



## **Mid-year Financial Report**

**For the period from 1 January 2012 to 30 June 2012**

**Pursuant to article 5, of Law no. 3556/2007**

**SIDENOR STEEL PRODUCTS  
MANUFACTURING COMPANY S.A.**

**Societe Anonyme Reg. No.: 2310/06/B/86/20 2-4 Mesogeion Ave. Athens**

**These financial statements have been translated from the original statutory financial statements that have been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language financial statements, the Greek language financial statements will prevail over this document.**

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**A. Board of Directors Statements  
(Pursuant to article 5, par 2, of Law no. 3556/2007)**

The BoD Members of the Societe Anonyme under trading name SIDENOR STEEL PRODUCTS MANUFACTURING COMPANY S.A. and distinctive title SIDENOR S.A., based in Athens, 2-4, Mesogeion Avenue:

1. George Kalfarentzos, son of Christos, Chairman of the Board of Directors,
2. Sarados Milios, son of Konstantinos, Managing Director and BoD member,
3. Vasilios Papantoniou, son of Athanasios, BoD member

Under our above capacity, hereby state and confirm that according to our knowledge:

(a) the attached corporate and consolidated financial statement for SIDENOR STEEL PRODUCTS MANUFACTURING COMPANY S.A. (the Company) as at 30 June 2012, the relevant corporate and consolidated condensed profit and loss statements, comprehensive income, changes in equity and cash flow statements for the six month period that ended on this date, as well as the selected explanatory notes that comprise the condensed interim financial information, which have been compiled according to International Accounting Standards, depict the actual details and figures of the assets and liabilities, the net assets and the profit and loss of SIDENOR S.A. for the period 1/1/2012-30/6/2012, as well as the companies included in the consolidation in total, pursuant to the stipulations of paragraphs 3 through 5, of article 5 of Law no. 3556/2007, and

(b) the Board of Directors' Report of SIDENOR S.A. for the period 01.01.2012 – 30.06.2012 depicts the actual details of the evolution, performance and position of SIDENOR S.A., as well as the companies included in the Group consolidation in total, including the description of the main risks and uncertainties these are confronted with, on the basis of par. 6 of article 5 of Law no. 3556/2007.

**Athens, 29 August 2012**

The certifying persons,

**The Chairman of the  
BoD**

**The Managing Director  
and BoD Member**

**The Member  
Appointed by the BoD**

Kalfarentzos George  
ID Card No. F 147183

Milios Sardos  
ID Card No. AI 647195

Papantoniou Vasilios  
ID Card No. P 717094

## B. Board of Directors Mid-Year Report

The Mid-Year Report of the Board of Directors, which follows, (hereby referred to as "Report"), pertains to the 1<sup>st</sup> half of current fiscal year 2012 (01.01.2012 - 30.06.2012). The Report has been prepared in accordance and in line with the respective provisions of Law no. 3556/2007 (Government Gazette Issue 91A/30.4.2007) and the executive decisions issued pursuant to it by the Capital Market Commission and, in particular, Decision no. 7/448/11.10.2007 of the BoD of the Capital Market Commission.

The current Report includes all information relevant and necessary by law, in order to provide material information regarding the activities of the referred period of company SIDENOR STEEL PRODUCTS MANUFACTURING COMPANY S.A. (hereunder referred to as the "Company" or "SIDENOR") as well as of the SIDENOR Group, in which, besides SIDENOR, the following affiliated companies are included:

Company	Participation	Consolidation method	Unaudited years
SIDENOR S.A.	-	-	2011 - 2012
SOVEL S.A.	64,01%	Full consolidation	2010 - 2012
DEPAL S.A.	100,00%	Full consolidation	2007 - 2012
STOMANA INDUSTRY S.A.	100,00%	Full consolidation	2010 - 2012
ERLIKON WIRE PROCESSING S.A.	98,85%	Full consolidation	2006 - 2012
AEIFOROS S.A.	90,00%	Full consolidation	2010 - 2012
THERMOLITH S.A.	63,00%	Full consolidation	2010 - 2012
PROSAL S.A.	100,00%	Full consolidation	2007 - 2012
TEPRO STEEL EAD	100,00%	Full consolidation	2008 - 2012
BOZETTI LTD	100,00%	Full consolidation	2008 - 2012
VEMET S.A.	100,00%	Full consolidation	2003 - 2012
ETIL S.A.	69,99%	Full consolidation	2004 - 2012
PRAKSYS S.A.	51,00%	Full consolidation	2010 - 2012
DIA.VI.PE.THIV. S.A.	70,10%	Full consolidation	2010 - 2012
AEIFOROS BULGARIA S.A.	90,00%	Full consolidation	2007 - 2012
VET S.A.	64,01%	Full consolidation	2010 - 2012
VEAT S.A.	41,60%	Full consolidation	2003 - 2012
SIGMA S.A.	69,28%	Full consolidation	2006 - 2012
ARGOS S.A.	69,28%	Full consolidation	2009 - 2012
CORINTH PIPEWORKS S.A.	78,55%	Full consolidation	2008 - 2012
SIDMAS.A.	24,59%	Net balance	2008 - 2012
DIAPEM S.A.	33,35%	Net balance	2010 - 2012
VEPE.M. S.A.	50,00%	Net balance	2003 - 2012
METALOURGIAATTIKIS S.A.	50,00%	Net balance	2007 - 2012
EL.K.E.ME. S.A.	20,00%	Net balance	2010 - 2012
DOMOPLEX LTD	45,00%	Net balance	2007 - 2012
DOJRAN STEEL LLCOP	100,00%	Full consolidation	2011 - 2012
SIDERAL SHPK	100,00%	Full consolidation	2005 - 2012
SIDEROM STEEL SLR	100,00%	Full consolidation	2007 - 2012
ZAO TMK-CPW	38,49%	Net balance	2007 - 2012
BIODIESEL S.A.	16,00%	Net balance	2007 - 2012
AWM SPA	34,00%	Net balance	2006 - 2012
PORT SVISHTOV WEST S.A.	73,09%	Full consolidation	2008 - 2012
PRISTANISHTEN KOMPLEX SVILOSAEOOD	73,09%	Full consolidation	2004 - 2012
SIDEBALK STEEL DOO	100,00%	Full consolidation	2011 - 2012
PROSAL TUBES S.A.	100,00%	Full consolidation	2008 - 2012
JOSTDEX LTD	94,00%	Full consolidation	2010 - 2012

The chapters of the report and their contents are as follows:

#### **A. Significant Events of the first half of 2012**

The most important events that took place during the first half of 2012 are the following:

##### *Resolutions of the Annual Ordinary General Meeting*

During the Annual Ordinary General Meeting of the Company's Shareholders that took place in Athens, on June 28th, 2012 at 11.00 pm, the following were decided:

- (i) Approval of the Annual Financial Statements of the fiscal year 2011, along with the corresponding Board of Directors Report and the Chartered Accountant/ Auditor's Report.
- (ii) Release of the BoD members and the Chartered Accountant/Auditor from any compensation liabilities for the fiscal year ended on December 31, 2011.
- (iii) Appointment of audit firm "PriceWaterHouseCoopers" as auditors for financial year 1/1-31/12/2012 with their remuneration to be fixed following their pertinent proposal.
- (iv) Election of the members of the new Board of Directors for one year (this tenure of the members of the Board of Directors will begin on the day following the election and will end on the date of Annual General Meeting of the year 2013), as follows:
  - 1. GEORGE KALFARENTZOS, BOD CHAIRMAN, EXECUTIVE MEMBER
  - 2. NIKOLAOS KOUDOUNIS, BOD VICE-CHAIRMAN, EXECUTIVE MEMBER
  - 3. SARADOS MILIOS, EXECUTIVE MEMBER
  - 4. GEORGE SOULITZIS, NON-EXECUTIVE MEMBER
  - 5. VASILIOS PAPANTONIOU, EXECUTIVE MEMBER
  - 6. GEORGE PASSAS, NON-EXECUTIVE MEMBER
  - 7. IOANNIS IKONOMOU, NON-EXECUTIVE MEMBER
  - 8. ANDREAS KYRIAZIS, NON-EXECUTIVE AND INDEPENDENT MEMBER
  - 9. EFSTATHIOS STRIMBER, NON-EXECUTIVE AND INDEPENDENT MEMBER
- (v) The General Meeting also approved the amounts to be paid to the Board members as remuneration, pursuant to the stipulations of paragraphs 2, of article 24 of Law no. 2190/1290.
- (vi) The General Meeting approved the issuance of common bond loans, according to Law 3156/2003, up to a total amount of hundred million euro that will be covered totally by banks. The objective of the loans is to refinance part of the Company's debt obligations.
- (vii) Members of the monitoring committee under article 37 of Law no. 3693/2008 were appointed the following:
  - 1. GEORGE PASSAS, NON-EXECUTIVE MEMBER
  - 2. IOANNIS IKONOMOU, NON-EXECUTIVE MEMBER
  - 3. ANDREAS KYRIAZIS, NON-EXECUTIVE AND INDEPENDENT MEMBER

#### **B. Significant transactions with Associates**

The transactions of associates concern primarily the trade and processing of steel products (finished and semi-finished). Through these transactions the companies are able to achieve economies of scale by taking advantage of the Group's size. The Group's commercial transactions with its associates (persons or entities) during the 1<sup>st</sup> half of 2012 have been performed under market terms and in the context of the usual business activity. The transactions between affiliates within the meaning of IAS 24 are analyzed as follows:

*Transactions with Subsidiaries*
*(amounts in thousand €)*

<b>SUBSIDIARIES</b>	<b>Sales of goods and services</b>	<b>Purchases</b>	<b>Products - services consolidated</b>	<b>Receivables</b>	<b>Liabilities</b>
SIDENOR S.A.	78.079	26.793	64	71.047	36.609
SOVEL S.A.	4.706	17.658	93	32.809	3.133
DEPAL S.A.	409	87	-	2.709	4
STOMANA INDUSTRY S.A.	30.243	19.783	-	12.143	9.651
ERLIKON WIRE PROCESSING S.A.	208	5.684	8	61	5.989
AEIFOROS S.A.	1.822	201	2	2.193	70
THERMOLITH S.A.	1.066	32	-	288	50
PROSAL S.A.	1	1.512	-	-	1.877
TEPRO STEEL EAD	1.065	426	201	203	142
ETIL S.A.	2.963	145	-	487	363
PRAKSYS S.A.	192	8	-	63	77
DIA.VI.PE.THIV. S.A.	471	162	-	1.062	5.830
AEIFOROS BULGARIA S.A.	106	209	-	56	4
VET S.A.	1.139	616	-	-	37
SIGMA S.A.	2.686	336	-	2.263	88
ARGOS S.A.	1.474	15	-	91	18
CORINTH PIPEWORKS S.A.	357	2.729	-	3.847	1.169
DOJHRAN STEEL LLCOP	6.798	20.743	-	720	32.166
SIDERAL SHPK	-	13.250	-	-	18.034
SIDEROM STEEL SLR	-	21.867	-	-	13.746
PROSAL TUBES S.A.	1.603	823	-	853	683
PORT SVISHTOV WEST S.A.	102	6	-	584	-
PRISTANISHTEN KOMPLEX SVILOSA EOOD	-	-	-	-	560
SIDEALK STEEL DOO	122	2.138	-	148	1.327
	<b>135.614</b>	<b>135.222</b>	<b>368</b>	<b>131.627</b>	<b>131.627</b>

The majority of the transactions with subsidiary companies have been carried out by SIDENOR, SOVEL, STOMANA, DOJHRAN and SIDEROM and concern purchase and sell transactions on finished and semi-finished steel products.

*Transactions with Affiliates*
*(Amounts in thousand €)*

<b>AFFILIATES</b>	<b>Sales of goods and services</b>	<b>Purchases</b>	<b>Receivables</b>	<b>Liabilities</b>	<b>Income from dividends</b>
SIDENOR S.A.	2.551	1.199	10.176	1.230	85
SOVEL S.A.	-	49	-	139	-
STOMANA INDUSTRY S.A.	5.882	182	1.825	188	-
ERLIKON WIRE PROCESSING S.A.	97	190	1.814	107	-
AEIFOROS S.A.	-	-	-	2	-
PROSAL S.A.	-	86	1.242	74	-
ETIL S.A.	20	97	17	110	-
PRAKSYS S.A.	-	-	5	-	-
DIA.VI.PE.THIV. S.A.	-	1	-	-	-
VET S.A.	-	7	-	-	-
SIGMA S.A.	-	38	-	10	-
ARGOS S.A.	-	10	-	9	-
CORINTH PIPEWORKS S.A.	29	75	509	44	-
DOJHRAN STEEL LLCOP	-	-	-	37	-
SIDERAL SHPK	23	45	4	-	-
SIDEROM STEEL SLR	4	-	-	-	-
PROSAL TUBES S.A.	35	51	27	-29	-
	<b>8.642</b>	<b>2.031</b>	<b>15.618</b>	<b>1.921</b>	<b>85</b>

The most important transactions with affiliates are carried out by SIDENOR and STOMANA with the SIDMA Group. The latter operates as a commercial intermediary for part of the products of the steel Group.

SIDENOR's dividend income is derived from METALOURGIA ATTIKIS.

*Transactions with other Affiliates*

The transactions with the Other Affiliates pertain to transactions with companies of the VIOHALCO Group, of which SIDENOR is also a subsidiary.

(Amounts in thousand €)

<b>OTHER AFFILIATED</b>	<b>Sales of goods and services</b>	<b>Purchases</b>	<b>Receivables</b>	<b>Liabilities</b>
SIDENOR S.A.	7.621	6.213	11.854	2.140
SOVEL S.A.	18	49.628	7	11.235
DEPAL S.A.	15	-	2	3
STOMANA INDUSTRY S.A.	2.948	6.463	2.101	2.804
CORINTH PIPEWORKS S.A.	3.204	1.477	3.951	946
ERLIKON WIRE PROCESSING S.A.	2.194	178	1.776	93
AEIFOROS S.A.	492	116	69	91
THERMOLITH S.A.	-	9	-	10
PROSAL S.A.	-	21	316	16
ETIL S.A.	210	31	204	8
TEPRO STEEL EAD	-	15	-	1
ARGOS S.A.	-	1	-	-
VET S.A.	-	3	-	1
PRAKSYS S.A.	-	15	-	2
BOZETTI LTD	30	-	3	-
AEIFOROS BULGARIA S.A.	206	4	25	104
SIGMA S.A.	214	23	33	1
DOJLAN STEEL LLCOP	-	7	-	-
DIA.VI.PE.THIV. S.A.	87	5	8	684
SIDEROM STEEL SLR	-	254	-	74
SIDERAL SHPK	119	-	215	-
SIDEBALK STEEL DOO	-	8	-	3
	<b>17.358</b>	<b>64.469</b>	<b>20.562</b>	<b>18.214</b>

The transactions with the other affiliates are mainly carried out by SIDENOR, STOMANA and CORINTH PIPEWORKS. The companies they mainly cooperate with are TEPROMETAL AG and METAL AGENCIES (trade of finished products), ANAMET and METAL VALUES (raw material purchases).

*Directors and Senior Officers Remuneration*

The following table shows the Board of Directors and Senior Officers Remuneration:

(Amounts in thousand €)

	CONSOLIDATED		COMPANY	
	30/6/2012	30/6/2011	30/6/2012	30/6/2011
Total remuneration of Executives & Directors of the Board	1.010	829	227	315
	30/6/2012	31/12/2011	30/6/2012	31/12/2011
Obligations to Executives & Directors of the Board (earnings distribution)	99	109	-	-

**C. Company Branches**

Group SIDENOR main facilities through its subsidiaries are located in Greece, Bulgaria, F.Y.R.O.M., Romania, Albania, Serbia and Cyprus. The core activities of the branches are the production and trading of steel products.

