

VIOHALCO

HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A.

Interim Condensed Financial Statements
According to the International Accounting Standard 34

Period: January – September 2007

Company Registration Registered Office Number: 6053/06/B/86/105

2-4 Mesogheion Ave., 115 27 Athens

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Balance Sheet

	Note	CONSOLIDATED FIGURES		COMPANY FIGURES	
		30/09/2007	31/12/2006	30/09/2007	31/12/2006
ASSETS					
Non-current assets					
Property, plant and equipment	9	1,787,437,060	1,745,889,724	262,698	172,542
Intangible assets	9	4,491,423	5,295,872	-	-
Investment in properties	9	44,174,194	33,493,825	116,017,286	108,023,315
Investments in associate companies	7	26,745,556	15,254,855	-	-
Investments in subsidiary companies	8	-	-	655,068,512	688,449,988
Available-for-sale financial assets		10,355,974	10,531,668	32,324,910	32,279,887
Deferred tax assets		7,115,826	8,486,293	-	-
Derivative financial instruments	10	2,815,379	2,813,459	-	-
Other receivables		8,240,931	8,740,740	6,149	6,073
		1,891,376,343	1,830,506,436	803,679,555	828,931,805
Current assets					
Inventories		993,014,185	842,309,260	-	-
Trade and other receivables		857,794,996	763,530,205	4,612,471	4,191,531
Non-current assets available for sale		3,918,560	3,918,560	-	-
Available-for-sale financial assets		3,877,889	3,268,758	-	-
Derivative financial instruments	10	10,314,076	15,873,614	-	-
Financial assets at fair value through profit & loss		15,568	293,897	-	-
Current income tax prepayment		14,193,408	21,460,451	-	-
Cash and cash equivalents		322,699,855	233,709,108	164,135,031	86,218,290
		2,205,828,537	1,884,363,853	168,747,502	90,409,821
Total assets		4,097,204,880	3,714,870,289	972,427,057	919,341,626
EQUITY & LIABILITIES					
Capital and reserves attributable to company's equity holders					
Share capital		59,842,227	59,842,227	59,842,227	59,842,227
Share premium account		411,618,152	411,618,152	411,618,152	411,618,153
Treasury stock		-8,005,437	-8,005,437	-	-
Translation reserve		796,550	2,076,289	-	-
Reserves		290,792,881	238,263,789	52,981,867	29,661,368
Profits carried forward		471,579,867	385,315,687	423,761,623	391,555,938
Total		1,226,624,240	1,089,110,707	948,203,869	892,677,686
Minority interest		744,835,297	687,830,425	-	-
Total equity		1,971,459,537	1,776,941,132	948,203,869	892,677,686
LIABILITIES					
Long-term liabilities					
Borrowings	11.12	871,034,670	840,280,414	-	-
Liabilities from leasing activities	12	43,221	120,022	-	-
Derivative financial instruments	10	1,587,099	257,283	-	-
Deferred tax liabilities		184,219,516	186,527,865	18,972,653	19,183,009
Retirement and termination benefit obligations		19,532,565	20,542,508	33,877	40,063
Government grants		26,475,266	28,824,858	-	-
Provisions		15,393,280	15,373,630	-	-
Other liabilities		230,044	328,198	-	-
		1,118,515,661	1,092,254,778	19,006,530	19,223,072
Short-term liabilities					
Trade and other payables		368,349,711	336,137,177	3,337,170	5,692,494
Current tax liabilities		39,925,170	52,570,089	1,879,488	1,748,374
Borrowings	11.12	578,181,436	445,705,330	-	-
Liabilities from leasing activities	12	739,698	2,095,850	-	-
Derivative financial instruments	10	16,532,029	5,072,041	-	-
Provisions		3,501,638	4,093,892	-	-
		1,007,229,682	845,674,379	5,216,658	7,440,868
Total liabilities		2,125,745,343	1,937,929,157	24,223,188	26,663,940
Total equity and liabilities		4,097,204,880	3,714,870,289	972,427,057	919,341,626

The notes on pages 7 to 40 are an integral part of these interim condensed financial statements.

Income Statement

CONSOLIDATED FIGURES					
	Note	9months until 30/09/2007	9months until 30/09/2006	3months fom 01/07 to 30/09/2007	3months from 01/07 to 30/09/2006
Sales		2,806,879,201	2,412,782,982	875,633,661	844,692,563
Cost of sales		-2,405,027,928	-2,049,340,408	-759,361,473	-716,292,686
Gross profit		401,851,273	363,442,574	116,272,188	128,399,877
Selling expenses		-123,130,093	-112,973,995	-42,636,524	-36,744,916
Administrative expenses		-63,312,394	-59,566,748	-22,868,330	-18,068,653
Other operating income/(expenses) (net)		17,977,967	15,416,611	6,686,174	-130,274
Operating profit		233,386,753	206,318,442	57,453,508	73,456,034
Finance costs - net		-44,518,903	-42,554,958	-17,851,969	-14,537,917
Income from dividends		707,462	1,114,959	899	486,922
Share of profit of associates		1,378,703	1,459,973	-167,704	338,560
Profits before taxation		190,954,015	166,338,416	39,434,734	59,743,599
Income tax expense	14	-38,787,209	-36,459,443	-8,886,815	-13,034,301
Net profits of the period		152,166,806	129,878,973	30,547,919	46,709,298

Attributable to:

Equity holders of the parent company	79,895,380	81,576,612	14,892,916	28,706,960
Minority interest	72,271,426	48,302,361	15,655,003	18,002,338
	152,166,806	129,878,973	30,547,919	46,709,298

Earnings per share that are attributable to the equity holders of the parent company for the period (expressed in Euros per share)

Basic and diluted	19	0.402	0.411	0.075	0.144
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COMPANY FIGURES					
	Note	9months until 30/09/2007	9months until 30/09/2006	3months fom 01/07 to 30/09/2007	3months from 01/07 to 30/09/2006
Sales		16,685	32,073	6,268	11,024
Cost of sales		-13,500	-31,500	-4,500	-11,500
Gross profit		3,185	573	1,768	-476
Selling expenses		-	-	-	-
Administrative expenses		-2,582,547	-1,490,424	-1,397,802	-325,824
Other operating income/(expenses) (net)		46,032,598	595,213	767,123	-1,630,830
Operating profit		43,453,236	-894,638	-628,911	-1,957,130
Finance costs - net		4,060,735	209,693	1,685,204	62,801
Income from dividends		24,905,491	17,237,180	-	1,402,573
Share of profit of associates		-	-	-	-
Profits before taxation		72,419,462	16,552,235	1,056,293	-491,756
Income tax expense	14	-989,677	-429,540	-347,027	16,976
Net profits of the period		71,429,785	16,122,695	709,266	-474,780

Earnings per share that are attributable to the equity holders of the parent company for the period (expressed in Euros per share)

Basic and diluted	19	0.358	0.081	0.004	-0.002
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The notes on pages 7 to 40 are an integral part of these interim condensed financial statements.

Statement of Changes in Equity

Consolidated Data

Attributable to the equity holders of the parent company

	Share capital & Share premium	Translation reserve	Fair value reserves	Other reserves	Accumulated profits	Total	Minority Interest	Total Equity
Balance at 1 January 2006	463,549,092	100,347	6,240,043	244,734,711	258,938,793	973,562,986	508,473,719	1,482,036,705
Currency translation differences	-	859,647	-	-	-	859,647	995,638	1,855,285
Profit/(loss) recognised directly in equity	-	-	-734,863	-	-	-734,863	-1,730,140	-2,465,003
Net profit for the period	-	-	-	-	81,576,612	81,576,612	48,302,361	129,878,973
Total recognised net profit for the period	-	859,647	-734,863	-	81,576,612	81,701,396	47,567,859	129,269,255
Affect of the change in the percentage of holdings	-	-	-1,275,556	-1,902,239	5,763,815	2,586,020	-12,933,595	-10,347,575
Purchase of own shares	-94,150	-	-	-	-	-94,150	-	-94,150
Transfer to reserves	-	-	-	4,518,154	-4,518,154	-	-	-
Dividend	-	-	-	-	-14,960,557	-14,960,557	-8,528,438	-23,488,995
	-94,150	-	-1,275,556	2,615,915	-13,714,896	-12,468,687	-21,462,033	-33,930,720
Balance at 30 September 2006	463,454,942	959,994	4,229,624	247,350,626	326,800,509	1,042,795,695	534,579,545	1,577,375,240

Attributable to the equity holders of the parent company

	Share capital & Share premium	Translation reserve	Fair value reserves	Other reserves	Accumulated profits	Total	Minority Interest	Total Equity
Balance at 1 October 2006	463,454,942	959,994	4,229,624	247,350,626	326,800,509	1,042,795,695	534,579,545	1,577,375,240
Currency translation differences	-	1,365,838	-	-	-	1,365,838	312,053	1,677,891
Profit recognised directly in equity	-	-	6,163,899	-	-	6,163,899	4,589,221	10,753,120
Net profit for the period	-	-	-	-	31,576,727	31,576,727	35,272,188	66,848,915
Total recognised net profit for the period	-	1,365,838	6,163,899	-	31,576,727	39,106,464	40,173,462	79,279,926
Affect of the change in the percentage of holdings	-	-249,543	1,407,827	-22,899,803	28,950,067	7,208,548	114,116,420	121,324,968
Transfer to reserves	-	-	-	2,011,616	-2,011,616	-	-	-
Dividend	-	-	-	-	-	-	-1,039,002	-1,039,002
	-	-249,543	1,407,827	-20,888,187	26,938,451	7,208,548	113,077,418	120,285,966
Balance at 31 December 2006	463,454,942	2,076,289	11,801,350	226,462,439	385,315,687	1,089,110,707	687,830,425	1,776,941,132

Attributable to the equity holders of the parent company

	Share capital & Share premium	Translation reserve	Fair value reserves	Other reserves	Accumulated profits	Total	Minority Interest	Total Equity
Balance at 1 January 2007	463,454,942	2,076,289	11,801,350	226,462,439	385,315,687	1,089,110,707	687,830,425	1,776,941,132
Currency translation differences	-	-1,279,739	-	-	-	-1,279,739	-254,208	-1,533,947
Profit recognised directly in equity	-	-	-11,877,003	-	1,579,415	-10,297,588	-8,727,496	-19,025,084
Net profit for the period	-	-	-	-	79,895,380	79,895,380	72,271,426	152,166,806
Total recognised net profit for the period	-	-1,279,739	-11,877,003	-	81,474,795	68,318,053	63,289,722	131,607,775
Affect of the change in the percentage of holdings	-	-	-	-15,305,370	100,458,777	85,153,407	12,155,654	97,309,061
Transfer to reserves	-	-	-	79,711,465	-79,711,465	-	-	-
Dividend	-	-	-	-	-15,957,927	-15,957,927	-18,440,504	-34,398,431
	-	-	-	64,406,095	4,789,385	69,195,480	-6,284,850	62,910,630
Balance at 30 September 2007	463,454,942	796,550	-75,653	290,868,534	471,579,867	1,226,624,240	744,835,297	1,971,459,537

The notes on pages 7 to 40 are an integral part of these interim condensed financial statements.

