



## **Interim Financial Information**

**For the period from 1 January 2014 till 31 March 2014**

**In accordance with the International Financial Reporting Standards**

**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. Interim Financial Information**

### **Condensed Interim Statement of Financial Position**

<i>Amounts in Euro</i>	Note	CONSOLIDATED DATA		COMPANY DATA	
		31/3/2014	31/12/2013	31/3/2014	31/12/2013
<b>ASSETS</b>					
<b>Non-current assets</b>					
Land & Buildings		247.298.064	248.546.106	29.332.740	29.432.889
Machinery		394.199.645	395.529.272	9.047	9.427
Other tangible assets		33.282.658	31.830.988	34.275	35.440
Intangible assets		1.860.294	1.628.891	-	-
Investments in associates	7	25.412.120	26.796.149	-	-
Investments in subsidiaries	8	-	-	143.651.857	143.651.857
Available for sale financial assets		1.574.000	1.574.000	-	-
Deferred tax assets		257.610	252.997	-	-
Other receivables	9	5.320.115	5.343.024	3.188.699	3.224.801
		<b>709.204.506</b>	<b>711.501.427</b>	<b>176.216.618</b>	<b>176.354.414</b>
<b>Current Assets</b>					
Inventories		237.042.749	242.415.770	3.708.018	3.844.579
Trade and other receivables		187.644.672	172.052.891	4.688.082	4.575.748
Income tax receivables		1.732.726	1.696.650	-	-
Derivative financial instruments	10	56.419	4.394	-	-
Financial assets at fair value through profit or loss		9.137	9.137	-	-
Cash and cash equivalents		37.107.016	56.720.808	878.394	1.251.364
		<b>463.592.719</b>	<b>472.899.650</b>	<b>9.274.494</b>	<b>9.671.691</b>
<b>Total Assets</b>		<b>1.172.797.225</b>	<b>1.184.401.077</b>	<b>185.491.112</b>	<b>186.026.106</b>
<b>EQUITY</b>					
<b>Capital and reserves attributable to equity holders</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		-5.471.515	-3.981.116	-	-
Other reserves		105.612.897	105.581.718	46.354.156	46.354.156
Retained earnings		29.063.066	41.800.476	-24.360.213	-23.919.367
Total		289.070.586	303.267.216	181.860.081	182.300.927
<b>Non-controlling interest</b>		<b>75.140.187</b>	<b>77.543.209</b>	<b>-</b>	<b>-</b>
<b>Total Equity</b>		<b>364.210.772</b>	<b>380.810.425</b>	<b>181.860.081</b>	<b>182.300.927</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Borrowings	11	356.394.484	358.208.022	-	-
Financial lease liabilities	12	1.096.509	1.120.566	-	-
Deferred tax liabilities		62.174.337	62.242.524	2.297.524	2.316.335
Retirement benefit obligations		4.364.677	4.369.664	38.987	38.987
Government Grants		7.486.300	7.737.762	-	-
Provisions for other liabilities and charges		1.674.165	2.209.851	-	-
Other non-current liabilities		804.656	794.333	-	-
		<b>433.995.128</b>	<b>436.682.722</b>	<b>2.336.511</b>	<b>2.355.322</b>
<b>Current liabilities</b>					
Trade and other payables		150.098.317	131.962.272	1.293.653	1.368.990
Income tax liabilities		543.681	799.516	-	-
Borrowings	11	209.778.404	207.400.870	-	-
Other current liabilities		13.730.182	26.244.947	868	867
Financial lease liabilities	12	126.794	136.418	-	-
Derivative financial instruments	10	34.662	50.431	-	-
Retirement benefit obligations		77.831	80.367	-	-
Provisions for other liabilities and charges		201.453	233.108	-	-
		<b>374.591.324</b>	<b>366.907.929</b>	<b>1.294.521</b>	<b>1.369.857</b>
<b>Total liabilities</b>		<b>808.586.452</b>	<b>803.590.651</b>	<b>3.631.032</b>	<b>3.725.179</b>
<b>Total equity and liabilities</b>		<b>1.172.797.225</b>	<b>1.184.401.077</b>	<b>185.491.112</b>	<b>186.026.106</b>

The notes on pages 9 to 32 form an integral part of these interim financial statements.

## Condensed Interim Income Statement

Amounts in Euro	Note	CONSOLIDATED DATA		COMPANY DATA	
		3 months until 31/3/2014	3 months until 31/3/2013	3 months until 31/3/2014	3 months until 31/3/2013
<b>Sales</b>	5	<b>193.255.672</b>	<b>184.276.146</b>	<b>2.059.178</b>	<b>13.112.375</b>
Cost of sales <sup>1</sup>		-175.183.069	-174.579.055	-1.970.170	-12.917.638
<b>Gross profit</b>		<b>18.072.603</b>	<b>9.697.091</b>	<b>89.008</b>	<b>194.737</b>
Selling expenses <sup>1</sup>		-16.550.814	-13.111.152	-160.860	-727.772
Administrative expenses		-6.576.450	-6.186.399	-474.681	-510.527
Other operating income		2.026.947	1.333.521	111.682	2.073.479
Other operating expenses <sup>1</sup>		-3.914.126	-5.063.531	-26.932	-447.796
<b>Operating results</b>		<b>-6.941.839</b>	<b>-13.330.469</b>	<b>-461.782</b>	<b>582.121</b>
Financial Income		298.534	325.527	3.726	1.771
Financial Expenses		-8.700.045	-8.686.587	-1.600	-10.370
Profits/(losses) from associates	7	729.559	1.100.088	-	0
<b>Profits/(losses) before taxes</b>		<b>-14.613.791</b>	<b>-20.591.441</b>	<b>-459.657</b>	<b>573.522</b>
Income tax expense <sup>1</sup>		-133.858	-10.999.784	18.812	311.964
<b>Profits/(losses) after taxes<sup>1</sup></b>		<b>-14.747.650</b>	<b>-31.591.225</b>	<b>-440.845</b>	<b>885.486</b>
<b>Attributable to:</b>					
Owners of the parent <sup>1</sup>		-12.737.411	-26.426.794	-440.845	885.486
Non-controlling interests <sup>1</sup>		-2.010.239	-5.164.432	-	-
		<b>-14.747.650</b>	<b>-31.591.225</b>	<b>-440.845</b>	<b>885.486</b>

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

Basic	18	(0,1323)	(0,2746)	(0,0046)	0,0092
Diluted	18	(0,1323)	(0,2746)	(0,0046)	0,0092

The depreciation amount that has been charged to the current period's income statement amounted to € 11,074 thousand for the group and € 136 thousand for the company. The resulting expense from current period's depreciation is being calculated in accordance with the useful life of fixed assets, (group € 10,790 thousand, company € 102 thousand) plus the inventories depreciation as of the beginning of the year minus inventories depreciation as of end of period (group € 284 thousand, company € 35 thousand).

Thus earnings before interest, taxes, investments, depreciation and amortization of the Group amounted to:

	1 Jan - 31 Mar 2014	1 Jan - 31 Mar 2013
Profits / (losses) before taxes, financing, investment & depreciation	4.132.167	-2.031.180

The notes on pages 9 to 32 form an integral part of these interim financial statements.

