

**Semi-Annual Financial Report**

**For the period from January 1st 2011 to June 30<sup>th</sup> 2011**

**According to article 5 of L.3556/2007**

**VIOHALCO**

**Hellenic Copper and Aluminium Industry S.A.**

**S.A. Reg. 6053/06/B/86/105**

**2-4 Mesogeion Ave., Athens**

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HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A.

**Semi-annual  
Financial Statement  
as at 30 June 2011**

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(All amounts in Euro)

**A . Statements by Members of the Board of Directors**

**(According to article 5(2) of Law 3556/2007)**

As regards the period from January 1<sup>st</sup> 2011 to June 30<sup>th</sup> 2011 it is hereby stated and certified that to the best of our knowledge:

(a) the semi-annual, company and consolidated, interim condensed financial statements of VIOHALCO S.A., for the period 01.01.2011-30.06.2011, which were prepared according to IAS 34, accurately present the assets and liabilities, net position and results for the period of VIOHALCO S.A., as well as those of the companies included in the consolidation that are aggregately taken into account, according to those stated in paragraphs 3 to 5 of article 5 of L. 3556/2007, and

(b) the semi-annual report by the Board of Directors of VIOHALCO S.A. accurately presents the information required according to paragraph 6 of article 5 of L. 3556/2007.

Athens, 30 August 2011

**Confirmed by**

**Vice Chairman of the BoD**

**The Authorized Director**

**The Member of the Board of  
Directors**

John V. Fikioris

Evangelos D. Moustakas

Charalambos P. Metaxopoulos

ID Card No A049582

ID Card No AB343787

ID Card No X643907

## B. Semi-Annual Report of the Board of Directors

The following submitted Semi-Annual Report of the Board of Directors (the “Report”) concerns the period from January 1<sup>st</sup> 2011 to June 30<sup>th</sup> 2011 and was prepared according to the provisions of law 3556/2007 (Govt. Gazette 91A/30.4.2007) and the relevant executive decisions issued by the Hellenic Capital Market Commission.

The present Report, referring to the aforementioned period, includes all the required by law information on VIOHALCO COPPER AND ALUMINIUM HELLENIC INDUSTRY S.A. (the “Company”) and the VIOHALCO Group (the “Group”), which includes the following affiliated companies:

Company	Participation %	Country of establishment	Consolidation method	Unaudited tax fiscal years
VIOHALCO S.A.	--	GREECE	--	2010
ELVAL S.A.	68,29%	GREECE	Full consolidation	2008-2010 (*)
SIDENOR S.A.	74,04%	GREECE	Full consolidation	2007-2010 (*)
HALCOR S.A.	60,04%	GREECE	Full consolidation	2009-2010 (*)
ALCOMET SA	99,34%	GREECE	Full consolidation	2006-2010
ANAMET S.A.	87,22%	GREECE	Full consolidation	2005-2010 (*)
ANTIMET S.A.	100,00%	GREECE	Full consolidation	2010
ATTICA S.A.	75,00%	GREECE	Full consolidation	-
VITROUVIT S.A.	100,00%	GREECE	Full consolidation	2007-2010
DIAPEM TRADING SA	67,46%	GREECE	Full consolidation	2010
DIATOUR S.A.	98,61%	GREECE	Full consolidation	2007-2010
ELKEME S.A.	64,21%	GREECE	Full consolidation	2010
METALWORKS OF ATTIKA S.A.	37,02%	GREECE	Full consolidation	2007-2010
NOVAL S.A.	100,00%	GREECE	Full consolidation	2010 (*)
SANITAS AGENCIES S.A.	100,00%	GREECE	Full consolidation	2010
TEKA SYSTEMS SA	50,01%	GREECE	Full consolidation	2007-2010 (*)
TEPRO METAL A.G.	64,32%	GERMANY	Full consolidation	2007-2010 (*)
TEPRO METAL S.A.	100,00%	BULGARIA	Full consolidation	-

(\*) with consolidation of their consolidated financial statements.

The semi-annual Report includes the following sections:

## 1. Significant Events during the 1<sup>st</sup> Half of 2011

The most significant events that took place during the 1<sup>st</sup> Half of 2011 are as follows:

### **1.1- Group Activity - Investments**

*In the aluminium sector (ELVAL Group):*

The investments in the aluminium sector that had been scheduled and were completed during the current period amounted to € 15.5 million compared to € 21.3 million which had been disbursed during the first half of 2010.

Moreover, in the context of the Group's better operation, limited restructuring steps were taken by raising the stake of ELVAL COLOUR SA in CCS Consultant & Construction Solutions and by bolstering the subsidiary ALURAME Spa in Italy.

*In the copper sector (HALCOR Group):*

During the first half of 2011, the Group undertook minor upgrading investments concerning mainly its production units, with a total cost for the period of € 5.4 mil. approximately, from which € 1 mil. concerned the plants of the parent Company in Oinofyta, € 1 mil. concerned the upgrading of production facilities of the subsidiary SOFIA MED in Bulgaria, € 1.8 mil. concerned the production facilities of HELLENIC CABLES in Greece and finally € 1.6 mil. the cable plant of ICME ECAB in Romania.

*In the steel sector (SIDENOR Group):*

During the first half of 2011, SIDENOR Group implemented its investment plan and thus made investments totalling € 12.5 million. The investment plan of SIDENOR Group falls under the overall strategy to further improve the productivity of production units and to enhance safety at work.

### **1.2 – Decisions by the Ordinary General Meeting dated 17/06/2011 and the Repeat General Meeting held on 28.06.2011**

On 17 June 2011, Friday, at 12:00 noon, the Ordinary General Meeting of its shareholders was held in the ATHENS IMPERIAL Hotel, Karaiskaki Square, Athens. Eighty-five (85) shareholders representing 131,218,134 shares of the total of 199,474,091, i.e. 65.78%, attended such meeting.

The shareholders passed resolutions on the Items of the Agenda as follows:

Item 1: They approved the Annual Financial Statements of the fiscal year 2010, along with the relevant reports prepared by the Board of Directors and the Certified Auditors. (Number of shares for which valid votes were cast: 131,218,134 (65.78% of share capital). Number of votes in favour: 106,218,134, against: 0, abstention: 25,000,000).

Item 2: They released the members of the BoD and the Chartered Accountants/Auditors from any liability for compensation for the activities of the financial year 2010. (Number of shares for which valid votes were cast: 131,218,134 (65.78% of share capital). Number of votes in favour: 106,218,134, against: 0, abstention: 25,000,000).

Item 3: They appointed as certified auditor, for the current financial year 2011, the audit firm “KPMG Certified Auditors, S.A.”, with their remuneration being fixed according to their offer. (Number of shares for which valid votes were cast: 131,218,134 (65.78% of share capital). Number of votes in favour: 103,577,704, against: 2,633,339, abstention: 25,007,091).

Finally, the General Meeting did not make any decisions on item No 4 "Election of members of new Board of Directors" due to lack of the necessary 2/3 quorum of the entire paid-up share capital, and on item No 5 "Appointment of the audit committee members pursuant to article 37 of Law 3693/2008" for which no increased quorum is necessary but it is directly linked with item No 4.

These items will be discussed during the Repeat General Meeting, which, as provided by the published Notice for the Ordinary General Meeting, is convened for Tuesday, June 28<sup>th</sup> 2011, at 12:00 pm, at the ATHENS IMPERIAL HOTEL, Karaiskaki Square, Athens.

Item 6: There were no announcements to the shareholders.

### **Decisions of Repeat General Meeting on 28 June 2011**

On June 28<sup>th</sup> 2011, Tuesday, at 12:00 pm, the shareholders of the company were convened to a Repeat General Meeting as provided for in the initial notice to the shareholders in compliance with Article 29(2) of Law 2190/1920 at the ATHENS IMPERIAL Hotel, Karaiskaki Square, Athens.

Seventy-eight (78) shareholders representing 131,168,797 shares of the total of 199,474,091, i.e. 65.75%, attended such meeting.

The shareholders decided the following on two items of the agenda:

Item 1: They elected a new Board of Directors, according to the provisions concerning corporate governance for a one-year term in office -until the date of the next Ordinary General Meeting, whether be initial or repeat-- and its members will be the following:

1. Nicholas Stassinopoulos,
2. John Fikioris,
3. George Gondikas, independent member
4. Charalambos Metaxopoulos,
5. Evangelos Moustakas,
6. Zacharias Hadjipanagiotou, independent member
7. Athanassios Papaspyrou,
8. Kalliopi Tsolina,
9. Jean-Pierre de Launoit.

(Number of shares for which valid votes were cast: 131,168,797 (65.75% of share capital). Number of votes in favour: 105,998,521 (80.81%), against: 163,185, abstention: 25,007,091).

