

HALCOR

Interim Financial Statements (Company and Consolidated)

as of 31 March 2007

in accordance with the International Accounting Standard 34

THE PRESIDENT OF THE BOARD OF DIRECTORS	A MEMBER OF THE BOARD OF DIRECTORS	THE GENERAL MANAGER	THE FINANCIAL MANAGER
THEODOSIOS PAPAGEORGOPOULOS ID No. H 679222	GEORGIOS PASSAS ID No. Φ 020251	MENELAOS TASOPOULOS ID No. Ξ 365174	SPYRIDON KOKKOLIS ID No. X 701209

HALCOR S.A.

COMPANY REGISTRATION No. 2836/06/B/86/48

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Interim Financial Statements
as of 31 March 2007

Balance sheet

	GROUP		COMPANY	
	31/3/2007	31/12/2006	31/3/2007	31/12/2006
ASSETS				
Non-current assets				
Property, plant and equipment	304.100.479	304.293.573	135.839.820	137.314.860
Intangible assets	1.961.441	2.276.085	364.998	417.143
Investment property	2.458.263	2.168.074	-	-
Investments in associates	7.109.488	6.950.445	4.559.245	4.571.245
Investments in subsidiaries	-	-	90.607.953	90.607.953
Available for sale financial assets	1.228.948	1.219.045	962.402	952.502
Deferred income tax assets	3.193.065	3.206.732	-	-
Derivative financial instruments	558.437	405.529	413.207	278.737
Trade and other receivables	809.605	797.140	429.391	429.086
	321.419.727	321.316.623	233.177.016	234.571.525
Current Assets				
Inventories	277.095.925	252.095.254	111.055.779	121.923.626
Trade and other receivables	309.455.132	296.221.140	147.897.069	140.101.567
Derivative financial instruments	2.934.795	7.650.123	875.764	5.335.187
Financial assets in fair value through profit and loss statements	8.231	8.231	-	-
Cash and cash equivalents	50.358.993	29.261.016	27.320.955	19.057.305
	639.853.075	585.235.764	287.149.567	286.417.685
Total assets	961.272.803	906.552.387	520.326.583	520.989.210
EQUITY				
Capital and reserves attributable to the Company's equity holders				
Share capital	38.486.258	38.486.258	38.486.258	38.486.258
Share premium	67.138.064	67.138.064	67.138.064	67.138.064
Translation differences	2.138.936	1.901.584	-	-
Other reserves	56.499.232	68.185.723	60.155.968	66.557.974
Retained earnings/(losses)	76.190.438	62.970.463	33.988.951	28.065.455
Total	240.452.928	238.682.093	199.769.242	200.247.751
Minority interest	24.884.051	24.624.399	-	-
Total equity	265.336.979	263.306.491	199.769.242	200.247.751
LIABILITIES				
Non-current liabilities				
Borrowings	307.637.801	311.395.798	195.736.234	198.286.169
Obligations under financial lease	16.555	15.821	-	-
Derivative financial instruments	102.493	-	102.493	-
Deferred income tax liabilities	25.858.449	27.222.759	20.708.234	22.647.392
Retirement benefit obligations	4.316.169	4.268.834	2.433.537	2.453.805
Grants	2.369.451	2.525.850	1.516.309	1.607.200
Provisions	7.420.107	8.251.811	7.228.004	8.059.708
Other liabilities	5.000	10.203	-	-
	347.726.025	353.691.076	227.724.810	233.054.273
Current liabilities				
Trade and other payables	88.639.647	84.369.801	38.276.135	37.941.570
Current income tax liabilities	15.417.776	12.107.368	6.196.199	6.754.968
Obligations under financial lease	233.769.829	191.315.807	43.972.778	42.711.789
Obligations under financial lease	10.956	7.465	-	-
Derivative financial instruments	10.371.591	1.754.379	4.387.420	278.858
	695.935.823	643.245.896	320.557.341	320.741.459
Total liabilities	961.272.803	906.552.387	520.326.583	520.989.210
Total equity and liabilities	961.272.803	906.552.387	520.326.583	520.989.210

The notes attached hereto from pages 6 to 20 constitute an integral part of these financial statements.