Statement of Changes in Equity (continued)

Company Data

	Share capital and share premium	Fair value reserves	Other reserves	Accumulated profits	Total
Balance at 1 January 2006	471,460,380	1,101,644	28,561,805	368,644,329	869,768,158
Profit recognised directly in equity	-	447,092	-	-	447,092
Net profit for the period	-	-	-	16,122,695	16,122,695
Total recognised net profit for the period	-	447,092	-	16,122,695	16,569,787
Transfer to reserves	-	-	-347,000	347,000	-
Dividend	-	-	-	-14,960,557	-14,960,557
	-	-	-347,000	-14,613,557	-14,960,557
Balance at 30 September 2006	471,460,380	1,548,736	28,214,805	370,153,467	871,377,388

	Share capital and share premium	Fair value reserves	Other reserves	Accumulated profits	Total
Balance at 1 October 2006	471,460,380	1,548,736	28,214,805	370,153,467	871,377,388
Profit recognised directly in equity	-	-102,174	-	-	-102,174
Net profit for the period	-	-	-	21,402,471	21,402,471
Total recognised net profit for the period	-	-102,174	-	21,402,471	21,300,297
Balance at 31 December 2006	471,460,380	1,446,562	28,214,805	391,555,938	892,677,686

	Share capital and share premium	Fair value reserves	Other reserves	Accumulated profits	Total
Balance at 1 January 2007	471,460,380	1,446,562	28,214,805	391,555,938	892,677,686
Profit recognised directly in equity	-	54,327	-	-	54,327
Net profit for the period	-	-	-	71,429,785	71,429,785
Total recognised net profit for the period	-	54,327	-	71,429,785	71,484,112
Transfer to reserves	-	-	23,266,172	-23,266,172	-
Dividend	-	-	-	-15,957,929	-15,957,929
	-	-	23,266,172	-39,224,101	-15,957,929
Balance at 30 September 2007	471,460,380	1,500,889	51,480,977	423,761,622	948,203,869

The notes on pages 7 to 40 are an integral part of these interim condensed financial statements.

Cash Flow Statement

	Note	CONSOLIDATED FIGURES		COMPANY FIGURES	
		1/1 to 30/09/2007	1/1 to 30/09/2006	1/1 to 30/09/2007	1/1 to 30/09/2006
Cash flows from operating activities					
Cash flows from operating activities	13	100,775,563	4,298,021	-2,025,479	-60,502
Interest paid		-54,753,594	-37,922,153	-	-
Income tax paid		-38,302,085	-14,682,824	-1,102,180	-1,010,941
Net cash (used in)/from operating activities		7,719,884	-48,306,956	-3,127,659	-1,071,443
Cash flows from investing activities					
Net additions to tangible, investment property and intangible assets		-144,649,084	-74,430,362	-8,368,287	-941,597
Dividends received		707,461	1,114,959	24,340,128	17,013,629
Purchase of financial assets available for sale		-2,627,714	-	33,919	-
Income from securities		-	-	-	-
Interest received		8,305,759	1,817,324	4,060,735	209,693
Collection of grants		23,614	-	-	-
Change of participation in subsidiaries and other investments		92,540,528	-9,058,583	76,921,049	-2,478,508
Other		-	-	-	626,678
Net cash flows (used in)/from investing activities		-45,699,436	-80,556,662	96,987,544	14,429,895
Cash flows from financing activities					
(Purchase) / Sale of treasury shares		-	-94,149	-	-
Dividends paid		-15,943,143	-16,716,366	-15,943,144	-14,953,692
Loans received		163,230,362	166,887,649	-	-
Changes in financial leasing capital		-1,432,954	-1,581,298	-	-
Proceeds from share capital increase (proportion of minority)		348,738	-	-	-
Dividends paid to minority interest		-19,232,704	-8,234,023	-	-
Other		-	2,972,999	-	-
Net cash (used in)/from financing activities		126,970,299	143,234,812	-15,943,144	-14,953,692
Net (decrease)/increase in cash and cash equivalents		88,990,747	14,371,194	77,916,741	-1,595,240
Cash and cash equivalents at beginning of period		233,709,108	83,313,042	86,218,290	14,191,249
Cash and cash equivalents at end of period		322,699,855	97,684,236	164,135,031	12,596,009

Athens, 19 November 2007

THE CHAIRMAN OF THE
BOARD OF DIRECTORS

Nikolaos M. Stasinopoulos

Id. Card No. A050486

THE AUTHORISED
DIRECTOR

Evangelos D. Moustakas

Id. Card No. AB343787

THE FINANCIAL DIRECTOR

Pantelis St. Mavrakis

Id. Card No. K259513

The notes on pages 7 to 40 are an integral part of these interim condensed financial statements.

Notes on the interim condensed financial statements

1 General Information

The present interim condensed financial statements include the data and information of VIOHALCO S.A. (the “Company”) on the Company and its subsidiaries (together the “Group”).

The present interim condensed financial statements were approved by the Company’s Board of Directors on November 19th 2007.

VIOHALCO S.A. “Hellenic Copper and Aluminium Industry S.A.” (the “Company”) and its subsidiaries as well as its associates and participations in joint ventures (together the “Group”) are active primarily in the process or production and sale of iron, steel, aluminium, copper and zinc products. The Group is active in Greece, Germany, England, Romania and Bulgaria, as well as in other foreign countries and its shares are traded on the Athens Exchange.

The Company is domiciled in Greece, in the Prefecture of Attica, 2-4 Mesogheion Avenue. The Company’s electronic address is www.viohalco.gr. Both the interim condensed financial statements and the annual financial statements have been posted on the Company’s website.

2 Overview of significant accounting principles

The main accounting policies that the Group applied during the preparation of these interim condensed financial statements are the same as those applied in the annual financial statements of December 31st 2006.

2.1 New standards, interpretations and amendment of existing International Accounting Standards

Certain new IFRS, amendments and interpretations have been issued that are mandatory for accounting periods that begin during the present fiscal year or thereafter. The Group’s estimation regarding the effect of the application of these new standards and interpretations are presented below.

IFRS 7 - Financial instruments: Disclosures and supplementary adaptation to IAS 1 - Presentation of Financial Statements: Capital Disclosures

This standard and/or amendment is effective from January 1st 2007 and introduces additional disclosures with the ulterior purpose of improving the information that is provided with regard to financial instruments. The Group estimated the effect of IFRS 7 and the adjustment to IAS 1 and concluded that the additional main disclosures that are required from their application is a sensitivity analysis regarding market risk and capital disclosures. The Group will apply IFRS 7 and the amendment of IAS 1 in the annual financial statements of December 31st 2007.

IFRS 8 - Operating Sectors (has not yet been adopted by the EU)

This standard is effective from January 1st 2009 and replaces IAS 14, according to which sectors are recognized and presented based on a performance and risk analysis. According to IFRS 8, sectors constitute the elements of an economic unit that are regularly examined by the Managing Director / Board of Directors of the economic unit and are presented in the financial statements based on this internal categorization. The application of this standard is not expected to have an effect on the net position.

IFRIC 11 - IFRS 2: – Transactions with Own Shares of the same Group:

This interpretation is effective from March 1st 2007 and clarifies the treatment of cases where employees of a subsidiary receive shares of the parent company. It also clarifies whether specific types of transactions should be accounted for as transactions with settlement by participating titles or transactions with settlement by cash. The interpretation is not expected to affect the net position of the Company and Group.

IFRIC 12 - Concession Agreements (has not yet been adopted by the EU)

This interpretation is effective from January 1st 2008 and refers to companies that participate in concession agreements. The interpretation is not expected to affect the net position of the Company and Group.

2.2 Consolidation

(a) Subsidiary Companies

Subsidiary companies are companies that are controlled by the parent company. The existence of possible voting rights that may be exercised on the date on which financial statements are prepared is taken into consideration in determining whether or not a parent company exercises control over its subsidiaries. Subsidiaries are fully consolidated (total consolidation) from the date control over them is acquired and cease to be consolidated from the date this control is no longer exercised.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The acquisition cost of a subsidiary is the fair value of its assets that were transferred, of its shares that were issued and of its liabilities that were undertaken on the day the transaction was carried out, plus any cost that is directly associated with the acquisition. Identifiable assets, liabilities and contingent liabilities that are acquired through a business combination are estimated at the time of the acquisition at their fair values regardless of the percentage holding. The excess of the cost of acquisition over the fair value of the Group's share of identifiable net assets that were acquired is recorded as goodwill. If the acquisition cost is less than the fair value of the Group's share of the identifiable net assets that were acquired, the difference is recognised in the income statement.