Item 2: They elected the following 3 members of the Board of Directors as members of the audit committee pursuant to article 37 of Law 3693/2008:

1. Zacharias Hadjipanagiotou - Independent, non executive member.
2. Athanassios Papaspyrou
3. Charalambos Metaxopoulos

(Number of shares for which valid votes were cast: 131,168,797 (65.75% of share capital). Number of votes in favour: 105,998,521 (80.81%), against: 163,185, abstention: 25,007,091).

## **2. Growth and Performance**

Consolidated turnover amounted to € 1,818 mil. for the first half of 2011 compared to € 1,446 mil., being increased by 25.7%. This increase is mainly due to the increased total volume of sales and the increased average metal prices compared to last-year first half. The consolidated gross profit rose to € 156.0 mil. compared to € 129.2 million in the respective period of 2010.

During the first half of 2011, consolidated results before taxes stood at profits of € 8.8 million compared to profits of € 7.0 million, while earnings before interest, tax, depreciation and amortization (EBITDA) stood at € 118.6 million compared to € 96.98 million over the respective period of 2010.

Period depreciation imputed to the results stood at € 74.2 million compared to € 70.2 million, increased by 5.7% compared to the first half of 2010.

Finally, during the first half of 2011, net consolidated results after taxes and minority interests amounted to losses of € 2.4 million or € -0.0120 per share compared to earnings of € 2.1 million or € 0.0104 per share in the first half of 2010.

As regards VIOHALCO S.A., during the 1<sup>st</sup> half of 2011 results before taxes amounted to losses of € 0.3 million compared to profits of € 3.01 million last year. Other operating income amounted to € 1.1 million

compared to € 2.85 million in the first half of 2010 and income from dividends amounted to € 0.5 million compared to € 0.8 million last year.

Earnings before interest, tax, depreciation and amortization (EBITDA) stood at losses of € -0.9 million compared to profits of € 1.5 million last year while net post-tax results stood at losses of € 0.2 million or € -0.0015 per share over the first half of 2011, compared to profits of € 2 million or € 0.0100 per share during the first half of 2010.

During the current period, the companies of VIOHALCO SA, having implemented investments totalling € 42.6 million and amid the persistent turbulence of both international and domestic financial environment, remain focused on the effective management of working capital and on their efforts to increase productivity and reduce production cost, expand their activities to new markets and new products, while laying emphasis on safety at work and the implementation of environmental protection methods.

The following tables present the evolution of the basic financial ratios:

**Group:**

		<b>30.6.2011</b>	<b>31.12.2010</b>
<b>General liquidity:</b>	$\frac{\text{Current assets}}{\text{Current Liabilities}}$	1.33	1.31
<b>Owned Capital to Borrowed Capital:</b>	$\frac{\text{Equity}}{\text{Loan Capital}}$	1.13	1.23
<b>Asset turnover:</b>	$\frac{\text{Equity}}{\text{Fixed assets}}$	0.87	0.86

		<b>30.6.2011</b>	<b>30.6.2010</b>
<b>Return on Equity</b>	$\frac{\text{Profits before taxes}}{\text{Equity}}$	0.54%	0.41%
<b>EBITDA margin:</b>	$\frac{\text{EBITDA}}{\text{Sales}}$	6.52%	6.71%

**Company:**

		<b>30.6.2011</b>	<b>31.12.2010</b>
<b>General liquidity:</b>	$\frac{\text{Current assets}}{\text{Current Liabilities}}$	9.14	12.76
<b>Asset turnover:</b>	$\frac{\text{Equity}}{\text{Fixed assets}}$	6.63	6.70

### 3. Significant Transactions with Affiliated Parties

The transactions of affiliated parties according to the definition of L. 3556/2007 are presented below:

Transactions of VIOHALCO SA with its subsidiaries (amounts in thousand Euro):

Companies	Sales of goods & services	Purchases of goods & services	Products - services turned into fixed assets	Receivables	Liabilities
SIDENOR GROUP	48	-	-	30	-
ELVAL GROUP	67	3	-	37	-
HALCOR GROUP	498	18	230	154	53
METALWORKS OF ATTIKA S.A.	41	-	-	7	-
ELKEME SA	40	-	-	-	-
VITROUVIT SA	3	-	-	5	201
NOVAL SA	-	-	-	1.250	-
ALKOMET SA	-	-	-	-	20
DIATOUR SA	-	-	-	-	50
ATTICA S.A.	-	-	-	20	-
TEKA SYSTEMS SA	-	-	-	396	-
OTHERS	-	2	1	1	-
	<b>697</b>	<b>23</b>	<b>231</b>	<b>1.900</b>	<b>324</b>

The aforementioned amounts reflect transactions that have taken place according to market terms and are comparable with the respective amounts of the previous period. Also, the liabilities towards members of the Board of Directors amount to € 438 thousand.

Transactions of VIOHALCO Group with Other Affiliated Companies (amounts in thousand Euro):

Companies	Sales of goods & services	Purchases of goods & services	Products - services turned into fixed assets	Receivables	Liabilities
SIDENOR GROUP	2.712	14	-	981	17
ELVAL GROUP	-	104	-	2	111
HALCOR GROUP	-	1	8	-	6
ANTIMET SA	-	-	-	-	-
	<b>2.712</b>	<b>119</b>	<b>8</b>	<b>983</b>	<b>134</b>

The main transactions with other affiliated parties refer to SIDMA Group.

Transactions of VIOHALCO Group with Associate Companies (amounts in thousand Euro):

Companies	Sales of goods & services	Purchases of goods & services	Products - services turned into fixed assets	Receivables	Liabilities
SIDENOR GROUP	16.717	3.077	12	18.375	2.629
ELVAL GROUP	4	122	128	24	169
HALCOR GROUP	112	48	15	59	19
TEKA SYSTEMS SA	62	-	-	25	-
ANTIMET SA	30	-	-	53	710
METALWORKS OF ATTIKA S.A.	-	243	-	-	73
OTHER SUBSIDIARIES	5	15	-	5	16
	<b>16.930</b>	<b>3.505</b>	<b>155</b>	<b>18.541</b>	<b>3.616</b>

#### 4. Basic Risks and Uncertainties for the second half of the present year.

The Parent Company VIOHALCO SA, due to the nature of its activities, is not exposed to the following risks, which mainly refer to its subsidiary Companies.

##### Credit risk

Credit risk is the risk of the Group's loss in case where a customer or third party in a financial transaction does not fulfil his contractual obligations and is mainly related to trade receivables and investments in securities.

The Group's exposure to credit risk is mainly affected by the characteristics of each customer. The demographic attributes of the Group's customer base, including the risk for default on payments that characterizes the specific market and the country where customers are based, affect credit risk to a lesser extent as there is no geographical concentration of credit risk. No client exceeds 10% of sales and, consequently, commercial risk is spread over a large number of clients.

The Board of Directors has established a credit policy on the basis of which each new customer is examined on an individual basis in terms of creditworthiness before the standard payment terms are proposed to such customer. The creditworthiness test made by the Group includes the examination of bank sources. Credit limits are set for each customer, which are reviewed in accordance with current circumstances and the terms of sales and collections are readjusted, if necessary. In principal, the credit limits of customers are set on the basis of the insurance limits received for them from insurance companies and, subsequently, receivables are insured according to such limits.

When monitoring the credit risk of customers, the latter are grouped according to their credit characteristics, the maturity characteristics of their receivables and any past problems of receivability they have shown. Trade and other receivables include mainly wholesale customers of the Group. Any customers characterized as being of "high risk" are included in a special list of customers and future sales must be received in advance and approved by the Board of Directors. Depending on the background of the customer and its status, the Group demands real or other security (e.g. letters of guarantee) in order to secure its receivables, if possible.

The Group records a provision of impairment representing its estimate about losses related to trade and

other receivables and investments in securities. This provision mainly consists of impairment losses of specific receivables that are estimated based on given circumstances that they will be materialized though they have not been finalized yet.

### **Investments**

The investments of the Group are classified pursuant to the purpose for which they were acquired. The Management decides on the appropriate classification of the investment during the time such was acquired and reviews the classification on each presentation date.

The Management estimates that there will be no payment default for such investments.

### **Guarantees**

The Group's policy consists in not providing any financial guarantees, unless the Board of Directors decides so on an exceptional basis, this concerning subsidiary or affiliated companies.

### **Liquidity risk**

Liquidity risk consists in the Group not being in position to meet its financial liabilities when these expire. The approach adopted by the Group regarding liquidity management is to ensure, by holding all absolutely necessary cash and sufficient credit limits from co-operating banks, that the Group will always have sufficient liquidity to meet its obligations when these expire under normal and adverse circumstances without incurring any inadmissible losses or jeopardizing the Group's reputation.

In order to avoid liquidity risks, the Group sets up a provision for cash flows for a year when preparing the annual budget and a monthly rolling provision of three months so as to ensure sufficient cash on hand to meet its operating needs, including coverage of its financial obligations. This policy does not take into account the relevant effect from extreme conditions that cannot be foreseen.