Interim Financial Statements
as of 31 March 2007

Income statement

	GROUP		COMPANY	
	31/3/2007	31/3/2006	31/3/2007	31/3/2006
Sales	327.809.818	238.334.944	189.595.083	143.783.048
Cost of sales	(296.645.953)	(207.393.677)	(175.340.369)	(129.531.692)
Gross profit	31.163.864	30.941.267	14.254.713	14.251.356
Selling costs	(3.737.803)	(4.130.015)	(2.181.646)	(2.207.754)
Administrative expenses	(5.881.087)	(6.149.040)	(3.117.739)	(3.419.127)
Other operating income - net	318.157	49.049	526.910	720.389
Operating profit	21.863.131	20.711.262	9.482.238	9.344.864
Finance costs - net	(6.094.801)	(3.904.544)	(2.708.537)	(1.942.266)
Dividends	-	-	1.308.586	1.057.015
Share of profit of associates	625.602	283.821	-	-
Profit before income tax	16.393.932	17.090.538	8.082.287	8.459.613
Income tax expense	(3.902.216)	(3.598.545)	(2.158.792)	(2.100.285)
Profit for the year from continued operations	12.491.716	13.491.994	5.923.496	6.359.329
Attributable to:				
Equity holders of the Company	11.618.065	12.538.416	5.923.496	6.359.329
Minority interest	873.651	953.578	-	-
	12.491.716	13.491.994	5.923.496	6.359.329
Shares per profit to the shareholders for period (expressed in € per share)				
Basic	0,115	0,129	0,058	0,065
Diluted	0,114	0,129	0,058	0,065

The notes attached hereto from pages 6 to 20 constitute an integral part of these financial statements.

Interim Financial Statements as of 31 March 2007

Statements of changes in equity

	Of the parent company's shareholders						Minority interest	Total Equity
	Share capital & Share premium reserves	Fair value reserves	Other reserves	Results carried forward	Foreign exchange differences	Total Equity		
GROUP								
Balance as of December 31, 2005	97.234.509	(491.639)	62.103.316	27.086.414	(516.781)	185.415.819	33.836.371	219.252.190
Foreign exchange differences	-	-	-	-	1.219.009	1.219.009	-	1.219.009
Profit / (loss) recognised directly to equity	-	291.267	-	555.344	-	846.611	347.055	1.193.666
Net profit for the period	-	-	-	12.538.416	-	12.538.416	953.578	13.491.994
Total recognised net profit for the period	-	291.267	-	13.093.760	1.219.009	14.604.036	1.300.633	15.904.668,58
Additions due to merger	7.412.428	-	950.180	9.655.913	-	18.018.521	(14.346.826)	3.671.694
Surplus due to merger	-	-	(3.889.856)	-	-	(3.889.856)	-	(3.889.856)
Increase - decrease % of participation in subsidiaries	-	-	(62.372)	279.867	-	217.495	672	218.168
	7.412.428	-	(3.002.047)	9.935.780	-	14.346.160	(14.346.154)	6
Balance as of March 31, 2006	104.646.937	(200.372)	59.101.269	50.115.953	702.228	214.366.015	20.790.849	235.156.865
Balance as of January 1, 2007	105.624.322	5.350.189	62.835.535	62.970.463	1.901.584	238.682.093	24.624.398	263.306.491
Foreign exchange differences	-	-	-	-	237.352	237.352	65.405	302.758
Profit / (loss) recognised directly to equity	-	(11.695.057)	-	1.618.109	-	(10.076.948)	(687.037)	(10.763.985)
Net profit for the period	-	-	-	11.618.065	-	11.618.065	873.651	12.491.716
Total recognised net profit for the period	-	(11.695.057)	-	13.236.174	237.352	1.778.469	252.020	2.030.488
Transfer of reserves	-	-	8.566	(16.199)	-	(7.633)	7.633	-
	-	-	8.566	(16.199)	-	(7.633)	7.633	-
Balance as of March 31, 2007	105.624.322	(6.344.869)	62.844.101	76.190.438	2.138.936	240.452.928	24.884.051	265.336.979
COMPANY								
Balance as of December 31, 2005	97.234.509	(677.282)	61.997.652	10.813.780	-	169.368.659	-	169.368.659
Profit / (loss) recognised directly to equity	-	503.893	-	-	-	503.893	-	503.893
Net profit for the period	-	-	-	6.359.329	-	6.359.329	-	6.359.329
Total recognised net profit for the period	-	503.893	-	6.359.329	-	6.863.222	-	6.863.222
Additions due to merger	7.412.428	-	950.180	14.851.178	-	23.213.786	-	23.213.786
Surplus due to merger	-	-	(3.889.856)	-	-	(3.889.856)	-	-3.889.856
	7.412.428	-	(2.939.676)	14.851.178	-	19.323.930	-	19.323.930
Balance as of March 31, 2006	104.646.937	(173.389)	59.057.976	32.024.286	-	195.555.811	-	195.555.811
Balance as of January 1, 2007	105.624.322	4.001.299	62.556.674	28.065.455	-	200.247.751	-	200.247.751
Profit / (loss) recognised directly to equity	-	(6.402.006)	-	-	-	(6.402.006)	-	-6.402.006
Net profit for the period	-	-	-	5.923.496	-	5.923.496	-	5.923.496
Total recognised net profit for the period	-	(6.402.006)	-	5.923.496	-	(478.510)	-	-478.510
Balance as of March 31, 2007	105.624.322	(2.400.706)	62.556.674	33.988.951	-	199.769.242	-	199.769.242

The notes attached hereto from pages 6 to 20 constitute an integral part of these financial statements.