Inter-company transactions, balances and non-realised profits from transactions between Group companies are eliminated. The same applies to non-realised losses, but are taken into consideration as an indication that the value of the asset transferred has been impaired. The accounting policies that are applied by the Group's subsidiary companies have been amended so that they may be consistent with those that have been adopted by the Group.

In cases of transactions that refer to increases of the Group's participation percentage in subsidiaries, which are out of the context of IFRS 3, the Group recognizes the possible effect that arises due to the difference between the fair value of the price paid and the book value of third party rights acquired, directly in equity.

In its individual financial statements, the Company records its investments in subsidiaries at their acquisition cost less impairment.

(b) Associate companies

Associate companies are companies over which the Group exercises significant influence, but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associate companies are accounted for by the equity method and are initially recognised at their acquisition cost. The amount in which investments in associate companies are recorded includes the

goodwill that arises on acquisition (net of any impairment losses).

The Group's share in the post-acquisition profits or losses of its associate companies is recorded in the income statement, while its share of post-acquisition movements in reserves is recorded in reserves. Cumulative changes affect the book value of the Group's investments in associate companies. If the Group's share in the losses in an associate company is greater than the value of its investment therein, these additional losses are not recognised, unless payments have been made or obligations have been incurred on behalf of the associate company.

Unrealised profits that arise from transactions between the Group and its associate companies are eliminated to the extent of the Group's interest therein. The same applies to unrealised losses, but are taken into consideration as an indication that the value of the asset that was transferred has been impaired. The accounting principles that are applied by the Group's associate companies have been changed so that they may be consistent with those that have been adopted by the Group.

(c) Joint Ventures

The Group's investments in joint ventures are accounted for based on the method of proportionate consolidation. The Group merges its share from the revenues, expenses, assets, liabilities and cash flows of each joint venture.

The Group recognises the share from the profits or losses that arise from the sales that it makes to joint ventures that corresponds to the joint venture's partners. The Group does not recognise its share from the profits or losses of the joint ventures that arose from the purchases that it made from the joint ventures up to the items that were purchased in order to be sold to third parties. Losses from such a transaction are recognised immediately if a reduction of the liquid value of current assets or impairment is established. The accounting principles of the joint ventures have been amended so that they may be consistent with those that have been adopted.

2.3 Segment reporting

A business segment is defined as a group of assets and operations that produce products and provide services that are subject to risks and returns different to those that other business segments are subject to. A geographical segment is defined as a geographic region in which products are provided and services are provided and which is subject to risks and returns different to those that other regions are subject to.

2.4 Foreign currency conversions

(a) Functional currency and presentation currency

The figures recorded in the financial statements of the Group's companies are measured in the currency

of the primary economic environment in which each company operates (“functional currency”). The consolidated financial statements are expressed in Euros, which constitutes both the parent company’s functional currency and its presentation currency.

(b) Transactions and balances

Transactions that are carried out in a foreign currency are converted to the functional currency based on the exchange rate that is applicable on the date the transaction is carried out. Foreign exchange gains and losses resulting from the settlement of such transactions and from the conversion at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except for the case where such are transferred directly to equity due to the fact that they refer to hedging of cash flow risk and hedging of risks of net investments.

Changes in the fair value of financial securities in foreign currency that have been characterized as available for sale are analyzed to foreign exchange differences that emerge from the deviation of the net value of the security and other changes that arise from the book value. Foreign exchange differences are deleted in the results while others are transferred directly to equity.

Foreign exchange differences in non financial assets and liabilities are included in profit or losses from the change in fair value. Foreign exchange differences in non financial assets and liabilities such as shares at fair value through the results, are deleted in the results as part of the profit or loss from change in fair value. Foreign exchange differences from non financial assets such as shares characterized as available for sale, are registered in the reserve from the fair value in equity.

(c) The Group’s Companies

Amounts recorded in the interim condensed financial statements of the Group’s companies (none of which operate in a hyperinflation economy) that are expressed in a different functional currency from the Group’s presentation currency, are converted as follows:

- (1) Assets and liabilities are converted at the closing rate at the balance sheet date,
- (2) Income and expenses are converted at average exchange rates (unless the average exchange rate is not a reasonable estimation of the cumulative effect of the exchange rates prevailing on the days the transactions were carried out, in which case income and expenses are translated using the actual exchange rates that were applicable on the days the transactions were carried out), and the

resulting foreign exchange differences are registered in a reserve in equity and transferred to the results with the sale of such companies as part of the profit or loss from the sale.

Goodwill and adjustments to fair values that arise from the acquisition of foreign companies are regarded as assets and liabilities of the foreign company and are converted at the closing exchange rate.

2.5 Tangible fixed assets

Tangible fixed assets mainly include property, buildings and mechanical.

Tangible fixed assets are recorded at their acquisition cost less accumulated depreciation and impairment.

The acquisition cost includes all expenses that are directly associated with the asset's acquisition.

Expenses that are incurred after the purchase of an asset are recorded as an increase in the asset's carrying amount book value or as a separate asset 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. Repair and maintenance costs are recorded in the income statement when these are incurred.

Land is not depreciated. Other assets are depreciated on the straight line method with equal burdens during their expected useful lives, so that their cost may be deleted at their residual value. The expected useful lives of fixed assets is as follows:

Buildings	10-33	years
Factories	20	years
Mechanical equipment	5-20	years
Motor vehicles	5-7	years
Other equipment	3-8	years

Computers are included in the category other equipment.

The residual value and useful life of these assets are reviewed and adjusted if appropriate, at each balance sheet date.

When the carrying amount of the asset exceeds its recoverable amount, the difference (impairment) is immediately recorded in the income statement as an expense (Note 2.10).

On the sale of an asset, any difference that may arise between the price that is received and the carrying amount thereof is recorded in the results as a profit or loss.

Borrowing costs incurred for the construction of an asset are capitalised during the period of the asset's construction. All other borrowing costs are recognised in the income statement.

2.6 Leases

The Group leases some tangible fixed assets. Leases of fixed assets, in which the Group essentially maintains all the risks and rewards of ownership, are classified as financial leases. Financial leases are capitalised at the lease's inception at the lower of the asset's fair value and the present value of the minimum lease payments. The corresponding obligations that arise from the leases, net of finance charges, are recorded as liabilities. The interest element of the finance cost that concerns the finance lease is charged to the income statement over the period of the lease. Fixed assets acquired with financial leasing are depreciated at the smallest period between the useful economic life of the assets and their lease duration.

Leases, in which the lessor essentially retains all the risks and rewards of ownership, are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

2.7 Non current assets available for sale

Non-current assets are categorized for sale and valued at the lowest value between the current book value and the fair value less any sales expenses, given that it is estimated that the value will be recovered by the Group through their sale and not through their use.

2.8 Intangible assets

(a) Software programs

Software licenses are recorded at their acquisition cost, less amortisation. These assets are amortised on the straight line method over their estimated useful lives, which ranges between 3 to 5 years.

Expenses that are associated with the software's maintenance are recognised as expenses in the year in which they are incurred.

(b) Trademarks and licenses

Acquired trademarks and licenses are recorded at historic cost and valued at acquisition cost, less amortization. Amortizations take place with the straight line method over the estimated useful lives of the assets.

Trademarks and licenses are examined annually for impairment according to Note 2.10.

2.9 Investment property

Property, which mainly includes land and a hotel, are owned by the Group for long-term return from rents and are not used for self-purposes. Investment property is recorded at cost less depreciation. When the book values of investment property exceeds their recoverable value, the difference (impairment) is directly recorded as an expense in the results (Note 2.10).

The Company, in its individual financial statements, classifies property leased to subsidiaries as Investment Property.

2.10 Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to amortisation are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount is the higher amount between an asset's fair value, less the costs to sell, and the value in use. In order to assess impairment losses assets, are grouped into smaller cash-generating units. Losses due to an asset's impairment are recorded in the income statement as an expense in the year in which they are incurred.

2.11 Financial Assets

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

(a) Financial assets recorded at fair value through profit and loss

This category includes financial assets that were acquired in order to be resold in the short-term. It also includes derivative financial instruments unless they are defined as risk hedging tools. Financial assets in this category are recorded as current assets if they are held for commercial purposes or if they are expected to be sold within 12 months of the balance sheet date.

(b) Loans and Receivables

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

assets are recorded in a non-current asset account.

(c) Held-to-maturity investments

This category includes non-derivatives with fixed or designated payments and with fixed maturities, and which the Group intends and has the capacity to hold onto until they mature.

(d) Available-for-sale financial assets

This category includes non-derivatives that are either designated in this category or cannot be classified in any of the abovementioned categories. These assets are recorded as non-current assets provided management does not intend to dispose of them within 12 months of the balance sheet date.

The purchase and sale of an investment is recognised on the trade-date, which is also the date on which the Group commits to purchase or sell the asset. Available-for-sale investments are initially recorded at their fair value plus transaction costs. Financial assets at fair value through profit and loss are initially recognised at fair value and transaction expenses are recorded as an expense in the results of the year. Investments are derecognised when the right to collect the cash flows arising therefrom expires or have been transferred and the Group has substantially transferred all the risks and rewards of ownership.

Available-for-sale financial assets are subsequently carried at fair value and unrealised gains or losses are recognised in shareholders' equity until they are sold or impaired. When these assets are sold or impaired, the profit or loss is transferred to the income statement. Impairment losses that have been recognised in the income statement may not be reversed through the income statement.

Realised and unrealised gains or losses that arise from changes in the fair value of financial assets through profit or loss are recognised in the income statement in the period in which they arise.

The fair values of financial assets that are traded on stock markets are based on determined by current bid prices. The fair values of financial assets that are not traded on stock markets are determined by using valuation techniques, such as recent arms length transactions, comparable assets that are traded and discounted cash flow analysis.