### **Market risk**

The market risk consists in the changes in prices of raw materials, exchange rates and interest rates that have an effect on the Group's results or the value of its financial instruments. The purpose of market risk management is to control the Group's exposure to these risks in the context of acceptable parameters while optimizing returns.

The Group enters into transactions with derivative financial instruments so as to hedge a part of the risks arising from market conditions.

### **Fluctuation risk of metal prices (copper, zinc, other metals)**

The Group bases both its purchases and sales on stock market prices/ indexes for the price of copper and other metals used and contained in its products. The risk from metal price fluctuation is covered by hedging instruments (futures on London Metal Exchange-LME). The Group, however, does not use hedging instruments for its entire operating inventory and thus any possible drop in metal prices may have a negative effect on its results due to the devaluation of inventories.

### **Foreign exchange risk**

The Group is exposed to foreign exchange risk in relation to the sales and purchases carried out and the loans issued in a currency other than the functional currency of the Group companies, which is mainly Euro. The currencies in which these transactions are held are mainly Euro, USD, GBP and the Swiss Franc.

Over time, the Group hedges the greatest part of its estimated exposure to foreign currencies in relation to the anticipated sales and purchases as well as receivables and liabilities in foreign currency. The Group enters mainly into currency forward contracts with external counterparties so as to deal with the risk of the exchange rates varying, which mainly expire within less than a year from the balance sheet date. When deemed necessary, these contracts are renewed upon expiry. As the case may be, the foreign exchange risk may also be covered by taking out loans in the respective currencies.

Loan interest is denominated in the same currency with that of cash flows, which arises from the Group's operating activities and is mainly Euro.

The investments of the Group in other subsidiaries are not hedged because these exchange positions are considered to be long-term.

### **Interest rate risk**

The Group finances its investments and its needs for working capital through bank loans and bond loans, with the result of burdening its results with interest charges. Any upward trend of interest rates will have a negative effect on results since the Group will bear additional borrowing costs.

Interest rate risk is mitigated since part of the Group borrowing is set at fixed rates, either directly or by using financial instruments (interest rate swaps).

### **Capital management**

The Group's policy consists in maintaining a strong capital structure so as to keep the confidence of investors, creditors and the market in the Group and enable the development of the Group's future activities. The Board of Directors monitors the return on capital which is defined by the Group as net results divided by total equity save non-convertible preferential shares and minority interests.

The Board of Directors tries to maintain equilibrium between higher returns that would be feasible through higher borrowing levels and the advantages and security offered by a strong and robust capital structure.



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The Group does not have a specific plan for the purchase of treasury shares.

There were no changes in the approach adopted by the Group in relation to capital management during the first half of 2010.



## **C. Independent Auditors' Report on Review of Condensed Interim Financial Information (Translated from the original in Greek)**

To the Shareholders of  
VIOHALCO HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A.

### **Introduction**

We have reviewed the accompanying condensed standalone and consolidated statement of financial position of VIOHALCO HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A. (the "Company") as of June 30, 2011 and the related condensed standalone 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, which comprise the interim financial information and which forms an integral part of the six-month financial report of article 5 of Law 3556/2007. Company's management is responsible for the preparation and presentation of this condensed interim financial information in accordance with the International Financial Reporting Standards adopted by the European Union in accordance with IAS 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

### **Scope of Review**

We conducted our review in accordance with the 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 financial information is not prepared, in all material respects, in accordance with IAS 34 "Interim Financial Reporting".

## **Report on other legal and regulatory requirements**

Our review did not identify any inconsistency or disparity of the other information of the six-month financial report as provided for by article 5 of L. 3556/2007 with the accompanying financial information.

Athens, 30 August 2011

KPMG Certified Auditors A.E.

Harry Sirounis, Certified Auditor Accountant

AM SOEL 19071

## D. Condensed Interim Financial Statements

### Condensed Interim Statement of Financial Position

<i>Amounts in Euro</i>	Note	GROUP		COMPANY	
		30/6/2011	31/12/2010	30/6/2011	31/12/2010
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	6	1.763.708.465	1.801.750.695	107.984	128.395
Intangible assets	7	6.938.995	5.922.741	-	-
Investment property	6	107.510.831	104.017.093	141.781.770	140.468.658
Investments in associate companies	9	24.100.187	24.658.271	-	-
Investments in subsidiary companies	8	-	-	758.017.355	742.701.409
Available-for-sale financial assets		10.070.849	10.106.053	27.834.304	27.930.119
Derivatives		679.071	531.184	-	-
Other receivables		6.993.493	17.295.802	6.149	6.148
Deferred assets		15.054.817	16.597.578	-	-
		<b>1.935.056.708</b>	<b>1.980.879.416</b>	<b>927.747.562</b>	<b>911.234.730</b>
<b>Current Assets</b>					
Inventories	10	942.160.053	797.382.926	-	-
Trade and other receivables		674.334.194	603.527.681	8.559.984	7.014.743
Derivatives		10.738.195	15.405.819	-	-
Financial assets at fair value through profit or loss	11	6.412.973	31.478.043	6.397.406	31.462.475
Income tax advance payment		2.353.551	2.569.441	788.820	883.269
Cash and cash equivalents		140.948.209	129.150.390	16.281.842	9.843.635
		<b>1.776.947.175</b>	<b>1.579.514.299</b>	<b>32.028.052</b>	<b>49.204.122</b>
<b>Total assets</b>		<b>3.712.003.883</b>	<b>3.560.393.715</b>	<b>959.775.614</b>	<b>960.438.852</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital		59.842.227	59.842.227	59.842.227	59.842.227
Premium on capital stock		411.618.152	411.618.152	411.618.152	411.618.152
Foreign exchange differences from foreign subsidiaries consolidation		-11.505.033	-10.410.133	-	-
Reserves		389.559.046	383.974.364	95.511.414	95.514.514
Profits carried forward		291.707.311	290.258.710	374.462.341	374.771.024
Total attributable to the parent's shareholders		<b>1.141.221.703</b>	<b>1.135.283.320</b>	<b>941.434.134</b>	<b>941.745.917</b>
<b>Minority interests</b>		<b>490.234.109</b>	<b>497.991.093</b>	<b>-</b>	<b>-</b>
<b>Total equity and liabilities</b>		<b>1.631.455.812</b>	<b>1.633.274.413</b>	<b>941.434.134</b>	<b>941.745.917</b>
<b>LIABILITIES</b>					
<b>Long-term liabilities</b>					
Loans	12	525.117.860	496.932.370	-	-
Liabilities from financial leasing	13	631.690	820.550	-	-
Derivatives		959.444	2.307.035	-	-
Liabilities for employee benefits		23.076.968	22.364.706	41.169	41.169
Grants		27.981.077	27.016.989	-	-
Provisions		10.919.923	10.594.932	-	-
Other long-term liabilities		8.284.813	7.953.825	-	-
Deferred tax liabilities		148.281.653	150.665.384	14.795.418	14.795.647
		<b>745.253.428</b>	<b>718.655.791</b>	<b>14.836.587</b>	<b>14.836.816</b>
<b>Short-term liabilities</b>					
Suppliers and other liabilities		387.126.443	349.550.986	2.729.005	2.259.253
Current tax liabilities		10.292.385	11.244.422	775.888	1.596.866
Loans	12	922.483.792	827.740.444	-	-
Derivatives		8.018.578	17.465.025	-	-
Other financing		6.507.958	1.479.707	-	-
Liabilities from financial leasing	13	377.022	355.211	-	-
Provisions		488.465	627.716	-	-
		<b>1.335.294.643</b>	<b>1.208.463.511</b>	<b>3.504.893</b>	<b>3.856.119</b>
<b>Total liabilities</b>		<b>2.080.548.071</b>	<b>1.927.119.302</b>	<b>18.341.480</b>	<b>18.692.935</b>
<b>Total equity and liabilities</b>		<b>3.712.003.883</b>	<b>3.560.393.715</b>	<b>959.775.614</b>	<b>960.438.852</b>

The notes on pages 20 to 33 are an integral part of these Condensed Interim Financial Statements.

