	27.302.422	51.319.401
Over 5 years	-	4.259.100	-	4.259.100
Total	65.578.501	87.233.908	65.578.501	87.233.908

All of the Group's loans are in Euros.

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

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Bank Loans	5,58%	5,38%	5,58%	5,38%
Debentures	5,46%	4,68%	5,46%	4,68%

December 31 2007

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

Company and Group figures			
Long-term borrowings	31/12/2007	31/12/2006	
Bank Loans	26.694.870	34.489.564	
Debentures	38.333.336	52.666.668	
Total	65.028.206	87.156.232	

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

The current value is based on discounted cash flows with an interest rate of 6,11% (2006: 5,25%).

Leasing

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Liabilities from leasing activities – minimum rents				
Up to 1 year	15.321	2.065.461	15.321	2.065.461
1-5 years	-	13.006	-	13.006
Total	15.321	2.078.467	15.321	2.078.467
Less: Future leasing financial charges	-	-86.481	-	-86.481
Current value of liabilities from leasing activities	15.321	1.991.986	15.321	1.991.986

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

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Up to 1 year	15.321	1.979.343	15.321	1.979.343
1-5 years	-	12.643	-	12.643
More than 5 years	-	-	-	-
Current value of liabilities from leasing activities	15.321	1.991.986	15.321	1.991.986

December 31 2007
19. Deferred income tax

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

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Deferred tax asset	-1.277.027	-4.146.240	-	-3.542.015
Deferred tax liability	-	-	57.113	-
Total	-1.277.027	-4.146.240	57.113	-3.542.015

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

Most of the tax liabilities are payable after 12 months.

The total change in deferred income tax is as follows:

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Balance at the beginning of the year	-4.146.240	11.820.516	-3.542.015	10.660.506
Foreign exchange difference	4.622	20.111	-	-
Sale of subsidiaries (Note 8)	-1.049.689	-	-	-
Income statement charge (Note 29)	4.507.596	-17.487.041	4.192.446	-15.702.695
Tax charged directly to Equity	-593.316	1.500.174	-593.316	1.500.174
Balance at year-end	-1.277.027	-4.146.240	57.115	-3.542.015

Changes in deferred tax assets and liabilities during the year, without taking into consideration the offset of balances within the same tax principle, are as follows:

Deferred tax liabilities

CONSOLIDATED FIGURES	Tangible assets/Difference in depreciation	Recognition of income	Profits of reasonable value	Other	Total
<i>Amounts in Euros</i>					
Balance 1/1/2006	15.008.998	-	-	846.436	15.855.434
Charge/(credit) recorded in the income statement	-1.086.599	665	-	503.154	-582.780
Charged directly to equity	-	-	790.221	-	790.221
Balance 31/12/2006	13.922.399	665	790.221	1.349.590	16.062.875
Balance 1/1/2007	13.922.399	665	790.221	1.349.590	16.062.875
Charge/(credit) recorded in the income statement	410.504	18.558	-	-421.992	7.070
Charged directly to equity	-	-	-593.316	-	-593.316
Sale of subsidiaries	-1.053.428	-	-	-	-1.053.428
Balance 31/12/2007	13.279.475	19.223	196.905	927.598	14.423.201

December 31 2007
Deferred tax assets:

CONSOLIDATED FIGURES	Provisions differences	Non-recognized intangible assets	Fair value Profit	Tax losses	Total
<i>Amounts in Euros</i>					
Balance 1/1/2006	-898.911	-2.426.054	-709.953	-	-4.034.918
Foreign exchange difference	20.111	-	-	-	20.111
Charge/(credit) recorded in the income statement	-310.084	732.079	-	-17.326.256	-16.904.261
Charged directly to equity	-	-	709.953	-	709.953
Balance 31/12/2006	-1.188.884	-1.693.975	-	-17.326.256	-20.209.115
Balance 1/1/2007	-1.188.884	-1.693.975	-	-17.326.256	-20.209.115
Foreign exchange difference	4.622	-	-	-	4.622
Charge/(credit) recorded in the income statement	-350.057	684.965	-	4.165.618	4.500.526
Charged directly to equity	-	3.739	-	-	3.739
Balance 31/12/2007	-1.534.319	-1.005.271	-	-13.160.638	-15.700.228

Deferred tax liabilities:

COMPANY FIGURES	Fair value Profit	Recognition of income	Tangible assets/Difference in depreciation	Other	Total
<i>Amounts in Euros</i>					
Balance 1/1/2006	-	-	15.409.406	846.436	16.255.842
Charge/(credit) recorded in the income statement	-	665	989.042	503.154	1.492.861
Charged directly to equity	790.221	-	-	-	790.221
Balance 31/12/2006	790.221	665	16.398.448	1.349.590	18.538.924
Balance 1/1/2007	790.221	665	16.398.448	1.349.590	18.538.924
Charge/(credit) recorded in the income statement	-	18.558	-429.000	47.625	-362.817
Charged directly to equity	-593.316	-	-	-	-593.316
Transfer from deferred tax assets	-	-	-1.884.735	-	-1.884.735
Balance 31/12/2007	196.905	19.223	14.084.713	1.397.215	15.698.056

Deferred tax assets:

COMPANY FIGURES	Provisions differences	Non-recognized intangible assets	Fair value Profits	Branch Seccession and contribution	Tax losses	Total
<i>Amounts in Euros</i>						
Balance 1/1/2006	-660.959	-2.423.920	-709.953	-1.800.504	-	-5.595.336
Charge/(credit) recorded in the income statement	-602.983	733.683	-	-	-17.326.256	-17.195.556
Charged directly to equity	-	-	709.953	-	-	709.953
Balance 31/12/2006	-1.263.942	-1.690.237	-	-1.800.504	-17.326.256	-22.080.939
Balance 1/1/2007	-1.263.942	-1.690.237	-	-1.800.504	-17.326.256	-22.080.939
Charge/(credit) recorded in the income statement	-295.320	684.965	-	-	4.165.618	4.555.263
Transfer from deferred tax assets	84.231	-	-	1.800.504	-	1.884.735
Balance 31/12/2007	-1.475.031	-1.005.272	-	-	-13.160.638	-15.640.941

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

During this period, group's management re-estimated the offset possibility of transferred tax losses with future tax gains and recognised deferred tax claim for the transfer of a portion of the tax losses amounting € 52.642.552 (2006: €69.305.025) for which the realisation of a relative financial benefit due to future tax profits is possible.

December 31 2007
20. Retirement benefit obligations
Amounts in Euros

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Balance sheet obligations for:				
Pension benefits	1.673.377	2.291.677	1.673.377	2.291.677
Income statement charge (Note 24)				
Pension benefits	363.130	1.270.516	363.130	1.224.416

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

Amounts in Euros

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Present value of non-financed liabilities	1.633.503	2.309.366	1.633.503	2.309.366
Non-recorded actuarial profits/(losses)	85.513	30.396	85.513	30.396
Non-recorded cost of past service	-45.640	-48.086	-45.640	-48.086
Liability in the Balance Sheet	1.673.376	2.291.676	1.673.376	2.291.676

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

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Current service cost	147.502	143.052	147.502	142.660
Interest cost	79.110	65.818	79.110	65.114
Cutback losses from employee transfers	132.761	1.041.667	132.761	1.013.071
Amortisation of actuarial profits	1.311	18.478	1.311	2.070
Amortisation of the cost of past service during the year	2.446	1.501	2.446	1.501
Total expenditure recognized in the income statement (Note 24)	363.130	1.270.516	363.130	1.224.416

Amounts have been included in expense categories as follows:

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Cost of sales	154.034	-	154.034	-
Administrative expenses	209.096	1.270.516	209.096	1.224.416
Total included in employee benefits	363.130	1.270.516	363.130	1.224.416

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

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Net liability at the beginning of the year	2.291.677	1.612.088	2.291.677	1.612.088
Employer contributions	-981.430	-590.927	-981.430	-544.827
Total expenditure recognized in the income statement	363.130	1.270.516	363.130	1.224.416
Net liability at year-end	1.673.377	2.291.677	1.673.377	2.291.677

December 31 2007

The main actuarial acknowledgements that were used are as follows:

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Discount rate	4,8%	4,1%	4,8%	4,1%
Future salary increases	4,5%	4,5%	4,5%	4,5%
Inflation	2,5%	2,5%	2,5%	2,5%

Death rate

As far as it concerns the admissions in relation to the death rate, the Swiss death-rate board EVK 2000 has been acquired, for men and women.