**Interim Financial Statements
as of 31 March 2007**

Cash flow statement

	GROUP		COMPANY	
	1/1 - 31/3/2007	1/1 έως 31/3/2006	1/1 - 31/3/2007	1/1 έως 31/3/2006
Cash flows from operating activities				
Cash generated from operations	(6.344.049)	(66.953.183)	12.510.089	(75.883.334)
Interest paid	(5.965.208)	(2.158.704)	(3.060.527)	(276.701)
Net cash generated from operating activities	(12.309.257)	(69.111.887)	9.449.563	(76.160.035)
Cash flows from investing activities				
Purchase of property, plant and equipment (PPE)	(5.308.099)	(4.585.720)	(1.033.032)	(620.483)
Purchase of intangible assets	(1.346)	(299.030)	-	(163.989)
Investments in property	(290.189)	-	-	-
Proceeds from sale of PPE	101.887	943.226	-	82.946
Disposals of subsidiaries	29.700	-	29.700	-
Dividends received	-	-	989.926	1.057.015
Interest received	175.401	55.938	116.810	23.244
Raise in participation to subsidiaries	-	-	-	3.889.856
Net cash generated from investing activities	(5.292.646)	(3.885.587)	103.404	4.268.589
Cash flows from financing activities				
Dividends paid to parent company's shareholders	(369)	-	(369)	-
Borrowings received	40.110.097	74.954.457	-	71.815.674
Repayment of borrowings	(1.414.074)	(2.715.113)	(1.288.947)	(2.549.935)
Changes in leasing capital	4.226	-	-	-
Net cash generated from financing activities	38.699.880	72.239.344	(1.289.316)	69.265.739
Net decrease or raise in cash and cash equivalents	21.097.977	(758.129)	8.263.650	(2.625.708)
Cash and cash equivalents at beginning of the period	29.261.016	16.246.241	19.057.305	6.656.461
Cash and cash equivalents at end of the period	50.358.993	15.488.112	27.320.955	4.030.754

The notes attached hereto from pages 6 to 20 constitute an integral part of these financial statements.

Notes to the Financial Statements as of 31 March 2007

(Amounts are expressed in Euros, unless otherwise stated. Differences in the total amounts are due to roundings).

1. The Group's Incorporation and Business:

HALCOR METAL WORKS S.A. (formerly VECTOR S.A. Metals Processing Company) (or "HALCOR" or the "Company") was incorporated in Athens in 1977.

The Interim Summary Consolidated Financial Statements (the "Financial Statements") of the company for the three-month period ended on March 31, 2007 include the Company and its subsidiaries (the "Group").

The Group engages in business activities in Greece, Bulgaria, Romania, Cyprus, the United Kingdom, France, Germany and Serbia – Montenegro.

The individual and consolidated financial statements of the Company for the financial year that ended on December 31, 2006 are available on the Company's website, www.halcor.gr.

2. Basis for Financial Statement preparation

The Financial Statements have been prepared according to the IFRS and the International Accounting Standard (IAS) 34.

The Financial Statements do not include all the information required for complete annual financial statements.

The Financial Statements were approved by the Company's Board of Directors on May 8, 2007.

3. Basic accounting principles

The basic accounting principles applied by the Company during the drafting of the present financial statements are the same as those applied for the drafting of the annual individual and consolidated statements of December 31, 2006.

4. Assessments

When drawing up interim financial statements Directors are required to use their judgment and resort to assumptions and assessments which will affect the application of the accounting principles and the aforementioned amounts in the items of assets and liabilities, profits and losses. The actual results may be different in the end from these assumptions and assessments.

The main assumptions and assessments made by the Directors in the application of the Group's accounting policies as well as the main sources of information employed to calculate and specify any doubt and which were used for the drafting of the Financial Statements, are the same as the ones applied for the drafting of the annual individual and consolidated statements of December 31, 2006

5. New standards, interpretations and amendment of existing International Accounting Standards

The estimation of Group regarding the effect by the application of new standards, modifications in standards and interpretations that have been published, which are obligatory for financial uses that begin during the fiscal year or later are mentioned below:

- IFRS 7 Financial Instruments: Disclosures and adjustment in IAS 1 Presentation of Financial Statements:
- Capital Disclosures require thorough disclosures regarding the significance of financial instruments in the financial position and the performance of an entity, as well as the qualitative and quantitative information on the nature and extent of the risks. I.F.R.S. 7 and the amended IAS 2, which will be used for Group financial statements that begin on January 1, 2007, claim extended additional disclosures regarding with the financial items and the share capital of the Group.
- IFRS 8 Operational Activity Sectors:

IFRS 8 replaces IAS 14 and specifies how an entity must present information regarding the operating sectors in the Financial Statements and following the revision of IAS 34 Interim Financial Presentation, requires an entity to present selectively information relevant to its operating sectors in the Interim Financial Statements. Furthermore it sets the requirements of relevant disclosures for the products and services, the geographical area and the significant clients.

IFRS 8 is compulsory for the Group's financial statements of 2009.