## Condensed Interim Income Statement

		GROUP			
		30/6/2011	30/6/2010	3 months 1/4- 30/06/2011	3 months 1/4- 30/06/2010
<i>Amounts in Euro</i>					
	Note				
<b>Sales</b>	5	1.818.236.025	1.446.058.161	958.224.581	797.883.358
Cost of goods sold		-1.662.225.614	-1.316.858.894	-885.146.436	-721.846.411
<b>Gross Profit</b>		<b>156.010.411</b>	<b>129.199.267</b>	<b>73.078.145</b>	<b>76.036.947</b>
Distribution expenses		-68.469.416	-67.035.667	-36.378.787	-35.760.391
Administrative expenses		-40.925.639	-37.312.244	-22.566.575	-18.850.862
Other operating income		12.910.964	15.331.931	5.212.643	9.033.917
Other operating expenses		-15.144.083	-13.369.927	-9.127.542	-7.535.390
<b>Operating results</b>		<b>44.382.237</b>	<b>26.813.360</b>	<b>10.217.884</b>	<b>22.924.221</b>
Financial income		4.613.588	5.462.017	2.120.016	2.850.322
Financial expenses		-40.434.893	-25.691.887	-21.741.328	-14.895.433
Income from dividends		5.226	144.467	5.226	144.467
Profits/(losses) from associate companies		275.902	233.378	-36.812	377.295
<b>Profits/(loss) before income tax</b>		<b>8.842.060</b>	<b>6.961.335</b>	<b>-9.435.014</b>	<b>11.400.872</b>
Income tax	14	-7.090.871	-6.611.151	-2.029.133	-4.862.129
<b>Profits / (loss) of the period</b>		<b>1.751.189</b>	<b>350.184</b>	<b>-11.464.147</b>	<b>6.538.743</b>
<b>Attributable to:</b>					
Shareholders of the parent		-2.400.519	2.079.450	-9.217.850	4.882.314
Minority interests		4.151.708	-1.729.266	-2.246.297	1.656.429
		<b>1.751.189</b>	<b>350.184</b>	<b>-11.464.147</b>	<b>6.538.743</b>
<b>Earnings/ (loss) per share attributable to the parent's shareholders for the period (in € per share)</b>					
Basic and diluted		-0,0120	0,0104	-0,0462	0,0245
		COMPANY			
		30/6/2011	30/6/2010	3 months 1/4- 30/06/2011	3 months 1/4- 30/06/2010
<i>Amounts in Euro</i>					
	Note				
<b>Sales</b>		-	-	-	-
Cost of goods sold		-	-	-	-
<b>Gross Profit</b>		-	-	-	-
Administrative expenses		-2.559.680	-1.910.611	-1.963.073	-1.279.979
Other operating income/ (expenses)		1.106.497	2.848.118	-155.791	1.051.028
<b>Operating results</b>		<b>-1.453.183</b>	<b>937.507</b>	<b>-2.118.864</b>	<b>-228.951</b>
Financial income		652.141	1.274.148	320.936	957.478
Income from dividends		526.600	801.652	526.600	801.652
<b>Profits/(loss) before income tax</b>		<b>-274.442</b>	<b>3.013.307</b>	<b>-1.271.328</b>	<b>1.530.179</b>
Income tax	14	-34.242	-1.014.191	88.033	-644.657
<b>Profits / (loss) of the period</b>		<b>-308.684</b>	<b>1.999.116</b>	<b>-1.183.294</b>	<b>885.522</b>
<b>Earnings/ (loss) per share attributable to the parent's shareholders for the period (in € per share)</b>					
Basic and diluted		-0,0015	0,0100	-0,0059	0,0044

The notes on pages 20 to 33 are an integral part of these Condensed Interim Financial Statements.

**Condensed Interim Statement of Comprehensive Income**

	<b>GROUP</b>			
	<b>30/6/2011</b>	<b>30/6/2010</b>	<b>3 months 01/04- 30/06/2011</b>	<b>3 months 01/04- 30/06/2010</b>
<i>Amounts in Euro</i>				
<b>Period net earnings/ (loss)</b>	<b>1.751.189</b>	<b>350.184</b>	<b>-11.464.147</b>	<b>6.538.743</b>
Foreign exchange differences	-1.124.984	5.056.781	-2.048.976	2.832.885
Valuation of available-for-sale financial assets	-59.854	-1.471.811	-390.454	-1.112.504
Profit from derivatives valuation for cash flow risk hedging	5.475.798	16.490.244	414.765	14.960.400
Income tax to other items of comprehensive income	-793.987	-3.956.097	262.895	-3.658.062
<b>Other comprehensive income after taxes</b>	<b>3.496.973</b>	<b>16.119.117</b>	<b>-1.761.770</b>	<b>13.022.719</b>
<b>Comprehensive total income after taxes for the period</b>	<b>5.248.162</b>	<b>16.469.301</b>	<b>-13.225.917</b>	<b>19.561.462</b>
Attributable to:				
Owners of the parent	-163.409	10.177.316	-9.869.652	11.680.516
Minority interests	5.411.571	6.291.985	-3.356.265	7.880.946
<b>Comprehensive total income after taxes for the period</b>	<b>5.248.162</b>	<b>16.469.301</b>	<b>-13.225.917</b>	<b>19.561.462</b>
	<b>COMPANY</b>			
	<b>30/6/2011</b>	<b>30/6/2010</b>	<b>3 months 01/04- 30/06/2011</b>	<b>3 months 01/04- 30/06/2010</b>
<i>Amounts in Euro</i>				
<b>Period net earnings/ (loss)</b>	<b>-308.684</b>	<b>1.999.116</b>	<b>-1.183.294</b>	<b>885.522</b>
Valuation of available-for-sale financial assets	-4.076	-929.332	-158.053	-679.619
Income tax to other items of comprehensive income	978	32.493	29.354	21.141
<b>Other comprehensive income after taxes</b>	<b>-3.098</b>	<b>-896.839</b>	<b>-128.699</b>	<b>-658.478</b>
<b>Comprehensive total income after taxes for the period</b>	<b>-311.782</b>	<b>1.102.277</b>	<b>-1.311.993</b>	<b>227.044</b>

The notes on pages 20 to 33 are an integral part of these Condensed Interim Financial Statements.

## Condensed Interim Statement of Changes in Shareholders Equity

GROUP	Share capital and premium on capital stock	Attributable to the parent's shareholders			FX differences from consolidation	Total	Minority interests	Total Equity
		Fair value reserves	Other reserves	Results carried forward				
<i>Amounts in Euro</i>								
<b>Balance as at 1 January 2010</b>	471.460.379	214.163	374.116.919	309.200.170	-10.955.115	1.144.036.516	536.466.007	1.680.502.523
Foreign exchange differences	-	-13.260	-	-21.537	2.796.210	2.761.413	2.295.369	5.056.782
Valuation of available-for-sale assets and derivatives	-	5.336.455	-	-	-	5.336.455	5.725.881	11.062.336
Net result of the period	-	-	-	2.079.450	-	2.079.450	-1.729.266	350.184
Total recognized net result of the period	-	5.323.195	-	2.057.913	2.796.210	10.177.318	6.291.984	16.469.302
Effect of change in holdings	-	714.019	1.435.007	-2.857.858	-38.228	-747.060	-3.073.139	-3.820.199
Transfer of reserves	-	-	1.625.905	-1.625.905	-	-	-	-
Dividend	-	-	-	-	-	-	-2.729.755	-2.729.755
	-	714.019	3.060.912	-4.483.763	-38.228	-747.060	-5.802.894	-6.549.954
<b>Balance as at 30 June 2010</b>	471.460.379	6.251.377	377.177.831	306.774.320	-8.197.133	1.153.466.774	536.955.097	1.690.421.871
<i>Amounts in Euro</i>								
<b>Balance as at 1 January 2011</b>	471.460.379	-616.477	384.590.841	290.258.710	-10.410.133	1.135.283.320	497.991.093	1.633.274.413
Foreign exchange differences	-	-29.817	-	200.798	-1.026.559	-855.578	-269.406	-1.124.984
Valuation of available-for-sale assets and derivatives	-	3.092.688	-	-	-	3.092.688	1.529.269	4.621.957
Net result of the period	-	-	-	-2.400.519	-	-2.400.519	4.151.708	1.751.189
Total recognized net result of the period	-	3.062.871	-	-2.199.721	-1.026.559	-163.409	5.411.571	5.248.162
Effect of change in holdings	-	-534.851	2.792.199	3.884.183	-68.341	6.073.190	-12.256.573	-6.183.383
Transfer of reserves	-	-	264.463	-235.861	-	28.602	-28.602	-
Dividend	-	-	-	-	-	-	-883.380	-883.380
	-	-534.851	3.056.662	3.648.322	-68.341	6.101.792	-13.168.555	-7.066.763
<b>Balance as at 30 June 2011</b>	471.460.379	1.911.543	387.647.503	291.707.311	-11.505.033	1.141.221.703	490.234.109	1.631.455.812

COMPANY	Share capital & Premium on capital stock	Fair value reserves	Other reserves	Results carried forward	Total
<b>Balance as at 1 January 2010</b>	471.460.379	-800.298	95.468.546	374.797.848	940.926.475
Valuation of available-for-sale assets	-	-896.839	-	-	-896.839
Net result of the period	-	-	-	1.999.116	1.999.116
Total recognized net result of the period	-	-896.839	-	1.999.116	1.102.277
<b>Balance as at 30 June 2010</b>	471.460.379	-1.697.137	95.468.546	376.796.964	942.028.752

COMPANY	Share capital & Premium on capital stock	Fair value reserves	Other reserves	Results carried forward	Total
<b>Balance as at 1 January 2011</b>	471.460.380	45.967	95.468.545	374.771.025	941.745.917
Valuation of available-for-sale assets	-	-3.098	-	-	-3.098
Net result of the period	-	-	-	-308.684	-308.684
Total recognized net result of the period	-	-3.098	-	-308.684	-311.782
<b>Balance as at 30 June 2011</b>	471.460.380	42.869	95.468.545	374.462.341	941.434.135

The notes on pages 20 to 33 are an integral part of these Condensed Interim Financial Statements.