21. Provisions

CONSOLIDATED FIGURES

<i>Amounts in Euros</i>	Pending litigations	Contractual obligations	Restructuring	Other provisions	Total
1 January 2006	921.855	3.393.111	596.000	190.885	5.101.851
Additional provisions	335.000	1.964.719	-	4.700	2.304.419
Restructuring	-320.279	-	-	-27.062	-347.341
Used provisions	-140.000	-594.262	-218.895	-	-953.157
31 December 2006	796.576	4.763.568	377.105	168.523	6.105.772
Additional provisions	142.000	1.661.405	-	-	1.803.405
Restructuring	-	-	-	-	-
Used provisions	-443.575	-1.384.913	-26.575	-51.101	-1.906.164
31 December 2007	495.001	5.040.060	350.530	117.422	6.003.013

COMPANY FIGURES

<i>Amounts in Euros</i>	Pending litigations	Contractual obligations	Other provisions	Total
1 January 2006	921.855	3.393.111	144.484	4.459.450
Additional provisions	335.000	1.964.719	-	2.299.719
Restructuring	-320.279	-	-27.062	-347.341
Used provisions	-140.000	-594.262	-	-734.262
31 December 2006	796.576	4.763.568	117.422	5.677.566
Additional provisions	142.000	1.661.405	-	1.803.405
Used provisions	-443.575	-1.384.913	-	-1.828.488
31 December 2007	495.001	5.040.060	117.422	5.652.483

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Short-term provisions	962.952	1.342.204	612.422	913.998
Long-term provisions	5.040.061	4.763.568	5.040.061	4.763.568
Total	6.003.013	6.105.772	5.652.483	5.677.566

Pending litigations

Out of the total provision, an amount of € 425.000 concerns lawsuits filed by former company's employees related to an accident that occurred at Corinth plant in April 2003, while the remaining amount (€ 70.000) concerns other lawsuits. The amount of the said provisions are based on estimations of the Group's Legal Department. The additional provisions formed in 2007, are included in the Administration expenses. The

December 31 2007

balance amount of the provisions is expected to be used within the next year. The Management of the Company considers that the formed provision is sufficient and does not expect any further costs to occur.

Indemnification to clients

The provision that has been formed refers to losses that may arise as a result of the company's contractual obligations to its clients. The provision was estimated based on historical figures and statistics for the settlement of similar cases in the past.

Restructuring of subsidiary companies

The said provision concerns expenses that may arise from the restructuring of CPW European Trading GmbH. The provision is expected to be used by the end of the next year.

22. Suppliers and other liabilities

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Suppliers	38.251.390	24.857.617	36.813.288	22.788.152
Cheques payable	29.191.379	51.232.596	29.191.379	51.232.596
Customer down payments	201.880	18.107.317	201.880	64.645
Social Security	823.607	773.988	823.607	773.988
Tax & duties payable	452.684	482.678	410.769	402.774
Amounts payable to affiliated companies	4.146.372	2.099.411	3.416.241	19.416.113
Dividends payable	20.426	20.524	20.426	20.524
Other creditors	656.715	960.664	655.840	758.169
Deferred income	29.820.149	19.400	-	-
Accrued expenses	4.993.317	4.396.009	4.733.671	3.825.808
Other transitory accounts	4.949	1.517	4.949	1.517
Other liabilities	108.631	13.468	-	-
Total	108.671.499	102.965.189	76.272.050	99.284.286
Long-term liabilities	108.631	13.468	-	-
Short-term liabilities	108.562.868	102.951.721	76.272.050	99.284.286
Total liabilities	108.671.499	102.965.189	76.272.050	99.284.286

23. Expenses by nature
CONSOLIDATED FIGURES
12 months until 31/12/2007

<i>Amounts in Euros</i>	Notes	Cost of sales	Selling expenses	Admin. expenses	Other expenses (Note 26)	Total
Payroll and employees benefits	24	-14.856.232	-2.960.978	-5.725.648	-	-23.542.858
Cost of stocks recognized as expense		-229.946.897	-	-	-	-229.946.897
Energy		-4.103.354	-179.990	-	-	-4.283.344
Depreciation	6, 7	-10.415.661	-184.464	-218.811	-416.790	-11.235.726
Insurance fees		-421.159	-3.230.064	-40.963	-	-3.692.186
Leasing fees		-173.462	-50.804	-276.043	-	-500.309
Freight cost		-976.461	-25.344.068	-57.649	-	-26.378.178
Fees to third parties		-4.478.735	-9.925.217	-937.372	-106.334	-15.447.658
Provisions	12, 21	-	-1.901.741	-142.000	-	-2.043.741
Other (see below)		-7.529.244	-5.378.928	-2.101.325	-1.938.940	-16.948.437
Total		-272.901.205	-49.156.254	-9.499.811	-2.462.064	-334.019.334
Other expenses						
<i>Consumables, packaging, spare parts</i>		-4.988.075	-1.488.273	-2.446	-	-6.478.794
<i>Foreign exchange differences (Note 30)</i>		-1.276.413	-2.729.689	-857.719	-	-4.863.821
<i>Miscellaneous</i>		-1.264.755	-1.160.966	-1.241.163	-1.938.940	-5.605.824
Total		-7.529.243	-5.378.928	-2.101.328	-1.938.940	-16.948.439