1. Restated financial figures of comparative period due to the reassessment of the useful life of assets of the subsidiary company. See analytical presentation in note 23 of the financial statements.

## Condensed Interim Statement of Comprehensive Income

	CONSOLIDATED DATA		COMPANY DATA	
	3 months until 31/3/2014	3 months until 31/3/2013	3 months until 31/3/2014	3 months until 31/3/2013
<b>Profits/(losses) after taxes<sup>1</sup></b>	<b>-14.747.650</b>	<b>-31.591.225</b>	<b>-440.845</b>	<b>885.486</b>
<b>Other Comprehensive income after taxes which will be transferred to profit or loss in the future</b>				
Exchange differences translation of the financial statements from international business operations	-1.891.696	131.075	-	-
Profit / (loss) after tax from the change of the fair value of the cash flow hedging	39.693	-487.552	-	-
<b>Total income after taxes which will be transferred to profit or loss in the future</b>	<b>-1.852.003</b>	<b>-356.477</b>	<b>-</b>	<b>-</b>
<b>Comprehensive income after taxes</b>	<b>-1.852.003</b>	<b>-356.477</b>	<b>-</b>	<b>-</b>
<b>Cumulative Comprehensive results after taxes</b>	<b>-16.599.653</b>	<b>-31.947.702</b>	<b>-440.845</b>	<b>885.486</b>
<b>Attributable to:</b>				
Owners of the parent <sup>1</sup>	-14.196.630	-26.674.258	-440.845	885.486
Non-controlling interests <sup>1</sup>	-2.403.023	-5.273.445	-	-
	<b>-16.599.653</b>	<b>-31.947.703</b>	<b>-440.845</b>	<b>885.486</b>

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1. Restated financial figures of comparative period due to the reassessment of the useful life of assets of the subsidiary company. See analytical presentation in note 23 of the 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		Minority interest	Total Shareholders Equity
	Share Capital & Share Premium Reserves	Fair Value Reserve	Other reserves	Results carried forward	Total	Total		
<b>CONSOLIDATED DATA</b>								
Balance as of 1 January 2013	159.866.138	56.175	102.961.964	118.114.343	-2.094.648	378.903.972	90.458.582	469.362.554
Cumulative Comprehensive income/(expenses) after taxes <sup>1</sup>	-	-382.988	-	-26.426.794	135.524	-26.674.258	-5.273.445	-31.947.703
Balance as of 31 March 2013 <sup>1</sup>	159.866.138	-326.813	102.961.964	91.687.548	-1.959.124	352.229.714	85.185.138	437.414.851
Balance as of 1 April 2013	159.866.138	-326.813	102.961.964	91.687.548	-1.959.124	352.229.714	85.185.138	437.414.851
Cumulative Comprehensive income/(expenses) after taxes	-	307.682	-	-47.188.919	-2.021.992	-48.903.229	-7.579.324	-56.482.553
Share Capital Issuance /(decrease)	-	-	-	-	-	-	26.180	26.180
Increase - decrease of participation percentage in subsidiary	-	-	3.286	-62.555	-	-59.269	-29.037	-88.306
Transfer to reserves	-	-	2.635.598	-2.635.598	-	-	-	-
Dividend	-	-	-	-	-	-	-59.748	-59.748
Balance as of 31 December 2013	159.866.138	-19.131	105.600.848	41.800.476	-3.981.116	303.267.216	77.543.209	380.810.425
Balance as of 1 January 2014	159.866.138	-19.131	105.600.848	41.800.476	-3.981.116	303.267.216	77.543.209	380.810.425
Cumulative Comprehensive income/(expenses) after taxes	-	31.180	-	-12.737.411	-1.490.399	-14.196.630	-2.403.023	-16.599.653
Balance as of 31 March 2014	159.866.138	12.049	105.600.848	29.063.066	-5.471.515	289.070.585	75.140.187	364.210.772

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

CONSOLIDATED DATA	Share Capital & Share Premium Reserves			Results carried forward	Consolidated currency exchange differences		Minority interest	Total Shareholders Equity
	Reserves	Fair Value Reserve	Other reserves		Total	Total		
Profits/(losses) after taxes <sup>1</sup>	-	-	-	-26.426.794	-	-26.426.794	-5.164.432	-31.591.226
Foreign exchange differences from activities abroad	-	-	-	-	135.524	135.524	4.448	131.075
Profit / (Loss) after taxes from change in the fair value of cash flow hedging	-	-382.988	-	-	-	-382.988	-104.564	-487.552
1 Jan 2013 - 31 March 2013	-	-382.988	-	-26.426.794	135.524	-26.674.259	-5.273.445	-31.947.703
Profits/(losses) after taxes	-	-	-	-47.320.204	-	-47.320.204	-7.279.428	-54.599.632
Foreign exchange differences from activities abroad	-	-	-	-	-2.021.992	-2.021.992	443.301	-2.465.294
Profit / (Loss) after taxes from change in the fair value of cash flow hedging	-	307.682	-	-	-	307.682	84.004	391.686
Recognized actuarial gains / losses	-	-	-	131.286	-	131.286	59.401	190.687
1 Apr 2013 - 31 Dec 2013	-	307.682	-	-47.188.918	-2.021.992	-48.903.229	-7.579.323	-56.482.553
1 Jan 2013 - 31 Dec 2013	-	-75.306	-	-73.615.712	-1.886.468	-75.577.487	-12.852.768	-88.430.255
Profits/(losses) after taxes	-	-	-	-12.737.411	-	-12.737.411	-2.010.239	-14.747.650
Foreign exchange differences from activities abroad	-	-	-	-	-1.490.399	-1.490.399	-401.297	-1.891.696
Profit / (Loss) after taxes from change in the fair value of cash flow hedging	-	31.180	-	-	-	31.180	8.513	39.693
1 Jan 2014 - 31 Mar 2014	-	31.180	-	-12.737.411	-1.490.399	-14.196.630	-2.403.023	-16.599.653

The notes on pages 9 to 32 form an integral part of these interim financial statements.

1. Restated financial figures of comparative period due to the reassessment of the useful life of assets of the subsidiary company. See analytical presentation in note 23 of the financial statements.