**D. Group Trends and Performance**

During the first half of 2012, the SIDENOR group, due to the ongoing economic crisis in Greece, continued to aim at maintaining and enhancing its activities in foreign markets.

At the same time, the subsidiary Corinth Pipeworks, operating exclusively in an international environment, continues to contribute positively to the Group's results.

SIDENOR Group consolidated sales for the first half of 2012 amounted to EUR 575 million, compared to EUR 622 million in the first half of 2011. The total sales volume amounted to 891 thousand tons, compared to 1,009 thousand tons in the corresponding period of 2011.

The sales are analyzed per geographical segment as follows:

<i>Amounts in thousand €</i>	<b>CONSOLIDATED DATA</b>	
	<b>30/6/2012</b>	<b>30/6/2011</b>
<b>Sales</b>		
Greece	103.652.113	113.540.092
European Union	236.311.692	343.349.404
Other European countries	74.397.937	67.007.499
Asia	28.056.180	23.458.499
America	96.144.067	55.891.079
Africa	36.232.773	18.609.374
<b>Total</b>	<b>574.794.762</b>	<b>621.855.947</b>

Pre-tax result for the first half of 2012 amounted to EUR 38.5 (losses) million compared to EUR 22.7 (losses) million in the first half of 2011, while EBITDA was EUR 15 million. Finally, the net consolidated losses, after taxes and minority interests, amounted to EUR (34.5) million, compared to EUR (17.9) million (losses) in the first half of 2011.

Selling and administrative expenses for the Group in the first half of 2012 amounted to EUR 58.5 million compared to EUR 56 million in the first half of 2011, while financial results amounted to EUR 21 million compared to EUR 14 million in the first half of 2011.

Regarding the parent company SIDENOR S.A., turnover in the first half of 2012 amounted to EUR 143 million compared to EUR 142 million in the first half of 2011. Net losses amounted to EUR (16.9) million compared to EUR (9.6) million in the first half of 2011.

As the SIDENOR Group implemented its investment program during the first half of 2012, it made investments totalling EUR 14.5 million. The SIDENOR Group's investment program is in accordance with the broader strategy for further improvement of production plant competitiveness and the reinforcement of safety at the work place.

The following tables reflect the growth of the Groups major financial ratios:

	<b>Group</b>	
	<b>30-Jun-12</b>	<b>31-Dec-11</b>
Leverage ratio	1,11	1,10
Current ratio	0,89	1,03
	<b>30-Jun-12</b>	<b>30-Jun-11</b>
EBITDA Margin	2,56%	3,84%
Gross Margin	8,32%	7,92%

The total personnel employed as at 30/06/2012 for the Group was 2,840 employees and for the parent company 261. On 30/06/2011, the Group had 3,059 employees, while the parent company had 325.

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**E. Primary Risks***Market Risk*

The main market risk is the risk of fluctuations in the prices of raw materials (scrap), which in turn, to a substantial extent, determine the final price of products. Additionally, other market risks are exchange and interest rates which may affect the Group's financial results and the value of its financial instruments.

The purpose of risk management against market conditions is to control the Group's exposure to these risks, within the framework of acceptable parameters, with concurrent optimization of performance.

*Credit Risk*

Credit risk refers to the Group's risk of incurring a loss in the event that a customer or third party fails to fulfill his contractual obligations under a financial instrument agreement. It is related to receivables from customers and investment securities.

*Trade and other receivables*

The Group's exposure to credit risk is mainly affected by the specific characteristics of each customer. The demographic characteristics of the Group's customer base, including the risk of payment default characterizing the specific market and country wherein customers operate, do not affect credit risk to the same extent, as no correlation between geographic location and credit risk has been observed. No customer exceeds 10% of sales and, as a result, market risk is divided among a large number of customers.

The Board of Directors has established a credit policy whereby each new customer is individually checked for creditworthiness before the usual payment terms are proposed. Credit limits are set on a customer by customer basis and are re-estimated according to current trends and if necessary the sales and collection terms are readjusted. Customer credit lines are as a rule based on the insurance limits set by insurance companies, on the basis of which the company proceeds to secure receivables.

When monitoring customer credit risk, customers are classified in accordance with their credit profile, the maturity of their receivables and any prior collection problems they may have displayed. Trade and other receivables mainly include the Group's wholesale customers. Customers characterized as "high risk" are placed in a special list and future sales must be prepaid. Depending on the customer's prior record and profession, the Group reserves the right to demand tangible or other guarantees (such as letters of guarantee).

The Group makes provision for impairment which represents its assessment of losses incurred in relation to customer liabilities, other receivables and investments in securities. This provision mainly concerns losses due to the impairment of specific receivables that are deemed realizable in relation to specific conditions but which have not as yet been finalized.

*Investments*

Investments are classified by the Group based on the purpose for which they were acquired. Management decides on the suitable classification of the investment at the time of its purchase and reexamines said classification on each due presentation date.

*Guarantees*

The policy of the Group is not to offer guarantees, except to subsidiaries or affiliated companies and then only by decision of the Board of Directors.

*Liquidity Risk*

Liquidity risk is the risk whereby the Group may be unable to fulfill its financial obligations when these

become due. The approach adopted by the Group regarding liquidity management is to ensure, by maintaining minimum necessary cash reserves and sufficient credit limits from the banks with which it cooperates, that it will always have enough liquidity in order to fulfill its financial liabilities when those become due, under normal as well as exceptional circumstances, without incurring unacceptable losses or risking the Group's reputation.

In order to avoid liquidity risks, the Group anticipates annual cash flows when drafting the annual budget, as well as a rolling monthly provision for a period of three months, in order to ensure that it will always have sufficient cash reserves in order to cover its operating needs, including the fulfillment of its financial obligations. The effect of unforeseeable extreme circumstances is not taken into consideration in this policy.

#### *Currency Risk*

The Group operates in Europe and, consequently, the greater part of the Group's transactions is carried out in Euros. However, part of the Group's commodity purchases is denominated in US Dollars.

To avoid this risk, the Group makes use of forward contracts and pays its vendors promptly.

The loan interest is in the same currency as that used in the cash flows relating to the Group's operational activities, which is mainly Euros.

The Groups investments in other subsidiaries are not hedged, as these are regarded as long-term currency investments and have mainly been carried out in Euros.

#### *Interest Rate Risk*

The Group finances its investments and its cash flow requirements through bank and bond loans, which result in an interest charge burden against its financial results. Upward trends in interest rates will have adverse effects on results, as the Group will incur additional cost of debt.

Interest rate risk is contained, given that part of the Group's loans is subject to fixed interest rates, or it is directly managed with the use of financial instruments (Interest Rate Swaps).

#### *Capital Management*

The policy of the Board of Directors consists of the preservation of a solid capital base, in order to maintain investor, creditor and market confidence in the Group and to allow the future expansion of its activities. The Board of Directors monitors the return on capital, which is defined by the Group as the net results divided by the total net position, excluding non-convertible preference shares and minority interests. The Board of Directors also monitors the level of dividends paid to the holders of ordinary shares.

The Board of Directors tries to maintain a balance between, on the one hand, higher returns which would have been possible under higher borrowing levels and, on the other hand, the advantages associated with the security that a strong and healthy capital position would provide.

#### *Fair value estimation*

The fair value of financial instruments traded in active markets (stock exchanges) (such as trading, bonds and available-for-sale securities) is based on quoted market prices at the balance sheet date. The offer price is used for financial assets, while the bid price is used for financial liabilities.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques and assumptions that are based on market conditions existing at each balance sheet date.

The nominal value less impairment provision of trade receivables is assumed to approximate their fair value. The fair value of financial liabilities for disclosure purposes is estimated by the present value of the discounted future cash flows of specific contracts at the current market interest rate prices that is available to the Group for similar financial instruments.

**F. Development of Activities in Second Half of 2011**

For the 2nd half of 2012, given the ongoing economic crisis in Greece and in the international environment, SIDENOR Group maintains as its key priorities to improve its competitiveness and enhance its operating cash flows.

The further strengthening of the already existing distribution networks abroad, the widening of the products range, the reduction of the production costs and the efficient management of working capital, continue to be the main targets of the Group.

Finally, safety in the workplace, the protection of the environment, the harmonious coexistence in the local society and the ongoing training of the personnel remain the non-negotiable objectives, directly linked to the operations of the company.

## **C. Report on Review of Interim Financial Information**

To the Shareholders of SIDENOR STEEL PRODUCTS MANUFACTURING COMPANY S.A.

### ***Introduction***

We have reviewed the accompanying condensed company and consolidated statement of financial position of SIDENOR STEEL PRODUCTS MANUFACTURING COMPANY S.A. as of 30 June 2012 and the related condensed company and consolidated statements of income and comprehensive income, changes in equity and cash flows for the six-month period then ended and the selected explanatory notes, that comprise the interim condensed financial information, which form an integral part of the six-month financial report as required by L.3556/2007. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as they have been adopted by the European Union and applied to interim financial reporting (International Accounting Standard “IAS 34”). Our responsibility is the expression of a conclusion on this interim condensed financial information based on our review.

### ***Scope of review***

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### ***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information is not prepared, in all material respects, in accordance with IAS 34.

### ***Reference to Other Legal and Regulatory Requirements***

Our review has not revealed any inconsistency or discrepancy of the other information of the six-month financial report, as required by article 5 of L.3556/2007, with the accompanying interim condensed financial information.

Athens, 29 August 2012



PricewaterhouseCoopers S.A.  
268 Kifissias Avenue, 152 32 Halandri  
AM SOEL: 113

Konstantinos Michalatos  
Chartered Accountant  
AM SOEL: 17701



**Interim Financial Information**

**For the period from 1 January 2012 to 30 June 2012**

**In accordance with the International Financial Reporting  
Standards (IFRS)**

**MANUFACTURING COMPANY S.A.  
SIDENOR STEEL PRODUCTS  
Societe Anonyme Reg. No.: 2310/06/B/86/20 2-4 Mesogeion Ave. Athens**

## **D. Interim Financial Information**

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## A. Interim Financial Information

### Condensed Interim Statement of Financial Position

<i>Amounts in Euro</i>	Note	CONSOLIDATED DATA		COMPANY DATA	
		30/6/2012	31/12/2011	30/6/2012	31/12/2011
<b>ASSETS</b>					
<b>Non-current assets</b>					
Land & Buildings		261.724.069	257.211.327	53.235.233	54.074.435
Machinery		427.368.425	404.228.018	63.118.504	67.104.617
Other tangible assets		31.592.389	77.687.985	8.009.423	6.690.792
Intangible assets		1.003.079	1.036.985	21.004	24.004
Investments in associates	7	28.027.056	29.811.322	11.054.011	11.904.011
Investments in subsidiaries	8	-	-	214.756.642	214.756.642
Available for sale financial assets		1.544.500	1.544.500	1.414.471	1.414.471
Deferred tax assets		100.372	83.140	-	-
Other non-current receivables		5.643.480	5.864.720	4.725.877	4.801.539
		<b>757.003.370</b>	<b>777.467.997</b>	<b>356.335.165</b>	<b>360.770.511</b>
<b>Current Assets</b>					
Inventories		298.747.090	335.903.240	62.206.345	81.663.933
Trade and other receivables		191.766.547	236.520.113	139.784.045	134.773.586
Income tax receivables		8.923.362	7.874.902	7.746.548	7.746.548
Derivative financial instruments	10	263.709	533.516	-	126.926
Financial assets at fair value through profit or loss		7.337	7.337	-	-
Cash and cash equivalents		50.197.898	47.427.286	4.562.909	8.320.060
		<b>549.905.943</b>	<b>628.266.394</b>	<b>214.299.847</b>	<b>232.631.053</b>
		<b>1.306.909.313</b>	<b>1.405.734.391</b>	<b>570.635.012</b>	<b>593.401.564</b>
<b>EQUITY</b>					
<b>Equity attributable to owners of the parent</b>					
Share capital		39.460.002	39.460.002	39.460.002	39.460.002
Share premium		120.406.136	120.406.136	120.406.136	120.406.136
Currency translation adjustments		-3.247.824	-2.390.847	-	-
Other reserves		108.099.734	104.443.617	59.207.470	59.282.454
Retained earnings		144.160.794	180.382.710	16.345.999	33.314.620
Total		408.878.842	442.301.618	235.419.607	252.463.212
<b>Non-controlling interest</b>		<b>93.856.104</b>	<b>98.393.449</b>	<b>-</b>	<b>-</b>
<b>Total Equity</b>		<b>502.734.946</b>	<b>540.695.067</b>	<b>235.419.607</b>	<b>252.463.212</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Borrowings	11	107.587.159	175.064.320	17.083.336	47.416.672
Financial lease liabilities	12	1.300.000	-	-	-
Deferred tax liabilities		53.554.017	54.811.307	12.193.078	12.732.965
Retirement benefit obligations		5.722.048	6.045.775	1.842.802	2.004.741
Government Grants		9.250.829	9.755.244	128.533	129.605
Provisions for other liabilities and charges		2.474.125	2.573.062	914.629	914.629
Other non-current liabilities		7.540.762	9.008.625	-	3.064.482
		<b>187.428.940</b>	<b>257.258.333</b>	<b>32.162.378</b>	<b>66.263.094</b>
<b>Current liabilities</b>					
Trade and other payables		156.313.402	181.611.262	83.819.617	87.559.093
Current income tax liabilities		3.018.412	1.423.406	-	-
Borrowings	11	451.456.180	418.384.576	214.814.741	186.203.046
Other current liabilities		4.418.667	879.921	4.418.669	879.923
Financial lease liabilities		150.000	-	-	-
Derivative financial instruments	10	1.049.379	4.558.052	-	33.196
Retirement benefit obligations		51.508	126.738	-	-
Provisions for other liabilities and charges		287.879	797.036	-	-
		<b>616.745.427</b>	<b>607.780.991</b>	<b>303.053.027</b>	<b>274.675.258</b>
<b>Total liabilities</b>		<b>804.174.367</b>	<b>865.039.324</b>	<b>335.215.405</b>	<b>340.938.352</b>
<b>Total equity and liabilities</b>		<b>1.306.909.313</b>	<b>1.405.734.391</b>	<b>570.635.012</b>	<b>593.401.564</b>

The notes on pages 21 to 44 form an integral part of these interim financial statements.

## Condensed Interim Income Statement

### Consolidated Data

CONSOLIDATED DATA					
<i>Amounts in Euro</i>	Note	6 months until 30/6/2012	3 months 1/4/2012 until 30/6/2012	6 months until 30/6/2011	3 months 1/4/2011 until 30/6/2011
<b>Sales</b>		<b>574.794.762</b>	<b>302.428.870</b>	<b>621.855.947</b>	<b>350.817.571</b>
Cost of sales		-526.984.084	-275.566.079	-572.632.837	-324.544.583
<b>Gross profit</b>		<b>47.810.678</b>	<b>26.862.791</b>	<b>49.223.110</b>	<b>26.272.987</b>
Selling expenses		-43.086.173	-20.829.776	-40.572.611	-22.012.290
Administrative expenses		-15.476.720	-8.548.731	-15.141.360	-8.320.237
Other operating income		3.221.001	1.404.271	2.595.436	1.027.921
Other operating expenses		-10.251.772	-6.040.661	-4.778.846	-2.461.099
<b>Operating results</b>		<b>-17.782.986</b>	<b>-7.152.106</b>	<b>-8.674.271</b>	<b>-5.492.718</b>
Financial income		334.475	189.726	736.690	25.621
Financial expenses		-20.670.667	-10.342.276	-14.852.657	-7.996.688
Dividend income		41.607	41.607	-	-
Profits/ (losses) from participations		-	-	-29.949	-
Profits/(losses) from associates	7	-373.738	482.342	112.445	-138.625
<b>Profits/(losses) before taxes</b>		<b>-38.451.309</b>	<b>-16.780.707</b>	<b>-22.707.743</b>	<b>-13.602.410</b>
Income tax expense		-827.786	-2.959.265	639.171	659.047
<b>Profits/(losses) after taxes</b>		<b>-39.279.095</b>	<b>-19.739.972</b>	<b>-22.068.573</b>	<b>-12.943.363</b>
<b>Attributable to:</b>					
Owners of the parent		-34.501.987	-16.941.582	-17.996.895	-10.359.597
Non-controlling interest		-4.777.108	-2.798.390	-4.071.678	-2.583.766
		<b>-39.279.095</b>	<b>-19.739.972</b>	<b>-22.068.573</b>	<b>-12.943.363</b>

**Earnings per share attributable to the equity  
holders of the Company during the period  
(expressed in Euro per share)**

CONSOLIDATED DATA				
	6 months until 30/6/2012	3 months 1/4/2012 until 30/6/2012	6 months until 30/6/2011	3 months 1/4/2011 until 30/6/2011
Basic	(0,3585)	(0,1760)	(0,1870)	(0,1076)
Diluted	(0,3585)	(0,1760)	(0,1870)	(0,1076)

The notes on pages 21 to 44 form an integral part of these interim financial statements.