## Condensed Interim Statement of Cash Flow

*Amounts in Euro*

	GROUP		COMPANY	
	1/1 until 30/06/2011	1/1 until 30/06/2010	1/1 until 30/06/2011	1/1 until 30/06/2010
Profits / (loss) of the period	1.751.189	350.184	-308.684	1.999.116
<i>Adjustments for:</i>				
Income Tax	7.090.871	6.611.151	34.242	1.014.191
Depreciation of tangible and intangible assets and investment property	74.170.359	70.162.689	586.877	580.505
Impairment, consumption, destruction of tangible & intangible assets and investment property	408.568	609.457	-	-
(Profits)/loss from the sale of tangible fixed assets	357.020	-177.097	-	-
Inventories impairment	252.810	166.287	-	-
(Gain)/ loss on sale of financial assets	-277.500	676.000	-277.500	676.000
Fair value (gain)/loss of other financial assets at fair value through profit or loss	1.165.070	-	1.258.062	-
(Gain)/ loss of investments and derivatives fair value	-109.188	-1.862.275	-	-
Interest income	-4.613.595	-5.563.311	-652.141	-1.274.148
Interest expenses	40.434.901	25.858.678	-	-
Income from dividends	-5.226	-144.467	-526.600	-801.652
Depreciation of grants	-1.242.137	-1.377.807	-	-
(Gain)/ loss from affiliated companies	-275.901	-268.078	-	-
	<b>119.107.241</b>	<b>95.041.411</b>	<b>114.256</b>	<b>2.194.012</b>
<b>Changes in working capital</b>				
(Increase) / decrease in inventories	-145.650.955	-105.572.433	-	-
(Increase) / decrease in receivables	-70.790.196	-135.779.926	-924.192	-3.467.926
Increase/(decrease) in liabilities	33.754.809	80.891.575	-137.254	1.880.484
Increase/(decrease) in provisions	11.879.632	-8.431.154	-	-
Increase/(decrease) in liabilities for personnel benefits due to retirement	1.019.529	222.832	-	-
	<b>-169.787.181</b>	<b>-168.669.106</b>	<b>-1.061.446</b>	<b>-1.587.442</b>
<b>Cash Flows from operating activities</b>	<b>-50.679.940</b>	<b>-73.627.695</b>	<b>-947.190</b>	<b>606.570</b>
Cash Flows from operating activities	-50.679.940	-73.627.695	-947.190	606.570
Interest paid	-36.518.002	-23.325.290	-	-
Income tax paid	-7.428.262	-6.980.125	-247.466	-195.696
<b>Net cash flows from operating activities</b>	<b>-94.626.204</b>	<b>-103.933.110</b>	<b>-1.194.656</b>	<b>410.874</b>
<b>Cash Flows from investment activities</b>				
Additions of tangible assets, investment property and intangible assets	-42.528.145	-50.118.437	-1.879.580	-4.784.776
Sales of tangible assets, investment property and intangible assets	1.245.569	519.356	-	-
Dividends received	650.176	233.071	-	-
Purchase of available-for-sale financial assets	-60.385	-10.050.628	-	-10.026.000
Sales of available-for-sale financial assets	30.214	9.372.610	56.648	9.459.675
Sale of financial assets at fair value through profit or loss	24.177.500	-	24.177.500	-
Interest received	4.634.314	4.758.280	652.141	1.383.822
Collection of grants	1.378.749	-	-	-
Change of holdings in associate companies	-210.076	-	-	-
Effect of change in holdings	-6.183.378	-3.820.198	-15.315.946	-3.951.031
Increase of stake in other holdings	-	-	-57.900	-
<b>Net cash flows from investment activities</b>	<b>-16.865.462</b>	<b>-49.105.946</b>	<b>7.632.863</b>	<b>-7.918.310</b>
<b>Cash Flows from financing activities</b>				
Loans assumed	408.224.597	412.963.693	-	-
Loan repayment	-284.768.063	-245.865.503	-	-
Changes in leasing capital	-167.049	-167.146	-	-
Dividends paid to minority interests	-	-289.798	-	-
<b>Net cash flows from financing activities</b>	<b>123.289.485</b>	<b>166.641.246</b>	<b>-</b>	<b>-</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>11.797.819</b>	<b>13.602.190</b>	<b>6.438.207</b>	<b>-7.507.436</b>
Cash at beginning of period	129.150.390	122.713.142	9.843.635	32.882.853
<b>Cash at end of period</b>	<b>140.948.209</b>	<b>136.315.332</b>	<b>16.281.842</b>	<b>25.375.417</b>

The notes on pages 20 to 33 are an integral part of these Condensed Interim Financial Statements.

Athens, 30 August 2011



HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A.

**Semi-annual  
Financial Statement  
as at 30 June 2011**

**THE VICE-CHAIRMAN OF  
THE BOARD OF  
DIRECTORS**

John B. Fikioris  
ID Card No A049582

**THE EXECUTIVE DIRECTOR  
AND MEMBER OF THE BOARD OF  
DIRECTORS**

Evangelos D. Moustakas  
Id. Card No. AB343787

**THE FINANCIAL  
DIRECTOR**

Pantelis St. Mavrakis  
Id. Card No. K259513

The notes on pages 20 to 33 are an integral part of these Condensed Interim Financial Statements.

## **E. Notes on the condensed interim financial statements of the Company and the Group**

### **1. General Information**

The present Condensed Interim Financial Statements include the interim, condensed financial statements of VIOHALCO S.A. (the “Company”) and the interim, condensed, consolidated financial statements of the Company and its subsidiaries (together the “Group”).

These Condensed Interim Financial Statements were approved by the Board of Directors of the Company on 30 August 2011.

VIOHALCO S.A. “Hellenic Copper and Aluminium Industry S.A.” (the “Company”) and its subsidiaries and associates (together the “Group”) are active primarily in the industrial processing/production and sale of iron, steel, aluminium, copper and zinc products.

The Group is active in Greece, the wider Balkan area, Europe as well as in America and the Company’s shares are traded on the Athens Securities Exchange.

The Company is domiciled in Greece, in the Prefecture of Attiki, 2-4 Mesogheion Avenue. The Company’s electronic address is [www.viohalco.gr](http://www.viohalco.gr) where the Financial Statements have been uploaded.

### **2. Basis for the preparation of the Condensed Interim Financial Statements**

#### **2.1 Compliance note**

The Condensed Interim Financial Statements have been compiled in accordance with the standards adopted by the European Union with respect to interim financial reporting (IAS 34).

The Condensed Interim Financial Statements do not include all the information required for thorough annual financial statements. To this effect, they should be read in conjunction with the annual Financial Statements of the year ended on 31.12.2010.

The Financial Statements are presented in Euro, which is the functional and presentation currency of the parent Company.

#### **2.2 Application of estimates and judgments**

The preparation of financial statements requires Management to make decisions, estimates and assumptions that affect the application of accounting policies and also the asset, liability, income and expense items that

are posted. The actual results may finally differ from such assumptions and estimates.

Estimates and related assumptions are continuously revised. These revisions are recognized in the period they were made and any subsequent ones.

The estimates and judgements used by Management in the application of the Group's accounting principles to the preparation of the condensed financial statements are the same with those used in the preparation of the annual financial statements of the Company and the Group for the year ended on 31 December 2010.

### **2.3 Comparative information and Rounding**

The amounts included in the present Condensed Interim Financial Statements have been rounded in Euro. Due to this fact, differences that may arise are due to the aforementioned rounding off.

### **3. Accounting policies**

The main accounting policies that the Company applied to the preparation of these condensed interim financial statements are the same as those applied to the preparation of the annual company and consolidated financial statements.

### **4. Financial risk**

The Group's policy as regards issues related to hedging policy remains the same with that described in the annual financial statements.