**COMPANY DATA**

*Amounts in Euro*

	Share Capital & Share Premium Reserves	Other reserves	Results carried forward	Total Shareholders Equity
<b>COMPANY DATA</b>				
<b>Balance as of 1 January 2013</b>	159.866.138	46.354.156	-22.896.376	183.323.918
Cumulative Comprehensive income/(expenses) after taxes	-	-	885.486	885.486
<b>Balance as of 31 March 2013<sup>1</sup></b>	<b>159.866.138</b>	<b>46.354.156</b>	<b>-22.010.890</b>	<b>184.209.404</b>
<b>Balance as of 1 April 2013</b>	159.866.138	46.354.156	-22.010.890	184.209.404
Cumulative Comprehensive income/(expenses) after taxes	-	-	-1.908.477	-1.908.477
	-	-	-1.908.477	-1.908.477
<b>Balance as of 31 December 2013</b>	<b>159.866.138</b>	<b>46.354.156</b>	<b>-23.919.367</b>	<b>182.300.927</b>
<b>Balance as of 1 January 2014</b>	159.866.138	46.354.156	-23.919.367	182.300.927
Cumulative Comprehensive income/(expenses) after taxes	-	-	-440.845	-440.845
<b>Balance as of 31 March 2014</b>	<b>159.866.138</b>	<b>46.354.156</b>	<b>-24.360.213</b>	<b>181.860.082</b>

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

<b>COMPANY DATA</b>	Results carried forward	Total Shareholders Equity
Profits/(losses) after taxes <b>1 Jan 2013 - 31 Mar 2013</b>	885.486 <b>885.486</b>	885.486 <b>885.486</b>
Profits/(losses) after taxes Recognized actuarial gains / losses <sup>1</sup> <b>1 Apr 2013 - 31 Dec 2013</b>	-1.924.198 15.721 <b>-1.908.477</b>	-1.924.198 15.721 <b>-1.908.477</b>
<b>1 Jan 2013 - 31 Dec 2013</b>	<b>-1.022.991</b>	<b>-1.022.991</b>
Profits/(losses) after taxes <b>1 Jan 2014 - 31 Mar 2014</b>	-440.845 <b>-440.845</b>	-440.845 <b>-440.845</b>

The notes on pages 9 to 32 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 31/3/2014	1/1 to 31/3/2013	1/1 to 31/3/2014	1/1 to 31/3/2013
<b>Cash flows from operating activities</b>					
Cash flows from operating activities	13	-3.734.631	12.923.902	-375.097	-5.337.853
Interest paid		-7.312.993	-8.394.310	-1.600	-10.371
Income tax paid		-482.969	-92.740	-	-
<b>Net cash flows from operating activities</b>		<b>-11.530.593</b>	<b>4.436.852</b>	<b>-376.697</b>	<b>-5.348.224</b>
<b>Cash Flows from investing activities</b>					
Purchase of property, plant and equipment		-10.382.238	-4.763.325	-	-4.726
Purchase of intangible assets		-258.797	-741.490	-	-
Sale of property, plant and equipment		1.669.283	300.005	-	5.300.000
Dividends received		56.808	-	-	-
Interest received		1.122	5.920	-	-
<b>Net Cash Flows from investing activities</b>		<b>-8.913.822</b>	<b>-5.198.891</b>	<b>-</b>	<b>5.295.274</b>
<b>Cash flow from financing activities</b>					
Proceeds from borrowings		15.826.951	39.393.211	-	-
Repayment of borrowings		-15.262.954	-51.480.035	-	-
Changes in finance leases capital		-33.681	-18.285	-	-
Other		297.315	319.607	3.727	1.771
<b>Net Cash flow from financing activities</b>		<b>827.631</b>	<b>-11.785.502</b>	<b>3.727</b>	<b>1.771</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>-19.616.784</b>	<b>-12.547.541</b>	<b>-372.970</b>	<b>-51.179</b>
Cash and cash equivalents at the beginning of the year		56.720.808	41.862.828	1.251.364	851.083
Foreign exchange differences in cash and cash equivalents		2.992	263.504	-	-
<b>Cash and cash equivalents at the end of the period</b>		<b>37.107.016</b>	<b>29.578.792</b>	<b>878.394</b>	<b>799.904</b>

The notes on pages 9 to 32 form an integral part of these interim financial statements.

## **B. Notes on the interim financial information**

### **1 General Information**

These current financial statements include the interim financial information of SIDENOR STEEL PRODUCTS MANUFACTURING COMPANY S.A. (the Company”) and the corresponding consolidated financial statements of the Company and its subsidiaries (together the “Group”).

The main activities of the Group are the production and sale of steel construction and industrial products and steel pipes.

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 20th of May 2014.

### **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 periods 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 first three month period of 2014.

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 three 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 2013.

The Group and the Company continue to adopt the “principle of going concern” in preparing individual and consolidated financial statements for the period ended March 31, 2014.

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 2013, posted on the Company's web site, which were prepared in accordance with IFRS.

Tax on profits in the condensed 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

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**

#### **IAS 32 (Amendment) "Financial Instruments: Presentation"**

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.

#### **Group of standards on consolidation and joint arrangements**

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). There was no impact on the Group's 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.

#### **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 27 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.

**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.

**IFRS 10, IFRS 12 and IAS 27 (Amendment) “Investment entities”**

The amendment to IFRS 10 defines an investment entity and introduces an exception from consolidation. Many funds and similar entities that qualify as investment entities will be exempt from consolidating most of their subsidiaries, which will be accounted for at fair value through profit or loss, although controlled. The amendments to IFRS 12 introduce disclosures that an investment entity needs to make.

**IAS 36 (Amendment) “Recoverable amount disclosures for non-financial assets”**

This amendment requires: a) disclosure of the recoverable amount of an asset or cash generating unit (CGU) when an impairment loss has been recognised or reversed and b) detailed disclosure of how the fair value less costs of disposal has been measured when an impairment loss has been recognised or reversed. Also, it removes the requirement to disclose recoverable amount when a CGU contains goodwill or indefinite lived intangible assets but there has been no impairment.

**IAS 39 (Amendment) “Financial Instruments: Recognition and Measurement”**

This amendment will allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulations, if specific conditions are met.

**Standards and Interpretations effective for subsequent periods****IAS 19R (Amendment) “Employee Benefits” (effective for annual periods beginning on or after 1 July 2014)**

These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans and simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. These amendments have not yet been endorsed by the EU.

**Annual Improvements to IFRSs 2012 (effective for annual periods beginning on or after 1 July 2014)**

The amendments set out below describe the key changes to seven IFRSs following the publication of the results of the IASB’s 2010-12 cycle of the annual improvements project. The improvements have not yet been endorsed by the EU.

**IFRS 2 “Share-based payment”**

The amendment clarifies the definition of a ‘vesting condition’ and separately defines ‘performance condition’ and ‘service condition’.

**IFRS 3 “Business combinations”**

The amendment clarifies that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in IAS 32 “Financial instruments: Presentation”. It also clarifies that all non-equity contingent consideration, both financial and non-financial, is measured at fair value through profit or loss.

**IFRS 8 “Operating segments”**

The amendment requires disclosure of the judgements made by management in aggregating operating segments.

IFRS 13 “Fair value measurement”

The amendment clarifies that the standard does not remove the ability to measure short-term receivables and payables at invoice amounts in cases where the impact of not discounting is immaterial.

IAS 16 “Property, plant and equipment” and IAS 38 “Intangible assets”

Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

IAS 24 “Related party disclosures”

The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity.

**Annual Improvements to IFRSs 2013** (effective for annual periods beginning on or after 1 July 2014)

The amendments set out below describe the key changes to four IFRSs following the publication of the results of the IASB’s 2011-13 cycle of the annual improvements project. The improvements have not yet been endorsed by the EU.

IFRS 3 “Business combinations”

This amendment clarifies that IFRS 3 does not apply to the accounting for the formation of any joint arrangement under IFRS 11 in the financial statements of the joint arrangement itself.

IFRS 13 “Fair value measurement”

The amendment clarifies that the portfolio exception in IFRS 13 applies to all contracts (including non-financial contracts) within the scope of IAS 39/IFRS 9.