December 31 2007
CONSOLIDATED FIGURES
12 months until 31/12/2006

<i>Amounts in Euros</i>	Notes	Cost of sales	Selling expenses	Admin. expenses	Other expenses (Note 26)	Total
Payroll and employees benefits	24	-12.818.593	-2.732.505	-4.053.994	-167.832	-19.772.924
Cost of stocks recognized as expense		-209.369.172	-	-	-	-209.369.172
Energy		-2.500.812	-113.496	-14.876	-25.965	-2.655.149
Depreciation	6,7	-9.966.383	-170.704	-194.952	-692.112	-11.024.151
Insurance fees		-558.255	-2.090.050	-36.142	-62.169	-2.746.616
Leasing fees		-176.246	-69.217	-279.663	-	-525.127
Freight cost		-950.398	-26.649.553	-39.387	-	-27.639.338
Fees to third parties		-2.504.758	-6.562.105	-954.339	-1.108.413	-11.129.614
Provisions		-	-1.964.719	-575.000	-	-2.539.719
Other (see below)		-6.777.711	-5.377.544	-1.372.289	-418.417	-13.945.961
Total		-245.622.326	-45.729.893	-7.520.643	-2.474.908	-301.347.770
Other expenses						
<i>Consumables, packaging, spare parts</i>		-4.118.725	-1.176.072	-2.510	-	-5.297.307
<i>Foreign exchange differences (Note 30)</i>		-1.754.024	-2.700.781	-526.554	-	-4.981.359
<i>Miscellaneous</i>		-904.962	-1.500.691	-843.225	-418.417	-3.667.295
Total		-6.777.711	-5.377.544	-1.372.289	-418.417	-13.945.961

COMPANY FIGURES
12 months until 31/12/2007

<i>Amounts in Euros</i>	Notes	Cost of sales	Selling expenses	Admin. expenses	Other expenses (Note 26)	Total
Payroll and employees benefits	24	-14.856.232	-2.781.388	-3.928.559	-	-21.566.179
Cost of stocks recognized as expense		-214.757.241	-	-	-	-214.757.241
Energy		-4.103.354	-179.990	-	-	-4.283.344
Depreciation	6, 7	-10.415.661	-158.729	-52.118	-243.833	-10.870.341
Insurance fees		-421.159	-3.230.063	-1.872	-	-3.653.094
Leasing fees		-173.462	-50.804	-270.917	-	-495.183
Freight cost		-976.461	-25.782.929	-54.262	-	-26.813.652
Fees to third parties		-4.478.735	-9.924.862	-825.777	-26.243	-15.255.617
Provisions	12, 21	-	-1.845.914	-142.000	-	-1.987.914
Other (see below)		-7.799.382	-7.289.892	-2.040.646	-67.888	-17.197.808
Total		-257.981.686	-51.244.572	-7.316.151	-337.964	-316.880.373
Other expenses						
<i>Consumables, packaging, spare parts</i>		-4.988.075	-1.488.273	-2.446	-	-6.478.794
<i>Foreign exchange differences (Note 30)</i>		-1.276.413	-2.729.689	-857.714	-	-4.863.815
<i>Miscellaneous</i>		-1.534.894	-3.071.930	-1.180.486	-67.888	-5.855.198
Total		-7.799.382	-7.289.892	-2.040.646	-67.888	-17.197.807