## Company Data

COMPANY DATA					
<i>Amounts in Euro</i>	Note	6 months until 30/6/2012	3 months 1/4/2012 until 30/6/2012	6 months until 30/6/2011	3 months 1/4/2011 until 30/6/2011
<b>Sales</b>		<b>143.475.461</b>	<b>72.873.002</b>	<b>142.089.378</b>	<b>79.967.643</b>
Cost of sales		-136.757.962	-68.586.528	-132.829.442	-75.295.936
<b>Gross profit</b>		<b>6.717.499</b>	<b>4.286.474</b>	<b>9.259.936</b>	<b>4.671.706</b>
Selling expenses		-9.530.609	-4.438.304	-9.032.201	-4.520.470
Administrative expenses		-4.971.399	-2.632.900	-5.482.477	-2.816.582
Other operating income		6.374.682	3.507.609	6.709.498	3.838.988
Other operating expenses		-6.930.971	-4.129.464	-6.011.784	-3.404.260
<b>Operating results</b>		<b>-8.340.798</b>	<b>-3.406.585</b>	<b>-4.557.029</b>	<b>-2.230.619</b>
Financial income		35.716	27.528	54.092	18.078
Financial expenses		-8.419.629	-4.429.491	-5.732.071	-3.179.014
Dividend income		84.949	84.949	177.320	58.970
Profits/(losses) from participations		-850.000	-850.000	-	-
Profits/(losses) from associates	7	-	-	-	-
<b>Profits/(losses) before taxes</b>		<b>-17.489.762</b>	<b>-8.573.599</b>	<b>-10.057.688</b>	<b>-5.332.585</b>
Income tax expense		521.141	240.559	483.090	233.116
<b>Profits/(losses) after taxes</b>		<b>-16.968.621</b>	<b>-8.333.040</b>	<b>-9.574.598</b>	<b>-5.099.469</b>

**Earnings per share attributable to the equity holders of the Company during the period (expressed in Euro per share)**

COMPANY DATA				
	6 months until 30/6/2012	3 months 1/4/2012 until 30/6/2012	6 months until 30/6/2011	3 months 1/4/2011 until 30/6/2011
Basic	(0,1763)	(0,0866)	(0,0995)	(0,0530)
Diluted	(0,1763)	(0,0866)	(0,0995)	(0,0530)

The notes on pages 21 to 44 form an integral part of these interim financial statements.

## Condensed Interim Statement of Comprehensive Income

	6 months until 30/6/2012	3 months 1/4/2012 until 30/6/2012	6 months until 30/6/2011	3 months 1/4/2011 until 30/6/2011
<b>Profits/(losses) after taxes</b>	<b>-39.279.095</b>	<b>-19.739.972</b>	<b>-22.068.572</b>	<b>-12.943.363</b>
<b>Other Comprehensive Income after taxes</b>				
Exchange differences translation of the financial statements from international business operations	-1.141.269	-2.151.385	-235.951	-357.447
Profit / (loss) after tax from the change of the fair value of the cash flow hedging	2.482.495	-552.787	1.600.512	331.999
Comprehensive income after tax	<u>1.341.226</u>	<u>-2.704.172</u>	<u>1.364.561</u>	<u>-25.448</u>
<b>Cumulative Comprehensive results after taxes</b>	<b><u>-37.937.869</u></b>	<b><u>-22.444.144</u></b>	<b><u>-20.704.012</u></b>	<b><u>-12.968.811</u></b>
<b>Attributable to:</b>				
Owners of the parent	-33.409.163	-19.001.347	-16.969.076	-10.390.822
Non-controlling interest	-4.528.706	-3.442.797	-3.734.935	-2.577.989
	<b><u>-37.937.869</u></b>	<b><u>-22.444.144</u></b>	<b><u>-20.704.012</u></b>	<b><u>-12.968.811</u></b>

### COMPANY DATA

	6 months until 30/6/2012	3 months 1/4/2012 until 30/6/2012	6 months until 30/6/2011	3 months 1/4/2011 until 30/6/2011
<b>Profits/(losses) after taxes</b>	<b>-16.968.621</b>	<b>-8.333.040</b>	<b>-9.574.598</b>	<b>-5.099.469</b>
<b>Other Comprehensive Income after taxes</b>				
Profit / (loss) after tax from the change of the fair value of the cash flow hedging	-74.984	15.000	25.833	54.178
Comprehensive income after tax	<u>-74.984</u>	<u>15.000</u>	<u>25.833</u>	<u>54.178</u>
<b>Cumulative Comprehensive results after taxes</b>	<b><u>-17.043.605</u></b>	<b><u>-8.318.040</u></b>	<b><u>-9.548.765</u></b>	<b><u>-5.045.292</u></b>

The notes on pages 21 to 44 form an integral part of these interim financial statements.

## Condensed Interim Statement of Changes in Shareholders' Equity

### Consolidated Data

Amounts in Euro	Attributable to shareholders of the parent company				Consolidated currency exchange differences	Total	Minority interest	Total Shareholders Equity
	Share Capital & Share Premium Reserves	Fair Value Reserve	Other reserves	Results carried forward				
<b>CONSOLIDATED DATA</b>								
Balance as of 1 January 2011	159.866.138	-898.713	106.151.064	229.813.631	-2.087.103	492.845.017	107.647.864	600.492.880
Cumulative Comprehensive earnings after taxes	-	1.254.855	-	-17.996.895	-227.037	-16.969.077	-3.734.935	-20.704.012
Increase - decrease participation percentage in subsidiary	-	-2.045	525.733	699.334	-	1.223.021	-2.447.824	-1.224.803
	-	1.252.810	525.733	-17.297.561	-227.037	-15.746.055	-6.259.480	-22.005.535
<b>Balance as of 30 June 2011</b>	<b>159.866.138</b>	<b>354.097</b>	<b>106.676.796</b>	<b>212.516.070</b>	<b>-2.314.140</b>	<b>477.098.961</b>	<b>101.388.384</b>	<b>578.487.345</b>
Cumulative Comprehensive earnings after taxes	-	-2.790.848	-	-30.890.736	-76.707	-33.758.291	-3.261.901	-37.020.192
Increase - decrease participation percentage in subsidiary	-	-1	8.296	-1.047.347	-	-1.039.051	266.965	-772.086
Transfer to reserves	-	-	195.277	-195.277	-	-	-	-
	-	-2.790.849	203.573	-32.133.360	-76.707	-34.797.342	-2.994.935	-37.792.278
<b>Balance as of 31 December 2011</b>	<b>159.866.138</b>	<b>-2.436.752</b>	<b>106.880.370</b>	<b>180.382.710</b>	<b>-2.390.847</b>	<b>442.301.618</b>	<b>98.393.449</b>	<b>540.695.067</b>
<b>Balance as of 1 January 2012</b>	<b>159.866.138</b>	<b>-2.436.752</b>	<b>106.880.370</b>	<b>180.382.710</b>	<b>-2.390.847</b>	<b>442.301.618</b>	<b>98.393.449</b>	<b>540.695.067</b>
Cumulative Comprehensive earnings after taxes	-	1.949.801	-	-34.501.987	-856.977	-33.409.163	-4.528.706	-37.937.869
Share Capital issuance / (decrease)	-	-	-	-	-	-	45.000	45.000
Increase - decrease participation percentage in subsidiary	-	-	1.270	-14.883	-	-13.613	-53.638	-67.251
Transfer to reserves	-	-	1.705.046	-1.705.046	-	-	-	-
	-	1.949.801	1.706.316	-36.221.916	-856.977	-33.422.776	-4.537.344	-37.960.121
<b>Balance as of 30 June 2012</b>	<b>159.866.138</b>	<b>-486.951</b>	<b>108.586.685</b>	<b>144.160.794</b>	<b>-3.247.824</b>	<b>408.878.842</b>	<b>93.856.104</b>	<b>502.734.946</b>

The consolidated comprehensive earnings after taxes, for the periods presented, as analyzed as follows:

CONSOLIDATED DATA	Attributable to shareholders of the parent company				Consolidated currency exchange differences	Total	Minority interest	Total Shareholders Equity
	Share Capital & Share Premium Reserves	Fair Value Reserve	Other reserves	Results carried forward				
Profits/(losses) after taxes	-	-	-	-17.996.895	-	-17.996.895	-4.071.678	-22.068.573
Exchange differences from activities abroad	-	-	-	-	-227.037	-227.037	-8.914	-235.951
Profit / (Loss) after taxes from change in the fair value of cash flow hedging	-	1.254.855	-	-	-	1.254.855	345.657	1.600.512
<b>1 Jan 2011 - 30 Jun 2011</b>	<b>-</b>	<b>1.254.855</b>	<b>-</b>	<b>-17.996.895</b>	<b>-227.037</b>	<b>-16.969.077</b>	<b>-3.734.935</b>	<b>-20.704.012</b>
Profits/(losses) after taxes	-	-	-	-30.890.736	-	-30.890.736	-2.411.120	-33.301.856
Exchange differences from activities abroad	-	-	-	-	-76.707	-76.707	-90.747	-167.454
Profit / (Loss) after taxes from change in the fair value of cash flow hedging	-	-2.790.848	-	-	-	-2.790.848	-760.035	-3.550.883
<b>1 Jul 2011 - 31 Dec 2011</b>	<b>-</b>	<b>-2.790.848</b>	<b>-</b>	<b>-30.890.736</b>	<b>-76.707</b>	<b>-33.758.290</b>	<b>-3.261.902</b>	<b>-37.020.193</b>
<b>1 Jan 2011 - 31 Dec 2011</b>	<b>-</b>	<b>-1.535.993</b>	<b>-</b>	<b>-48.887.631</b>	<b>-303.744</b>	<b>-50.727.368</b>	<b>-6.996.837</b>	<b>-57.724.205</b>
Profits/(losses) after taxes	-	-	-	-34.501.987	-	-34.501.987	-4.777.108	-39.279.095
Exchange differences from activities abroad	-	-	-	-	-856.977	-856.977	-284.292	-1.141.269
Profit / (Loss) after taxes from change in the fair value of cash flow hedging	-	1.949.801	-	-	-	1.949.801	532.695	2.482.495
<b>1 Jan 2012 - 30 Jun 2012</b>	<b>-</b>	<b>1.949.801</b>	<b>-</b>	<b>-34.501.987</b>	<b>-856.977</b>	<b>-33.409.164</b>	<b>-4.528.706</b>	<b>-37.937.869</b>

The notes on pages 21 to 44 form an integral part of these interim financial statements.

## Company Data

	Share Capital & Share Premium Reserves	Fair Value Reserve	Other reserves	Results carried forward	Total Shareholders Equity
<b>COOMPANY DATA</b>					
<b>Balance as of 1 January 2011</b>	159.866.138	-58.885	59.207.470	58.892.458	277.907.181
Cumulative Comprehensive earnings after taxes	-	25.833	-	-9.574.598	-9.548.765
<b>Balance as of 30 June 2011</b>	<b>159.866.138</b>	<b>-33.052</b>	<b>59.207.470</b>	<b>49.317.860</b>	<b>268.358.416</b>
Cumulative Comprehensive earnings after taxes	-	108.036	-	-16.003.240	-15.895.204
<b>Balance as of 31 December 2011</b>	<b>159.866.138</b>	<b>74.984</b>	<b>59.207.470</b>	<b>33.314.620</b>	<b>252.463.212</b>
<b>Balance as of 1 January 2012</b>	159.866.138	74.984	59.207.470	33.314.620	252.463.212
Cumulative Comprehensive earnings after taxes	-	-74.984	-	-16.968.621	-17.043.605
<b>Balance as of 30 June 2012</b>	<b>159.866.138</b>	<b>-</b>	<b>59.207.470</b>	<b>16.345.999</b>	<b>235.419.607</b>

The company comprehensive earnings after taxes, for the periods presented, as analyzed as follows:

<b>COMPANY DATA</b>	Fair Value Reserve	Results carried forward	Total Shareholders Equity
Profits/(losses) after taxes	-	-9.574.598	-9.574.598
Profit / (Loss) after taxes from change in the fair value of cash flow hedging	25.833	-	25.833
<b>1 Jan 2011 - 30 Jun 2011</b>	<b>25.833</b>	<b>-9.574.598</b>	<b>-9.548.765</b>
Profits/(losses) after taxes	-	-16.003.239	-16.003.239
Profit / (Loss) after taxes from change in the fair value of cash flow hedging	108.035	-	108.035
<b>1 Jul 2011 - 31 Dec 2011</b>	<b>108.035</b>	<b>-16.003.239</b>	<b>-15.895.204</b>
<b>1 Jan 2011 - 31 Dec 2011</b>	<b>133.868</b>	<b>-25.577.837</b>	<b>-25.443.969</b>
Profits/(losses) after taxes	-	-16.968.621	-16.968.621
Profit / (Loss) after taxes from change in the fair value of cash flow hedging	-74.984	-	-74.984
<b>1 Jan 2012 - 30 Jun 2012</b>	<b>-74.984</b>	<b>-16.968.621</b>	<b>-17.043.605</b>

The notes on pages 21 to 44 form an integral part of these interim financial statements.

## Condensed Interim Statement of Cash Flows

<i>Amounts in Euro</i>	Note	CONSOLIDATED DATA		COMPANY DATA	
		1/1 to 30/6/2012	1/1 to 30/6/2011	1/1 to 30/6/2012	1/1 to 30/6/2011
<b>Cash flows from operating activities</b>					
Cash flows from operating activities	13	71.871.509	-43.154.519	8.221.243	-39.391.980
Interest paid		-21.118.227	-13.783.421	-8.652.191	-5.022.307
Income tax paid		-1.253.064	-1.672.881	-	-
<b>Net cash flows from operating activities</b>		<b>49.500.218</b>	<b>-58.610.821</b>	<b>-430.948</b>	<b>-44.414.288</b>
<b>Cash Flows from investing activities</b>					
Purchase of property, plant and equipment		-14.455.321	-12.549.191	-1.642.019	-1.566.107
Purchase of intangible assets		-2.297	-3.080	-	-
Sale of property, plant and equipment		90.747	161.618	1.739	161.509
Dividends received		31.205	118.350	-	118.350
Increase - acquisition of participation in subsidiaries		-67.250	-1.335.290	-	-1.268.642
Return of subsidiary capital	8	-	10.895	-	10.895
Other		-	-47.802	-	-
<b>Net Cash Flows from investing activities</b>		<b>-14.402.916</b>	<b>-13.644.499</b>	<b>-1.640.280</b>	<b>-2.543.995</b>
<b>Cash flow from financing activities</b>					
Proceeds from borrowings		181.376.173	243.132.202	113.501.691	118.720.636
Repayment of borrowings		-215.781.729	-189.033.330	-115.223.332	-84.296.250
Changes in financial leases		1.450.000	-	-	-
Proceeds from Share Capital increase (minority stake)		45.000	-	-	-
Other		334.475	735.509	35.718	54.092
<b>Net Cash flow from financing activities</b>		<b>-32.576.081</b>	<b>54.834.380</b>	<b>-1.685.923</b>	<b>34.478.478</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>2.521.221</b>	<b>-17.420.940</b>	<b>-3.757.151</b>	<b>-12.479.805</b>
Cash and cash equivalents at the beginning of the year		47.427.286	69.003.735	8.320.060	30.230.061
Foreign exchange differences in cash and cash equivalents		249.391	-119.892	-	-
<b>Cash and cash equivalents at the end of the period</b>		<b>50.197.898</b>	<b>51.462.903</b>	<b>4.562.909</b>	<b>17.750.255</b>

The notes on pages 21 to 44 form an integral part of these interim financial statements.