### **5. Operating segments**

The Group is divided into six primary operating segments:

- Steel products used in construction activities
- Pipework products
- Copper products
- Cable products
- Aluminium products
- Services
- Other activities

Sales and operating profits per segment for the 6 months until 30.06.2010 were as follows:

GROUP	Iron	Pipeworks	Copper products	Cable products	Aluminium	Services	Other	Total
Total gross sales per segment	526.830.916	84.846.738	477.465.453	170.205.504	470.846.612	89.868.785	6.760.518	1.826.824.526
Intra-company sales	-138.181.761	-7.106.492	-180.676.835	-14.587.348	-24.659.641	-14.192.242	-1.362.047	-380.766.366
<b>Net sales</b>	<b>388.649.155</b>	<b>77.740.246</b>	<b>296.788.618</b>	<b>155.618.156</b>	<b>446.186.971</b>	<b>75.676.543</b>	<b>5.398.471</b>	<b>1.446.058.160</b>
Operating results	4.107.644	9.910.923	-3.053.493	-667.281	19.651.021	-43.005	-3.092.448	26.813.361
Financial income	834.667	18.743	55.373	1.275.790	1.695.254	226.748	1.355.442	5.462.017
Financial expenses	-8.499.648	-1.339.374	-6.350.086	-3.474.740	-5.200.371	-348.434	-479.234	-25.691.887
Income from dividends	74.445	-	5.383	-	64.639	-	-	144.467
Share in results of affiliated companies	-554.718	847.051	2.169	244.026	-75.307	-229.844	-	233.377
<b>Profit / (loss) before income tax</b>	<b>-4.037.610</b>	<b>9.437.343</b>	<b>-9.340.654</b>	<b>-2.622.205</b>	<b>16.135.236</b>	<b>-394.535</b>	<b>-2.216.240</b>	<b>6.961.335</b>
Income tax	3.135.528	-3.447.696	2.471.847	62.795	-6.083.522	-1.330.051	-1.420.052	-6.611.151
<b>Net profit / (loss)</b>	<b>-902.082</b>	<b>5.989.647</b>	<b>-6.868.807</b>	<b>-2.559.410</b>	<b>10.051.714</b>	<b>-1.724.586</b>	<b>-3.636.292</b>	<b>350.184</b>

The assets and liabilities of the segments on 31 December 2010 were as follows:

	Iron	Pipeworks	Copper products	Cable products	Aluminium	Services	Other	Total
<b>Assets</b>	1.077.306.935	258.195.790	555.761.913	217.487.937	998.202.752	172.002.009	281.436.377	3.560.393.715
<b>Total liabilities</b>	656.198.552	100.588.445	460.856.140	152.511.360	452.574.284	30.077.977	74.312.544	1.927.119.302

Other items per segment included in results for the 6 months until 30.06.2010 were as follows:

	Iron	Pipeworks	Copper products	Cable products	Aluminium	Services	Other	Total
Depreciation of tangible assets	-24.161.888	-6.100.061	-10.355.437	-3.789.923	-21.604.770	-831.127	-1.145.820	-67.989.026
Depreciation of intangible assets	-78.661	-3.191	-78.052	-218.037	-634.493	-12.843	-872	-1.026.149
Depreciation of investment property	-	-	-	-	-174.919	-	-560.123	-1.147.514
<b>Total depreciation</b>	<b>-24.240.549</b>	<b>-6.103.252</b>	<b>-10.433.489</b>	<b>-4.007.960</b>	<b>-22.414.182</b>	<b>-1.256.442</b>	<b>-1.706.815</b>	<b>-70.162.689</b>
Provision for receivables impairment	937	30.141	62.106	392.039	-1.708.951	206.580	-	-1.017.148
Provision for inventories impairment	3.020.946	6.859.626	-	-	-1.188.696	-	-	8.691.876
Investments in tangible, intangible fixed assets and investment property	16.787.473	1.128.387	3.941.216	2.416.915	21.299.822	225.073	4.319.551	50.118.437

Sales and operating profits per segment for the 6 months until 30.06.2011 were as follows:

*Amounts in Euro*

GROUP	Iron	Pipeworks	Copper products	Cable products	Aluminium	Services	Other	Total
Total gross sales per segment	693.060.694	126.800.357	643.819.583	203.880.195	570.174.146	79.024.554	10.898.790	2.327.658.319
Intra-company sales	-192.031.137	-12.709.304	-251.623.922	-15.159.234	-25.470.004	-11.098.318	-1.330.375	-509.422.294
<b>Net sales</b>	<b>501.029.557</b>	<b>114.091.053</b>	<b>392.195.661</b>	<b>188.720.961</b>	<b>544.704.142</b>	<b>67.926.236</b>	<b>9.568.415</b>	<b>1.818.236.025</b>
Operating results	-6.855.924	1.646.760	11.502.533	4.404.462	35.262.999	2.524.602	-4.103.195	44.382.237
Financial income	646.071	114.383	209.521	56.571	2.733.204	200.839	652.999	4.613.588
Financial expenses	-13.679.439	-1.341.655	-12.189.669	-3.840.669	-8.294.641	-576.750	-512.070	-40.434.893
Income from dividends	-	-	5.226	-	-	-	-	5.226
Share in results of affiliated companies	-1.232.581	1.361.447	-287.109	-	117.297	212.134	104.714	275.902
<b>Profit/(loss) before income tax</b>	<b>-21.121.873</b>	<b>1.780.935</b>	<b>-759.498</b>	<b>620.364</b>	<b>29.818.859</b>	<b>2.360.825</b>	<b>-3.857.552</b>	<b>8.842.060</b>
Income tax	945.431	-465.581	-197.541	-856.794	-6.031.888	-772.779	288.281	-7.090.871
<b>Net profit/ (loss)</b>	<b>-20.176.442</b>	<b>1.315.354</b>	<b>-957.039</b>	<b>-236.430</b>	<b>23.786.971</b>	<b>1.588.046</b>	<b>-3.569.271</b>	<b>1.751.189</b>

The assets and liabilities of the segments on 30.06.2011 were as follows:

	Iron	Pipeworks	Copper products	Cable products	Aluminium	Services	Other	Total
<b>Assets</b>	1.149.512.677	255.454.078	604.409.591	229.061.631	1.047.851.134	193.449.541	232.265.231	3.712.003.883
<b>Total liabilities</b>	744.670.005	93.355.208	492.639.772	163.759.208	488.134.415	54.523.098	43.466.365	2.080.548.071

Other items per segment included in results for the 6 months until 30.06.2011 were as follows:

	Iron	Pipeworks	Copper products	Cable products	Aluminium	Services	Other	Total
Depreciation of tangible assets	-26.831.400	-6.033.059	-10.625.146	-4.119.299	-23.110.510	-510.148	-328.011	-71.557.573
Depreciation of intangible assets	-42.948	-3.191	-60.534	-143.905	-880.488	-25.835	-720	-1.157.621
Depreciation of investment property	-	-	-	-	-163.672	-725.026	-566.467	-1.455.165
<b>Total depreciation</b>	<b>-26.874.348</b>	<b>-6.036.250</b>	<b>-10.685.680</b>	<b>-4.263.204</b>	<b>-24.154.670</b>	<b>-1.261.009</b>	<b>-895.198</b>	<b>-74.170.359</b>
Provision for receivables impairment	-202.300	-8.704.992	-110.430	1.044.223	-	6.082	-	-7.967.417
Provision for inventories impairment	962.000	-318.753	-	-	-	-	-	643.247
Investments in tangible, intangible fixed assets and investment property	14.274.885	742.224	1.903.372	3.394.257	14.078.677	6.288.494	1.846.236	42.528.145

Sales and non-current assets of the Group and the Company based on their geographical allocation are briefly presented as follows:

*Amounts in Euro*

	<b>GROUP</b>	
<b>Sales</b>	<b>30/6/2011</b>	<b>30/6/2010</b>
Greece	286.712.889	380.185.425
Other EU Member States	1.172.897.134	775.247.686
Other European countries	143.448.681	100.117.163
Asia	71.165.322	62.014.582
America	110.087.118	103.909.860
Africa	32.411.853	22.434.574
Oceania	1.513.028	2.148.871
<b>Total</b>	<b>1.818.236.025</b>	<b>1.446.058.161</b>

**Breakdown of sales per category**

	<b>30/6/2011</b>	<b>30/6/2010</b>
Sales of merchandise and products	1.740.741.374	1.364.983.146
Income from services	67.926.235	75.676.543
Other	9.568.416	5.398.472
<b>Total</b>	<b>1.818.236.025</b>	<b>1.446.058.161</b>

	<b>30/6/2011</b>	<b>31/12/2010</b>
<b>Total assets</b>		
Greece	2.969.071.036	2.941.609.221
International	742.932.847	618.784.494
<b>Total</b>	<b>3.712.003.883</b>	<b>3.560.393.715</b>

	<b>30/6/2011</b>	<b>30/6/2010</b>
<b>Investments in tangible, intangible fixed assets and investment property</b>		
Greece	36.492.300	37.129.740
International	6.035.845	12.988.697
<b>Total</b>	<b>42.528.145</b>	<b>50.118.437</b>

Expenses per segment have been specified through the operating activities of each segment.

Transfers and transactions between segments take place under actual commercial terms and conditions pursuant to the provisions applying to transactions with third parties.

## 6. Property, plant, equipment and Investment Property

During the present period, the acquisition cost of the additions in property, plant, equipment and investment property at Group level amounted to € 42,139,190 (1<sup>st</sup> half 2010: € 49,811,849) while the non-depreciated value of sales came to € 1,602,588 (1<sup>st</sup> half 2010: € 342,259) and the respective losses from sales came to € 357,020 (1<sup>st</sup> half 2010: profits of € 177,097).