IAS 40 “Investment property”

The standard is amended to clarify that IAS 40 and IFRS 3 are not mutually exclusive.

**IFRS 9 “Financial Instruments”**

IFRS 9 replaces part of IAS 39 which deals with the classification and measurement of financial assets and financial liabilities. The IASB (“International Accounting Standards Board”) intends to expand IFRS 9 in subsequent phases. 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.

**IFRS 9 “Financial Instruments: Hedge accounting and amendments to IFRS 9, IFRS7 and IAS 39”**

The IASB has published IFRS 9 Hedge Accounting, the third phase of its replacement of IAS 39 which establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model in IAS 39. The second amendment requires changes in the fair value of an entity’s debt attributable to changes in an entity’s own credit risk to be recognised in other comprehensive income and the third amendment is the removal of the mandatory effective date of IFRS 9. These amendments have not yet been endorsed by the EU.

**IFRS 7 (Amendment) “Financial Instruments: Disclosures”**

The amendment requires additional disclosures on transition from IAS 39 to IFRS 9. The amendment has not yet been endorsed by the EU.

**IFRIC 21 “Levies”** (effective for annual periods beginning on or after 1 January 2014)

This interpretation sets out the accounting for an obligation to pay a levy imposed by government that is not income tax. The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy

(one of the criteria for the recognition of a liability according to IAS 37) is the activity described in the relevant legislation that triggers the payment of the levy. The interpretation could result in recognition of a liability later than today, particularly in connection with levies that are triggered by circumstances on a specific date. This interpretation has not yet been endorsed by the EU.

### 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 required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2013.

Compared to 31 December 2013, 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 table below analyses financial instruments carried in the balance sheet at fair value, for both Group and Company, by level of the following fair value measurement hierarchy:

**First level** – Includes quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Second level** – Includes inputs other than quoted prices included within the first level, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

**Third level** – Includes inputs that are not based on observable market data (that is, unobservable inputs).

The different levels are defined as follows:

*Amounts in Euro*

		CONSOLIDATED DATA							
		31/3/2014				31/12/2013			
Note		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	Financial assets available for sale	5.150	-	1.568.850	1.574.000	5.150	-	1.568.850	1.574.000
	Financial assets at fair value	-	-	9.137	9.137	-	-	9.137	9.137
	Derivative financial assets	-	56.419	-	56.419	-	4.394	-	4.394
		5.150	56.419	1.577.987	1.639.556	5.150	4.394	1.577.987	1.587.531
	Derivative financial liabilities	-	-34.662	-	-34.662	-	-50.431	-	-50.431
		-	-34.662	-	-34.662	-	-50.431	-	-50.431

There were no transfers between Levels 1 and 2 during the period.

#### Valuation techniques used to derive Level 2 fair values

Level 2 trading comprise forward foreign exchange contracts (forward).

These forward foreign exchange contracts have been fair valued using forward exchange rates at balance sheet date and quoted in an active market.

#### Valuation of Level 3 fair value

The available-for-sale financial assets of level 3 are non-traded securities. So it is not possible to measure their fair value reliably. Correspondingly, they are valued at acquisition cost.

#### Valuation processes

For financial reporting purposes, the Group's financial department performs the valuations of financial assets and Level 3 fair values. The procedure is performed at least once every quarter in line with the Group's quarterly reporting dates.

Fair value of financial assets and liabilities measured at unamortised cost

The carried value of the short terms borrowings approximate its fair value because the effect from discount is immaterial.

The fair value of the following financial assets and liabilities approximate their carrying amount:

- Trade and other receivables
- Cash and cash equivalents
- Suppliers and other liabilities
- Other short-term financing liabilities

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

#### **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 interim condensed consolidated financial statements, the same estimates and judgments, to those of December 31, 2013, 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 3 months till 31 March 2014 are as follows:*

	Steel		
	Construction Products	Pipes	Total
<b>3 months ended 31 March 2014 (Amounts in Euro)</b>			
<b>Total gross sales per segment</b>	<b>191.516.302</b>	<b>53.558.603</b>	<b>245.074.905</b>
Intra-company sales	-48.007.496	-3.811.737	<b>-51.819.233</b>
<b>Net sales</b>	<b>143.508.806</b>	<b>49.746.866</b>	<b>193.255.672</b>
Operating results	-3.313.570	-3.628.270	<b>-6.941.839</b>
Financial income	220.230	78.304	<b>298.534</b>
Financial expenses	-7.741.395	-958.650	<b>-8.700.045</b>
Profits/losses of associates	153.462	576.097	<b>729.559</b>
<b>Profits / (losses) before taxes</b>	<b>-10.681.273</b>	<b>-3.932.519</b>	<b>-14.613.791</b>
Income tax expense	-22.474	-111.384	<b>-133.858</b>
<b>Net profits/(losses)</b>	<b>-10.703.747</b>	<b>-4.043.903</b>	<b>-14.747.650</b>

	Steel		
	Construction		
	Products	Pipes	Total
<b>31/3/2014 (Amounts in Euro)</b>			
Assets (apart from investments in associates)	710.801.262	436.583.843	1.147.385.105
Investments in Associates	8.666.761	16.745.359	25.412.120
<b>Total Assets</b>	<b>719.468.023</b>	<b>453.329.202</b>	<b>1.172.797.225</b>
Total liabilities	694.717.234	113.869.217	808.586.452

*Other items per segment included in the results for the 3 months till 31 March 2014 are as follows:*

	Steel		
	Construction		
	Products	Pipes	Total
<b>3 months ended 31 March 2014 (Amounts in Euro)</b>			
Depreciation of property, plant and equipment	8.383.335	2.379.472	10.762.807
Depreciation of intangible assets	27.335	-	27.335
<b>Total depreciation</b>	<b>8.410.670</b>	<b>2.379.472</b>	<b>10.790.142</b>
Impairment of receivables	-90	-8.883	-8.973
Impairment of inventories	-	48.404	48.404
Investments in tangible, intangible assets and investments in fixed assets	7.372.149	3.268.886	10.641.035

The total depreciation charged to the income statement amounted to € 5,399 thousand for the steel sector and € (1,267) thousand for tube sector. Thus the result before interest, taxes, investment, depreciation and amortization amounted to € 5,400 thousand for the steel sector and € (1,268) thousand for the tube sector.