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## B. Notes on the interim financial information

### 1 General Information

SIDENOR STEEL PRODUCTS MANUFACTURING COMPANY S.A. and its subsidiaries operate in the production and commercial sales of iron and steel products.

The Group operates in Greece, in the broader region of the Balkans and Europe, as well as in the United States of America. The Company's shares are listed on the Athens Stock Exchange. The SIDENOR Group of companies is a member of the VIOHALCO Group of companies.

The Company is registered in Athens, Greece, 2-4 Mesogheion Ave., Attiki. The Company's website address is [www.sidenor.gr](http://www.sidenor.gr).

The condensed interim financial information has been approved for publication by the company's Board of Directors on the 29th of August 2012.

### 2 Summary of Significant Accounting Policies

The principal accounting policies applied by the Group in the preparation of these interim financial statements are set out below. These policies have been consistently applied to all the years presented.

This condensed interim financial information includes the condensed interim financial information of SIDENOR STEEL PRODUCTS MANUFACTURING COMPANY S.A. (Company) and its subsidiaries for the six month period of 2012.

Group and Company operate according to the principle of going concern, fulfilling their daily needs for working capital through the resources at their disposal, including bank loans.

#### 2.1 Basis of preparation

This interim financial information has been prepared under IAS 34, based on the historical cost convention, as modified by the revaluation of available-for-sale financial assets and financial assets and liabilities at fair value through profit or loss and derivatives.

This interim financial information for the six month period was prepared according to the same accounting policies followed for the preparation and presentation of the financial statements for the Company and the Group for the year 2011.

The Group and the Company continue to adopt the "principle of going concern" in preparing individual and consolidated financial statements for the period ended June 30, 2012.

The interim financial information must be taken into account in conjunction with the audited financial statements of the Company and the Group for the year ended 31 December 2011, posted on the Company's web site, which were prepared in accordance with IFRS.

Tax on profits in the summary interim financial information is calculated by means of the tax rate which shall apply for annual profits.

The amounts contained in these financial statements have been rounded to Euros. Accordingly in certain cases, the sum of the amounts in a column may not conform to the total figure given for that column or the figure presented in the notes may differ to the amount shown in the primary financial statements.

## **2.2 New standards, amendments to standards and interpretations**

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

### Standards and Interpretations effective for the current financial year

#### **IFRS 7 (Amendment) "Financial Instruments: Disclosures" – transfers of financial assets** (effective for annual periods beginning on or after 1 July 2011)

This amendment sets out disclosure requirements for transferred financial assets not derecognised in their entirety as well as on transferred financial assets derecognised in their entirety but in which the reporting entity has continuing involvement. It also provides guidance on applying the disclosure requirements. The amendment will be applied in the annual financial statements.

#### **IAS 12 (Amendment) "Income Taxes"** (effective for annual periods beginning on or after 1 January 2012)

The amendment to IAS 12 provides a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in IAS 40 "Investment Property". This amendment has not yet been endorsed by the EU, and therefore has not been applied by the Group.

### Standards and Interpretations effective from periods beginning on or after 1 January 2013

#### **IFRS 9 "Financial Instruments"** (effective for annual periods beginning on or after 1 January 2015)

IFRS 9 is the first Phase of the Board's project to replace IAS 39 and deals with the classification and measurement of financial assets and financial liabilities. The IASB intends to expand IFRS 9 in subsequent phases in order to add new requirements for impairment and hedge accounting. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Group cannot currently early adopt IFRS 9 as it has not been endorsed by the EU. Only once approved will the Group decide if IFRS 9 will be adopted prior to 1 January 2015.

#### **IFRS 13 "Fair Value Measurement"** (Effective for annual periods beginning on or after 1 January 2013)

IFRS 13 provides new guidance on fair value measurement and disclosure requirements. These requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. IFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. Disclosure requirements are enhanced and apply to all assets and liabilities measured at fair value, not just financial ones. This standard has not yet been endorsed by the EU.

#### **IFRIC 20 "Stripping costs in the production phase of a surface mine"** (Effective for annual periods beginning on or after 1 January 2013)

This interpretation sets out the accounting for overburden waste removal (stripping) costs in the production phase of a mine. The interpretation may require mining entities to write off existing stripping assets to opening retained earnings if the assets cannot be attributed to an identifiable component of an ore body. IFRIC 20 applies only to stripping costs that are incurred in surface mining activity during the production phase of the mine, while it does not address underground mining activity or oil and natural gas activity. This interpretation has not yet been endorsed by the EU.

**IAS 1 (Amendment) “Presentation of Financial Statements”** (effective for annual periods beginning on or after 1 July 2012)

The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future.

**IAS 19 (Amendment) “Employee Benefits”** (effective for annual periods beginning on or after 1 January 2013)

This amendment makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits (eliminates the corridor approach) and to the disclosures for all employee benefits. The key changes relate mainly to recognition of actuarial gains and losses, recognition of past service cost / curtailment, measurement of pension expense, disclosure requirements, treatment of expenses and taxes relating to employee benefit plans and distinction between “short-term” and “other long-term” benefits.

**IFRS 7 (Amendment) “Financial Instruments: Disclosures”** (effective for annual periods beginning on or after 1 January 2013)

The IASB has published this amendment to include information that will enable users of an entity’s financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity’s recognised financial assets and recognised financial liabilities, on the entity’s financial position. This amendment has not yet been endorsed by the EU.

**IAS 32 (Amendment) “Financial Instruments: Presentation”** (effective for annual periods beginning on or after 1 January 2014)

This amendment to the application guidance in IAS 32 clarifies some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position. This amendment has not yet been endorsed by the EU.

**Group of standards on consolidation and joint arrangements** (effective for annual periods beginning on or after 1 January 2013)

The IASB has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (amendment) and IAS 28 (amendment). These standards are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted only if the entire “package” of five standards is adopted at the same time. These standards have not yet been endorsed by the EU. The Group is in the process of assessing the impact of the new standards on its consolidated financial statements. The main provisions are as follows:

**IFRS 10 “Consolidated Financial Statements”**

IFRS 10 replaces all of the guidance on control and consolidation in IAS 27 and SIC 12. The new standard changes the definition of control for the purpose of determining which entities should be consolidated. This definition is supported by extensive application guidance that addresses the different ways in which a reporting entity (investor) might control another entity (investee). The revised definition of control focuses

on the need to have both power (the current ability to direct the activities that significantly influence returns) and variable returns (can be positive, negative or both) before control is present. The new standard also includes guidance on participating and protective rights, as well as on agency/ principal relationships.

**IFRS 11 “Joint Arrangements”**

IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The types of joint arrangements are reduced to two: joint operations and joint ventures. Proportional consolidation of joint ventures is no longer allowed. Equity accounting is mandatory for participants in joint ventures. Entities that participate in joint operations will follow accounting much like that for joint assets or joint operations today. The standard also provides guidance for parties that participate in joint arrangements but do not have joint control.

**IFRS 12 “Disclosure of Interests in Other Entities”**

IFRS 12 requires entities to disclose information, including significant judgments and assumptions, which enable users of financial statements to evaluate the nature, risks and financial effects associated with the entity’s interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. An entity can provide any or all of the above disclosures without having to apply IFRS 12 in its entirety, or IFRS 10 or 11, or the amended IAS 27 or 28.

**IFRS 10, IFRS 11 and IFRS 12 (Amendment) “Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance”**

The amendment to the transition requirements in IFRSs 10, 11 and 12 clarifies the transition guidance in IFRS 10 and limits the requirements to provide comparative information for IFRS 12 disclosures only to the period that immediately precedes the first annual period of IFRS 12 application. Comparative disclosures are not required for interests in unconsolidated structured entities.

**IAS 27 (Amendment) “Separate Financial Statements”**

This Standard is issued concurrently with IFRS 10 and together, the two IFRSs supersede IAS 27 “Consolidated and Separate Financial Statements”. The amended IAS 27 prescribes the accounting and disclosure requirements for investment in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. At the same time, the Board relocated to IAS 28 requirements from IAS 28 “Investments in Associates” and IAS 31 “Interests in Joint Ventures” regarding separate financial statements.

**IAS 28 (Amendment) “Investments in Associates and Joint Ventures”**

IAS 28 “Investments in Associates and Joint Ventures” replaces IAS 28 “Investments in Associates”. The objective of this Standard is to prescribe the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures, following the issue of IFRS 11.

Amendments to standards that form part of the IASB’s 2011 annual improvements project

The amendments set out below describe the key changes to IFRSs following the publication in May 2012 of the results of the IASB’s annual improvements project. These amendments are effective for annual periods beginning on or after 1 January 2013 and have not yet been endorsed by the EU.

**IAS 1 “Presentation of financial statements”**

The amendment clarifies the disclosure requirements for comparative information when an entity provides a third balance sheet either (a) as required by IAS 8 “Accounting policies, changes in accounting estimates and errors” or (b) voluntarily.

**IAS 16 “Property, plant and equipment”**

The amendment clarifies that spare parts and servicing equipment are classified as property, plant and equipment rather than inventory when they meet the definition of property, plant and equipment, i.e. when they are used for more than one period.

**IAS 32 “Financial instruments: Presentation”**

The amendment clarifies that income tax related to distributions is recognised in the income statement and income tax related to the costs of equity transactions is recognised in equity, in accordance with IAS 12.

**IAS 34, ‘Interim financial reporting’**

The amendment clarifies the disclosure requirements for segment assets and liabilities in interim financial statements, in line with the requirements of IFRS 8 “Operating segments”.

### 3 Financial Risk Management

The Group is exposed to Credit Risk, Liquidity Risk and Market Risk.

The interim condensed consolidated financial statements do not include all financial risk management information and disclosures requires in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements as at 31 December 2011.

Compared to 31 December 2011, there was no change in the liquidity risk management.

#### 3.1 Fair value estimation

The Group applies the revised IFRS 7 with regards to the financial data appearing in financial statements in fair value.

The different levels have been defined as follows:

*Amounts in Euro*

Note	CONSOLIDATED DATA								
	30/6/2012				31/12/2011				
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial assets available for sale	5.150	1.539.350	-	<b>1.544.500</b>	5.150	1.539.350	-	<b>1.544.500</b>	
Financial assets at fair value	-	-	7.337	<b>7.337</b>	-	-	7.337	<b>7.337</b>	
Derivative financial assets	10	263.709	-	<b>263.709</b>	-	533.516	-	<b>533.516</b>	
		<b>5.150</b>	<b>1.803.059</b>	<b>7.337</b>	<b>1.815.546</b>	<b>5.150</b>	<b>2.072.866</b>	<b>7.337</b>	<b>2.085.353</b>
Derivative financial liabilities	10	-	-1.049.379	-	<b>-1.049.379</b>	-	-4.558.052	-	<b>-4.558.052</b>
		-	<b>-1.049.379</b>	-	<b>-1.049.379</b>	-	<b>-4.558.052</b>	-	<b>-4.558.052</b>

Amounts in Euro

	COMPANY DATA								
	30/6/2012				31/12/2011				
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial assets available for sale	5.150	1.409.321	-	1.414.471	5.150	1.409.321	-	1.414.471	
Derivative financial assets	10	-	-	-	-	126.926	-	126.926	
		<b>5.150</b>	<b>1.409.321</b>	<b>-</b>	<b>1.414.471</b>	<b>5.150</b>	<b>1.536.247</b>	<b>-</b>	<b>1.541.397</b>
Derivative financial liabilities for cash flow hedging	10	-	-	-	-	-33.196	-	-33.196	
		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-33.196</b>	<b>-</b>	<b>-33.196</b>	

The fair value of financial instruments traded in active markets (stock exchanges) (such as trading, bonds and available-for-sale securities) is based on quoted market prices at the balance sheet date. The offer price is used for financial assets, while the bid price is used for financial liabilities.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques and assumptions that are based on market conditions existing at each balance sheet date.

The Group is exposed to Credit Risk, Liquidity Risk and Market Risk.

The interim condensed consolidated financial statements do not include all financial risk management information and disclosures requires in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2011.

Compared to 31 December 2011, there was no change in the liquidity risk management.

#### **4 Accounting estimates and assumptions**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the condensed interim financial information, the same estimates and judgments, to those of December 31, 2011, were adopted.

#### **5 Segment Information**

The Group is divided into two business sectors:

- (1) Steel Construction and Industrial Products
- (2) Steel Pipe Products

*The results per segment for the 6 months till 30 June 2012 are as follows:*

	Steel		
	Construction		
<b>6 months ended 30 June 2012 (Amounts in Euro)</b>	<b>Products</b>	<b>Pipes</b>	<b>Total</b>
<b>Total gross sales per segment</b>	<b>574.323.174</b>	<b>129.899.559</b>	<b>704.222.733</b>
Intra-company sales	-122.484.468	-6.943.503	-129.427.971
<b>Net sales</b>	<b>451.838.706</b>	<b>122.956.056</b>	<b>574.794.762</b>
Operating results	-24.831.978	7.048.992	-17.782.986
Financial income	184.081	150.394	334.475
Financial expenditures	-18.031.581	-2.639.086	-20.670.667
Participation income	41.607	-	41.607
Profits/losses from associates	-2.855.698	2.481.960	-373.738
<b>Profits / (losses) before taxes</b>	<b>-45.493.569</b>	<b>7.042.260</b>	<b>-38.451.309</b>
Income tax expense	1.129.879	-1.957.665	-827.786
<b>Net profits / (losses)</b>	<b>-44.363.690</b>	<b>5.084.595</b>	<b>-39.279.095</b>

	Steel		
	Construction		
<b>30/6/2012 (Amounts in Euro)</b>	<b>Products</b>	<b>Pipes</b>	<b>Total</b>
Assets (apart from investments in associates)	1.023.986.860	254.895.397	1.278.882.257
Investments in Associates	13.566.884	14.460.172	28.027.056
<b>Total Assets</b>	<b>1.037.553.744</b>	<b>269.355.569</b>	<b>1.306.909.313</b>
Total Liabilities	701.637.734	102.536.633	804.174.367

*Other items per segment included in the results for the 6 months till 30 June 2012 are as follows:*

	Steel		
	Construction		
<b>6 months ended 30 June 2012 (Amounts in Euro)</b>	<b>Products</b>	<b>Pipes</b>	<b>Total</b>
Depreciation of property, plant and equipment	26.314.264	6.138.189	32.452.453
Depreciation of intangible assets	35.180	800	35.980
<b>Total depreciation</b>	<b>26.349.444</b>	<b>6.138.989</b>	<b>32.488.433</b>
Impairment of receivables	-722.797	-407.291	-1.130.088
Impairment of inventories	-	-390.517	-390.517
Investments in tangible, intangible assets	13.333.763	1.123.855	14.457.618