December 31 2007
COMPANY FIGURES
12 months until 31/12/2006

<i>Amounts in Euros</i>	Notes	Cost of sales	Selling expenses	Admin. expenses	Other expenses (Note 26)	Total
Payroll and employees benefits	24	-12.818.593	-2.537.008	-3.063.551	-116.081	-18.535.233
Cost of stocks recognized as expense		-198.557.024	-	-	-	-198.557.024
Energy		-2.500.812	-113.496	-	-	-2.614.308
Depreciation	6, 7	-9.966.383	-140.556	-62.417	-202.383	-10.371.739
Insurance fees		-558.255	-2.087.451	-4.590	-	-2.650.296
Leasing fees		-176.246	-52.695	-257.742	-	-486.683
Freight cost		-950.398	-26.638.388	-39.387	-	-27.628.173
Fees to third parties		-2.504.758	-6.553.194	-672.708	-1.019.935	-10.750.595
Provisions		-	-1.964.719	-575.000	-	-2.539.719
Other (see below)		-6.020.578	-6.282.646	-1.356.635	-143.903	-13.803.761
Total		-234.053.046	-46.370.154	-6.032.029	-1.482.302	-287.937.531
Other expenses						
<i>Consumables, packaging, spare parts</i>		-4.118.725	-1.176.072	-2.510	-	-5.297.307
<i>Foreign exchange differences (Note 30)</i>		-996.891	-2.700.781	-526.549	-	-4.224.221
<i>Miscellaneous</i>		-904.962	-2.405.793	-827.576	-143.903	-4.282.233
Total		-6.020.578	-6.282.646	-1.356.635	-143.903	-13.803.761

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Number of employees	525	538	513	527

24. Employee benefit expenses

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	12 months until 31/12/2007	12 months until 31/12/2006	12 months until 31/12/2007	12 months until 31/12/2006
Wages & salaries	18.433.257	14.637.999	16.757.848	13.615.117
Social security expenses	4.239.453	3.416.872	4.055.899	3.333.523
Retirement benefit (Note 20)	363.130	1.270.516	363.130	1.224.416
Other benefits	507.018	447.539	389.302	362.177
Total	23.542.858	19.772.925	21.566.179	18.535.233

December 31 2007
25. Other operating income

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	12 months until 31/12/2007	12 months until 31/12/2006	12 months until 31/12/2007	12 months until 31/12/2006
<i>Amounts in Euros</i>				
Other operating income				
Income from consulting services	1.286.678	933.353	-	-
Dividends	-	1.500	847.700	1.368.976
Amortisation of subsidies	5.947	122.281	-	-
Foreign exchange differences (Note 30)	7.260.739	5.376.095	7.260.739	5.347.869
Indemnification from insurance companies	-	383.779	-	383.779
Miscellaneous (See bellow breakdown)	2.417.400	6.568.012	2.601.610	6.897.373
Total	10.970.764	13.385.020	10.710.049	13.997.997

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	12 months until 31/12/2007	12 months until 31/12/2006	12 months until 31/12/2007	12 months until 31/12/2006
<i>Amounts in Euros</i>				
Miscellaneous				
Unloading costs and freight	946.560	4.621.195	946.560	4.621.195
Grants	-	285.821	-	283.301
Income from services	-	-	811.726	793.356
Rents	3.824	3.677	3.824	3.677
Income from provisions and write-offs	1.454.307	1.359.959	826.857	1.155.717
Other	12.709	297.360	12.643	40.127
Total	2.417.400	6.568.012	2.601.610	6.897.373

26. Other Operating Expenses

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	12 months until 31/12/2007	12 months until 31/12/2006	12 months until 31/12/2007	12 months until 31/12/2006
Other operating expenses				
Production expenses not included in cost	-724.301	-1.357.222	-337.964	-531.302
Miscellaneous (See bellow breakdown)	-1.737.760	-1.117.686	-	-951.000
Total	-2.462.061	-2.474.908	-337.964	-1.482.302

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	12 months until 31/12/2007	12 months until 31/12/2006	12 months until 31/12/2007	12 months until 31/12/2006
Miscellaneous				
Grants write-off	-166.686	-166.686	-	-
Expenses related to fixed assets sale	-	-951.000	-	-951.000
Reimbursement of grants	-818.799	-	-	-
Other	-752.275	-	-	-
Total	-1.737.760	-1.117.686	-	-951.000

December 31 2007
27. Other profit / (loss) net

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	12 months until 31/12/2007	12 months until 31/12/2006	12 months until 31/12/2007	12 months until 31/12/2006
Profit / (Loss) from sale of fixed assets	240.066	37.313	239.005	3.494.872
Profit from acquisition of affiliate company	3.365.781	-	-	-
Gain from fair value of financial assets	5.000	40.438	5.000	26.400
Gain from sale of subsidiary	2.224.310	-	864.998	-
Gain from fair value of forward contracts	9.990.091	2.518.760	9.990.091	2.518.760
Loss from fair value of forward contracts	-1.806.047	-3.742.947	-1.806.047	-3.742.947
Total	14.019.201	-1.146.435	9.293.047	2.297.085