*The results per segment for the 3 months till 31 March 2013 are as follows:*

	Steel		
	Construction		
	Products	Pipes	Total
<b>3 months ended 31 March 2013 (Amounts in Euro)</b>			
<b>Total gross sales per segment</b>	<b>192.410.073</b>	<b>46.389.038</b>	<b>238.799.111</b>
Intra-company sales	-42.267.782	-12.255.183	-54.522.965
<b>Net sales</b>	<b>150.142.291</b>	<b>34.133.855</b>	<b>184.276.146</b>
Operating results <sup>1</sup>	-13.870.852	540.383	-13.330.469
Financial income	202.162	123.365	325.527
Financial expenditures	-7.769.611	-916.976	-8.686.587
Profits/losses of associates	-745.852	1.845.940	1.100.088
<b>Profits / (losses) before taxes</b>	<b>-22.184.154</b>	<b>1.592.712</b>	<b>-20.591.441</b>
Income tax expense <sup>1</sup>	-7.995.422	-3.004.362	-10.999.784
<b>Net profits/(loss)<sup>1</sup></b>	<b>-30.179.576</b>	<b>-1.411.650</b>	<b>-31.591.225</b>

	Steel		
	Construction		
	Products	Pipes	Total
<b>31 December 2013 (Amounts in Euro)</b>			
Assets (apart from investments in associates)	693.365.096	464.239.833	1.157.604.928
Investments in Associates	8.755.745	18.040.403	26.796.149
<b>Total Assets</b>	<b>702.120.841</b>	<b>482.280.236</b>	<b>1.184.401.077</b>
Total liabilities	667.641.825	135.948.825	803.590.651

*Other items per segment included in the results for the 3 months till 31 March 2013 are as follows:*

1. Restated financial figures of comparative period due to the reassessment of the useful life of assets of the subsidiary company. See analytical presentation in note 23 of the financial statements.

3 months ended 31 March 2013 (Amounts in Euro)	Steel		
	Construction		
	Products	Pipes	Total
Depreciation of property, plant and equipment	7.918.770	3.243.361	11.162.131
Depreciation of intangible assets	24.836	-	24.836
<b>Total depreciation</b>	<b>7.943.606</b>	<b>3.243.361</b>	<b>11.186.967</b>
Impairment of receivables	4.455	-325.616	-321.161
Impairment of inventories	-	1.819.653	1.819.653
Investments in tangible, intangible assets and investments in fixed assets	-5.038.321	10.543.136	5.504.815

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 2014</b>	675.906.367	1.628.891	29.477.757	-
Foreign exchange differences	-23.331	-61	-	-
Additions	10.382.238	258.797	-	-
Sales	-769.342	-	-	-
Spare part consumption	-80.693	-	-	-
Depreciation for the period	-10.634.871	-27.335	-101.693	-
<b>Balance as at March 31th 2014</b>	<b>674.780.369</b>	<b>1.860.293</b>	<b>29.376.062</b>	<b>-</b>

Depreciation charged to current period amounts to € 10,790 thousand for the Group and € 102 thousand for the Company, and includes a provision of the subsidiary companies amounting to € 128 thousand. The provision will be finalized and allocated in the value of depreciated assets at year-end.

During FY 2013 the subsidiary company CORINTH PIPEWORKS S.A. proceeded to a reappraisal of the outstanding values and the useful lives of fixed assets. As a result, in Financial Statements of period 01/01/2013 – 30/06/2013, the subsidiary company redefined the useful lives of fixed assets and reduced the depreciations. The revised useful lives were adopted starting 01/01/2013 and, due to the error, the first quarter Financial Statements have been restated in order to reflect the increase of the useful lives, while the conditions upon which the reappraisal was made, were present during the first trimester of 2013. The restatement was made in the financial notes of the first half of 2013 and the effect is presented analytically in note 23 of the current financial notes.

## 7 Investments in Associates

Amounts in Euro	CONSOLIDATED DATA	
	31/3/2014	31/12/2013
<b>Beginning of the period</b>	<b>26.796.149</b>	<b>29.830.398</b>
Share in profit / (loss) after tax	729.559	1.799.298
Income from dividends (-)	-242.448	-2.400.537
Foreign exchange differences	-1.871.140	-2.086.224
Additions	-	357.094
Sales	-	-504.000
Return of capital	-	-199.880
<b>Balance at the period end</b>	<b>25.412.120</b>	<b>26.796.149</b>

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

Company	Country	Participation Rate	
		31-Mar-14	31-Dec-13
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.M.E. S.A.	Greece	0,00%	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%
SMARTREO PTY LTD	Australia	49,00%	-
AWM SPA	Italy	34,00%	34,00%

Condensed financial information of Associates	31-Mar-14	31-Dec-13	31-Mar-13
Assets	213.553.247	194.757.758	-
Liabilities	166.328.040	161.434.776	-
Revenues (Sales)	44.708.637	-	53.699.723
Profit/ (loss) after tax	-359.519	-	2.157.847

The following tables present summarised financial information for the most important associates:

### Summarised financial information for associates

31/12/2013	31/3/2014				31/12/2013			
	SIDMA S.A.	ZAO TMK-CPW	DOMOPLEX LTD	AWM SPA	SIDMA S.A.	ZAO TMK-CPW	DOMOPLEX LTD	AWM SPA
<b>Current</b>								
Cash and cash equivalents	12.380.589	9.094	3.966	4.488.039	12.779.032	11.319	4.575	3.020.101
Other current assets	66.907.440	28.197.532	2.590.073	5.454.490	63.954.184	30.127.129	2.760.544	8.270.584
<b>Total current assets</b>	<b>79.288.029</b>	<b>28.206.626</b>	<b>2.594.039</b>	<b>9.942.529</b>	<b>76.733.216</b>	<b>30.138.448</b>	<b>2.765.119</b>	<b>11.290.685</b>
Short term borrowings	-64.847.321	-	-1.853.594	-363.129	-63.976.328	-	-1.970.176	-1.053.315
Other current liabilities	-26.855.044	-8.001.161	-1.809.183	-8.486.532	-25.585.933	-8.170.065	-1.649.797	-8.806.887
<b>Total current liabilities</b>	<b>-91.702.365</b>	<b>-8.001.161</b>	<b>-3.662.777</b>	<b>-8.849.661</b>	<b>-89.562.262</b>	<b>-8.170.065</b>	<b>-3.619.973</b>	<b>-9.860.202</b>
	-12.414.336	20.205.465	-1.068.738	1.092.868	-12.829.046	21.968.383	-854.854	1.430.483
<b>Non-current</b>								
Assets	53.152.594	16.177.911	4.081.552	6.157.448	53.874.344	17.201.520	4.063.376	5.966.152
Other non-current assets	1.821.853	46.411	84.737	-	1.729.986	2	84.778	-
<b>Total non-current assets</b>	<b>54.974.446</b>	<b>16.224.322</b>	<b>4.166.289</b>	<b>6.157.448</b>	<b>55.604.330</b>	<b>17.201.521</b>	<b>4.148.154</b>	<b>5.966.152</b>
Long term borrowings	-47.963.082	-	-510.065	-1.072.816	-45.955.147	-	-572.565	-1.183.769
Other non-current liabilities	-1.124.851	-105.934	0	-872.428	-1.180.984	-41.878	-8.664	-835.355
<b>Total non-current liabilities</b>	<b>-49.087.933</b>	<b>-105.934</b>	<b>-510.065</b>	<b>-1.945.244</b>	<b>-47.136.131</b>	<b>-41.878</b>	<b>-581.229</b>	<b>-2.019.124</b>
	5.886.513	16.118.389	3.656.224	4.212.204	8.468.199	17.159.643	3.566.925	3.947.028
<b>Equity</b>	<b>-6.527.822</b>	<b>36.323.854</b>	<b>2.587.486</b>	<b>5.305.072</b>	<b>-4.360.847</b>	<b>39.128.026</b>	<b>2.712.071</b>	<b>5.377.511</b>
Non-controlling interest	-136.653	-	-	-	-147.740	-	-	-
<b>Total equity</b>	<b>-6.664.475</b>	<b>36.323.854</b>	<b>2.587.486</b>	<b>5.305.072</b>	<b>-4.508.587</b>	<b>39.128.026</b>	<b>2.712.071</b>	<b>5.377.511</b>