- IFRIC 7: Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies refers to IAS 29, when an economy becomes hyper-inflated for the first time and specifically the accounting for deferred taxes. IFRIC 7, which will become compulsory for the Group's financial statements in 2007, is not expected to have an effect on the consolidated financial statements.
- The IFRIC 8 Scope of IFRS 2 Payments in Shares refers to the accounting for payment transactions in shares where some or all of the goods and services which were acquired cannot be specified. IFRIC 8 will be compulsory for the Group's financial statements of 2007 and is not expected to have a significant effect on the consolidated financial statements.

- The IFRIC 9 Re-measurement of embedded derivatives requires the redefinition of whether an embedded derivative has to be separated from the basic contract, when there are modifications to the contract. IFRIC 9 which will be compulsory for the Group's financial statements of 2007 and is not expected to have a significant effect on the consolidated financial statements.
- The IFRIC 10 Interim Financial Statements and Impairment, prohibits the reversal of impairments which were recognized in a previous intermediary period regarding goodwill, investment in holding titles or financial instrument evaluated at cost. IFRIC 10 will be compulsory for the Group's financial statements of 2007. This amendment has not been adopted yet by the E.U.
- The IFRIC 11 – IFRS 2 Group and Treasury Share Transactions, refers to the accounting treatment of specific, relevant transactions and whether these should be presented as transactions through a cash or share settlement, as is specified by IFRS 2. The application of IFRIC 11 concerns the fiscal year 2008.
- The IFRIC 12 Services Concession Arrangements refers to the concession of services between public and private entities and concerns fiscal year 2008.

6. Primary reporting format – business sectors

The reports per sector concern the business and geographical sectors of the Group. The primary report type (business sector), is based on the structure of the Group's management and the internal reporting system.

The Group incorporates the following main business sectors:

Copper Products

Cable Products

Other services

Results per sector for the 3 months until 31 March 2006

3 months until 31 March 2006	Copper products	Cable products	Services	Total
Total gross sales per sector	204.196.913	65.741.052	25.859.013	295.796.978
Inter-company sales	(52.815.565)	(3.644.091)	(1.002.377)	(57.462.034)
Net sales	151.381.348	62.096.961	24.856.636	238.334.944
Operating profits	14.742.515	5.178.101	790.645	20.711.262
Financial income-expenses	(3.008.469)	(675.858)	(220.217)	(3.904.544)
Share in the results of affiliated companies	29.677	20.245	233.898	283.821
Profits before taxes	11.763.723	4.522.489	804.326	17.090.539
Income tax	(2.270.902)	(1.134.006)	(193.637)	(3.598.545)
Minority interest	(179.940)	(705.124)	(68.514)	(953.578)
Net profit	9.312.881	2.683.359	542.176	12.538.416
31/3/2006				
Assets	504.507.032	239.783.317	63.149.323	807.439.671
Total liabilities	384.282.278	148.158.541	39.841.988	572.282.806
Investments in tangible, intangible fixed assets and investments in real estate fixed assets	2.972.961	1.164.300	36.738	4.173.999

Other information per sector that is included in results for the 3 months until 31 March 2006

3 months until 31 March 2006	Copper products	Cable products	Services	Total
Depreciation of tangible fixed assets	3.720.660	1.644.181	32.693	5.397.534
Depreciation of intangible assets	71.700	239.289	4.871	315.860
Total depreciation	3.792.360	1.883.469	37.565	5.713.394
Devaluation of receivables	(106.104)	(3.679)	-	(109.783)
Devaluation of stocks	(34.673)	(358.206)	-	(392.880)

6. Primary reporting format – business sectors (continue)

Results per sector for the 3 months until 31 March 2007

3 months until 31 March 2007	Copper products	Cable products	Services	Total
Total gross sales per sector	275.514.700	95.435.143	29.558.420	400.508.262
Inter-company sales	(66.486.185)	(4.643.304)	(1.568.956)	(72.698.445)
Net sales	209.028.515	90.791.839	27.989.464	327.809.818
Operating profits	15.098.210	5.636.031	1.128.890	21.863.131
Financial income-expenses	(4.484.216)	(1.180.994)	(429.590)	(6.094.801)
Share in the results of affiliated companies	-	399.994	225.608	625.602
Profits before taxes	10.613.994	4.855.030	924.908	16.393.932
Income tax	(2.786.204)	(517.564)	(598.448)	(3.902.216)
Minority interest	8.301	(928.513)	46.561	(873.651)
Net profit	7.836.092	3.408.953	373.020	11.618.065
31/3/2007	Copper products	Cable products	Services	Total
Assets	641.835.584	283.643.559	35.793.660	961.272.802
Total liabilities	491.896.334	172.657.521	31.381.968	695.935.823
Investments in tangible, intangible fixed assets and investments in real estate fixed assets	3.346.827	1.903.903	58.715	5.309.445

Other information per sector that is included in results for the 3 months until 31 March 2007

3 months until 31 March 2007 (Amounts in Euro)	Copper products	Cable products	Services	Total
Depreciation of tangible fixed assets	3.846.289	1.731.584	54.595	5.632.469
Depreciation of intangible assets	54.684	260.421	4.744	319.849
Total depreciation	3.900.973	1.992.005	59.339	5.952.318
Devaluation of receivables		394.582		394.582

7. Inventories

In the period between January 1 and March 31, 2007 both as far as the Company and the Group are concerned, no conditions for inventory value depreciation occurred.