At Company level, the acquisition cost of additions stood at € 1,879,580 (1<sup>st</sup> half 2010: € 4,784,776) while no sales were made (1<sup>st</sup> half 2010: zero).

## 7. Intangible assets

During the current period, the acquisition cost of the additions of intangible assets at Group level stood at € 388,954 (1<sup>st</sup> half 2010: € 306,587) while no sales were made (1<sup>st</sup> half 2010: € 279)

At Company level, no purchases or sales took place (like also in the first half of 2010).

## 8. Holdings in subsidiaries

<i>Amounts in Euro</i>	<b>COMPANY</b>	
	<b>30/6/2011</b>	<b>31/12/2010</b>
<b>Beginning of the year</b>	<b>742.701.409</b>	<b>728.442.305</b>
Additions	15.315.946	14.259.104
<b>Closing balance</b>	<b>758.017.355</b>	<b>742.701.409</b>

The companies that are consolidated based on the full consolidation method within the Group are as follows:

Subsidiary companies	Participation percentage	Consolidation method	Country of establishment	Unaudited tax fiscal years
VIOHALCO S.A.	---	---	GREECE	2010
ELVAL S.A.	68,29%	Full consol.	GREECE	2008 - 2010 (*)
SIDENOR S.A.	74,04%	Full consol.	GREECE	2007 - 2010 (*)
HALCOR S.A.	60,04%	Full consol.	GREECE	2009 - 2010 (*)
ALCOMET SA	99,34%	Full consol.	GREECE	2006 - 2010
ANAMET S.A.	87,22%	Full consol.	GREECE	2005 - 2010 (*)
ANTIMET S.A.	100,00%	Full consol.	GREECE	2010
ATTIKA S.A.	75,00%	Full consol.	GREECE	-
VITROUVIT S.A.	100,00%	Full consol.	GREECE	2007 - 2010
DIAPEM TRADING S.A.	67,46%	Full consol.	GREECE	2010
DIATOUR S.A.	98,61%	Full consol.	GREECE	2007 - 2010
ELKEME S.A.	64,21%	Full consol.	GREECE	2010
METALWORKS OF ATTIKA S.A.	37,02%	Full consol.	GREECE	2007 - 2010
NOVAL S.A.	100,00%	Full consol.	GREECE	2010 (*)
SANITAS AGENCIES S.A.	100,00%	Full consol.	GREECE	2010
TEKA SYSTEMS S.A.	50,01%	Full consol.	GREECE	2007 - 2010 (*)
TEPRO METAL AG	64,32%	Full consol.	GERMANY	2007 - 2010 (*)
TEPRO METAL S.A.	100,00%	Full consol.	BULGARIA	-

(\*) with consolidation of their consolidated financial statements.

The additions concern an increase in the direct holding in the subsidiaries SIDENOR S.A. by € 2.47 million, in VITROUVIT SA by € 9.64 million, in ALKOMET SA by € 1.7 million, and in DIATOUR SA by € 1.5 million.

## 9. Holdings in associates

The subsidiary V.EPE.M. S.A. was not consolidated due to insignificance of the relevant items.

## 10. Inventories

In pursuance of the provisions of IAS 2, according to which inventories are valued at the lower of acquisition cost and net realizable value, devaluation of inventories amounting to € 253 thousand was carried out for the subsidiary CORINTH PIPEWORKS SA. The above amount was charged to the period result.

## 11. Financial assets at fair value through profit or loss

During the first half of 2011, the parent company liquidated bank bonds with a nominal value of € 25,000 thousand. The value of such securities had been reduced until 31 December 2010 by € 1.1 million while their sale generated gain equal to € 277,000 which was recognized in period results. The company also recognized in its results a loss of € 1,165 thousand from the valuation of bank bonds with a nominal value of € 9,150 thousand.

## 12. Borrowings

<i>Amounts in Euro</i>	<b>GROUP</b>	
	<b>30/6/2011</b>	<b>31/12/2010</b>
<b>Long-term loans</b>		
Bank loans	175.721.395	125.786.256
Finance lease obligations	631.690	820.550
Bond loans	349.396.465	371.146.114
<b>Total long-term loans</b>	<b>525.749.550</b>	<b>497.752.920</b>
<b>Short-term loans</b>		
Open bank accounts	66.333.870	51.676.981
Bank loans	856.149.922	776.063.464
Finance lease obligations	377.022	355.211
<b>Total short-term loans</b>	<b>922.860.814</b>	<b>828.095.655</b>
<b>Total loans</b>	<b>1.448.610.364</b>	<b>1.325.848.576</b>

The maturities of long-term loans, apart from financial leasing, are as follows:

<i>Amounts in Euro</i>	<b>30/6/2011</b>	<b>31/12/2010</b>
Between 1 and 2 years	354.295.750	290.978.511
Between 2 and 5 years	167.558.289	198.677.203
Over 5 years	3.263.821	7.276.656
	<b>525.117.860</b>	<b>496.932.370</b>

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

	<b>CONSOLIDATED FIGURES</b>	
	<b>30/6/2011</b>	<b>31/12/2010</b>
Bank loans (long-term)	3,94%	2,97%
Bank loans (short-term)	5,33%	4,75%
Bond loans	4,48%	2,69%
Finance lease obligations	2,25%	1,82%

During the current period, the Group repaid loans totalling € 284,768,063 and obtained the sum of € 408,224,597.

The Company does not have any borrowings.

### 13. Liabilities from financial leasing

<i>Amounts in Euro</i>	<b>GROUP</b>	
	<b>30/6/2011</b>	<b>31/12/2010</b>
<b>Liabilities from finance leases – minimum lease payments</b>		
Up to 1 year	393.276	372.873
From 1 to 5 years	643.795	836.154
Over 5 years	-	835
<b>Total</b>	<b>1.037.071</b>	<b>1.209.862</b>
Less: Future finance lease finance charges	-28.359	-34.101
<b>Current value of finance lease payables</b>	<b>1.008.712</b>	<b>1.175.761</b>

The current value of finance lease liabilities is analysed as follows:

Up to 1 year	377.022	355.211
From 1 to 5 years	631.690	819.721
Over 5 years	-	829
<b>Current value of finance lease payables</b>	<b>1.008.712</b>	<b>1.175.761</b>

The Company had no financial leases.

### 14. Income Tax

<i>Amounts in Euro</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>30/6/2011</b>	<b>30/6/2010</b>	<b>30/6/2011</b>	<b>30/6/2010</b>
Income tax	-8.248.228	-7.423.497	-33.491	-1.014.577
Deferred tax	1.157.357	812.346	-751	386
<b>Total</b>	<b>-7.090.871</b>	<b>-6.611.151</b>	<b>-34.242</b>	<b>-1.014.191</b>

Income tax was calculated based on the best estimate of the Group Management about the average annual tax rate that is expected to apply by the end of the year.

According to the Greek tax provisions, the income tax rate was 24% for 2010 and following application of the new tax Law No. 3943/2011 the income tax rate was set to 20% as of 2011 and thereafter.

The Company's income tax includes an audit tax regarding the fiscal years 2008 and 2009 equal to € 33,000.

The real tax rate for the Group for the 1<sup>st</sup> half of 2011 was 85% (1<sup>st</sup> half 2010: 95%).

## 15. Commitments

### 1. Contractual commitments

<i>Amounts in Euro</i>	<b>GROUP</b>	
	<u>30/6/2011</u>	<u>31/12/2010</u>
Property, plant and equipment	1.629.472	3.246.023
	<b><u>1.629.472</u></b>	<b><u>3.246.023</u></b>

### 2 Liabilities from Operating Leases

	<u>30/6/2011</u>	<u>31/12/2010</u>
Up to 1 year	2.685.311	2.682.043
From 1 to 5 years	6.647.010	5.515.488
More than 5 years	2.516.355	2.239.233
	<b><u>11.848.676</u></b>	<b><u>10.436.764</u></b>
<b>Burden on results</b>	<b><u>2.757.437</u></b>	<b><u>4.236.179</u></b>

The Company does not have any significant commitments and liabilities from operating leases as at the date of the balance sheet.

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

## 16. Contingent Liabilities – Receivables

### *Consolidated*

<i>Amounts in Euro</i>	<b>GROUP</b>	
	<u>30/6/2011</u>	<u>31/12/2010</u>
<b>Liabilities</b>		
Guarantees for securing liabilities to suppliers	65.821.586	50.192.569
Guarantees for securing the good performance of contracts with customers	17.909.796	15.617.433
Assigned mortgages and statutory notices of mortgages - fields & buildings	3.624.216	3.728.755
Counter-guarantees of European Investment bank loan	8.286.755	12.218.511
Guarantees for securing the good performance of contracts with suppliers	1.032.500	-
Other liabilities	68.049.352	67.105.407
<b>Total</b>	<b><u>164.724.205</u></b>	<b><u>148.862.675</u></b>
Lawsuits of employees	114.543	131.490
Other lawsuits	153.156	248.985
Contractual obligations	1.591.882	1.642.194
Bank letters of guarantee	2.002.840	2.815.062
Tax liabilities	1.050.027	844.227
<b>Total</b>	<b><u>4.912.448</u></b>	<b><u>5.681.958</u></b>

No significant burdens are expected to arise from the contingent liabilities that are presented in the table above. The Company does not have any contingent liabilities in relation to banks, other guarantees and other matters that arise within the framework of its ordinary business activities.