**Summarised income and comprehensive income statement for associates**

	31/3/2014				31/3/2013			
	SIDMA S.A.	ZAO TMK-CPW	DOMOPLEX LTD	AWM SPA	SIDMA S.A.	ZAO TMK-CPW	DOMOPLEX LTD	AWM SPA
Revenue	24.205.061	70.900.411	768.657	4.043.470	23.180.525	23.782.105	768.657	5.012.229
Operating result	-758.388	11.530.309	-87.964	802.978	-382.225	4.508.231	-87.964	491.014
Financial income/(expense)-Net	-1.481.347	-	-36.621	-9.417	-1.578.508	-	-36.621	-10.842
<b>Profits / (losses) before taxes</b>	<b>-2.239.734</b>	<b>11.530.309</b>	<b>-124.585</b>	<b>793.561</b>	<b>-1.960.734</b>	<b>4.508.231</b>	<b>-124.585</b>	<b>480.172</b>
Income tax expense	86.617	-2.330.491	-	-320.000	-116.748	-902.050	-	-158.000
<b>Profits / (losses) before taxes from continuing operations</b>	<b>-2.153.118</b>	<b>9.199.818</b>	<b>-124.585</b>	<b>473.561</b>	<b>-2.077.482</b>	<b>3.606.181</b>	<b>-124.585</b>	<b>322.172</b>
Other comprehensive income after taxes	-13.858	-	-	-	-14.047	-	-	-
<b>Comprehensive income after taxes</b>	<b>-2.166.976</b>	<b>9.199.818</b>	<b>-124.585</b>	<b>473.561</b>	<b>-2.091.529</b>	<b>3.606.181</b>	<b>-124.585</b>	<b>322.172</b>
Non-controlling interest	11.087	-	-	-	14.162	-	-	-
<b>Total comprehensive income after taxes</b>	<b>-2.155.889</b>	<b>9.199.818</b>	<b>-124.585</b>	<b>473.561</b>	<b>-2.077.367</b>	<b>3.606.181</b>	<b>-124.585</b>	<b>322.172</b>
Dividends received	-	242.448	-	-	-	-	-	-

**Summarised Statement of changes in equity in associates**

	SIDMA S.A.	ZAO TMK-CPW	DOMOPLEX LTD	AWM SPA
Balance as at January 1st 2013	6.888.503	39.088.270	3.526.979	4.480.689
Profit/(loss) for the period	-11.174.758	9.199.818	-805.654	896.822
Other comprehensive income	16.228	-	-	-
Foreign exchange differences	-	-4.261.000	-9.254	-
Distributed dividends	-	-4.899.062	-	-
Non-controlling interest	-90.821	-	-	-
<b>Balance as at December 31th 2013</b>	<b>-4.360.847</b>	<b>39.128.026</b>	<b>2.712.071</b>	<b>5.377.511</b>
Participation percentage	34,74%	49,00%	45,00%	34,00%
Proportion of participation	-1.515.071	19.172.733	1.220.432	1.828.354
Adjustments due to intercompany transactions	-	-1.448.329	-	-
<b>Total proportion of participation</b>	<b>-1.515.071</b>	<b>17.724.404</b>	<b>1.220.432</b>	<b>1.828.354</b>
Balance as at January 1st 2014	-4.360.847	39.128.026	2.712.071	5.377.511
Profit/(loss) for the period	-2.166.976	1.014.484	-124.585	473.561
Other comprehensive income	-	-	-	-
Foreign exchange differences	-	-3.818.657	-	-
Distributed dividends	-	-	-	-546.000
Non-controlling interest	-136.653	-	-	-
<b>Balance as at March 31th 2014</b>	<b>-6.664.475</b>	<b>36.323.853</b>	<b>2.587.486</b>	<b>5.305.072</b>
Interest in associates	34,74%	49,00%	45,00%	34,00%
Proportion of participation	-	17.798.688	1.164.369	1.803.724
Adjustments due to intercompany transactions	-	-1.053.328	-	1.318.626
<b>Total proportion of participation</b>	<b>-</b>	<b>16.745.360</b>	<b>1.164.369</b>	<b>3.122.351</b>

**8 Investments in Subsidiaries**

Amounts in Euro	COMPANY DATA	
	31/3/2014	31/12/2013
<b>Beginning of the year</b>	<b>143.651.857</b>	<b>131.824.107</b>
Additions	-	11.827.750
<b>Balance at the period end</b>	<b>143.651.857</b>	<b>143.651.857</b>

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

Company	Country of Establishment	Direct Participation %	Indirect Participation %	Direct & Indirect Participation %	% Non-controlling interests	Activity sector
<b>2014</b>						
SOVEL S.A.	Greece	0,00%	64,01%	64,01%	35,99%	Steel Construction Products
SIDENOR STEEL INDUSTRY S.A.	Greece	100,00%	0,00%	100,00%	0,00%	Steel Construction Products
STOMANAINDUSTRY S.A.	Bulgaria	100,00%	0,00%	100,00%	0,00%	Steel Construction Products
ERLIKON WIRE PROCESSING S.A.	Greece	0,00%	98,86%	98,86%	1,14%	Steel Construction Products
AEIFOROS S.A.	Greece	0,00%	90,00%	90,00%	10,00%	Steel Construction Products
THERMOLITH S.A.	Greece	0,00%	63,00%	63,00%	37,00%	Steel Construction Products
PROSAL S.A.	Greece	0,00%	100,00%	100,00%	0,00%	Pipes
PROSAL TUBES S.A.	Bulgaria	0,00%	100,00%	100,00%	0,00%	Pipes
TEPRO STEEL EAD	Bulgaria	100,00%	0,00%	100,00%	0,00%	Steel Construction Products
DOJRAN STEEL LLCOP	FYROM	0,00%	100,00%	100,00%	0,00%	Steel Construction Products
BOZETTI LTD	Cyprus	100,00%	0,00%	100,00%	0,00%	Steel Construction Products
VEMET S.A.	Greece	0,00%	100,00%	100,00%	0,00%	Steel Construction Products
ETIL S.A.	Greece	0,00%	69,98%	69,98%	30,02%	Steel Construction Products
PRAKSYS S.A.	Greece	0,00%	61,00%	61,00%	39,00%	Steel Construction Products
DI.VI.PE.THIV. S.A.	Greece	53,01%	17,09%	70,10%	29,90%	Pipes
AEIFOROS BULGARIA SA	Bulgaria	0,00%	90,00%	90,00%	10,00%	Steel Construction Products
VET S.A.	Greece	0,00%	64,01%	64,01%	35,99%	Pipes
VEAT S.A.	Greece	0,00%	41,60%	41,60%	58,40%	Steel Construction Products
SIGMAS A.	Bulgaria	0,00%	69,28%	69,28%	30,72%	Steel Construction Products
ARGOS S.A.	Greece	0,00%	69,28%	69,28%	30,72%	Steel Construction Products
SIDERAL SHPK	Albania	0,00%	100,00%	100,00%	0,00%	Steel Construction Products
SIDEROM STEEL SLR	Romania	0,00%	100,00%	100,00%	0,00%	Steel Construction Products
PORT SMSHTOV WEST SA	Bulgaria	0,00%	73,09%	73,09%	26,91%	Steel Construction Products
PRISTANISHTEN KOMPLEX SVLOSAEOOD	Bulgaria	0,00%	73,09%	73,09%	26,91%	Steel Construction Products
SIDEBALK STEEL DOO	Serbia	100,00%	0,00%	100,00%	0,00%	Steel Construction Products
JOSTDEX LTD	Cyprus	98,00%	0,00%	98,00%	2,00%	Steel Construction Products
CORINTH PIPEWORKS S.A.	Greece	78,55%	0,00%	78,55%	21,45%	Pipes