8. Investments to affiliated companies

The Boards of Directors of the companies VECTOR S.A. and ELVAL COLOUR S.A. decided at their meetings on 19 April 2006 the merger of the two companies through the absorption of the first by the second respectively, with a transformation balance date of 30 April 2006 and according to the law 166/1993 and C.L. 2190/1920.

The merger was approved by both companies' Boards of Directors on 19 September 2006 and completed with the No29975/29-9-2006 decision of Athens Prefecture.

Before the merger HALCOR S.A. held 33.33% of VECTOR S.A. and after the merger it acquired 4.06% of ELVAL COLOUR S.A.

For this reason the Company did not include VECTOR S.A. into its consolidated financial statements of the current period, while it was incorporated in the respective period of the previous financial year.

8. Investments to affiliated companies (continue)

- During January 2007, the Company proceeded to a sale of 9,900 shares of its related company Electro-production Thisvi S.A. With this sale, HALCOR reduced its participation share in Electro-production Thisvi from 20% to 5% i.e. change of 15%. For this reason the company Electro-production Thisvi S.A. was not incorporated in the consolidated financial statements of the current period, while it was incorporated in the previous financial year.

9. Subsidiary Merger

The Boards of Directors of the Companies FITCO S.A. and HALCOR S.A. in their meetings on January 30, 2006 decided on the merger of the two companies by means of absorption of the former by the latter with merger balance sheets as of January 31, 2006 and in accordance to the provisions of Law 2166/1993 and Codified Law 2190/1920.

The merger was approved by the General Meetings of the two companies on June 15, 2006 and was finalized by decision no. K2-9666 of the Minister of Development on June 30, 2006.

Through this merger, HALCOR S.A. took over 21.12% of FITCO S.A. from a company with common share interests and the remainder 28.65% from third-parties (minority). Since HALCOR S.A. had control over FITCO S.A. before the merger and due to the fact that the 21.12% stake belonged to a common share interest company, the merger transaction is not accredited by the IFRIC 3. As a result the Group has presented the surplus which occurred from the merger, amounting to € 3,889,856 and charged it to its Equity with the fixed assets being absorbed presented on their book value at the date of the merger without being valued at their fair value.

For this reason the company FITCO S.A. does not constitute an independent entity and did not incorporated into the consolidated financial statements of the current period.

For a better briefing of the investment public, the Company restated both the parent company and the consolidated interim financial statements of the period 01/01 – 31/03/2006 in order to be rendered comparable with those of the current financial year, stating as comparable figures those that resulted after the absorption, incorporating in the company financial statements the after the transformation balance sheet period of 01/02 – 31/03/2006 of the company FITCO S.A. and restating its consolidated financial statements for the minority rights.

Below the main differences are presented that resulted in the comparative financial statements of 31/03/2006 in relation with the ones that were presently published in the previous financial year:

9. Subsidiary Merger (continue)

• Profit and Loss Statement

	GROUP		
	PUBLISHED IN THE PREVIOUS YEAR	ADJUSTMENTS	RESTATED ACCOUNTS
	1 Jan - 31 Mar 2006		1 Jan - 31 Mar 2006
Total turnover	238,334,944	-	238,334,944
Gross Profit / (loss)	30,941,267	-	30,941,267
Profit / (loss) before taxes, financing and investing results & depreciation	26,424,656	-	26,424,656
		-	
Profit / (loss) before taxes, financing and investing results	20,711,262	-	20,711,262
Profit / (loss) before taxes total	17,090,538	-	17,090,538
Less: Taxes	(3,598,545)	-	(3,598,545)
Profit / (loss) after tax from continued operations (a)	13,491,994	-	13,491,994
Profit / (loss) after tax after tax from discontinued operations (b)	-	-	-
Profit / (loss) after tax (continued & discontinued operations) (a)+(b)	13,491,994	-	13,491,994
Distributed to :			
Company's shareholders	12,098,708	439,708	12,538,416
Minority shareholders	1,393,286	(439,708)	953,578
	13,491,994	-	13,491,994