At each balance sheet date, the Group assess whether there is any objective evidence that leads to the conclusion that the values of its financial assets have decreased. With regard to shares that have been classified as "available-for-sale financial assets", such an indication would be a significant or prolonged decrease in their fair value in relation to their acquisition cost. If the asset's value has indeed decreased, the loss that has accumulated in the owner's equity account, which constitutes the difference between the acquisition cost and the fair value, is transferred to the results. Impairment losses regarding shares that are

recorded in the results may not be reversed through the results.

2.12 Derivatives

Derivatives are initially and subsequently recognised at their fair value. The method by which profits and losses are recognised depends on whether derivatives are designated as a hedging instrument or are held for commercial purposes. Derivatives are designated by the Group, on the day the relative transaction is concluded, as a hedge to the fair value of a receivable, liability or commitment (fair value hedge) or as a hedge of highly probable forecasted transactions (cash flow hedge), or as a net investment in a foreign company (net investment hedge).

During the conclusion of a transaction the Group records the relation between hedging instruments and hedged items, as well as the strategic management of the relative risk. During a contract's conclusion and on a continuous basis thereafter the Group records the probability regarding the high effectiveness of the hedge for both fair value hedges and cash flow hedges.

(a) Fair value hedge

Changes in the fair value of derivatives that are designated as hedges to changes in hedged items are recorded in the income statement as are changes in the fair value of hedged items that are attributed to the risk that is being hedged.

(b) Cash flow hedge

The effective proportion of the change in the fair value of derivatives that are designated as means for hedging changes in cash flows is recorded in an equity reserve account. The gain or loss of the non-effective proportion is recorded in the income statement. Amounts that are recorded as a reserve in equity are transferred to the results of the periods in which hedged items affect profits or loss (i.e. when the expected sale of the item hedged is realized). In the situations where forecasted future transactions that result to the recognition of a non-monetary asset (e.g. inventory) or liability, the gains or losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

When a hedging instrument expires or is sold, or when a hedging relation does not currently fulfil the criteria of hedge accounting, the profits or losses accumulated in equity remain as a reserve and are transferred to the results when the offset asset affects profits or losses. In the case in which a forecasted future transaction, which is no longer expected to be realised, the profits or losses accumulated in equity are transferred to the income statement.

(c) Net investment hedge

A hedge of a net investment in a foreign company is managed in the same manner as cash flow hedges.

Profits or losses of hedging instruments that are associated with the effective part of the hedge are recognised in an equity reserve account. Profits or losses that are associated with the non-effective part of the hedge are recognised in the income statement.

Profits or losses that have accumulated in owner's equity are transferred to the income statement when the foreign company is sold.

(d) Derivatives that are not considered as hedging instruments

Changes in the fair value of these derivatives are recorded in the income statement.

2.13 Inventories

Inventories are stated at the lower between acquisition cost and net realisable value. The acquisition cost is determined based on the average monthly weighted 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 overhead. Borrowing costs are not included in the acquisition cost. The net realisable value is estimated based on the inventory's current sales price, in the ordinary course of business activities, less any possible selling expenses, whenever such a case occurs.

Impairments are recognised in the results of the financial year in which they arise.

2.14 Trade and other short-term receivables

Receivables from clients are initially recorded at their fair value and are subsequently estimated at using the real 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 the relative contractual terms. The amount of the allowance is equal to the difference between the book value of the receivables and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the allowance is recorded as an expense in the income statement.

2.15 Cash & cash equivalents

Cash and cash equivalents include cash on hand, sight deposits, short-term (up to 3 months) highly-liquid and low-risk investments and overdraft bank accounts.

2.16 Share capital

Ordinary shares are included in owner's equity.

Direct expenses that are associated with the issue of shares are recorded, after the relative income tax has been deducted, as a reduction to the proceeds. Direct expenses relating to shares that have been issued for

the acquisition of a company are included in the acquisition cost thereof.

The acquisition cost of treasury shares is recorded as a reduction to equity attributable to the Company's equity until these shares are sold, cancelled or re-issued. Any profit or loss that arises from the sale of treasury, net of other direct expenses that are associated with the transaction and taxes, is recorded as a reserve in equity attributable to the Company's equity holders.

2.17 Borrowing

Loans are initially recorded at their fair value, net of any direct expenses that are required in order to complete the transaction. They are subsequently stated at their unamortized cost based on the effective interest rate method. Any difference between the amount that has been collected (net of relative expenses) and the settlement value is recorded in the income statement during the term of the loan based on the real interest rate method.

Loans are classified as current liabilities unless the Group has the right to defer the settlement thereof for at least 12 months from the balance sheet date. In this case, loans are classified as long-term liabilities.

2.18 Deferred income tax

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

Deferred tax assets are recognised to the extent that it is probable that a future taxable profit will arise from the use of the temporary difference that created the deferred tax asset.

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

Deferred income tax is determined based on the tax rates that are applicable at the balance sheet date.

2.19 Taxation

Income tax is estimated based on the tax legislation and tax rates that are in force in the countries where the Group is active and is recorded as an expense in the period in which income is earned.

2.20 Employee benefits

(a) Short-term benefits

Short-term benefits to employees in cash or in kind are recorded as an expense when these accrue.

(b) Benefits following withdrawal from the Service

Benefits following withdrawal from the service include both defined contribution programs and defined benefit programs.

The accrued cost of defined contribution programs is recorded as an expense in the period that it concerns.

The liability that is recorded in the balance sheet for defined benefit programs is the present value of the commitment for the fixed benefit less the fair value of the program's assets, the changes that arise from the unrecognised actuarial gains and losses and the cost of past service. The commitment of the defined benefit is calculated by an independent actuary using the projected unit credit method. The present value of the commitment for the defined benefit is calculated by the estimated future cash out flows using interest rates that would be in effect for investment grade corporate or government bonds, whose maturity is near the time frame of the relevant commitment.

Actuarial gains and losses that arise from adjustments on the basis of experience adjustments and fluctuate above or below the margin of 10% of the accumulated liability are recorded in the results spread over the employees' expected average remaining working lives. The cost of past service is recorded directly in the income statement, with the exception of the case in which changes to the program depend on the remaining term of the employees remaining in service for a specific period of time (the vesting period). In this case, the cost of past service is recorded in the income statement based on the straight-line basis over the vesting period.

(c) Employment termination benefits

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

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

as a contingent liability.

2.21 Grants

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

Government grants that relate to expenses are recorded in transit accounts and are recognised in the results so that these will match the expenses that they will cover.

Government grants that have been granted for the purchase of tangible fixed assets are recorded in long-term liabilities as government grants of subsequent financial years and are transferred as income to the income statement on the straight-line method over the expected service life of these assets.

2.22 Provisions

Provisions are recognised when:

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

Wherever there are various similar liabilities, the possibility that an outflow shall be required for the settlement thereof is determined by examining the liability category overall. A provision is recognised even when the possibility of an outflow regarding any asset included in the same liability category may be small.

2.23 Revenue recognition

(a) Sale of goods

Sales of goods are recognised when the Group delivers the goods to its customers, when the goods are received by the latter 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 with a reduction in income, based on statistical data.

(b) Provision of services

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

(c) Interest income

Interest income is recognised on the time proportion basis using the real interest rate method. When receivables are impaired, the book value thereof is reduced to their recoverable amount, which is the present value of the expected future cash flows discounted with the original real interest rate. Subsequently, interest is accounted for based on the same interest rate that is applied on the impaired (new book) value.

(d) Dividends

Dividends are accounted for as income when a right to collect has been established.

2.24 Dividend distribution

The distribution of dividends is recognised when the distribution thereof is approved by the General Meeting of the shareholders.

2.25 Comparative data and rounding

Several comparative accounts have been re-classified in order to render such comparative with those corresponding to the current period.

Differences between the figures of the financial statements and the corresponding figures recorded in the notes are due to rounding.

3 Basis for the preparation of the financial statements

The present interim condensed financial statements have been prepared according to the International Financial Reporting Standards (IFRS) and the historic cost principles as such has been amended by the estimation at fair value of investments available for sale and financial assets and liabilities at fair value through the results.

The interim condensed financial statements (IAS 34) do not include all the information required by the annual financial statements and thus should be read in combination with the annual financial statements for the period ending on December 31st 2006.

The preparation of the interim condensed financial statements according to IFRS requires the use of several significant accounting estimations and the exercise of judgments by the Management during the application of the accounting principles. Moreover, the use of calculations and assumptions is required,

which affect the reported asset and liability amounts, the disclosure of contingent receivables and liabilities during the balance sheet date and the reported income and expenses amounts during the period under examination. Despite the fact that such calculations are based on the best possible knowledge of the Management in relation to the current conditions and activities, the actual results may eventually differ from the calculations. The areas that include a significant degree of judgment or complexity or where assumptions and estimations significantly affect the financial statements, are reported in Note 5.

The present interim condensed financial statements have been prepared by the Management based on the International Financial Reporting Standards (IFRS), which have been issued by the International Accounting Standards Board (IASB), included the International Accounting Standards (IAS) and interpretations that have been issued by the International Financial Reporting Interpretation Committee, as such have been adopted by the European Union.

4 Management of financial risks

4.1 Financial risk factors

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

Risk management is carried out 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 special instructions on the management of specific risks, such as foreign exchange risk, interest rate risk and credit risk.

(a) Foreign exchange rate risk

The Group is active in Europe, and consequently the greater part of the Group's transactions are carried out in Euros. However, part of the Group's merchandise purchases is denominated in US Dollars. Immediate payment of these suppliers significantly reduces the foreign exchange risk.

(b) Credit risk

The Group has adopted and applies credit control procedures with the purpose of minimising doubtful claims and immediately covering claims with commercial paper. No client exceeds 10% of sales and, consequently, commercial risk is spread over a large number of clients. Goods and services are provided on a wholesale basis primarily to clients with a creditable credit history. The Credit Control Department

sets the credit limits of each client and applies specific sales and collections terms. According to the Group's policy, receivables from clients are secured.