*The results per segment for the 6 months till 30 June 2011 are as follows:*

	Steel		
	Construction		
<b>6 months ended 30 June 2011 (Amounts in Euro)</b>	<b>Products</b>	<b>Pipes</b>	<b>Total</b>
<b>Total gross sales per segment</b>	<b>643.642.054</b>	<b>126.800.357</b>	<b>770.442.411</b>
Intra-company sales	-139.601.317	-8.985.148	-148.586.465
<b>Net sales</b>	<b>504.040.737</b>	<b>117.815.210</b>	<b>621.855.947</b>
Operating results	-12.032.481	3.358.210	-8.674.271
Financial income	622.307	114.383	736.690
Financial expenditures	-13.511.002	-1.341.655	-14.852.657
Profits/losses from participations	-29.949	-	-29.949
Profits/losses from associates	-1.249.002	1.361.447	112.445
<b>Profits / (losses) before taxes</b>	<b>-26.200.128</b>	<b>3.492.385</b>	<b>-22.707.742</b>
Income tax expense	1.104.752	-465.581	639.171
<b>Net profits/(loss)</b>	<b>-25.095.376</b>	<b>3.026.804</b>	<b>-22.068.573</b>

	Steel		
	Construction		
<b>31/12/2011 (Amounts in Euro)</b>	<b>Products</b>	<b>Pipes</b>	<b>Total</b>
Assets (apart from investments in associates)	1.078.697.178	297.225.891	1.375.923.069
Investments in Associates	16.507.531	13.303.791	29.811.322
<b>Total Assets</b>	<b>1.095.204.709</b>	<b>310.529.682</b>	<b>1.405.734.391</b>
Total Liabilities	714.737.188	150.302.136	865.039.324

*Other items per segment included in the results for the 6 months till 30 June 2011 are as follows:*

6 months ended 30 June 2011 (Amounts in Euro)	Steel		Total
	Construction Products	Pipes	
Depreciation of property, plant and equipment	26.496.132	6.033.059	<b>32.529.191</b>
Depreciation of intangible assets	42.926	3.191	<b>46.117</b>
<b>Total depreciation</b>	<b>26.539.058</b>	<b>6.036.250</b>	<b>32.575.308</b>
Impairment of receivables	-202.300	-8.704.992	<b>-8.907.292</b>
Impairment of inventories	962.000	-318.753	<b>643.247</b>
Investments in tangible, intangible assets	11.810.047	742.224	<b>12.552.271</b>

The expenses per segment have been defined by the operating activities of each segment.

Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions, similar to those applicable for transactions with unrelated third parties. There are no special rules of payment for amounts due and no interest is charged.

## 6 Property, plant and equipment and intangible assets

	CONSOLIDATED DATA		COMPANY DATA	
	Property, plant and equipment	Intangible assets	Property, plant and equipment	Intangible assets
<b>Balance as at January 1st 2012</b>	739.127.331	1.036.986	127.869.842	24.004
Foreign exchange differences	-65.240	-225	-	-
Additions	14.455.321	2.297	1.642.019	-
Sales	-88.797	-	-494	-
Spare part consumption	-220.905	-	-3.468	-
Reclassifications	-1	-	-	-
Depreciation	-32.522.827	-35.981	-5.144.740	-3.000
<b>Balance as at June 30th 2012</b>	<b>720.684.882</b>	<b>1.003.078</b>	<b>124.363.158</b>	<b>21.004</b>

Depreciation charged to current period amounts to € 32,488 thousand for the Group and € 5,298 thousand for the Company. The said amount of depreciation includes provision of the parent company € (150) thousand and € 221 thousand from subsidiaries. The provision will be finalized and allocated in the value of depreciated assets at year end.

The Extraordinary General Shareholders meeting of the subsidiary VET S.A. held on 30.04.2012, in the framework of rationalization of its production and taking into account the ongoing economic crisis in Greece, has decided unanimously the immediate shut of its plant which is located in Halkida.

The management of the company, in accordance with IAS 36, examined whether there is evidence for the impairment of the fixed assets of the company.

The main indications examined were the following:

1. Comparison of the book value of the fixed assets with the market values and the tax-based values.
2. Significant adverse technological, legal and other developments.
3. Change in the useful life of the fixed assets.
4. Obsolescence or physical damage.

The audit revealed that the book value of the tangible assets is less than the estimated value and the corresponding tax-based values.

The fixed assets have not been damaged nor do they need their useful life to be changed.

Also, there are no significant adverse technological, legal and other developments.

Also, the company has not reclassified its tangible assets into non-current assets available for sale (IFRS 5), as it has not met the criteria for it.

Thus, the Board of Directors, with the minutes of 31/7/2012, decided that there was no issue for the impairment of the tangible assets value.

## 7 Investments in associates

<i>Amounts in €</i>	CONSOLIDATED DATA		COMPANY DATA	
	30/6/2012	31/12/2011	30/6/2012	31/12/2011
<b>Beginning of the period</b>	<b>29.811.322</b>	<b>29.360.776</b>	<b>11.904.011</b>	<b>10.929.011</b>
Share in profit / (loss) after tax	-373.738	2.073.485	-	-
Income from dividends (-)	-84.949	-1.268.733	-	-
Foreign exchange differences	-1.325.579	-464.693	-	-
Additions	-	-	-	975.000
Less provisions	-	-	-850.000	-
Increase % in associate	-	110.487	-	-
<b>Balance at the period end</b>	<b>28.027.056</b>	<b>29.811.322</b>	<b>11.054.011</b>	<b>11.904.011</b>

The affiliated companies that are consolidated using the equity method are the following:

Company	Country	Participation Rate	
		30-Jun-12	31-Dec-11
SIDMA S.A.	Greece	24,59%	24,59%
DIAPEM S.A.	Greece	33,35%	33,35%
V.EPE.M. S.A.	Greece	50,00%	50,00%
METALOURGIA ATTIKIS S.A.	Greece	50,00%	50,00%
EL.K.E.ME. S.A.	Greece	20,00%	20,00%
DOMOPLEX LTD	Cyprus	45,00%	45,00%
BIODIESEL S.A.	Greece	16,00%	16,00%
ZAO TMK-CPW	Russia	38,49%	38,49%
AWM SPA	Italy	34,00%	34,00%
<b>Condensed financial information of Associates</b>	<b>30-Jun-12</b>	<b>31-Dec-11</b>	<b>30-Jun-11</b>
Assets	241.207.693	234.657.314	-
Liabilities	179.601.186	167.124.773	-
Revenues (Sales)	95.948.172	-	103.538.188
Profits / (losses) after taxes	-2.965.407	-	-1.113.657

## 8 Investments in subsidiaries

<i>Amounts in €</i>	COMPANY DATA	
	30/6/2012	31/12/2011
<b>Beginning of the period</b>	<b>214.756.642</b>	<b>212.338.804</b>
Additions	-	2.289.642
Return of subsidiary's share capital	-	-10.895
Transfer of Impairment provisions	-	139.091
<b>Balance at the period end</b>	<b>214.756.642</b>	<b>214.756.642</b>

Investments in subsidiaries, which are fully consolidated, are as follows:

Company	Country of Establishment	Direct Participation %	Indirect Participation %	Direct & Indirect Participation %	Activity sector
<b>2012</b>					
SOVEL S.A.	Greece	64,01%	0,00%	64,01%	Steel Construction Products
DEPAL S.A.	Greece	100,00%	0,00%	100,00%	Steel Construction Products
STOMANA INDUSTRY S.A.	Bulgaria	100,00%	0,00%	100,00%	Steel Construction Products
ERLIKON WIRE PROCESSING S.A.	Greece	98,45%	0,40%	98,85%	Steel Construction Products
AEIFOROS S.A.	Greece	90,00%	0,00%	90,00%	Steel Construction Products
THERMOLITH S.A.	Greece	0,00%	63,00%	63,00%	Steel Construction Products
PROSAL S.A.	Greece	100,00%	0,00%	100,00%	Pipes
PROSAL TUBES S.A.	Bulgaria	0,00%	100,00%	100,00%	Pipes
TEPRO STEEL EAD	Bulgaria	100,00%	0,00%	100,00%	Steel Construction Products
DOJRAN STEEL LLCOP	Skopje	100,00%	0,00%	100,00%	Steel Construction Products
BOZETTI LTD	Cyprus	100,00%	0,00%	100,00%	Steel Construction Products
VEMET S.A.	Greece	100,00%	0,00%	100,00%	Steel Construction Products
ETIL S.A.	Greece	3,89%	66,10%	69,99%	Steel Construction Products
PRAKSYS S.A.	Greece	51,00%	0,00%	51,00%	Steel Construction Products
DIA.VI.PE.THIV. S.A.	Greece	53,01%	17,09%	70,10%	Pipes
AEIFOROS BULGARIA S.A.	Bulgaria	0,00%	90,00%	90,00%	Steel Construction Products
VET S.A.	Greece	0,00%	64,01%	64,01%	Pipes
VEAT S.A.	Greece	0,00%	41,60%	41,60%	Steel Construction Products
SIGMA S.A.	Bulgaria	0,00%	69,28%	69,28%	Steel Construction Products
ARGOS S.A.	Greece	0,00%	69,28%	69,28%	Steel Construction Products
SIDERAL SHPK	Albania	100,00%	0,00%	100,00%	Steel Construction Products
SIDEROM STEEL SLR	Romania	100,00%	0,00%	100,00%	Steel Construction Products
PORT SVISHTOV WEST S.A.	Bulgaria	0,00%	73,09%	73,09%	Steel Construction Products
PRISTANISHTEN KOMPLEX SVILOS A EOOD	Bulgaria	0,00%	73,09%	73,09%	Steel Construction Products
SIDEBALK STEEL DOO	Serbia	100,00%	0,00%	100,00%	Steel Construction Products
JOSTDEX LTD	Cyprus	94,00%	0,00%	94,00%	Steel Construction Products
CORINTH PIPEWORKS S.A.	Greece	78,55%	0,00%	78,55%	Pipes

Company	Country of Establishment	Direct Participation %	Indirect Participation %	Direct & Indirect Participation %	Activity sector
<b>2011</b>					
SOVEL S.A.	Greece	64,01%	0,00%	64,01%	Steel Construction Products
DEPAL S.A.	Greece	100,00%	0,00%	100,00%	Steel Construction Products
STOMANA INDUSTRY S.A.	Bulgaria	100,00%	0,00%	100,00%	Steel Construction Products
ERLIKON WIRE PROCESSING S.A.	Greece	98,45%	0,40%	98,85%	Steel Construction Products
AEIFOROS S.A.	Greece	90,00%	0,00%	90,00%	Steel Construction Products
THERMOLITH S.A.	Greece	0,00%	63,00%	63,00%	Steel Construction Products
PROSAL S.A.	Greece	100,00%	0,00%	100,00%	Pipes
PROSAL TUBES S.A.	Bulgaria	0,00%	100,00%	100,00%	Pipes
TEPRO STEEL EAD	Bulgaria	100,00%	0,00%	100,00%	Steel Construction Products
DOJRAN STEEL LLCOP	Skopje	100,00%	0,00%	100,00%	Steel Construction Products
BOZETTI LTD	Cyprus	100,00%	0,00%	100,00%	Steel Construction Products
VEMET S.A.	Greece	100,00%	0,00%	100,00%	Steel Construction Products
ETIL S.A.	Greece	3,89%	66,10%	69,99%	Steel Construction Products
PRAKSYS S.A.	Greece	51,00%	0,00%	51,00%	Steel Construction Products
DIA.VI.PE.THIV. S.A.	Greece	53,01%	17,09%	70,10%	Pipes
AEIFOROS BULGARIA SA	Bulgaria	0,00%	90,00%	90,00%	Steel Construction Products
VET S.A.	Greece	0,00%	63,52%	63,52%	Pipes
VEAT S.A.	Greece	0,00%	41,60%	41,60%	Steel Construction Products
SIGMA S.A.	Bulgaria	0,00%	69,28%	69,28%	Steel Construction Products
ARGOS S.A.	Greece	0,00%	69,28%	69,28%	Steel Construction Products
SIDERAL SHPK	Albania	100,00%	0,00%	100,00%	Steel Construction Products
SIDEROM STEEL SLR	Romania	100,00%	0,00%	100,00%	Steel Construction Products
PORT SVISHTOV WEST SA	Bulgaria	0,00%	73,09%	73,09%	Steel Construction Products
PRISTANISHTEN KOMPLEX SVILOS A EOOD	Bulgaria	0,00%	73,09%	73,09%	Steel Construction Products
SIDEBALK STEEL DOO	Serbia	100,00%	0,00%	100,00%	Steel Construction Products
JOSTDEX LTD	Cyprus	94,00%	0,00%	94,00%	Steel Construction Products
CORINTH PIPEWORKS S.A.	Greece	78,55%	0,00%	78,55%	Pipes

During the period subsidiary company SOVEL acquired the remaining stake (0.48%) of its subsidiary VET.

The Extraordinary General Shareholders meeting of the subsidiary VET S.A. held on 30.04.2012, in the framework of rationalization of its production and taking into account the ongoing economic crisis in Greece, has decided unanimously the immediate shut of its plant which is located in Halkida. Pipe products continue to be produced in the facilities of the Group's subsidiaries.

Neither the subsidiaries and associates of SIDENOR S.A., nor their subsidiaries and associates, hold any shares of the parent company.

With regards to the acquisition of THERMOLITH S.A. by the subsidiary AEIFOROS S.A. in December 2011, the allocation of goodwill from this acquisition has been finalized. The breakdown resulted in a positive goodwill of € 44,385 which was transferred to the financial results of 31.12.2011, while the difference from the original goodwill of € 823,880 was allocated to other items, as shown in the table below.

Specifically, the book values of the assets and liabilities arising from the incorporation of THERMOLITH S.A., at the acquisition date, as well as the fair values that were determined at the completion of the allocation process, can be found in the following table.

	Book values derived from the acquisition at consolidated level	Fair values recognised
Cash and cash equivalents	164.809	164.809
Tangible Assets	1.768.790	3.381.462
Intangible assets	439.020	439.020
Other non-current receivables	11.248	11.248
Inventories	407.724	396.822
Trade receivables	1.643.057	1.647.028
Other current receivables	100.056	138.448
Deferred tax receivables	8.707	-
Long-term borrowings	-705.503	-705.503
Grants	-46.823	-
Provisions	-69.183	-72.222
Other non-current liabilities	-37.297	-355.511
Trade payables	-1.727.249	-1.726.790
Short-term Loans	-584.781	-584.781
Other current liabilities	-324.156	-377.864
Non-controlling companies	-227.915	-711.782
Equity	<b>820.504</b>	<b>1.644.385</b>
Acquisition cost	<u>-1.600.000</u>	<u>-1.600.000</u>
Goodwill	<u><b>-779.496</b></u>	<u><b>44.385</b></u>

The reduction of goodwill in the current period is due mainly to the determination of fair values of the machinery.

## 9 Trade & Other Receivables

During FY 2010 the subsidiary company CORINTH PIPEWORKS S.A. proceeded to an impairment of receivables amounting to € 18,627,586 (\$ 24,864,102) being the result of delay in its collection. On 30/06/2012, the same amount is valued at € 20,128,033. Collection of the amount of € 18,381,907, which the subsidiary company retained as collateral for aforementioned receivables, was not successful. While subsidiary company's judicial actions, both in Greece and other jurisdictions, for the collection of the

aforementioned debt are ongoing and while no final judgments have been issued, the subsidiary company considers that for the moment there is no reason to revise the provisions amounting to € 10,045,793 (2011: €9,641,291) that has formed in its financial statements. The subsidiary company estimates that potential loss will not exceed the impaired amount.