	COMPANY		
	PUBLISHED IN THE PREVIOUS YEAR	ADJUSTMENTS	RESTATED ACCOUNTS
	1 Jan - 31 Mar 2006		1 Jan - 31 Mar 2006
Total turnover	139,237,130	4,545,918	143,783,048
Gross Profit / (loss)	12,483,304	1,768,052	14,251,356
Profit / (loss) before taxes, financing and investing results & depreciation	9,988,647	1,704,346	11,692,993
Profit / (loss) before taxes, financing and investing results	7,951,878	1,392,986	9,344,864
Profit / (loss) before taxes total	7,172,629	1,286,984	8,459,613
Less: Taxes	(1,716,829)	(383,456)	(2,100,285)
Profit / (loss) after tax from continued operations (a)	5,455,800	903,529	6,359,329
Profit / (loss) after tax after tax from discontinued operations (b)	-	-	-
Profit / (loss) after tax (continued & discontinued operations) (a)+(b)	5,455,800	903,529	6,359,329
Distributed to :			
Company's shareholders	5,455,800	903,529	6,359,329
Minority shareholders	-	-	-
	5,455,800	903,529	6,359,329

• Cash Flow Statement

	COMPANY	
	PUBLISHED IN THE PREVIOUS YEAR	RESTATED ACCOUNTS
Cash flows from operating activities	(55,824,058)	(76,160,035)
Cash flows from investing activities	551,321	4,268,589
Cash flows from financing activities	52,520,613	69,265,739

No changes resulted in the consolidated cash flow statement except for the reclassification of a fund so as to render the figures comparable with those of the current financial year (see note 16).

9. Subsidiary Merger (continue)

• Personnel

Company's number of personnel increased by the number of FITCO's personnel, i.e. 138 persons and reached to 759 persons. There was no change in the Group's number of personnel.

• Earnings per share

	COMPANY	
	PUBLISHED IN THE PREVIOUS YEAR	RESTATED
	31/3/2006	31/3/2006
Profits corresponding to the parent company's shareholders	5.455.800	6.359.329
Weighted average numbers of shares	96.981.079	97.447.791
Basic profits per share (Euro per share)	0,056	0,065

	GROUP	
	PUBLISHED IN THE PREVIOUS YEAR	RESTATED
	31/3/2006	31/3/2006
Profits corresponding to the parent company's shareholders	12.098.708	12.538.416
Weighted average numbers of shares	96.981.079	97.447.791
Basic profits per share (Euro per share)	0,125	0,129

10. Derivatives

	GROUP		COMPANY	
	31/3/2007	31/12/2006	31/3/2007	31/12/2006
Non-current assets				
Interest rate swap contracts	558.437	405.529	413.207	278.737
Total	558.437	405.529	413.207	278.737
Current assets				
Foreign exchange swap contracts	-	42.899	-	-
Forwards for cash flow hedging	429.700	-	-	-
Future contracts	2.505.095	7.607.224	875.764	5.335.187
Total	2.934.795	7.650.123	875.764	5.335.187
Long-term liabilities				
Interest rate swap contracts	102.493	-	102.493	-
Total	102.493	-	102.493	-
Short-term liabilities				
Foreign exchange swap contracts	-	33.394	-	-
Forwards for cash flow hedging	24.350	-	-	-
Future contracts	10.347.241	1.720.985	4.387.420	278.858
Total	10.371.591	1.754.379	4.387.420	278.858
Amounts that were charged in the P&L as income or (expense)	11.950.889	(11.872.653)	9.555.206	(5.409.753)
Detailed interest rate swap contracts				
Nominal value	104.700.000	104.700.000	70.700.000	70.700.000

10. Derivatives (continue)

The above estimation of the derivatives' open item positions was effected based on I.A.S. 39 "Cash Flow Hedging". The above estimated derivatives are comprised of future contracts that the Group uses to avoid creating a result from changes in the prices of metal and/or foreign currencies as well as interest rate swaps that the Group uses to secure the payment of interest on loans that it has concluded with a floating interest rate.

11. Borrowings and obligations of Financial Leasing

<i>Amounts in Euro</i>	GROUP		COMPANY	
	31/3/2007	31/12/2006	31/3/2007	31/12/2006
Long-term lending				
Bank borrowings	55.137.801	58.895.798	8.236.234	10.786.169
Finance Lease Obligations	16.555	15.821	-	-
Bond loans	252.500.000	252.500.000	187.500.000	187.500.000
Total long-term loans	307.654.356	311.411.619	195.736.234	198.286.169
			-	-
Short-term loans				
Bank borrowings	233.769.829	191.315.807	43.972.778	42.711.789
Finance Lease Obligations	10.956	7.465	-	-
Total short-term loans	233.780.785	191.323.272	43.972.778	42.711.789
Total loans	541.435.141	502.734.891	239.709.012	240.997.959

The maturity dates of long-term loans are:

<i>Amounts in Euro</i>	GROUP		COMPANY	
Between 1 and 2 years	106.687.381	101.943.506	66.936.299	69.486.235
Between 2 and 5 years	196.486.861	204.987.999	128.799.935	128.799.935
Beyond 5 years	4.480.114	4.480.114	-	-
	307.654.356	311.411.619	195.736.234	198.286.169

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

	GROUP		COMPANY	
	31/3/2007	31/12/2006	31/3/2007	31/12/2006
Bank lending (long-term)	6,24%	6,24%	6,67%	6,68%
Bank lending short-term)	5,02%	4,58%	6,82%	4,49%
Bond loans	4,37%	4,06%	4,37%	3,98%