(c) Liquidity risk

Liquidity risk is kept at a low level by having sufficient cash on hand, liquid securities and sufficient open credit limits.

(d) Interest rate fluctuation risk

The Group's loan obligations are associated with floating interest rates that, depending on market conditions, may either remain floated or may become fixed. The Group uses derivatives in order to hedge interest rate risk (SWAPS).

(e) Raw material price fluctuating risk

The Group's activities are affected by the stock market prices of metals. In order to cover part of this risk the Group uses derivative financial instruments to hedge the risk of changes in the prices of metals.

4.2 Determining fair values

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

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

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

5 Accounting estimates and judgments by Management

The management's estimates and judgements are re-examined on a continuous basis and are based on historical figures and expectations of future events, which are deemed reasonable pursuant to the provisions that are in force.

5.1 Significant accounting estimates and assumptions

The Group makes estimates and assumptions regarding the development of future events. Estimates and assumptions that most likely will cause substantial adjustments to the carrying amounts of assets and liabilities in the following 12 months are:

- a) The subsidiary of SIDENOR S.A., Corinth Pipeworks SA re-estimated the possibility to offset transferred losses with future taxable profit and recognized a deferred tax asset for the transfer of part of the tax losses amounting to €69.3 million, for which the realization of a relevant economic benefit due to future taxable profit is possible.
- b) The Group raises a provision for disputed cases based on evidence provided by the Group's Legal Department. Moreover, the Group recognizes provisions for impairment of receivables when there is objective indication that it is not in a position to fully collect all the amounts owed according to the contractual terms.
- c) The Group raises provisions for contractual obligations to its clients, which are estimated based on historical and statistical data that arose from the outcome of corresponding past cases.
- d) The Group raises provisions for impairment of holdings by taking into consideration the future benefits that shall arise therefrom.
- e) The Group makes estimations as regards to the valuation of inventories at the lower price between current and net liquidation value. The liquidation value may differ from that estimated during the preparation date of the financial statements.
- f) The Group makes estimations as regards to the valuation of tangible and intangible assets and investment property, at the lower price between current and recoverable value. The actual amounts may differ from those estimated during the preparation date of the financial statements.

5.2 Crucial judgments of the Management regarding the application of the accounting principles

There are no cases that significantly affect the financial statements for which a need arose that required the use of the Management's estimates with regard to the application of accounting principles.

6 Segment reporting

Primary type of information – business segments

The Group is divided into the following business segments:

- Steel products

- Pipework products
- Copper products
- Cables
- Aluminium products
- Services

Sales and operating profit per segment for the period until September 30th 2007, were as follows:

	Steel Products	Pipework Products	Copper Products	Cables	Aluminium Products	Services	Other	Non-Allocated	Total
Total gross sales per segment	1,069,366,793	290,400,156	918,302,458	304,679,653	830,687,501	105,863,943	37,721,629	4,671,588	3,561,693,721
Inter-company sales	-294,161,261	-8,951,235	-278,409,792	-33,762,634	-105,600,612	-29,079,360	-424,227	-4,425,399	-754,814,520
Net sales	775,205,532	281,448,921	639,892,666	270,917,019	725,086,889	76,784,583	37,297,402	246,189	2,806,879,201
Operating profit	114,837,336	42,776,078	30,820,662	20,313,518	20,977,897	9,113,910	-803,888	-4,648,760	233,386,753

Sales and operating profit per segment for the period until September 30th 2006, were as follows:

	Steel Products	Pipework Products	Copper Products	Cables	Aluminium Products	Services	Other	Non-Allocated	Total
Total gross sales per segment	658,998,351	246,034,410	600,837,913	219,202,530	649,179,025	89,225,156	184,266,881	32,073	2,647,776,339
Inter-company sales	-12,226,187	-4,564,598	-88,005,125	-3,589,880	-38,707,477	-729,475	-87,143,757	-26,858	-234,993,357
Net sales	646,772,164	241,469,812	512,832,788	215,612,650	610,471,548	88,495,681	97,123,124	5,215	2,412,782,982
Operating profit	98,816,551	22,720,322	39,061,330	13,219,129	26,274,345	3,221,049	3,127,275	-121,559	206,318,442

7 Investments in associate companies

The companies DE LAIRE LTD, V.EPEM SA and EDE SA, were consolidated with the net equity method instead of the full consolidation method due to the insignificance of the relevant accounts.

During April 2007, the owed share capital of the newly established company ASFEL SA, amounting to € 90 thousand, was paid by ELVAL SA. ASFEL SA is owned 50% by ELVAL and 50% by the Japanese company Furukawa-Sky.

During 2007, CORINTH PIPEWORKS SA, established a Joint Venture with the Russian TMK, domiciled in Russia, in which the subsidiary indirectly participates by 49% of its share capital. For the establishment of ZAO TMK – CPW, machinery equal to € 6,333 thousand was contributed. The objective of the latter company is the production and trade of high quality steel pipes and poles, for servicing the increased demand needs in Russia and the neighbouring countries in the energy and constructions sector.

During the 3rd quarter of 2007, the parent company SIDENOR STEEL PROCESSING INDUSTRY S.A. increased its participation in the Cypriot company DOMOPLEX LTD by 31.6%, namely to 45.0% from 13.4% previously.

During January 2007, the subsidiary HALCOR S.A. sold 9,900 shares of the associate company Thisve Electroproduction S.A. Through this sale, HALCOR SA reduced its participation percentage in Thisve Electroproduction from 20% to 5%, namely a change of 15%. For this reason the company Thisve Electroproduction was not included in the consolidated financial statements of the current period, while it had been included in the previous period.

The Board of Directors of the companies VEKTOR S.A. and ELVAL COLOUR S.A., during their meetings on April 19th 2006, decided on the merger of the two companies through absorption of the former by the latter with balance sheet transformation date on April 30th 2006 and according to provisions of L. 2166/1993 and C.L. 2190/1920.

The merger was approved by the General Meetings of the companies on September 19th 2006 and was completed with the Decision No. 29975/29-9-2006 by the Athens Prefecture.

Prior to the merger, the subsidiary HALCOR S.A. owned 33.33% of VEKTOR S.A. and following the merger it acquired 4.06% of ELVAL COLOUR S.A. .

8 Investments in subsidiary companies

<i>Amounts in Euros</i>	COMPANY FIGURES	
	30/9/2007	31/12/2006
Beginning of fiscal year	688,449,988	728,801,964
Additions	-	4,591,605
Sales/Impairment	-33,381,476	-45,316,704
Other changes	-	373,123
Ending balance	655,068,512	688,449,988

The companies consolidated with the full consolidation method in the Group, are the following:

Subsidiary	Tax un-audited fiscal years	Country of Incorporation	% Indirect Participation	Subsidiary	Tax un-audited fiscal years	Country of Incorporation	% Indirect Participation
AEIFOROS BULGARIA SA	2005 - 2006	BULGARIA	51.14%	TEPRO METAL AG	2001 - 2006	GERMANY	55.19%
AL - AMAR SA	-	LYBIA	20.50%	TEPRO METAL VERTRIEB	2001 - 2006	GERMANY	55.19%
ALCOMET SA	2003 - 2006	GREECE	88.73%	TEPROSTEEL EAD	2002 - 2006	BULGARIA	56.82%
ALUBUILD SRL	2005 - 2006	ITALY	37.26%	AEIFOROS SA	2003 - 2006	GREECE	51.14%
ALURAME SRL	2005 - 2006	ITALY	53.94%	AKRO AEBE	2003 - 2006	GREECE	48.28%
ANAMET DOO	-	SERBIA	83.24%	ANAMET SA	2000 - 2006	GREECE	83.24%
ANAMET EOOD	2004 - 2006	BULGARIA	83.24%	ANTIMET SA	2001 - 2006	GREECE	100.00%
ANAMET SHPK	-	ALBANIA	56.82%	ARGOS SA	2005 - 2006	GREECE	41.94%
BELANTEH HOLDINGS LTD	1999 - 2006	CYPRUS	50.43%	ATTIKI SA	2003 - 2006	GREECE	50.00%
BLYTHE LTD	-	CYPRUS	64.08%	VEMET SA	2003 - 2006	GREECE	56.82%
BOZETTI LTD	2003 - 2006	CYPRUS	56.82%	VEATE SA	2003 - 2006	GREECE	41.52%
BRIDGNORTH LTD	2003 - 2006	GREAT BRITAIN	64.08%	VET SA	2003 - 2006	GREECE	62.92%
COPPERPROM LTD	2003 - 2006	GREECE	43.61%	VIEXAL LTD	2003 - 2006	GREECE	60.43%
CPW America Co	2005 - 2006	USA	45.38%	VIOMAL SA	2002 - 2006	GREECE	32.06%
CPW European GmbH	2000 - 2006	GERMANY	45.38%	VITROUVIT SA	-	GREECE	100.00%
DOIRAN STEEL LLCOP	2006	FYROM	42.61%	DEPAL SA	2002 - 2006	GREECE	60.74%
ELMONTE HOLDINGS LTD	2001 - 2006	CYPRUS	56.82%	DIAVIPETHIV SA	2002 - 2006	GREECE	49.80%
ELVAL AUTOMOTIVE GMBH	2001 - 2006	GERMANY	55.19%	DIAPEM COMMERCIAL S/	2003 - 2006	GREECE	57.11%
ELVAL COLOUR SA	2005 - 2006	GREECE	63.53%	DIATOUR SA	2003 - 2006	GREECE	97.19%
ETEM SCG DOO	2004 - 2006	SERBIA	37.26%	ETEM SA	2005 - 2006	GREECE	37.26%
ETEM SYSTEMS SRL	2005 - 2006	ROMANIA	19.01%	EVITE SA	2003 - 2006	GREECE	50.43%
GENECOS SA	2005 - 2006	FRANCE	36.60%	ELVAL SA	2006	GREECE	64.08%
HUMBEL LTD	2004 - 2006	CYPRUS	45.38%	ELKEME SA	2003 - 2006	GREECE	55.39%
ICME ECAB SA	2003 - 2006	ROMANIA	39.41%	HELLENIC CABLES SA	-	GREECE	39.97%
INOS BALKAN S.A.	-	SERBIA	83.24%	ERGOSTEEL SA	2002 - 2006	GREECE	30.87%
LESCO ROMANIA SA	2003 - 2006	ROMANIA	26.00%	ERLIKON SA	2001 - 2006	GREECE	57.18%
LESCO OOD	2003 - 2006	BULGARIA	39.64%	ETAL SA	1999 - 2006	GREECE	58.00%
LLC ETEM SYSTEMS (UKR)	2005 - 2006	UKRAINE	37.26%	ETIL SA	2001 - 2006	GREECE	42.36%
METAL AGENCIES LTD	-	GREAT BRITAIN	46.98%	CANAL SA	2005 - 2006	GREECE	57.38%
METAL GLOBE DOO	2002 - 2006	SERBIA	52.76%	KERAMEIA AXIOU SA	2006	GREECE	100.00%
METALVALIUS DOO	-	SERBIA	83.24%	METALLOURGIA ATTIKIS	2002 - 2006	GREECE	28.42%
MKC GmbH	2002 - 2006	GERMANY	55.19%	METALLOURGIA CORINTI	2002 - 2006	GREECE	100.00%
MOPPETS LTD	2003 - 2006	CYPRUS	37.26%	NOVAL SA	2003 - 2006	GREECE	100.00%
OGWELL LIMITED	2005 - 2006	CYPRUS	50.43%	XENKA SA	2003 - 2006	GREECE	100.00%
PROSAL TUBES SA	2006	BULGARIA	39.78%	PRACTIS SA	2005 - 2006	GREECE	28.98%
SANIPARK SA	2006	GREECE	100.00%	PROSAL SA	2004 - 2006	GREECE	39.78%
SIGMA SA	2002 - 2006	BULGARIA	41.94%	SANITAS SA	2003 - 2006	GREECE	100.00%
SIDERAL SHPK	-	ALBANIA	56.82%	SANITAS REPRESENTATI	2005 - 2006	GREECE	100.00%
SIDEROM STEEL SRL	-	ROMANIA	56.82%	SIDENOR SA	-	GREECE	56.82%
SOFIA MED AD	2005 - 2006	BULGARIA	50.43%	STEELMET SA	2006	GREECE	51.39%
SOVEL SA	2006	GREECE	63.87%	SYLLAN. SA	2005 - 2006	GREECE	50.43%
STEELMET BULGARIA (1) SA	1998 - 2006	BULGARIA	37.26%	SYMETAL SA	2003 - 2006	GREECE	64.08%
STEELMET BULGARIA (2) SA	2006	BULGARIA	37.26%	CORINTH PIPEWORKS SA	2003 - 2006	GREECE	45.38%
STEELMET CYPRUS LTD	2003 - 2006	CYPRUS	51.39%	TEKA SYSTEMS SA	2003 - 2006	GREECE	50.01%
STEELMET EXPORTS SA	2005 - 2006	GREECE	52.65%	TELECABLES SA	2004 - 2006	GREECE	39.97%
STEELMET ROMANIA SA	2003 - 2006	ROMANIA	53.25%	HALCOR SA	2005 - 2006	GREECE	50.43%
STOMANA INDUSTRY SA	2005 - 2006	BULGARIA	48.85%	HABAKIS LTD	2006	GREECE	50.43%
TEPRO METAL SA	2006	BULGARIA	100.00%				

During March 2007, the 100% subsidiary of SIDENOR S.A., Elmonte Holdings Limited proceeded with the sale of 2,900,000 shares of Corinth Pipeworks S.A. Through this sale, Elmonte Holdings Ltd. decreased its holding percentage in CORINTH PIPEWORKS S.A. from 82.21% to 79.87%, namely a

change of 2.34%.

On 9/8/2007 the subsidiary of SIDENOR S.A., CORINTH PIPEWORKS S.A. sold to the subsidiary company NOVAL S.A., its total participation (99.9% of the share capital) in the company CORINTH METALWORKS S.A.

During the 3rd quarter of 2007, the subsidiary company SIDENOR S.A., acquired 100.0% of the share capital of the Albanian company, ANAMET ShpK for €10,000. Up to the publication date of the present financial statements, SIDENOR S.A. had paid an amount of €1,270 thousand as prepayment for the share capital increase, with which land-plots have been purchased with the objective of constructing warehouses.

Moreover, during the 3rd quarter, the subsidiary SIDENOR S.A., established a subsidiary in Romania under the name SIDEROM STEEL Srl, paying the share capital of €150 thousand.

The subsidiary HALCOR S.A., in June 2007 proceeded with the purchase of 88,344 shares of its subsidiary AKRO S.A., for the amount of € 177 thousand. Through this purchase, its holding percentage in AKRO S.A. increased from 84.53% to 95.74%, namely a change of 11.24%.

During the period, the Group decreased its holding percentage in HALCOR SA from 68.13% to 50.43% (17.7% decrease).

9 Tangible – Intangible fixed assets and Investment Property

During the present period, the net additions in Tangible – Intangible fixed assets and Investment Property at the Group level, amounted to € 144,649,084 (1st nine-months 2006: € 74,430,362).

10 Financial derivatives

	CONSOLIDATED FIGURES	
	30/09/2007	31/12/2006
Non current assets		
Interest rate swaps	2,021,274	2,075,115
Forwards for hedging cash flows	-	-
Fx future contracts	209,997	82,481
Future contracts	584,108	655,863
Total	2,815,379	2,813,459
Current assets		
Interest rate swaps	373,260	20,216
Foreign exchange swaps	566,750	42,899
Forwards for hedging cash flows	2,669,430	2,821,661
Fx future contracts	1,229,008	964,820
Future contracts	5,475,628	12,024,018
Total	10,314,076	15,873,614
Long-term liabilities		
Interest rate swaps	84,771	109,344
Foreign exchange swaps	-	147,346
Future contracts	1,502,328	593
Total	1,587,099	257,283
Short-term liabilities		
Interest rate swaps	-	92,113
Foreign exchange swaps	-	33,394
Fx future contracts	2,008,861	979,920
Forwards for hedging cash flows	667,920	223,088
Future contracts	13,855,248	3,743,526
Total	16,532,029	5,072,041
Amounts that were recorded in the results as income or (expense)	-7,337,174	-13,463,635
Nominal value of contracts	619,693,112	753,875,519

The aforementioned valuation of open positions in derivative took place according to the provisions of IAS 39 “Hedging of Cash Flows”.

The Group’s accounting principle for hedging issues is described in note 2.12.

The aforementioned financial derivatives cover risk from:

- Foreign exchange differences in purchases (USD)
- Interest rate changes

- Changes in metal prices
- Changes in prices of other currencies

The duration of the aforementioned derivatives, as well as their nominal value, is respective to that of the underlying assets / liabilities).

11 Borrowing

	CONSOLIDATED FIGURES	
	30/9/2007	31/12/2006
Long-term loans		
Bank loans	177,034,668	201,363,746
Liabilities from financial leasing (Note 12)	43,221	120,022
Bond loans	694,000,002	638,916,668
Total long-term loans	871,077,891	840,400,436
Short-term loans		
Open Bank Accounts	13,154,256	1,024,322
Bank loans	565,027,180	444,681,008
Liabilities from financial leasing (Note 12)	739,698	2,095,850
Total short-term loans	578,921,134	447,801,180
Total loans	1,449,999,025	1,288,201,616

The maturities of the long-term loans are as follows:

Between 1 and 2 years	396,935,157	296,115,977
Between 2 and 5 years	457,033,729	515,898,297
Over 5 years	17,065,784	28,266,139
	871,034,670	840,280,413

The actual weighted average interest rates as of the balance sheet date are as follows:

	CONSOLIDATED FIGURES	
	30/9/2007	31/12/2006
Banks loans (long-term)	5.49%	4.91%
Banks loans (short-term)	5.64%	4.52%
Bond loans	4.82%	4.10%
Liabilities from financial leasing	3.35%	3.28%

The fair values of loans are approximately equal to their book values.

The Subsidiary company ELVAL SA during the 9M 2007, contracted a bond loan amounting to 8 million € with a fixed coupon and two new bond loans amounting to 27 million € with Euribor plus a margin.

During the same period, the subsidiary of ELVAL SA, namely ETEM SA, contracted two new bond loans amounting to €15 million and €5 million, with coupon of Euribor plus a margin.

During the present period, the subsidiary HALCOR SA, proceeded with the contracting of Bond Loans from a group of banks amounting to € 75 million, mainly for the servicing needs in working capital. The total debt of the subsidiary company will be served within a 5 year period. During the same period, HALCOR repaid loans amounting to a total of € 42 million. At the sub-group level of HALCOR, during the present period the raised capital from debt amounted to € 164 million, while € 91 million was repaid.

The Repeated General Shareholders' Meeting of HALCOR SA, on June 27th 2007, approved the issuance of bond loans amounted up to € 100 million. The objective of the loans is the replacement of the existing short-term debt with long-term debt and the reinforcement of working capital. Until the approval date of the Financial Statements of HALCOR, payouts of € 75 million took place by financial institutions, which concerned three bond loans amounting to € 10 million, € 20 million, € 15 million, € 18 million, € 7 million and € 5 million. Each loan corresponds to four bonds with a repayment period in four equal instalments, commencement on the second anniversary of the loans inception. The loans coupons are Euribor plus margin.

The repeated General Meeting of the Subsidiary SIDENOR SA, which took place on June 27th 2007, approved the issuance of bond loans up to the amount of € 100 million.