28. Financial expenses – net

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	12 months until 31/12/2007	12 months until 31/12/2006	12 months until 31/12/2007	12 months until 31/12/2006
Income				
Interest receivable	434.038	120.741	221.187	103.073
Interest rate swaps - fair market value)	252.390	-	252.390	-
Income from financial leases	627.058	-	627.058	-
Other	5.322	-	-	-
Subtotal	1.318.808	120.741	1.100.635	103.073
Expenses				
Interest payable	-6.664.667	-7.425.194	-6.662.044	-7.425.194
Promissory notes	-2.574.338	-2.067.896	-2.574.338	-2.067.896
Financial leasing	-91.622	-243.419	-91.622	-243.419
Interest rate swaps - fair market value	-	-366.797	-	-366.797
Commissions of bank guarantees	-483.987	-686.756	-483.883	-686.756
Other	-65.714	-180.604	-65.714	-169.129
Expenses	-9.880.328	-10.970.666	-9.877.601	-10.959.191
Financial expenses (net)	-8.561.520	-10.849.925	-8.776.966	-10.856.118

29. Taxation

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	12 months until 31/12/2007	12 months until 31/12/2006	12 months until 31/12/2007	12 months until 31/12/2006
Income Tax	1.632.270	531.098	893.682	-
Deferred Tax (Note 19)	4.507.596	-17.487.040	4.192.444	-15.702.695
Total	6.139.866	-16.955.942	5.086.126	-15.702.695

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

:

December 31 2007

Income Tax	CONSOLIDATED FIGURES		COMPANY FIGURES	
	12 months until 31/12/2007	12 months until 31/12/2006	12 months until 31/12/2007	12 months until 31/12/2006
<i>Amounts in Euros</i>				
Profit before tax	40.100.891	19.448.569	34.939.831	21.703.584
Tax calculated on the basis of the applicable tax rates of the mother (2007: 25%, 2006: 29%)	10.025.223	5.640.085	8.734.958	6.294.039
Non tax-exempted expenses	1.152.519	158.716	1.116.102	141.238
Income not used in tax calculation	-516.006	-65.742	-300.001	-
Difference of tax rates in temporary differences	-	73.919	-	-295.739
Difference of tax rates applicable in foreign countries	-55.008	-101.530	-	-
Differed tax assets against cumulative tax losses not recognized before	-5.358.615	-17.326.256	-5.358.615	-17.326.256
Tax losses of subsidiaries for which it has not been recognized deferred tax asset	81.848	72.890	-	-
Tax on gain from sale of participations	735.640	-	735.640	-
Differences of tax audit	158.042	-	158.042	-
Use of not initially recognized tax losses	-153.424	-5.408.025	-	-4.515.977
Other tax	69.647	-	-	-
Total income tax	6.139.866	-16.955.943	5.086.127	-15.702.695

30. Foreign exchange differences

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

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Cost of sales	-1.276.413	-1.754.029	-1.276.413	-996.891
Selling expenses	-2.729.689	-2.700.781	-2.729.689	-2.700.781
Administration expenses	-857.714	-526.549	-857.714	-526.549
	-4.863.816	-4.981.359	-4.863.816	-4.224.221
Other income	7.260.739	5.376.095	7.260.739	5.347.869
Total	2.396.923	394.736	2.396.923	1.123.648

December 31 2007
31. Earnings per share

Basic and reduced

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

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	12 months until 31/12/2007	12 months until 31/12/2006	12 months until 31/12/2007	12 months until 31/12/2006
	Profits that correspond to the parent company's shareholders	33.971.441	36.423.855	29.853.705
Weighted average number of shares	124.170.201	124.170.201	124.170.201	124.170.201
Basic profits per share (Euros per share)	0,274	0,293	0,240	0,301