	CONSOLIDATED		COMPANY	
	31/3/2007	31/12/2006	31/3/2007	31/12/2006
Finance Lease Obligations-minimum leases				
Up to 1 year	10.956	7.464,59	-	-
Between 1 and 5 years	16.555	15.820,74	-	-
Total	27.512	23.285	-	-

11. Borrowings and obligations of Financial Leasing (continue)

As referred in note 14, a mortgage has been addressed on the fixed assets of ICME ECAB (Romania), subsidiary company of HELLENIC CABLES S.A., including their equipment and collateral on its current assets (excluding claims and inventories) over a long-term loan, amounting to 4.7 mil. Euro as of March 31, 2007. According to the terms of the loan, ICME ECAB is bound to gratify particular financial ratios. As of March 31, 2007 and according to preliminary calculations, two (2) of the presumed ratios are not fulfilled. As a result, the bank has the right to request the quittance of the loan. ICME ECAB has informed the bank that the aforementioned term is not fulfilled and has requested a waiver, which has not officially granted until the preparation date of the attached Financial Statements. The Management estimates that the bank will not request the quittance of the loan mentioned above and consequently, has not transferred its long-term part, which amounts to 2.8 mil. Euro to the Short-term liabilities.

12. Cash flows from operating activities

	GROUP		COMPANY	
	1/1 - 31/3/2007	1/1 έως 31/3/2006	1/1 - 31/3/2007	1/1 έως 31/3/2006
Profits of the period	12.491.716	13.491.994	5.923.496	6.359.329
Adjustments for:				
Tax	3.902.216	3.598.545	2.158.792	2.100.285
Depreciation of tangible assets	5.632.469	5.397.534	2.508.072	2.284.876
Amortisation of intangible assets	319.849	315.860	52.145	63.253
Profits/(losses) from the sale of tangible assets (see below)	(29.096)	(49.973)	-	(49.441)
(Income) interest	(175.401)	(55.938)	(116.810)	(23.244)
Interest charges	6.270.201	3.960.482	2.825.347	1.965.510
(Income) from dividends	-	-	(989.926)	(1.057.015)
(Amortisation) of grants	(156.398)	(145.416)	(90.891)	(47.552)
(Profits)/losses from associate companies	(625.602)	(283.821)	-	-
Foreign exchange (profits)/losses from loans	-	-	-	-
Loss from the destruction of fixed assets	11.507	-	-	-
Other (please clarify)	-	-	-	-
	27.641.462	26.229.267	12.270.224	11.596.001
Changes in working capital				
Increase/(decrease) in stocks	(15.601.062)	(60.695.477)	16.014.529	(42.568.159)
Increase/(decrease) in receivables	(12.849.080)	(48.042.551)	(7.823.406)	(38.508.153)
Increase/(decrease) in liabilities	4.633.232	15.023.889	(1.952.603)	(7.170.382)
Increase/(decrease) in provisions	(10.215.936)	432.080	(5.978.386)	239.604
Increase/(decrease) in personnel retirement benefit obligation	47.334	99.610	(20.268)	527.755
	(33.985.512)	(93.182.450)	239.866	(87.479.335)
Net cash flows from operating activities	(6.344.049)	(66.953.183)	12.510.089	(75.883.334)

13. Obligations

The Group leases fork-lift trucks, pallet carriers and automobiles. The leases vary in duration but none exceeds the period of five years from the time of the contract. During the period that ended on March 31, 2007 costs amounting to €104,545 (31 December 2006: €458,666) and in the Group results costs € 229,394 (31 December 2006: €837,208).

14. Contingent receivables - liabilities

In a survey conducted by the European Competition Commission on European copper pipes manufacturers, a violation regarding the observance of rules for competition in the market of copper water pipes was detected. The European Committee imposed fines on seven companies, including HALCOR S.A. HALCOR's fine corresponds to 9.16 million Euros. Although the company deems that the imposition of a fine was unjustified and unfair and that the amount imposed was exceptionally high, it has filed a recourse against the Committee's decision before the Court of the European Communities. The company's Management, based on the recommendation of its legal department with regard to the recourse's validity, deems that the final amount of the aforementioned fine (provided that the court confirms its lawful imposition) will not exceed 5 million Euros, an amount that as a provision has burdened the results of the 2004 fiscal year. On 31 December 2006 an additional provision made amounting to € 0.4 million for the for corresponded taxes.

Mortgages of the total amount of € 4.7 million have been filed against real estates of the subsidiary HELLENIC CABLES SA, ICME ECAB S.A. in Romania.

The company SOFIA MED AD which is seated in Bulgaria and all 100% of its stock is controlled by HALCOR, has issued bank warrants in favor of third parties of 4.6 mil. euro. Additionally, mortgages have been addressed on its fixed assets of a total of 4.3 mil. euro.

15. Transactions with affiliated parties

The following transactions refer to transactions with affiliated parties.