The Company has no debt.

12 Financial Leasing

	CONSOLIDATED FIGURES	
	30/9/2007	31/12/2006
Liabilities from leasing activities – minimum rents		
Up to 1 year	751,146	2,185,309
From 1 to 5 years	35,933	111,222
Over 5 years	12,873	15,066
Total	799,952	2,311,596
Less: Future leasing financial charges	-17,033	-95,724
Current value of liabilities from leasing activities	782,919	2,215,872
The current value of liabilities from leasing activities is analysed as follows:		
Up to 1 year	739,698	2,095,850
From 1 to 5 years	31,682	106,554
Over 5 years	11,539	13,468
Current value of liabilities from leasing activities	782,919	2,215,872

The Company had no financial leases.

13 Cash Flows from operating activities

	CONSOLIDATED DATA		COMPANY DATA	
	1/1 to 30/09/2007	1/1 to 30/06/2006	1/1 to 30/09/2007	1/1 to 30/06/2006
Profits after taxes	152,166,806	129,878,973	71,429,785	16,122,695
Adjustments for:				
Income tax	38,787,209	36,459,443	989,677	429,540
Depreciations of tangible fixed assets, intangibles and investment property	95,072,871	91,763,712	323,848	379,311
(Profit)/losses from sale of tangible fixed assets	-1,847,040	3,996,173	-39,689	2,441,829
(Profits)/losses from sale of participations	-	-	-43,539,573	-475,582
(Profits)/ from contribution of fixed assets to associate company	-3,288,969	-	-	-
Profits from sale of financial assets	-6,454	-643,498	-6,454	-152,226
Interest Income	-13,629,487	-5,710,879	-4,060,735	-209,693
Interest expenses	58,148,390	48,062,760	-	-
Income from dividends	-707,461	-1,114,959	-24,905,491	-17,237,180
Amortisation of grants	-2,048,024	-2,181,563	-	-
Losses from valuation	-	-	-	-
(Profits)/losses from associate companies	-1,302,879	-1,459,973	-	-
Provisions	-	-	-	-
Other	-	-	-	-626,679
	<u>321,344,962</u>	<u>299,050,189</u>	<u>191,368</u>	<u>672,015</u>
Changes in working capital				
(Increase)/decrease in financial derivatives	-5,294,619	-2,138,930	-	-
(Increase)/decrease in inventories	-150,704,925	-131,396,076	-	-
(Increase)/decrease in receivables	-91,130,292	-223,801,812	144,349	744,599
Increase/(decrease) in liabilities	27,550,730	60,723,915	-2,355,009	-1,477,116
Increase/(decrease) in provisions	19,650	3,430,263	-	-
Increase/(decrease) in retirement benefit obligations	-1,009,943	-1,569,528	-6187	-
Other	-	-	-	-
	<u>-220,569,399</u>	<u>-294,752,168</u>	<u>-2,216,847</u>	<u>-732,517</u>
Net cash flows from operating activities	<u>100,775,563</u>	<u>4,298,021</u>	<u>-2,025,479</u>	<u>-60,502</u>

14 Income Tax

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	01/01-30/09/2007	01/01-30/09/2006	01/01-30/09/2007	01/01-30/09/2006
Tax for the period	-35,108,140	-33,087,842	-1,218,195	-554,492
Deferred tax	-3,679,069	-3,371,601	228,518	124,952
Total	<u>-38,787,209</u>	<u>-36,459,443</u>	<u>-989,677</u>	<u>-429,540</u>

The real tax rate for the Group for the 9M 2007 was 20% (9M 2006: 22%).

This change is due to the decrease of the tax rate from 29% to 25%, as well as to the decrease of taxable profit for the current period in comparison to the respective period of the previous year.

The subsidiary ELVAL SA, from 2001 until December 31st 2006, had realized investments amounting to approximately € 100 million, which were subject to development laws 2601/1998 and 3299/2004. Based on the latter, ELVAL is entitled to create a tax-exempt reserve from accounting profits and adequate taxable profits carried forward, amounting to a maximum of approximately € 63 million. This right expires gradually from 2011. ELVAL has created a future tax benefit amounting to approximately € 1.7

million, moderately estimating the possibility of achieving the required un-distributed taxable profits in a short time period (usually 1 year).

During 2007, the Ordinary Tax Audit of the subsidiary ELVAL SA took place for financial years 2003-2005, which was concluded in July 2007. The audit imposed Accounting Differences to the subsidiary amounting to a total €1.8 million, from which income tax emerged amounting to € 616 thousand, plus tax surcharges of €282 thousand, namely a total amount of €898 thousand. This amount, due to its lump-sum payment, was reduced by 5% and the final amount paid by the company amounted to €853 thousand. The subsidiary had already charged, under a provision, the financial statements of 31/12/2006 by the amount of € 453 thousand. The difference burdened the results for the 9M 2007 financial period.

The company HELLENIC CABLES S.A., subsidiary of HALCOR SA, had realized investments amounting to approximately € 14.9 million, which were subject to development laws 2601/1998 and 3299/2004. Based on the latter, the company was entitled to create a tax-exempt reserve from accounting profits carried forward equal to 70% of the aforementioned investments, given that the respective taxable profits are adequate. This right expires gradually from 2012 and 2014. During the 9M 2007, HALCOR SA recognized a relevant deferred tax asset amounting to € 0.19 million, moderately estimating the possibility of achieving the required un-distributed taxable and accounting profits of the current year.

Moreover, during 2006, the Ordinary Tax Audit of HALCOR SA took place for financial years 2002-2004, which was concluded in February 2007. The audit imposed a total amount of € 694.4 thousand on the subsidiary. However, due to the lump-sum payment of the amount, it was reduced by 5% and the final amount actually paid by the company amounted to € 659.7 thousand. The subsidiary had already burdened, with the form of a provision, the financial statements of December 31st 2006 with the aforementioned amount.

During the current period, the tax audit was concluded for the companies FITCO S.A. and HELLENIC CABLES S.A. (subsidiaries of HALCOR S.A.), which for FITCO referred to financial years 2003-2005 as well as the period until the Transformation Balance Sheet 01/01 – 31/01/2006, while for HELLENIC CABLES the audit referred to financial years 2003 – 2006. The audit imposed the amounts of approximately € 260.5 thousand and € 451 thousand respectively. HALCOR SA had already burdened, with the form of a provision, the financial statements of December 31st 2006 by the amount of € 550 thousand.

During October 2007, a final tax audit certificate sheet was issued for the subsidiary company SIDENOR SA, which concerned the tax audit for financial years 2005 and 2006. According to such, an additional tax amounting to € 272 thousand emerged. The subsidiary has recognized the aforementioned amount both in

its results and in its liabilities.

During the first half of 2007, the tax audit of the subsidiary VITROUVIT SA was concluded. The amount certified amounts to € 204.8 thousand, which burdened the results of the current period.

According to the Group's regular policy, companies adjust their tax results based on the – by law – non-exempt expenses and thus it is estimated that significant charges are not expected to arise in the tax liabilities when the tax audits take place.

15 Commitments

1. Contractual commitments

	CONSOLIDATED FIGURES	
	30/9/2007	31/12/2006
Tangible fixed assets	19,747,474	21,160,026
Other	-	1,360,764
	19,747,474	22,520,790

2. Liabilities from Operating Leasing

	CONSOLIDATED FIGURES	
	30/9/2007	31/12/2006
Up to 1 year	2,674,385	2,220,461
From 1-5 years	5,810,560	5,348,674
Over 5 years	964,573	1,396,910
	9,449,518	8,966,045
Charge in the Results	1,778,911	73,779

The above contractual commitments include contracts with suppliers in the context of investments realized by the subsidiaries of SIDENOR, CORINTH PIPEWORKS SA (€ 2,380 thousand) and Stomana Industry SA (€ 8,858 thousand).

The Company had no commitments and liabilities from Operating Leases during the Balance Sheet date.

There are no contractual liabilities for future repairs and maintenance of investment property.

16 Contingent Liabilities - Receivables

The Group has the following contingent liabilities and receivables in relation to banks, other guarantees and other matters that arise within the framework of its ordinary business activities:

Liabilities	CONSOLIDATED FIGURES	
	30/9/2007	31/12/2006
Guarantees for securing liabilities to suppliers	62,839,915	112,297,157
Guarantees for securing the good execution of contracts with customers	56,956,668	69,124,635
Back-guarantee of European Investment Bank Loan	37,266,200	40,519,356
Other liabilities	81,685,426	78,390,943
Total	238,748,209	300,332,091

- No significant charges are expected to emerge from the contingent liabilities presented in the above table. The Company has no contingent liabilities in relation to banks, other guarantees or other matters that arise within the framework of its ordinary business activities.

- Based on Greek tax law, the Company's tax liabilities and those of its subsidiaries have not been finalized for some periods. The further charge that may arise in case of the tax audit in the Group's companies cannot be estimated at the current stage.

- SIDENOR S.A and International Finance Corporation signed a contract according to which SIDENOR S.A. will act as the guarantor of its subsidiary company STOMANA Industry S.A., seated in Bulgaria, so that the latter may receive a long-term loan.

- The subsidiary of SIDENOR SA, "Corinth Pipeworks SA", raised a provision until and including fiscal year 2006 amounting to € 913,998 in the event that pending lawsuits are not decided in the favour of the company. During the current period an additional provision of € 314,484 was raised.

- Moreover, until the fiscal year 2006 included, the subsidiary raised provisions for losses that may arise as result of its contractual liabilities against its customers amounting to € 4,763,569. During the current period the company used an amount of € 790,295 to cover liabilities and raised an additional provision amounting to € 1,243,892.