Based on Greek tax law, the Company's tax liabilities and those of its subsidiaries have not been finalized for some fiscal years. The further charge that may arise in case the Group's companies are subject to tax audit is insignificant and is estimated at approximately € 1.3 million.

On 1 January 2011 STOMANA Industry S.A., a subsidiary company of SIDENOR S.A., had raised a provision equal to € 129,000 for lawsuits of employees due to their discharge and work-related accidents. During the period, it used € 17,000. The current balance of the period amounts to € 112,000.

On 30 June 2011, Corinth Pipeworks SA, a subsidiary of SIDENOR SA, had raised provisions equal to € 2,267 thousand (of which € 144,000 concern contested disputes or disputes under arbitration totalling € 144,000). The company has also raised other provisions equal to € 2,123 thousand. The total amount of the raised provisions is deemed adequate and no additional charges are expected.

On 30/06/2011 lawsuits of "Corinth Pipeworks SA" against third parties were pending. No reliable estimate of the economic benefits arising from the positive outcome of such cases can be made.

During the fiscal year 2010, CORINTH PIPEWORKS SA, a subsidiary of SIDENOR SA, impaired a customer due to the delay in the collection of a debt of € 18,627,586 (measured balance on 30/06/2011: € 17,203,419) (USD 24,864,102). To secure the receivable and collect it faster, a number of judicial and out-of-court proceedings are underway in Greece and other countries. Based on the data collected to date, the Management of CORINTH PIPEWORKS SA estimates that the contingent loss will not exceed the impairment amount equal to € 9,497,740 (measured balance on 30/06/2011: € 8,698,641) that was set up for the said receivable in 2010.

In addition, due to the fact that as per estimates the above receivable will not be collected earlier than a 12-month period, the subsidiary discounted the non-impaired long-term receivable of € 9,313,793 at an annual discount rate of 1.58% for 15 months. The discount cost of € 183,947 (balance on 30/06/2011: € 110,368) has been posted to distribution expenses and is included in the provision for receivables impairment.

In 2010, the above amounts were recognized in Non-current assets and in the first half of 2011 they were transferred to Current Assets due to the decrease in the receivable's collection time from 15 to 9 months. CORINTH PIPEWORKS SA has the relevant security regarding such receivable which the Company measured at € 15,793,720 on 30.06.2011 (31/12/2010: € 18,254,482). No change took place in the collection of such receivable during the first half of 2011. All changes in the above amounts between the first half of 2011 and 2010 concerns foreign exchange rate differences.

In a research study that the Competition Director General of the European Commission conducted regarding the European copper pipe manufacturers, it established that certain companies violated the rules of competition in the copper water pipes market. The Commission imposed fines on seven companies, one of which was the subsidiary HALCOR S.A. HALCOR's fine amounts to € 9.16 million for which the

Company has issued a letter of guarantee of a corresponding value. Given that HALCOR SA believes that the imposed fine is unjustified and unfair and the amount imposed exorbitantly high, it has filed an appeal before the Court of the European Communities against the Commission's decision. On 19 May 2010, the Court of First Instance of the European Communities published its ruling on case T-21/05 "HALCOR S.A. Metal processing versus European Commission". The Court established that the European Commission breached the principle of equal treatment when calculating the fines imposed in 2004 and reduced the fine of HALCOR by 10%, thus fixing it at € 8.25 million. HALCOR S.A., having carefully examined the text of the appeal (19/05/2010) as regards the fine imposed on the company in 2004 by the Competition Director General of the European Commission, lodged a new appeal asking for the total or partial cancellation of the ruling of the Court of First Instance of the European Communities, aiming at the cancellation or a higher reduction of the imposed fine. The Management of HALCOR SA, based on the opinion of its legal department as to the validity of its appeal, deems that the final amount of the abovementioned fine will not exceed € 5 million, such amount having burdened the 2004 operating results. In case the court ruling remains as is, the results of both HALCOR SA and the Group will be charged with the difference between the provision and the fine's final amount, increased by the amount of the interest difference. On 31 December 2010 the cumulative provision for the proportionate interest came to € 1.3 thousand while an additional provision was raised for this year that stands at € 88,000.

#### **17. Existing collateralized liens**

- Mortgages amounting to € 3.6 million have been written on property of HALCOR SA's subsidiary, SOFIA MED S.A.
- Mortgages and statutory notices of mortgage in the amount of € 73.2 million have been written in favour of banks on the real estate property of Corinth Pipeworks S.A. (a subsidiary company of SIDENOR S.A.), for loans of a current balance of € 8.3 million, and on the property of the subsidiary Stomana Industry SA equal to € 80 million, for loans of a current balance of € 43 million.

## 18. Affiliated parties

<i>Amounts in Euro</i>	GROUP		COMPANY	
	30/6/2011	30/6/2010	30/6/2011	30/6/2010
<b>Sales of goods / services</b>				
Subsidiary companies	-	-	696.597	802.809
Associate companies	2.711.655	29.767	-	-
Other affiliated parties	16.930.012	6.693.014	-	-
	<b>19.641.667</b>	<b>6.722.781</b>	<b>696.597</b>	<b>802.809</b>
<b>Purchases of goods / services</b>				
Subsidiary companies	-	-	22.918	12.544
Associate companies	118.677	22.602	-	-
Other affiliated parties	3.504.737	1.896.674	-	-
	<b>3.623.414</b>	<b>1.919.276</b>	<b>22.918</b>	<b>12.544</b>
<b>Purchase of fixed assets</b>				
Subsidiary companies	-	-	231.363	20.516
Associate companies	8.212	38.547	-	-
Other affiliated parties	154.555	84.080	-	-
	<b>162.767</b>	<b>122.627</b>	<b>231.363</b>	<b>20.516</b>

Closing balances that arise from sales-purchases of goods, services, fixed assets, etc.

	30/6/2011	31/12/2010	30/6/2011	31/12/2010
<b>Receivables from affiliated parties:</b>				
Subsidiary companies	-	-	1.899.783	492.720
Associate companies	982.998	488.122	-	-
Other affiliated parties	18.541.098	13.031.635	-	-
	<b>19.524.096</b>	<b>13.519.757</b>	<b>1.899.783</b>	<b>492.720</b>
<b>Liabilities to affiliated parties:</b>				
Subsidiary companies	-	-	323.697	115.455
Associate companies	133.798	966.923	-	-
Other affiliated parties	3.615.999	1.052.097	-	-
	<b>3.749.797</b>	<b>2.019.020</b>	<b>323.697</b>	<b>115.455</b>
<b>Benefits to the Management</b>				
Fees to BoD members and executives	3.783.683	4.025.725	488.468	-
	<b>3.783.683</b>	<b>4.025.725</b>	<b>488.468</b>	<b>-</b>
Liabilities towards senior executives and members of management	713.937	341.791	438.233	-
Receivables from senior executives and members of management	-	24.269	-	-

Services to and from affiliated parties as well as sales and purchases of goods are carried out in accordance with the prevailing market circumstances. No specific terms of payment apply to the amounts due.

## 19. Personnel

Number of persons employed at the end of the current period: Group 7,996 and Company 2. For the respective period of 2010, the number of persons employed by the Group and the Company was 7,960 and 2 respectively.

## 20. Events after the Balance Sheet date

On 29 July 2011, HELLENIC CABLES SA, a subsidiary of HALCOR SA, acquired 100% of the shares of FULGOR SA, which also operates in the field of cable production. Specifically, FULGOR operates in the manufacture of cables, bare conduits and also copper and aluminium wires since 1957 while also boasting considerable experience and know-how in the manufacture of added value products such as high voltage and submarine cables. Such acquisition is expected to bolster the Group's export orientation while also enriching the portfolio of high added value products.

## 21. Reclassification of figures

Foreign exchange differences of receivables, liabilities, cash and profits/ (losses) from fx forwards of the subsidiary CORINTH PIPEWORKS SA, which concerned 2010, were transferred for comparability purposes as follows:

### Transfer from:

<u>Amounts in Euro</u>	30/6/2010	3 months 01/04- 30/06/2010
Other operating income reducing the cost of goods sold	1.678.959	1.339.780
Other operating (expenses) increasing distribution expenses	-6.457.883	-3.263.987
Other operating income reducing distribution expenses	3.939.457	2.026.391
Other operating income reducing the cost of goods sold	256.969	119.836
Financial income reducing financial expenses	166.792	153.488