Company	Country of Establishment	Direct Participation %	Indirect Participation %	Direct & Indirect Participation %	% Non-controlling interests	Activity sector
<b>2013</b>						
SOVEL A.E.	Greece	0,00%	64,01%	64,01%	35,99%	Steel Construction Products
SIDENOR STEEL INDUSTRY S.A.	Greece	100,00%	0,00%	100,00%	0,00%	Steel Construction Products
STOMANAINDUSTRY S.A.	Bulgaria	100,00%	0,00%	100,00%	0,00%	Steel Construction Products
ERLIKON WIRE PROCESSING S.A.	Greece	0,00%	98,86%	98,86%	1,14%	Steel Construction Products
AEIFOROS S.A.	Greece	0,00%	90,00%	90,00%	10,00%	Steel Construction Products
THERMOLITH S.A.	Greece	0,00%	63,00%	63,00%	37,00%	Steel Construction Products
PROSAL S.A.	Greece	0,00%	100,00%	100,00%	0,00%	Pipes
PROSAL TUBES S.A.	Bulgaria	0,00%	100,00%	100,00%	0,00%	Pipes
TEPRO STEEL EAD	Bulgaria	100,00%	0,00%	100,00%	0,00%	Steel Construction Products
DOJRAN STEEL LLCOP	FYROM	0,00%	100,00%	100,00%	0,00%	Steel Construction Products
BOZETTI LTD	Cyprus	100,00%	0,00%	100,00%	0,00%	Steel Construction Products
VEMET S.A.	Greece	0,00%	100,00%	100,00%	0,00%	Steel Construction Products
ETIL S.A.	Greece	0,00%	69,98%	69,98%	30,02%	Steel Construction Products
PRAKSYS S.A.	Greece	0,00%	61,00%	61,00%	39,00%	Steel Construction Products
DI.VI.PE.THIV. S.A.	Greece	53,01%	17,09%	70,10%	29,90%	Pipes
AEIFOROS BULGARIA SA	Bulgaria	0,00%	90,00%	90,00%	10,00%	Steel Construction Products
VET S.A.	Greece	0,00%	64,01%	64,01%	35,99%	Pipes
VEAT S.A.	Greece	0,00%	41,60%	41,60%	58,40%	Steel Construction Products
SIGMAS A.	Bulgaria	0,00%	69,28%	69,28%	30,72%	Steel Construction Products
ARGOS S.A.	Greece	0,00%	69,28%	69,28%	30,72%	Steel Construction Products
SIDERAL SHPK	Albania	0,00%	100,00%	100,00%	0,00%	Steel Construction Products
SIDEROM STEEL SLR	Romania	0,00%	100,00%	100,00%	0,00%	Steel Construction Products
PORT SMSHTOV WEST SA	Bulgaria	0,00%	73,09%	73,09%	26,91%	Steel Construction Products
PRISTANISHTEN KOMPLEX SVLOSAEOOD	Bulgaria	0,00%	73,09%	73,09%	26,91%	Steel Construction Products
SIDEBALK STEEL DOO	Serbia	100,00%	0,00%	100,00%	0,00%	Steel Construction Products
JOSTDEX LTD	Cyprus	98,00%	0,00%	98,00%	2,00%	Steel Construction Products
CORINTH PIPEWORKS S.A.	Greece	78,55%	0,00%	78,55%	21,45%	Pipes

During the current period there were no changes in the shareholding percentages of the subsidiaries.

The following tables present summarised financial information for subsidiaries that have non-controlling interests:

	31/3/14		31/12/13	
	SOVEL S.A.	CORINTH PIPEWORKS S.A.	SOVEL S.A.	CORINTH PIPEWORKS S.A.
Amounts in Euro				
<b>Current</b>				
Assets	91.428.471	124.719.146	84.711.983	151.122.905
Liabilities	-87.854.301	-45.887.136	-76.253.895	-66.493.551
<b>Total current net assets</b>	<b>3.574.170</b>	<b>78.832.010</b>	<b>8.458.088</b>	<b>84.629.354</b>
<b>Non-current</b>				
Assets	197.501.936	140.317.664	196.972.548	140.361.938
Liabilities	-100.334.635	-68.021.392	-100.541.978	-68.690.662
<b>Total non-current net assets</b>	<b>97.167.301</b>	<b>72.296.272</b>	<b>96.430.570</b>	<b>71.671.276</b>
<b>Net assets</b>	<b>100.741.471</b>	<b>151.128.282</b>	<b>104.888.658</b>	<b>156.300.630</b>

### Summarised income and comprehensive income statement for subsidiaries

	31/3/14		31/3/13	
	SOVEL S.A.	CORINTH PIPEWORKS S.A.	SOVEL S.A.	CORINTH PIPEWORKS S.A.
Amounts in Euro				
Revenue	48.528.841	48.451.705	54.653.458	29.796.999
Profit before income tax	<b>-3.489.336</b>	<b>-3.210.307</b>	<b>-7.163.172</b>	<b>183.412</b>
Income tax expense	-157.851	-134.120	-4.765.390	-3.096.538
Post-tax profit/loss	<b>-3.647.186</b>	<b>-3.344.427</b>	<b>-11.928.562</b>	<b>-2.913.126</b>
Other comprehensive income after taxes	-	-1.827.922	-	104.749
<b>Total comprehensive income after taxes</b>	<b>-3.647.186</b>	<b>-5.172.349</b>	<b>-11.928.562</b>	<b>-2.808.377</b>
<b>Equity percentage</b>	<b>64%</b>	<b>79%</b>	<b>64%</b>	<b>79%</b>
<b>Percentage of third</b>	<b>36%</b>	<b>21%</b>	<b>36%</b>	<b>21%</b>
Total comprehensive income after taxes allocated to non-controlling interests	<b>-1.312.792</b>	<b>-1.109.295</b>	<b>-4.293.643</b>	<b>-602.303</b>
Dividends paid to non-controlling interests	-	-	-	-