- In 2005, the competent tax authorities issued final audit certificates to ETIL S.A. (a subsidiary company of SIDENOR S.A.) concerning fiscal years 1999 & 2000. According to these certificates additional taxes in the total amount of € 2,728 thousand arose, € 938 thousand of which constitutes the principle income tax while the remaining € 1,790 thousand constitute surcharges. Whereas the subsidiary company did not accept this liability, it filed an appeal before the Administrative Courts on 15 February 2006. It concurrently filed a request before the committee of article 70 of Law 2238/94 with the purpose of

requesting that the service sector be excluded from non-accounting computation. The opinion of the subsidiary company's Management is that the issue will be resolved with a significant decrease of the company's final liability. The subsidiary company has raised a relevant provision amounting to € 371 thousand, which corresponds to Income Tax it will be required to pay if its request is accepted for the separation of sectors.

- Lawsuits have been filed against STOMANA Industry S.A., a subsidiary of SIDENOR S.A., by former discharged employees and for labour accidents amounting to € 342 thousand. The current balance of the specific provision is €328 thousand. The difference of € 13 thousand has been used to cover such liabilities.

- The companies of the SIDENOR Group, pursuant to article 2 of Law 3220/2004, and with regard to fiscal years 2003 and 2004, have formed untaxed reserves in the amount of € 8,490 thousand (€ 7,489 thousand the parent and € 1,001 its subsidiaries). The European Commission issued announcement 2006/C20/05 according to which it deems that untaxed reserves constitute a form of State aid and has requested from the Hellenic Government to officially state its position thereon. Due to the adverse outcome of this issue, the companies charged their results of 2006 by € 2,844 thousand creating a relevant provision that refers to the income tax that corresponds to the aforementioned untaxed reserves.

- In a research study that the Competition Director General of the European Commission conducted regarding the European copper pipe manufacturers, it established that certain companies violated the rules of competition in the copper water pipes market and imposed fines on seven companies, one of which was the subsidiary HALCOR S.A. HALCOR's fine amounted to € 9.16 million, for which it issued a letter of guarantee of a corresponding value. The company deems that the abovementioned fine is unjustified and unfair and that the amount of the fine imposed was exorbitantly high. It has thus filed an appeal before the Tribunal of the European Communities against the Commission's decision. The subsidiary Company's management, based on the opinion of its legal department as to the validity of its appeal, deems that the final amount of the abovementioned fine (if the validity of the fine is judicially justified and confirmed) will not exceed €5 million, an amount that has burdened the 2004 results as a provision. On December 31st 2006 and September 30th 2007, an additional provision was raised amounting to €0.4 million and € 0.21 million for corresponding interest.

- A lawsuit has been filed against HALCOR S.A. by a former associate for unlawful rescission of a contract. The amount of the requested indemnification amounts to € 150 thousand. A provision has been raised for the above amount, burdening the results in the financial statements for the period ending on December 31st 2006.

- Pursuant to Directive 2003/87/EC (which has already been incorporated into Greek Legislation pursuant to Joint Ministerial Decision H.Π. 54409/2632/27-12-2004) establishing a scheme for greenhouse gas emission allowance trading within the Community, a National Allocation Plan for the three-year period 2005-2007 has been submitted. This Plan, the finalisation of which is pending, establishes the total amount of allowance, the allocation among liable installations, and the basic rules that govern allowance allocation and the operation of the relative system.

The subsidiary ELVAL S.A., based on the initial allocation that corresponds thereto from 1 January 2005 according to the National CO₂ Emission Allocation Plan, has estimated the deficiencies that refer to years 2005, 2006 and 2007 and has proceeded with a purchase of the corresponding rights.

Existing collateral liens on property of the Group's companies, are mentioned in note 17.

17 Existing Collateral Liens

Mortgages and statutory notices of mortgage in the amount of € 73.2 million have been written on property of Corinth Pipeworks S.A. (a subsidiary company of SIDENOR S.A.), with a remaining balance of € 37.2 million, while on property of the subsidiary STOMANA AD of € 55 million, with a remaining balance of € 46.1 million.

Mortgages amounting to a total of € 8 million have been written on property of HALCOR SA's subsidiaries ICME ECAB S.A. and SOFIA MED S.A. The latter, domiciled in Bulgaria, has issued bank guarantees in favour of third parties amounting to €3.2 million.

18 Affiliate Parties

	CONSOLIDATED FIGURES		COMPANY FIGURES	
	30/9/2007	30/9/2006	30/9/2007	30/9/2006
Sale of goods / services				
Subsidiary companies	-	-	1,655,086	1,259,622
Other associate entities	23,464,820	11,554,005	-	525,839
	23,464,820	11,554,005	1,655,086	1,785,461
Sale of fixed assets				
Subsidiary companies	-	-	75,000	-
Other associate entities	-	2,177	-	4,000
	-	2,177	75,000	4,000
Purchase of goods / services				
Subsidiary companies	-	-	32,098	39,867
Other associate entities	11,688,474	5,861,157	-	5,244
	11,688,474	5,861,157	32,098	45,111
Purchase of fixed assets				
Subsidiary companies	-	-	56,573	-
Other associate entities	211,502	75,866	-	-
	211,502	75,866	56,573	-
Benefits towards the Management				
	CONSOLIDATED FIGURES		COMPANY FIGURES	
	30/9/2007	30/9/2006	30/9/2007	30/9/2006
Remuneration - benefits for BoD members and Executives	8,872,451	9,651,945	-	77,500
Employment termination remuneration	72,545	-	-	-
	8,944,996	9,651,945	0	77,500
Year-end balances that arise from the sale-purchase of goods, services, fixed assets etc.				
	CONSOLIDATED FIGURES		COMPANY FIGURES	
	30/9/2007	31/12/2006	30/9/2007	31/12/2006
Receivables from associate entities:				
Subsidiary companies	-	-	445,212	860,412
Other associate entities	25,371,594	24,411,989	-	-
	25,371,594	24,411,989	445,212	860,412
Liabilities to associate companies:				
Subsidiary companies	-	-	168,200	341,454
Other associate entities	2,531,738	3,287,194	-	-
	2,531,738	3,287,194	168,200	341,454

19 Earnings per Share

	<u>CONSOLIDATED FIGURES</u>		<u>COMPANY FIGURES</u>	
	<u>30/9/2007</u>	<u>30/9/2006</u>	<u>30/9/2007</u>	<u>30/9/2006</u>
Profits that correspond to the shareholders of the parent comp	79,895,380	81,576,612	71,429,785	16,122,695
Weighted average number of shares	198,679,701	198,689,701	199,474,091	199,474,091
Basic and diluted earnings per share (Euros per share)	0.402	0.411	0.358	0.081

The weighted average number of the Group's shares does not include own shares (794,390 shares) owned by Group companies.

20 Dividends

Based on a decision by the Ordinary General Meeting of the Company's shareholders on June 15th 2007, a dividend distribution of € 15,957,927, namely € 0.08 per share, was approved.

21 Personnel

The number of persons employed by the Group and Company at the end of the current period amounted to 8,830 and 2 persons respectively.

22 Events after the Balance Sheet date

On 07/11/2007 a fine was imposed, amounting to € 180 thousand, on the subsidiary ELVAL S.A. by the Ministry of Environment Physical Planning and Public Works (Reg. No. 9031) for three violations regarding taking the appropriate measures for the protection of the environment.

The subsidiary, having received all the relevant licenses from the necessary Services as regards to processing and disposing its liquid wastes, will appeal to the judicial authorities to annul the decision that imposed the fine and to restore its reputation.

The 9M results have not been burdened with a relevant provision.

On 30/10/2007, the subsidiary ELVAL S.A. issued an announcement regarding the separation of the foil sector and its contribution to the subsidiary SYMETAL S.A. The contribution and absorption of the sector will be made in accordance with the provisions of articles 1-5 of Law No. 2166/93 and the pertinent Transformation Balance Sheet will be dated 31.10.2007.

The activity of the sector is the production of thin aluminium foil sheets and mainly refers to the flexible

packaging industry. The raw material used is aluminium coil, which is processed in special foil rolling mills, in order to further decrease its thickness. The raw material is produced in ELVAL's rolling plant at Oinofyta. The sales of foil products, in the year 2006, represented 24% approximately of the total turnover of ELVAL S.A. Given that SYMETAL is a 99.99% owned subsidiary of ELVAL S.A. and it is included in the latter's consolidated financial statements through the full consolidation method, the relevant consolidated figures will not be affected.

The separation of the sector is carried out for reasons related to the internal reorganization of ELVAL and aims at the improvement of the customers' service, the modernization of the sector and, in general, at focusing on this specific market.

The completion of the separation is subject to the approval of the draft separation / contribution agreement by the Shareholders' General Meetings of the companies involved (ELVAL and SYMETAL), as well as the pertinent approval of the Ministry for Development.

Furthermore, on 06/11/2007 the Special Service of Inspectors for the Environment (EYEP) of the Ministry of Environment, Physical Planning and Public Works issued an "OFFICIAL VIOLATION DEED" (Ref. No. 8998) against the subsidiary of ELVAL S.A., ETEM S.A. According to the deed, two violations were detected as regards to taking the appropriate measures for the protection of the environment, which led to its degradation. Based on this deed, EYEP proposed towards the Prefect of Viotia to impose a fine of €54 thousand to the company.

The company will appeal to the judicial authorities to annul any decision imposing fines and to restore its reputation.

The 9M results have not been burdened with a relevant provision.

23 Reclassifications of accounts

In the consolidated results for the period 01/01–30/09/2006 reclassifications have taken place of an account amounting to € 1,262,074 decreasing the distribution expenses, an amount of € 938,259 increasing Cost of Sales, an amount of € 114,020 decreasing sales and an amount of € 209,796 decreasing Other Revenue – Expenses. Furthermore, in the consolidated results for the period 01/01 – 30/06/2006 a reclassification of an account amounting to € 1,536,712 had taken place, decreasing the distribution expenses and correspondingly increasing the Cost of Sales. The relevant change in the comparative data for the period 01/07 – 30/09/2006. is respective to the above.