32. Operational cash flows
Amounts in Euros

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	12 months until 31/12/2007	12 months until 31/12/2006	12 months until 31/12/2007	12 months until 31/12/2006
	Profit	33.961.025	36.404.510	29.853.705
Adjustments for:				
Taxation (Note 29)	6.139.866	-16.955.942	5.086.126	-15.702.695
Other taxes	-	-	-	308.057
Depreciation of tangible assets (Note 6)	11.096.230	11.024.151	10.730.845	10.371.737
Depreciation of intangible assets (Note 7)	139.496	-	139.496	-
Impairment of fixed assets (Note 6)	38.318	-	-	-
Profit from acquisition of affiliate (Note 9)	-3.365.781	-	-	-
Profit from affiliated companies	-164.246	-	-	-
(Profit)/Loss from sale of fixed assets	-240.066	-37.313	-239.005	-3.494.872
(Profit)/Loss from sale of subsidiary (Note 8)	-2.224.312	-	-864.998	-
(Profit)/Loss from the fair market value of financial assets through results (Note 27)	-5.000	-40.438	-5.000	-26.400
(Income) from interest (Note 28)	-1.318.808	-120.741	-1.100.635	-103.073
Interest expenses (Note 28)	9.880.328	10.970.666	9.877.601	10.959.191
(Dividends) (Note 25)	-	-1.500	-847.700	-1.368.976
(Amortisation) of grants (Note 25)	-5.947	-122.280	-	-
Grants write-off (Note 26)	166.688	166.686	-	-
Provisions	580.332	1.606.120	1.759.297	2.121.534
Employee benefits due to retirement (Note 20)	363.130	1.270.516	363.130	1.224.415
Inventory devaluation (Note 11)	2.255.950	502.285	2.255.950	502.285
Loss from take-over of receivables-payables of a subsidiary	-	-	692.586	-
Foreign exchange differences	268.714	-39.699	-	-
	57.565.917	44.627.021	57.701.398	42.197.482
Change in working capital				
(Increase) / decrease of stocks	-42.190.703	3.134.733	-27.118.268	2.995.624
(Increase) / decrease of receivables	-991.241	19.436.270	-4.909.861	28.448.816
Increase / (decrease) of liabilities other than banks	5.939.016	30.776.907	-10.769.288	27.010.652
Increase / (decrease) of provisions	-392.160	-358.895	-314.484	-140.000
Increase / (decrease) of employee benefits due to retirement	-981.430	-590.927	-981.433	-544.827
	-38.616.518	52.398.088	-44.093.335	57.770.265
Net cash flow from operating activities	18.949.398	97.025.109	13.608.064	99.967.748

December 31 2007

Profits from sale of tangible fixed assets include:

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	1/1 until 31/12/2007	1/1 until 31/12/2006	1/1 until 31/12/2007	1/1 until 31/12/2006
Net book value (Note 6)	11.291.343	1.210.306	11.290.527	7.259.261
Profit / (Loss) from the sale of fixed assets	240.066	37.313	239.005	3.494.872
Revenues from sale of fixed assets	11.531.409	1.247.619	11.529.533	10.754.133

33. Commitments

Capital commitments

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

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Tangible fixed assets	1.020.000	-	1.020.000	-
Total	1.020.000	-	1.020.000	-

Liabilities from operating leases

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

The future total payable leasing fees are illustrated below:

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Less than 1 year	234.880	205.283	229.766	190.416
1-5 years	576.765	359.661	576.765	338.982
Over 5 years	577.598	593.397	577.598	585.543
Total	1.389.244	1.158.341	1.384.129	1.114.942

December 31 2007
34. Contingent liabilities

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

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Liabilities				
Guarantees to suppliers	16.005.556	50.590.313	16.005.556	50.590.313
Good performance guarantees given to customers	38.198.221	53.195.078	38.198.221	53.195.078
Counter-guarantees for EIB loans	33.934.444	40.519.356	33.934.444	40.519.356
Total	88.138.221	144.304.747	88.138.221	144.304.747

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

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Lawsuits related to Corinth plant accident	2.914.920	3.028.920	2.914.920	3.028.920
Other lawsuits	310.922	3.343.805	310.922	3.343.805
Contractual obligations	2.960.347	1.882.318	2.960.347	1.882.318
Total	6.186.189	8.255.043	6.186.189	8.255.043

The company, had formed a provision of a total amount of 913.998 Euros, up to 2006, regarding the negative result of the lawsuits. During the current fiscal year an amount of 443.575 Euros was paid to the claimants and an additional provision of 142.000 Euros was formed.

Furthermore, the company, until 2006, formed a provision for losses that can result from settlement agreements with customers, of 3.393.112 Euros. During the current year an amount of 1.384.913 Euros was used and an additional provision of 1.661.405 Euros was formed.