During FY 2010, the company discounted the non-impaired portion of the receivable with a rate of 1.58% for 15 months.

In order to ensure its rights, according to the decision taken by the First Instance Court of Athens during the procedures related to provisional and protective measures, the subsidiary company imposed a prudent attachment on the property of third party involved in the mentioned case.

For the six months period of 2012 there were no changes regarding the collection of the due amount.

For the six months period of 2012 and 2011, all variations in the above mentioned amounts are related to foreign exchange differences.

## 10 Derivative Financial Instruments

	CONSOLIDATED DATA		COMPANY DATA	
	30/6/2012	31/12/2011	30/6/2012	31/12/2011
<i>Amounts in €</i>				
<b>Current assets</b>				
Forward foreign exchange contracts for cash flow hedging	263.709	533.516	-	126.926
<b>Total</b>	<b>263.709</b>	<b>533.516</b>	<b>-</b>	<b>126.926</b>
<b>Short-term liabilities</b>				
Interest rate swaps for cash flow hedging	58.302	196.369	-	33.196
Forward foreign exchange contracts for cash flow hedging	991.077	4.361.683	-	-
<b>Total</b>	<b>1.049.379</b>	<b>4.558.052</b>	<b>-</b>	<b>33.196</b>
<b>Amounts recorded in the results as income or (expense)</b>				
	<b>30/6/2012</b>	<b>30/6/2011</b>	<b>30/6/2012</b>	<b>30/6/2011</b>
	<b>-4.290.156</b>	<b>3.085.972</b>	<b>-</b>	<b>-</b>
<b>Details of interest rate swaps</b>				
	<b>30/6/2012</b>	<b>31/12/2011</b>	<b>30/6/2012</b>	<b>31/12/2011</b>
Nominal value of interest rate swaps (in €)	5.000.000	15.000.000	-	5.000.000
Nominal value of forward foreign exchange (\$)	-	14.174.047	-	6.702.241
Nominal value of forwards (in USD)	91.031.919	105.449.075	-	-
Nominal value of forwards (in GBP)	-	140.000	-	-

The above derivative financial instruments cover foreign exchange risk from purchases (US Dollar) as well as interest rate risk.

Profits and losses relating to forward foreign exchange contracts recognized in equity (hedging reserve) on 30.06.2012 will be recognized in comprehensive income during the current and the next period. The amounts accounted for in the other comprehensive income statement after taxes are € 2,482 thousand for the consolidated figures and € -75 thousand for the corresponding corporate figures.

## 11 Borrowings

<i>Amounts in €</i>	<b>CONSOLIDATED DATA</b>		<b>COMPANY DATA</b>	
	<b>30/6/2012</b>	<b>31/12/2011</b>	<b>30/6/2012</b>	<b>31/12/2011</b>
<b>Long- term borrowings</b>				
Bank loans	79.863.823	93.007.648	-	-
Finance lease obligations	1.300.000	-	-	-
Bond Loans	27.723.336	82.056.672	17.083.336	47.416.672
<b>Total long- term borrowings</b>	<b>108.887.159</b>	<b>175.064.320</b>	<b>17.083.336</b>	<b>47.416.672</b>
	<b>CONSOLIDATED DATA</b>		<b>COMPANY DATA</b>	
	<b>30/6/2012</b>	<b>31/12/2011</b>	<b>30/6/2012</b>	<b>31/12/2011</b>
<b>Short-term Borrowings</b>				
Credit limits bank accounts	63.370.096	62.935.376	27.363.073	27.691.382
Bank loans	388.086.084	355.449.201	187.451.668	158.511.664
Finance lease liabilities	150.000	-	-	-
<b>Total Short-term borrowings</b>	<b>451.606.180</b>	<b>418.384.577</b>	<b>214.814.741</b>	<b>186.203.046</b>
<b>Total borrowings</b>	<b>560.493.339</b>	<b>593.448.897</b>	<b>231.898.077</b>	<b>233.619.718</b>
Total Cash and Cash Equivalents	50.197.898	47.427.286	4.562.909	8.320.060
<b>Net Debt</b>	<b>510.295.441</b>	<b>546.021.611</b>	<b>227.335.168</b>	<b>225.299.658</b>

The maturity dates of the long-term loans are as follows:

<i>Amounts in €</i>	<b>CONSOLIDATED DATA</b>		<b>COMPANY DATA</b>	
	<b>30/6/2012</b>	<b>31/12/2011</b>	<b>30/6/2012</b>	<b>31/12/2011</b>
Between 1 and 2 years	61.893.001	116.085.864	12.083.332	40.750.002
Between 2 and 5 years	42.410.857	52.737.158	5.000.004	6.666.670
Over 5 years	3.283.302	6.241.298	-	-
	<b>107.587.159</b>	<b>175.064.320</b>	<b>17.083.336</b>	<b>47.416.672</b>

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

	<b>CONSOLIDATED DATA</b>		<b>COMPANY DATA</b>	
	<b>30/6/2012</b>	<b>31/12/2011</b>	<b>30/6/2012</b>	<b>31/12/2011</b>
Bank loans (long-term)	5,79%	4,64%	-	-
Bank loans (short-term)	6,52%	6,68%	7,03%	7,24%
Bond Loans	4,32%	4,80%	4,87%	5,30%
Finance lease obligations	3,37%	-	-	-

The maturity dates of all borrowings are as follows:

	<b>CONSOLIDATED DATA</b>		<b>COMPANY DATA</b>	
	<b>30/6/2012</b>	<b>31/12/2011</b>	<b>30/6/2012</b>	<b>31/12/2011</b>
<b>Total borrowings (per currency)</b>				
Euro	524.685.589	562.605.793	230.832.333	232.736.966
USD	33	-	33	-
GBP	1.065.712	882.752	1.065.712	882.752
BGL	34.742.006	29.960.352	-	-
<b>Total</b>	<b>560.493.339</b>	<b>593.448.897</b>	<b>231.898.077</b>	<b>233.619.718</b>

The Ordinary General Meeting that took place on 15/06/2010 decided upon the issue of € 70 million. Until 30/6/2012 the amount of € 49.25 million has been received by the Company.

Moreover, the Ordinary General Meeting that took place on 14/6/2011 and 28/6/2012 decided upon the issue of common bond loans amounting € 100 million in order to refinance the Company's outstanding debt, which will be financed by Banks.

In addition, the subsidiary company SOVEL S.A., following the respective resolution of the Extraordinary Shareholders Meeting dated 13/1/2011, proceeded on 28/2/2011 to the issue of a common bond loan amounting € 5 million with NATIONAL BANK OF GREECE S.A. and NATIONAL BANK OF GREECE (CYPRUS) LTD as bond holders, with a three year maturity in order to refinance the Company's outstanding debt. Moreover the subsidiary SOVEL S.A. proceeded on 16/3/2011 to the issue of a common bond loan amounting € 5 million with EFG EUROBANK ERGASIAS S.A. and EUROBANK EFG CYPRUS LTD as bond holders, with a two year maturity in order to refinance the Company's outstanding debt.

## 12 Financial Lease

*Amounts in €*

**Finance lease obligations - minimum lease payments**

Up to 1 year

From 1 to 5 years

More than 5 years

**Total**

Less: Future finance charges on finance leases

**Present value of liabilities due to financial leases**

**CONSOLIDATED DATA**

**30/6/2012      31/12/2011**

	181.552	-
	726.208	-
	847.242	-
	<b>1.755.002</b>	-
	-305.002	-
	<b>1.450.000</b>	-

The present value of financial lease liabilities is analyzed below:

Up to 1 year

From 1 to 5 years

More than 5 years

**Present value of liabilities due to financial leases**

	150.000	-
	600.000	-
	700.000	-
	<b>1.450.000</b>	-

The effective weighted average interest rates at the balance sheet date are as follows:

**CONSOLIDATED DATA**

**30/6/2012      31/12/2011**

**Finance lease obligations**

	3,37%	-
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### 13 Operating Cash Flows

<i>Amounts in €</i>	Note	CONSOLIDATED DATA		COMPANY DATA	
		1/1 to 30/6/2012	1/1 to 30/6/2011	1/1 to 30/6/2012	1/1 to 30/6/2011
Profits/losses after taxes		-39.279.095	-22.068.572	-16.968.621	-9.574.598
Adjustments for:					
Income tax		827.786	-639.171	-521.141	-483.090
Depreciation of tangible fixed assets		32.452.452	32.529.191	5.294.965	5.614.099
Depreciation of intangible assets		35.981	46.117	3.000	3.000
Impairment of inventory		588.985	252.810	-	-
(Profits)/losses from the sale of tangible fixed assets		-1.950	-19.076	-1.245	-18.968
Interest (income)		-334.475	-736.690	-35.716	-54.092
Interest expenses		20.670.667	14.852.657	8.419.629	5.732.071
Dividend (income)		-126.556	-	-84.949	-177.320
Amortisation of grants		-504.415	-516.163	-1.072	-12.696
(Profits) / losses from associates companies	7	373.738	-112.445	-	-
Other		126.699	236.128	853.467	17.733
		<b>14.829.817</b>	<b>23.824.786</b>	<b>-3.041.683</b>	<b>1.046.140</b>
<b>Changes in working capital</b>					
(Increase)/decrease in inventory		36.567.165	-47.514.027	19.457.588	-16.050.583
(Increase)/decrease in receivables		43.515.833	-51.298.477	-5.449.848	-29.503.454
Increase /(decrease) of liabilities		-22.770.135	31.010.972	-3.182.875	4.813.503
Increase /(decrease) of provisions		127.785	676.037	600.000	150.000
Increase / (decrease) in personnel benefits due to retirement		-398.956	146.191	-161.939	152.413
		<b>57.041.692</b>	<b>-66.979.305</b>	<b>11.262.926</b>	<b>-40.438.120</b>
<b>Net cash flows from operating activities</b>		<b>71.871.509</b>	<b>-43.154.519</b>	<b>8.221.243</b>	<b>-39.391.980</b>
Net book value		88.797	142.542	494	142.542
Profits /(losses) from sale of tangible assets		1.950	19.076	1.245	18.968
Income from sale of tangible assets		<b>90.747</b>	<b>161.618</b>	<b>1.739</b>	<b>161.509</b>

### 14 Commitments

#### *Contractual commitments*

<i>Amounts in €</i>	CONSOLIDATED DATA		COMPANY DATA	
	30/6/2012	31/12/2011	30/6/2012	31/12/2011
Tangible assets	6.412.461	1.380.356	-	-
	<b>6.412.461</b>	<b>1.380.356</b>	<b>-</b>	<b>-</b>

The above contractual commitments regard contracts with suppliers in the context of investments made in the subsidiaries STOMANA INDUSTRY S.A. and CORINTH PIPEWORKS S.A.

The Group leases motor vehicles and buildings under operating leases agreements. The future aggregate minimum lease payments are as follows:

<i>Amounts in €</i>	<b>CONSOLIDATED DATA</b>		<b>COMPANY DATA</b>	
	<b>30/6/2012</b>	<b>31/12/2011</b>	<b>30/6/2012</b>	<b>31/12/2011</b>
Under 1 year	893.147	804.829	421.179	412.564
From 1-5 years	2.853.784	2.742.716	1.275.508	1.245.745
More than 5 years	1.849.518	1.950.382	420.608	420.608
	<b>5.596.448</b>	<b>5.497.927</b>	<b>2.117.295</b>	<b>2.078.917</b>
	<b>30/6/2012</b>	<b>30/6/2011</b>	<b>30/6/2012</b>	<b>30/6/2011</b>
<b>Burden to Results</b>	<b>1.259.080</b>	<b>1.285.186</b>	<b>234.797</b>	<b>263.839</b>

### Capital commitments

CORINTH PIPEWORKS' capital expenditures in progress at 30/6/2012 amounting to € 514 thousand (2011: € 589 thousand) are related to fixed assets.

## 15 Contingent Liabilities - Assets

The Group has contingent liabilities and receivables in respect of banks, other guarantees and other matters arising in the ordinary course of business, as follows:

<i>Amounts in €</i>	<b>CONSOLIDATED DATA</b>		<b>COMPANY DATA</b>	
	<b>30/6/2012</b>	<b>31/12/2011</b>	<b>30/6/2012</b>	<b>31/12/2011</b>
<b>Liabilities</b>				
Guarantees for securing payables to suppliers	14.086.100	22.382.202	6.897.223	6.795.979
Good performance guarantees to customers	875.870	979.933	777.696	777.696
Counter-guarantees of loan from the European Investment Bank	480.900	2.981.370	-	-
Other contingent liabilities	9.974.668	5.181.580	914.629	914.629
<b>Total</b>	<b>25.417.538</b>	<b>31.525.085</b>	<b>8.589.548</b>	<b>8.488.305</b>
	<b>30/6/2012</b>	<b>31/12/2011</b>	<b>30/6/2012</b>	<b>31/12/2011</b>
<b>Receivables</b>				
Guarantees to secure receivables from clients	60.869.453	60.843.680	23.076.379	29.382.741
Other receivables	1.680.017	1.680.017	1.534.130	1.534.130
<b>Total</b>	<b>62.549.470</b>	<b>62.523.697</b>	<b>24.610.509</b>	<b>30.916.871</b>

On the 1st of January 2012, the subsidiary STOMANA INDUSTRY S.A. had recognized a provision of €160 thousand against lawsuits by former employees due to dismissals and accidents at work. The amount of € 86 thousand has been used during the period. The current amount of the provision is € 74 thousand.

Furthermore, the subsidiary company CORINTH PIPEWORKS S.A. on 30.06.2012 recognised a provision of € 1,131 thousand (of which €144 thousand regards cases in court or under arbitration of a total amount of €144 thousand and €987 thousand compensations for customers). On 30.06.2012, the subsidiary CORINTH PIPEWORKS S.A. had pending lawsuits against third parties. It is not possible to reliably estimate the economic for the Company and the Group of a positive outcome for these cases.

A provision of € 814 thousand for the Group and € 267 thousand for the Company respectively has been formed for the unaudited tax years.

There is also a balance of other provisions amounting to €743 thousand related to receivables of the parent company of €648 thousand and general expenses of subsidiaries SIGMA of €84 thousand, ETIL €5 thousand, SIDEROM € 5 thousand and AEIFOROS €1 thousand.

The formed provision is sufficient and no additional burden is expected to arise.

During FY 2010 the subsidiary company CORINTH PIPEWORKS S.A. proceeded to an impairment of receivables amounting to € 18,627,586 (\$ 24,864,102) being the result of delay in its collection. On 30/06/2012, the same amount is valued at € 20,128,033. Collection of the amount of € 18,381,907, which the subsidiary company retained as collateral for aforementioned receivables, was not successful. While subsidiary company's judicial actions, both in Greece and other jurisdictions, for the collection of the aforementioned debt are ongoing and while no final judgments have been issued, the subsidiary company considers that for the moment there is no reason to revise the provisions amounting to € 10,045,793 (2011: €9,641,291) that has formed in its financial statements. The subsidiary company estimates that potential loss will not exceed the impaired amount.

During FY 2010, the company discounted the non-impaired portion of the receivable with a rate of 1.58% for 15 months.

In order to ensure its rights, according to the decision taken by the First Instance Court of Athens during the procedures related to provisional and protective measures, the subsidiary company imposed a prudent attachment on the property of third party involved in the mentioned case.

For the six months period of 2012 there were no changes regarding the collection of the due amount.

For the six months period of 2012 and 2011, all variations in the above mentioned amounts are related to foreign exchange differences.

## **16 Existing Collaterals**

Mortgages and statutory notices of mortgage in the amount of €153,201 thousand in favour of banks has been filled against the fixed assets of subsidiaries, whilst the current balance of the loans is € 37,169 thousand.

## 17 Related Parties

The under mentioned transactions are mostly being referred to transactions with companies of VIOHALCO Group.