	GROUP		COMPANY	
	31/3/2007	31/3/2006	31/3/2007	31/3/2006
Sale of goods				
Subsidiary companies	-	-	40.510.134	50.926.087
Other related parties	31.357.366	28.486.876	16.333.952	9.829.762
	31.357.366	28.486.876	56.844.086	60.755.849
Sale of services				
Subsidiary companies	-	-	586.009	713.329
Other related parties	649.460	4.441.119	9.906	69.553
	649.460	4.441.119	595.915	782.882
Sale of fixed assets				
Subsidiary companies	-	-	-	50.300
Other related parties	-	25.528	-	-
	-	25.528	-	50.300
Purchase of goods				
Subsidiary companies	-	-	18.811.872	5.871.312
Other related parties	10.080.311	49.885.318	7.014.842	2.555.443
	10.080.311	49.885.318	25.826.714	8.426.755
Purchase of services				
Subsidiary companies	-	-	352.524	731.783
Other related parties	783.992	3.701.485	289.963	719.093
	783.992	3.701.485	642.487	1.450.877
Purchase of fixed assets				
Subsidiary companies	-	-	-	-
Other related parties	5.205	435.409	-	-
	5.205	435.409	-	-
Benefits to Key Management Personnel				
<i>Amounts in Euro</i>				
Fees - benefits to the members of the Board of Directors and executives	587.132	447.190	256.699	227.096
Benefits due to the interruption of a collaboration	443.000	277.607	443.000	277.607
	1.030.132	724.797	699.699	504.703
Balances at year end that arise from the sale-purchase of goods, services, fixed assets, etc.				
<i>Amounts in Euro</i>				
Receivables from related parties:				
Subsidiary companies	-	-	27.825.429	9.006.008
Other related parties	35.633.164	18.701.029	11.833.673	8.909.438
	35.633.164	18.701.029	39.659.101	17.915.446
Liabilities to related parties:				
Subsidiary companies	-	-	4.182.832	968.492
Other related parties	5.966.652	3.257.822	2.629.192	1.877.837
	5.966.652	3.257.822	6.812.024	2.846.329

The services to and from affiliated parties, as well as sales and purchases of goods are conducted according to the pricelists applicable to non affiliated parties.

16. Balances Restatements

On the consolidated Cash Flow statements of the period 01/01 – 31/03/2006 a restatement has been stated of 710,752 euro from the account ‘(Increase)/Decrease in Inventories’ to the account ‘Purchase of Tangible Assets’ and amount of 8,742,759 euro from the account ‘(Increase)/Decrease in Claims’ to the account ‘(Increase)/Decrease in Inventories’. The said amounts concern deposits for the purchase of assets and deposits for purchase of inventories respectively.

17. Un-audited tax years

The companies of the Group are possibly bound to income taxes due to un-audit tax years from the tax authorities. These un-audit tax years are as follows:

<u>Company name:</u>	<u>Unaudited Fin. Years</u>
HALCOR, S.A.	2005 - 2006
HELLENIC CABLES S.A.	2003 - 2006
STEELMET, S.A.	2006
AKRO S.A.	2003 - 2006
E.VI.TE.S. A.	2003 - 2006
SOFIA MED SA	2005 - 2006
METAL AGENCIES LTD	2005 - 2006
BELANTEL HOLDINGS LTD	1999 - 2006
METAL GLOBE DOO	2002 - 2006
COPPERPROM LTD	2003 - 2006
SYLLAN, S. A.	2005 - 2006
OGWELL LIMITED	2005 - 2006
HABAKIS LTD - LICENSE & DISTRIBUTION	2003 - 2006
DIAPEM TRADING, S.A.	2003 - 2006
ELKEME, S.A.	2003 - 2006
S.C. STEELMET ROMANIA S.A	2002 - 2006
TEPRO METALL AG	1992 - 2006
ENERGY SOLUTIONS SA	2005 - 2006
VIEXAL LTD	2003 - 2006

-The company FITCO S.A., which was merged from HALCOR S.A. on 30/06/2006, according to the decision of the Ministry of Development, with a protocol number K2-9666, has not been audited for the fiscal years 2003-2005 and for the period 01/01 – 31/12/2006.

18. Events following the balance sheet date

The as of 15/06/2006 General Shareholders Meeting of the subsidiary company Hellenic Cables S.A. approved the reception of the bond loan up to 50 mil. euro for the replacement of existing short-term loan obligations and financing of investment plan of the company. Based on this decision, on March 30, 2007 a disbursement of 10 mil. euro occurred, which corresponds to four (4) bonds of 2.5 mil. euro each based on a contract with a credit institution and with a repayment time period of four equal annual tranches, beginning on the second year from the reception of the loan. The loan has an interest rate equal to Euribor plus margin. With this disbursement the reception of the 50 mil. Euro amount is completed.

No other events following the Balance Sheet date occurred, excluding the abovementioned that affects the financial statement and financial position of the Company.