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

35. Related party transactions

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

The following transactions are with related parties:

(i) Sales:

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Sales of goods				
Subsidiaries	-	-	223.263.565	49.009.011
Other related parties	3.115.363	2.339.707	3.115.243	2.201.112
	3.115.363	2.339.707	226.378.808	51.210.123
Sales of services				
Subsidiaries	-	-	811.726	3.321.802
Other related parties	1.756.380	1.167.495	209.897	119.494
	1.756.380	1.167.495	1.021.623	3.441.296

December 31 2007
Sales of fixed assets

Subsidiaries	-	-	-	9.700.000
Other related parties	10.879.265	4.115	10.879.265	-
	10.879.265	4.115	10.879.265	9.700.000

Dividend income

Subsidiaries	-	-	847.700	1.365.163
Other related parties	-	1.500	-	1.500
	-	1.500	847.700	1.366.663

Sale of participations

Gain from sale of participations	2.224.312	-	864.998	-
Cash inflow from the sale of participations (minus cash of subsidiaries)	14.524.384	-	14.712.800	-

(ii) Purchases:

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Purchase of goods				
Subsidiaries	-	-	51.228	439.575
Other related parties	4.867.370	7.552.154	883.652	2.663.094
	4.867.370	7.552.154	934.880	3.102.669
Purchases of services				
Subsidiaries	-	-	1.428.484	1.175.728
Other related parties	3.938.317	2.591.163	3.928.995	2.583.736
	3.938.317	2.591.163	5.357.479	3.759.464
Purchases of fixed assets				
Subsidiaries	-	-	10.437	7.058.569
Other related parties	542.268	711.253	537.596	681.425
	542.268	711.253	548.033	7.739.994

The provision of services as well as the sales and purchases of goods are executed at arms' length.

iii) Fees to member of the BoD and Management compensation

<i>Amounts in Euros</i>	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Fees to member of the BoD and Management compensation	923.475	1.006.149	923.475	1.006.149
Employment termination fees	750.000	1.061.781	750.000	1.061.781
Total	1.673.475	2.067.930	1.673.475	2.067.930
Employment termination fees payable	750.000	1.500.000	750.000	1.500.000
Payables to BoD and Management	43.430	-	43.430	-
Total	793.430	1.500.000	793.430	1.500.000

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

<i>Amounts in Euros</i>	CONSOLIDATED FIGURES		COMPANY FIGURES	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Receivables from related parties:				
Subsidiaries	-	-	14.030.824	17.256.767
Other related parties	5.264.431	4.556.478	4.604.839	4.260.122
Total	5.264.431	4.556.478	18.635.663	21.516.889

December 31 2007

Payables to related parties:

Subsidiaries	-	-	319.989	17.885.537
Other related parties	4.102.942	2.099.411	3.052.821	1.530.576
Total	4.102.942	2.099.411	3.372.811	19.416.112

Other related parties are subsidiaries of Viohalco Group.

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

It is noted, that in 2007, the Group sold goods with a value of €2.886.858 and € 47.822, through its related companies SIDMA S.A. and ANTIMET S.A. (acting as agents), respectively. The said transactions do not appear in the corresponding table with the sales of goods to related parties. On the other hand, the receivables from the said sales amounting to €1.156.425 and €56.908, respectively, at 31/12/2007, are included in the corresponding table with the receivables from related parties, as stipulated by the agreements with the companies in question.

36. Unaudited fiscal years

Corinth Pipeworks S.A. has been tax audited until 2006. Corinth Metalworks S.A., DIAVIPETHIV S.A. and CPW European Trading GmbH have not been tax audited, since their incorporation.

37. Post balance sheet events

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

Independent auditor's report

To the Shareholders of Corinth Pipeworks SA

Report on the Financial Statements

We have audited the accompanying financial statements of Corinth Pipeworks (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 2007 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 Greek auditing standards which conform 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 internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company and the Group as of 31 December 2007, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Reference to Other Legal and Regulatory Requirements

December 31 2007

The Board of Directors' Report contains all information required by articles 43a paragraph 3, 16 paragraph 9 and 107 paragraph 3 of Law 2190/1920 and article 11a of Law 3371/2005, and is consistent with the financial statements referred to in the preceding paragraph.

PRICEWATERHOUSECOOPERS 

Athens, March 18, 2008

THE AUDITOR

Πράιςγουοτερχαους Κούπερς
Ανώνυμος ελεγκτική Εταιρεία
Ορκωτοί Ελεγκτές Λογιστές
Λεωφ. Κηφισίας 268
152 32 Χαλάνδρι
ΑΜ ΣΟΕΛ 113

Marios Psaltis
ΑΜ ΣΟΕΛ 38081