<i>Amounts in €</i>	<b>CONSOLIDATED DATA</b>		<b>COMPANY DATA</b>	
	<b>30/6/2012</b>	<b>30/6/2011</b>	<b>30/6/2012</b>	<b>30/6/2011</b>
<b>Sales of goods</b>				
Subsidiaries	-	-	67.018.651	76.029.627
Affiliates	8.592.948	9.746.482	2.549.708	4.314.209
Other Related Parties	16.493.101	20.356.649	7.558.967	11.896.836
	<b>25.086.048</b>	<b>30.103.131</b>	<b>77.127.325</b>	<b>92.240.672</b>
<b>Sales of services</b>				
Subsidiaries	-	-	11.060.205	12.278.725
Affiliates	48.698	22.094	1.550	1.550
Other Related Parties	865.320	540.502	61.587	106.358
	<b>914.018</b>	<b>562.597</b>	<b>11.123.342</b>	<b>12.386.633</b>
<b>Sales of fixed assets</b>				
Subsidiaries	-	-	2.959	160.275
Other Related Parties	-	900	-	800
	<b>-</b>	<b>900</b>	<b>2.959</b>	<b>161.075</b>
<b>Purchases of goods</b>				
Subsidiaries	-	-	24.760.307	29.254.868
Affiliates	381.552	734.263	107.314	-
Other Related Parties	59.973.024	46.445.088	4.332.531	4.550.541
	<b>60.354.577</b>	<b>47.179.351</b>	<b>29.200.152</b>	<b>33.805.409</b>
<b>Purchases of services</b>				
Subsidiaries	-	-	2.032.709	2.215.049
Affiliates	1.649.147	1.704.602	1.091.914	1.151.076
Other Related Parties	4.150.357	4.294.667	1.878.413	2.024.629
	<b>5.799.503</b>	<b>5.999.269</b>	<b>5.003.035</b>	<b>5.390.753</b>
<b>Purchases of fixed assets</b>				
Subsidiaries	-	-	66.437	40.559
Affiliates	11.343	21.241	-	-
Other Related Parties	345.697	1.585.427	2.330	2.069
	<b>357.040</b>	<b>1.606.668</b>	<b>68.767</b>	<b>42.628</b>
<b>Board of Directors' and Senior Officers' Remuneration</b>				
<i>Amounts in €</i>				
Salaries and other benefits to directors and key management	1.010.445	828.586	227.273	315.282
	<b>1.010.445</b>	<b>828.586</b>	<b>227.273</b>	<b>315.282</b>
<b>Liabilities to Senior Management and Board Members</b>				
	<b>99.290</b>	<b>109.290</b>	<b>-</b>	<b>-</b>

**Balances, as of period end, that relate to the sales and purchases of goods, services, fixed assets, etc. with the companies of VIOCHALCO Group.**

<i>Amounts in €</i>	<b>CONSOLIDATED DATA</b>		<b>COMPANY DATA</b>	
	<b>30/6/2012</b>	<b>31/12/2011</b>	<b>30/6/2012</b>	<b>31/12/2011</b>
<b>Receivables from related parties:</b>				
Subsidiaries	-	-	50.847.056	34.005.339
Affiliates	15.618.075	12.964.108	10.090.965	8.362.704
Other Related Parties	20.562.441	17.668.769	11.854.404	10.467.134
	<b>36.180.516</b>	<b>30.632.877</b>	<b>72.792.425</b>	<b>52.835.177</b>
<b>Prepayments for Share Capital Increase</b>				
Subsidiaries	-	-	20.200.404	20.200.404
	<b>-</b>	<b>-</b>	<b>20.200.404</b>	<b>20.200.404</b>
<b>Liabilities to associates:</b>				
Subsidiaries	-	-	36.609.108	45.721.761
Affiliates	1.920.728	1.830.821	1.230.218	1.050.817
Other Related Parties	18.213.587	12.298.832	2.139.773	1.266.218
	<b>20.134.315</b>	<b>14.129.654</b>	<b>39.979.100</b>	<b>48.038.795</b>

The Group's commercial transactions with its associates (persons or entities) during the period have been performed under market terms and in the context of the usual business activity. There are no specific terms of payment.

The majority of the transactions with subsidiary companies have been carried out by SIDENOR, SOVEL, STOMANA, DOJRAN and SIDEROM and concern purchase and sell transactions on finished and semi-finished steel products.

Respectively, the most important transactions with affiliates are carried out by SIDENOR and STOMANA with SIDMA Group. The latter acts as an agent for a part of the group's steel products.

In addition, the transactions with the other affiliates are mainly carried out by SIDENOR, STOMANA and CORINTH PIPEWORKS. The companies that mainly cooperate with are TEPROMETAL AG and METAL AGENCIES (trade of readymade products), ANAMET and METAL VALUES (raw material purchases).

## 18 Earnings per share

### Continuing operations

#### Basic

<i>Amounts in Euro</i>	<b>CONSOLIDATED DATA</b>			
	<b>6 months until 30/6/2012</b>	<b>3 months 1/4/2012 until 30/6/2012</b>	<b>6 months until 30/6/2011</b>	<b>3 months 1/4/2012 until 30/6/2011</b>
Losses attributable to parent company shareholders	-34.501.987	-16.941.582	-17.996.895	-10.359.597
Weighted average number of shares	96.243.908	96.243.908	96.243.908	96.243.908
Basic earnings per share (Euro per share)	<b>(0,3585)</b>	<b>(0,1760)</b>	<b>(0,1870)</b>	<b>(0,1076)</b>

**Diluted**

**CONSOLIDATED DATA**

	<b>6 months until 30/6/2012</b>	<b>3 months 1/4/2012 until 30/6/2012</b>	<b>6 months until 30/6/2011</b>	<b>3 months 1/4/2012 until 30/6/2011</b>
<i>Amounts in Euro</i>				
Losses attributable to parent company shareholders	-34.501.987	-16.941.582	-17.996.895	-10.359.597
Weighted average number of shares	96.243.908	96.243.908	96.243.908	96.300.131
<i>Adjustments for rights in shares</i>				
Total weighted average number of shares for diluted earnings per share	96.243.908	96.243.908	96.243.908	96.243.908
Diluted earnings per share (Euro per share)	(0,3585)	(0,1760)	(0,1870)	(0,1076)

**Continuing operations**

**Basic**

**COMPANY DATA**

	<b>6 months until 30/6/2012</b>	<b>3 months 1/4/2012 until 30/6/2012</b>	<b>6 months until 30/6/2011</b>	<b>3 months 1/4/2012 until 30/6/2011</b>
<i>Amounts in Euro</i>				
Losses attributable to parent company shareholders	-16.968.621	-8.333.040	-9.574.598	-5.099.469
Weighted average number of shares	96.243.908	96.243.908	96.243.908	96.243.908
Basic earnings per share (Euro per share)	(0,1763)	(0,0866)	(0,0995)	(0,0530)

**Diluted**

**COMPANY DATA**

	<b>6 months until 30/6/2012</b>	<b>3 months 1/4/2012 until 30/6/2012</b>	<b>6 months until 30/6/2011</b>	<b>3 months 1/4/2012 until 30/6/2011</b>
<i>Amounts in Euro</i>				
Losses attributable to parent company shareholders	-16.968.622	-8.333.040	-9.574.598	-5.099.469
Weighted average number of shares	96.243.908	96.243.908	96.243.908	96.243.908
<i>Adjustments for rights in shares</i>				
Total weighted average number of shares for diluted earnings per share	96.243.908	96.243.908	96.243.908	96.243.908
Diluted earnings per share (Euro per share)	(0,1763)	(0,0866)	(0,0995)	(0,0530)

The basic and diluted earnings per share are calculated by dividing the profit attributable to shareholders of the parent company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the company and held as treasury shares.

## 19 Fiscal Years non-audited by tax authorities

From the 2011 financial year and onwards, all Greek Societe Anonyme and Limited Liability Companies that are required to prepare audited statutory financial statements must in addition obtain an "Annual Tax Certificate" as provided for by paragraph 5 of Article 82 of L.2238/1994. This "Annual Tax Certificate" must be issued by the same statutory auditor or audit firm that issues the audit opinion on the statutory financial statements. Upon completion of the tax audit, the statutory auditor or audit firm must issue to the entity a "Tax Compliance Report" which will subsequently be submitted electronically to the Ministry of Finance, by the statutory auditor or audit firm. This "Tax Compliance Report" must be submitted to the

Ministry of Finance, within ten days of the date of approval of the financial statements by the General Meeting of Shareholders. The Ministry of Finance will subsequently select a sample of at least 9% of all companies for which a "Tax Compliance Report" has been submitted for the performance of a tax audit by the relevant auditors from the Ministry of Finance. The audit by the Ministry of Finance must be completed within a period of eighteen months from the date when the "Tax Compliance Report" was submitted to the Ministry of Finance.

### **Company**

In July the tax audit for the fiscal years of 2007 to 2010 was completed. The audit resulted in additional taxes and penalties of € 257 thousand. The above amount is covered entirely by the provisions the company had made in previous years, which had charged the corresponding results.

For FY 2011 PricewaterhouseCoopers performed the tax audit and a tax audit certificate was issued. There were no additional tax liabilities, in excess of those disclosed in the financial statements.

### **Domestic subsidiaries and affiliates**

As regards the Company's subsidiaries and affiliates, they have not been audited by the tax authorities for the following financial years and therefore their tax liabilities for these years have not been finalized.

<b>Company</b>	<b>Unaudited years</b>
SOVEL S.A.	2010
CORINTH PIPEWORKS S.A.	2008 - 2010
ERLIKON WIRE PROCESSING S.A.	2006 - 2010
AEIFOROS S.A.	2010
DEPAL S.A.	2007 - 2010
PROSAL S.A.	2007 - 2010
ETIL S.A.	2004 - 2010
ARGOS S.A.	2009 - 2010
VET S.A.	2010
PRAKSYS S.A.	2010
THERMOLITH S.A.	2010
VEMET S.A.	2003 - 2010
VEAT S.A.	2003 - 2010
DIAVI.PE.THIV. S.A.	2010
SIDMA S.A.	2008 - 2010
DIAPEM S.A.	2010
V.EPE.M. S.A.	2003 - 2010
METALOURGIA ATTIKIS S.A.	2007 - 2010
EL.K.E.ME. S.A.	2010

For the Greek subsidiaries and affiliates, the tax audit for the fiscal year 2011 financial year has been performed by the following audit companies:

<b>Company</b>	<b>Audit company</b>
SOVEL S.A.	PRICEWATERHOUSECOOPERS Audit Company S.A.
CORINTH PIPEWORKS S.A.	PRICEWATERHOUSECOOPERS Audit Company S.A.
ERLIKON WIRE PROCESSING S.A.	PRICEWATERHOUSECOOPERS Audit Company S.A.
AEIFOROS S.A.	PRICEWATERHOUSECOOPERS Audit Company S.A.
ETIL S.A.	PRICEWATERHOUSECOOPERS Audit Company S.A.
ARGOS S.A.	PRICEWATERHOUSECOOPERS Audit Company S.A.
VET S.A.	SOL Certified Public Accountants -Auditors S.A.
THERMOLITH S.A.	SOL Certified Public Accountants -Auditors S.A.
SIDMA S.A.	SOL Certified Public Accountants -Auditors S.A.
DEPAL S.A.	HBP Certified Public Accountants Ltd
PROSAL S.A.	ABACUS Chartered Accountants-Auditors S.A.
PRAKSYS S.A.	ABACUS Chartered Accountants-Auditors S.A.
VEMET S.A.	ABACUS Chartered Accountants-Auditors S.A.
VEAT S.A.	ABACUS Chartered Accountants-Auditors S.A.
DIA.VI.PE.THIV. S.A.	ABACUS Chartered Accountants-Auditors S.A.
DIAPEM S.A.	ABACUS Chartered Accountants-Auditors S.A.
V.EP.E.M. S.A.	ABACUS Chartered Accountants-Auditors S.A.
METALOURGIA ATTIKIS S.A.	ABACUS Chartered Accountants-Auditors S.A.
EL.K.E.ME. S.A.	ABACUS Chartered Accountants-Auditors S.A.

Upon the completion of the tax audit, there were no significant tax liabilities, in excess of those disclosed in the consolidated financial statements.

#### **Foreign subsidiaries and affiliates**

The unaudited fiscal years of the foreign subsidiaries and affiliates are shown in the following table:

<b>Company</b>	<b>Unaudited years</b>
STOMANA INDUSTRY S.A.	2010 - 2012
TEPRO STEEL EAD	2008 - 2012
AEIFOROS BULGARIA S.A.	2007 - 2012
SIGMA S.A.	2006 - 2012
PROSAL TUBES S.A.	2008 - 2012
BOZETTI LTD	2008 - 2012
DOJRAN STEEL LLCOP	2011 - 2012
SIDEROM STEEL SLR	2007 - 2012
SIDERAL SHPK	2005 - 2012
PORT SMSHTOV WEST S.A.	2008 - 2012
SIDEBALK STEEL DOO	2011 - 2012
PRISTANISHTEN KOMPLEX SVLOSAE OOD	2004 - 2012
JOSTDEX LTD	2010 - 2012
DOMOPLEX LTD	2007 - 2012
ZAO TMK-CPW	2007 - 2012
BIODIESEL S.A.	2007 - 2012
AWM SPA	2006 - 2012

The Group provides, when considered appropriate, and on a company by company basis for possible additional taxes.

## **20 Number of Personnel**

Number of personnel employed at the end of the current period: Group: 2,840 and Company: 261. In the respective 2011 period, Group's personnel amounted to 3,059 employees and Company's to 325 employees.

## **21 Events after the Balance Sheet date**

There are no post balance sheet events.

## **22 Significant Events**

The most important events that took place during the first half of 2012 are the following:

### *Resolutions of the Annual Ordinary General Meeting*

During the Annual Ordinary General Meeting of the Company's Shareholders that took place in Athens, on June 28th, 2012 at 11.00 pm, the following were decided:

- (i) Approval of the Annual Financial Statements of the fiscal year 2011, along with the corresponding Board of Directors Report and the Chartered Accountant/ Auditor's Report.
- (ii) Release of the BoD members and the Chartered Accountant/Auditor from any compensation liabilities for the fiscal year ended on December 31, 2011.
- (iii) Appointment of audit firm "PriceWaterHouseCoopers" as auditors for financial year 1/1-31/12/2012 with their remuneration to be fixed following their pertinent proposal.
- (iv) Election of the members of the new Board of Directors for one year (this tenure of the members of the Board of Directors will begin on the day following the election and will end on the date of Annual General Meeting of the year 2013), as follows:
  - 1. GEORGE KALFARENTZOS, BOD CHAIRMAN, EXECUTIVE MEMBER
  - 2. NIKOLAOS KOUDOUNIS, BOD VICE-CHAIRMAN, EXECUTIVE MEMBER
  - 3. SARADOS MILIOS, EXECUTIVE MEMBER
  - 4. GEORGE SOULITZIS, NON-EXECUTIVE MEMBER
  - 5. VASILIOS PAPANTONIOU, EXECUTIVE MEMBER
  - 6. GEORGE PASSAS, NON-EXECUTIVE MEMBER
  - 7. IOANNIS IKONOMOU, NON-EXECUTIVE MEMBER
  - 8. ANDREAS KYRIAZIS, NON-EXECUTIVE AND INDEPENDENT MEMBER
  - 9. EFSTATHIOS STRIMBER, NON-EXECUTIVE AND INDEPENDENT MEMBER
- (v) The General Meeting also approved the amounts to be paid to the Board members as remuneration, pursuant to the stipulations of paragraphs 2, of article 24 of Law no. 2190/1290.
- (vi) The General Meeting approved the issuance of common bond loans, according to Law 3156/2003, up to a total amount of hundred million euro that will be covered totally by banks. The objective of the loans is to refinance part of the Company's debt obligations.

(vii) Members of the monitoring committee under article 37 of Law no. 3693/2008 were appointed the following:

1. GEORGE PASSAS, NON-EXECUTIVE MEMBER
2. IOANNIS IKONOMOU, NON-EXECUTIVE MEMBER
3. ANDREAS KYRIAZIS, NON-EXECUTIVE AND INDEPENDENT MEMBER

### 23 Adjustments to comparative data due to retroactive application of IFRS 3

In the previous year's financial data, the below figures were adjusted due to the finalizing of the goodwill allocation arising from the acquisition of THERMOLITH S.A. by subsidiary AEIFOROS S.A.

	Published figures 31-Dec-11	Adjustments due to IFRS 3	Adjusted figures 31-Dec-11
<b>ASSETS</b>			
<b>Non-current assets</b>			
Land & Buildings	256.434.534	776.793	257.211.327
Machinery	403.392.139	835.879	404.228.018
Intangible assets	1.816.481	-779.496	1.036.985
Deferred tax assets	91.847	-8.707	83.140
		<b>824.470</b>	
<b>Current Assets</b>			
Inventories	335.914.142	-10.902	335.903.240
Trade and other receivables	236.477.749	42.363	236.520.112
		<b>31.461</b>	
<b>Total Assets</b>		<b>855.931</b>	
<b>EQUITY</b>			
<b>Capital and reserves attributable to equity holders</b>			
Retained earnings	180.338.325	44.385	180.382.710
Total		<b>44.385</b>	
<b>Minority interest</b>	<b>97.909.583</b>	<b>483.866</b>	<b>98.393.449</b>
<b>Total Equity</b>		<b>528.251</b>	
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Deferred tax liabilities	54.488.953	322.354	54.811.307
Retirement benefit obligations	6.046.210	-435	6.045.775
Grants	9.802.067	-46.823	9.755.244
Provisions	2.569.588	3.474	2.573.062
Other non-current liabilities	9.012.765	-4.140	9.008.625
		<b>274.431</b>	
<b>Current liabilities</b>			
Trade and other payables	181.558.011	53.249	181.611.260
		<b>53.249</b>	
<b>Total liabilities</b>		<b>327.680</b>	
<b>Total equity and liabilities</b>		<b>855.931</b>	

Athens, August 29 2012

The Chairman  
of the Board of  
Directors

The Chief Executive  
Officer


The Financial Manager

Kalfarentzos Georgios  
ID No: F 147183

Milios Sarados  
ID No.: AI 647195

Thomadakis Stratos  
ID No.: AE 551391  
LICENCE No.: 0065081-A CLASS

### E. Figures and Information

 Societe Anonyme Register No. 2310/06/B/86/20 2-4 Mesogion str, Athens 115 27 <b>Financial data and information for the period from June 1, 2012 to June 30, 2012</b> (In terms of article 4/507/28.04.2008 of the HCMC's Board of Directors)				
The figures illustrated below, aim at providing summary information about the financial position and results of "SIDENOR Steel Products Manufacturing Company SA" and the "SIDENOR Group". Readers are suggested before making any investment or other transaction with the company to be informed by the company's website where the interim financial statements and the auditors report, where needed, are posted.				
Company's Website: www.sidenor.gr Date of approval of the financial statements by the Board of Directors: August 29, 2012 Certified auditor : Konstantinos Michalatos (Reg. No SOEL 17701) Audit firm : PRICEWATERHOUSECOOPERS S.A. Type of Audit Report: Unqualified opinion				
<b>STATEMENT OF FINANCIAL POSITION (Group &amp; Company) Amounts in €</b>				
	Group		Company	
	30-Jun-2012	31-Dec-2011	30-Jun-2012	31-Dec-2011
<b>ASSETS</b>				
Land and Buildings	261.724.069	257.211.327	53.235.233	54.074.435
Machinery	427.368.425	404.228.018	63.118.504	67.104.617
Other assets for own use	31.592.389	77.687.985	8.009.423	6.690.792
Intangible assets	1.003.079	1.036.985	21.004	24.004
Investments in associates	28.027.056	29.811.322	225.810.653	228.560.653
Non-current assets available for sale	1.544.500	1.544.500	1.414.471	1.414.471
Other non-current assets	5.743.852	5.947.860	4.725.877	4.801.539
Inventories	298.747.090	335.903.240	62.206.345	81.163.933
Trade receivables	122.544.770	150.287.819	37.581.299	52.160.336
Other current assets	128.614.083	142.075.335	114.512.203	98.806.784
<b>TOTAL ASSETS</b>	<b>1.306.909.313</b>	<b>1.405.734.391</b>	<b>570.635.012</b>	<b>593.401.564</b>
<b>EQUITY AND LIABILITIES</b>				
Share capital	39.460.002	39.460.002	39.460.002	39.460.002
Share premium	120.406.136	120.406.136	120.406.136	120.406.136
Other shareholders equity	249.012.704	282.435.480	75.553.469	92.597.074
Total equity of parent company owners (a)	408.878.842	442.301.618	235.419.607	252.463.212
Non-controlling interest (b)	93.856.104	98.393.449	-	-
<b>Total Equity (c) = (a) + (b)</b>	<b>502.734.946</b>	<b>540.695.067</b>	<b>235.419.607</b>	<b>252.463.212</b>
Long term borrowings	107.587.159	175.064.320	17.083.336	47.416.672
Deferred tax liabilities	53.554.017	54.811.307	12.193.078	12.732.965
Provisions / Other long term liabilities	26.287.764	27.382.706	2.885.964	6.113.457
Short term borrowings	451.455.180	418.384.976	214.914.741	186.203.946
Other short term liabilities	165.289.247	189.396.415	88.238.296	88.472.212
<b>Total liabilities (d)</b>	<b>804.174.367</b>	<b>865.039.324</b>	<b>335.215.405</b>	<b>340.938.352</b>
<b>TOTAL EQUITY AND LIABILITIES (c) + (d)</b>	<b>1.306.909.313</b>	<b>1.405.734.391</b>	<b>570.635.012</b>	<b>593.401.564</b>
<b>STATEMENT OF CHANGES IN EQUITY (Group &amp; Company) Amounts in €</b>				
	Group		Company	
	30-Jun-2012	30-Jun-2011	30-Jun-2012	30-Jun-2011
Total equity at the beginning of the period (1/1/2012 & 1/1/2011 respectively)	540.695.067	600.492.581	252.463.212	277.507.181
Total comprehensive income after taxes (continuing operations)	-37.937.869	-20.704.012	-17.043.605	-9.548.765
502.734.946	579.788.568	235.419.607	268.358.416	
Increase / (decrease) in share capital	45.000	-	-	-
Dividend	-	-76.720	-	-
Increase % of participation in subsidiaries	-67.251	-1.224.903	-	-
Total equity at the end of the period (30/6/2012 & 30/6/2011 respectively)	<b>502.734.946</b>	<b>578.487.345</b>	<b>235.419.607</b>	<b>268.358.416</b>
<b>CASH FLOW STATEMENT (Group &amp; Company) Amounts in €</b>				
	Group		Company	
	1-Jan-30-Jun-2012	1-Jan-30-Jun-2011	1-Jan-30-Jun-2012	1-Jan-30-Jun-2011
<b>Cash generated from operations</b>				
Profits/(losses) before taxes (continuing operations)	-38.451.309	-22.707.743	-17.489.762	-10.057.688
Adjustments for:				
Depreciation	32.488.433	32.575.308	5.297.964	5.617.089
Provisions	-271.171	822.227	438.061	302.414
Results (income, expenses, profits, losses) from investment activities	-128.506	-19.076	-86.193	-196.288
Interest & related expenses	20.670.667	14.852.657	8.419.629	5.732.071
Other adjustments	250.532	-876.360	18.679	-48.055
Plus/minus adjustments for working capital changes or related to operating activities:				
Decrease / (increase) in inventories	36.567.165	-47.514.027	19.457.588	-16.050.583
Decrease / (increase) in receivables	43.515.833	-51.298.477	-5.449.848	-20.503.454
(Decrease) / increase in liabilities (except Banks)	-22.770.135	31.010.972	-3.182.875	4.813.503
Minus:				
Interest & related expenses paid	-21.118.227	-13.783.421	-8.652.191	-5.022.307
Tax paid	-1.253.064	-1.672.881	-	-
<b>Total cash generated from operating activities (a)</b>	<b>49.590.218</b>	<b>-58.610.821</b>	<b>-430.948</b>	<b>-44.414.288</b>
<b>Cash generated from investment activities</b>				
Acquisition of subsidiaries, associates, joint ventures and other investments	-67.250	-1.335.290	-	-1.268.642
Return of associates' share capital	-	10.895	10.895	-
Purchase of tangible and intangible assets	-14.457.618	-12.552.271	-1.642.019	-1.566.107
Changes in other items	-	-47.802	-	-
Sales income from tangible and intangible assets	90.747	161.618	1.739	161.509
Dividends received	31.205	118.350	-	118.350
<b>Total cash generated from investing activities (b)</b>	<b>-14.402.916</b>	<b>-13.644.499</b>	<b>-1.640.280</b>	<b>-2,543.995</b>
<b>Cash generated from financing activities</b>				
Income from share issue	45.000	-	-	-
Proceeds from borrowings	181.376.173	243.132.202	113.501.691	118.720.636
Repayment of borrowings	-215.781.729	-189.033.330	-115.223.332	-84,296.250
Changes of financial lease	1.450.000	-	-	-
Income from securities	334.475	735.509	35.718	54.092
<b>Total cash generated from financing activities (c)</b>	<b>-32,576.081</b>	<b>54,834.380</b>	<b>-1,685.923</b>	<b>34,478.478</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents for the period (a) + (b) + (c)</b>	<b>2,521,221</b>	<b>-17,420,940</b>	<b>-3,757,511</b>	<b>-12,479,805</b>
Cash & cash equivalents at the beginning of the period	47,427,286	69,003,735	8,320,060	30,230,601
Foreign exchange differences in cash and cash equivalents	249,291	-11,892	-	-
<b>Cash &amp; cash equivalents at the end of the period</b>	<b>50,197,898</b>	<b>51,462,903</b>	<b>4,562,549</b>	<b>17,750,255</b>
<b>STATEMENT OF COMPREHENSIVE INCOME (Group &amp; Company) Amounts in €</b>				
	Group		Company	
	1-Jan-30-Jun-2012	1-Jan-30-Jun-2011	1-Apr-30-Jun-2012	1-Apr-30-Jun-2011
<b>Turnover</b>	574.794.762	621.855.947	302.428.870	350.817.571
Cost of goods sold	-526.984.084	-572.632.837	-275.566.079	-324.544.583
<b>Gross profit</b>	<b>47.810.678</b>	<b>49.223.110</b>	<b>26.862.791</b>	<b>26.272.987</b>
Selling expenses	-43.086.173	-40.572.611	-20.829.776	-22.012.290
Administrative expenses	-15.476.720	-15.141.360	-8.548.731	-8.320.237
Other income / (expenses) - net	-7.030.771	-2.183.410	-4.636.390	-1.433.178
<b>Profits / (losses) before taxes, financing &amp; investment results</b>	<b>-17.782.986</b>	<b>-8.674.271</b>	<b>-7.152.106</b>	<b>-5.492.718</b>
<b>Profits / (losses) before taxes, financing &amp; investment &amp; depreciation</b>	<b>14.705.447</b>	<b>23.901.037</b>	<b>9.263.002</b>	<b>11.236.557</b>
<b>Total profit / (losses) before taxes</b>	<b>-38.451.309</b>	<b>-22.707.743</b>	<b>-16.780.707</b>	<b>-13.602.410</b>
Minus taxes	-827.786	639.171	-2.959.265	659.047
<b>Profits / (losses) after taxes (A)</b>	<b>-39.279.095</b>	<b>-22.068.572</b>	<b>-19.739.972</b>	<b>-12.943.363</b>
Attributable to:				
Owners of the parent company	-34.501.987	-17.996.895	-16.941.582	-10.359.597
Non-controlling interest	-4.777.108	-4.071.678	-2.798.390	-2.583.766
Other comprehensive income after taxes (B)	-39.279.095	-22.068.573	-19.739.972	-12.943.363
1.341.226	1.364.561	-2.704.172	-25.448	
<b>Total comprehensive income for the period, after taxes (A) + (B)</b>	<b>-37.937.869</b>	<b>-20.704.012</b>	<b>-22.444.144</b>	<b>-12.968.811</b>
Attributable to:				
Owners of the parent company	-33.409.163	-16.969.076	-18.001.347	-10.390.822
Non-controlling interest	-4.528.706	-3.734.935	-4.442.797	-2.577.989
<b>-37.937.869</b>	<b>-20.704.012</b>	<b>-22.444.144</b>	<b>-12.968.811</b>	
<b>Other important data and information:</b>				
1. Company's financial statements are consolidated by VIOHALCO Group with the following information:				
	Company	Registered Office	Direct	Direct & Indirect
	VIOHALCO S.A.	Greece	67.89%	74.5%
2. Parent Company has been audited from the tax authorities till the financial period of 2010. The unaudited financial periods for the subsidiaries are being mentioned at note No 19.				
3. Mortgages and statutory notices of mortgage in the amount of €153,201 thousand in favour of banks has been filed against the fixed assets of subsidiaries, whilst the current balance of the loans is € 37,169 thousand.				
4. By the publishing date of these financial statements the disputes against subsidiaries were amounted at € 218 thousand. The provision for any disputes against subsidiaries at 30.06.2012 is € 218 thousand for the Group. Furthermore, the provision for tax unutilized years is analyzed as follows: Group € 814 thousand, Company € 267 thousand. The other Group's provisions at 30.06.2012 amounted to € 1,730 thousand and Company's € 648 thousand. (Notes 15 & 16).				
5. Number of persons employed at 30.06.2012: Company 261 and Group 2,840 while at 30.06.2011: Company 325 and Group 3,059.				
6. Sales and purchases which have been accumulated from the beginning of the financial period as well as the balance of the receivables and liabilities at the end of the current period, have arisen from transactions with entities, under the meaning of International Accounting Standard (IAS) 24, as are follow:				
	Group		Company	
(Amounts in '000€)	2012	2011	2012	2011
i) Sales of goods, services and fixed assets	26.000.066	30.666.628	88.253.625	104.788.380
ii) Purchases of goods, services and fixed assets	66.511.119	54.785.288	34.271.955	39.238.790
iii) Receivables from affiliated entities	36.180.516	30.632.877	92.992.829	73.035.581
iv) Liabilities towards affiliated entities	20.134.315	14.120.654	39.979.100	48.038.795
v) Key Management Compensations	1.010.445	828.586	227.273	315.282
vi) Payables to directors and key management	99.290	109.290	-	-
7. The other comprehensive income after taxes refers to:	Group		Company	
	1-Jan-30-Jun-2012	1-Jan-30-Jun-2011	1-Apr-30-Jun-2012	1-Apr-30-Jun-2011
Current translation differences	-1.141.269	-235.951	-	-
Cash flow hedges, net of tax	2.482.495	1.600.512	-74.984	25.833
<b>Other comprehensive income after taxes</b>	<b>1.341.226</b>	<b>1.364.561</b>	<b>-74.984</b>	<b>25.833</b>
8. In Income Statements the "Tax Expense" is analyzed as follows:				
	Group		Company	
	2012	2011	2012	2011
- Company: 2012 income tax € (2,719) thousand, deferred tax expense € 1,891 thousand - 2011 € (629) thousand and € 1,268 thousand respectively	-	-	-	-
- Company: 2012 income tax € 0, deferred tax expense € 52				