### Cash flow statement

	31/3/14		31/3/13	
	SOVEL S.A.	CORINTH PIPEWORKS S.A.	SOVEL S.A.	CORINTH PIPEWORKS S.A.
Amounts in Euro				
<b>Summarised cash flows</b>				
Cash flows from operating activities	3.395.012	-12.452.997	-799.994	3.791.560
Interest paid	-1.191.834	-854.550	-796.743	-903.660
Income tax paid	-	-235.659	-	-400
<b>Net cash generated from operating activities</b>	<b>2.203.178</b>	<b>-13.543.206</b>	<b>-1.596.738</b>	<b>2.887.500</b>
<b>Net cash generated from investing activities</b>	<b>-3.648.261</b>	<b>-3.359.775</b>	<b>1.701.575</b>	<b>-10.463.844</b>
<b>Net cash used in financing activities</b>	<b>1.250.438</b>	<b>-1.313.837</b>	<b>-110.533</b>	<b>-5.843.612</b>
Net (decrease)/increase in cash and cash equivalents	-194.645	-18.216.818	-5.697	-13.419.956
Cash and cash equivalents at beginning of year	357.497	41.059.951	331.347	27.505.880
Exchange gains/(losses) on cash and cash equivalents	-	4.530	-	131.894
<b>Cash and cash equivalents at end of period</b>	<b>162.852</b>	<b>22.847.663</b>	<b>325.651</b>	<b>14.217.818</b>

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

## 9 Trade & Other Receivables

In 2010, the subsidiary company CORINTH PIPEWORKS S.A. has made an impairment to a receivable of € 18,627,586 (\$ 24,864,102) due to its overdue status. On 31/03/2014, the same amount is valued at € 18,071,155. 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 € 9,066,696 (2013: € 9,050,909) that has formed in its financial statements. Management estimates that potential loss will not exceed the impaired amount.

The application that was submitted by the subsidiary company on September 26th 2013 before Dubai's Court of Cassation for review of the decision that ordered the set off between the subsidiary company's claim which was recognized by the court with *res judicata* and the customer's counterclaim which was raised by the latter under the legal action brought against him by the subsidiary company and which counterclaim is denied by the subsidiary company as fictitious, was accepted by the Court of Cassation which ordered the cancelation of the decision as regards to the customer's counterclaim and to refer the case back to the Court of appeal for review with new panel. Therefore, the subsidiary company believes that the likelihood of an outflow of resources from the outcome of the counterclaim of that customer versus the subsidiary company is remote.

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.

## 10 Derivative Financial Instruments

	CONSOLIDATED DATA		COMPANY DATA	
	31/3/2014	31/12/2013	31/3/2014	31/12/2013
<i>Amounts in Euro</i>				
<b>Current assets</b>				
Forward foreign exchange contracts for cash flow hedging	56.419	4.394	-	-
<b>Total</b>	<b>56.419</b>	<b>4.394</b>	<b>-</b>	<b>-</b>
<b>Short term liabilities</b>				
Forward foreign exchange contracts for cash flow hedging	34.662	50.431	-	-
<b>Total</b>	<b>34.662</b>	<b>50.431</b>	<b>-</b>	<b>-</b>
<b>Amounts recorded in the results as income or (expense)</b>				
	<b>-22.439</b>	<b>-334.217</b>	<b>-</b>	<b>-</b>
<b>Details of interest rate swaps</b>				
	<b>31/3/2014</b>	<b>31/12/2013</b>	<b>31/3/2014</b>	<b>31/12/2013</b>
Nominal value of forwards (in USD)	18.285.928	118.720.735	-	-
Nominal value of forwards (in GBP)	475.620	617.965	-	-

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 31.3.2014 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 € 40 thousand for the consolidated figures.

## 11 Borrowings

<i>Amounts in Euro</i>	<b>CONSOLIDATED DATA</b>	
	<b>31/3/2014</b>	<b>31/12/2013</b>
<b>Long term borrowings</b>		
Bank loans	53.937.034	54.857.180
Finance lease liabilities	1.096.509	1.120.566
Bond Loans	297.369.066	298.262.458
Other	5.088.384	5.088.384
<b>Total long term borrowings</b>	<b>357.490.993</b>	<b>359.328.588</b>
<b>Current Borrowings</b>		
Credit limits bank accounts	49.866.902	48.501.871
Bank loans	159.911.502	158.898.999
Finance lease liabilities	126.794	136.418
<b>Total current borrowings</b>	<b>209.905.198</b>	<b>207.537.288</b>
<b>Total borrowings</b>	<b>567.396.191</b>	<b>566.865.876</b>
Total Cash and Cash Equivalents	37.107.016	56.720.808
<b>Net Debt</b>	<b>530.289.175</b>	<b>510.145.068</b>

The maturity dates of long term loans, including finance lease obligations, are as follows:

<i>Amounts in Euro</i>	<b>CONSOLIDATED DATA</b>	
	<b>31/3/2014</b>	<b>31/12/2013</b>
Between 1 and 2 years	23.735.567	24.160.523
Between 2 and 5 years	332.658.917	334.047.499
	<b>356.394.484</b>	<b>358.208.022</b>

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

	<b>CONSOLIDATED DATA</b>	
	<b>31/3/2014</b>	<b>31/12/2013</b>
Bank loans (long-term)	5,78%	5,78%
Bank loans (short-term)	5,23%	5,23%
Bond Loans	5,56%	5,56%
Other borrowings	6,96%	6,96%
Finance lease liabilities	3,21%	3,21%

The maturity dates of all the Group's borrowings are as follows:

<i>Amounts in Euro</i>	<b>CONSOLIDATED DATA</b>	
	<b>31/3/2014</b>	<b>31/12/2013</b>
Up to 1 year	209.778.405	207.400.871
Between 1 and 2 years	23.862.361	24.296.941
Between 2 and 5 years	333.261.325	334.640.284
Over 5 years	494.100	527.781
<b>Total</b>	<b>567.396.191</b>	<b>566.865.876</b>

	<b>CONSOLIDATED DATA</b>	
	<b>31/3/2014</b>	<b>31/12/2013</b>
<b>Total borrowings (per currency)</b>		
Euro	532.298.453	532.681.783
BGN	35.097.738	34.184.093
<b>Total</b>	<b>567.396.191</b>	<b>566.865.876</b>

In December 2013 the procedures for the refinancing of part of the existing loans of SIDENOR Group completed, through the issuance of new syndicated collateralized long-term bond loans amounting to € 298,463,000, with co-arrangers the four major Greek Banks, NATIONAL BANK OF GREECE S.A., ALPHA BANK S.A., EUROBANK ERGASIAS S.A. and PIREAUS BANK S.A.

- SIDENOR STEEL INDUSTRY S.A.: €179,800,000
- CORINTH PIPEWORKS S.A.: € 47,300,000
- SOVEL S.A.: €71,363,000

The loans have 5 years maturity with an option of 2 years extension and have been issued according to L.3156/2003 and L.2190/1920, based on decisions of the respective General Shareholders Meetings.

Also during the 2013, the subsidiary CORINTH PIPEWORKS S.A., entered in a 47,666 thousand euro loan agreement with the German Bank COMMERZBANK for the financing of the new investment of the LSAW-JCOE large-diameter pipe mill for longitudinally welded pipes in the company's mill in the Industrial Area of Thisvi, Greece. The loan is guaranteed by the German ECA, Euler Hermes Deutschland AG, will be repaid in 8,5 years starting from the completion of the investment and interest 1,95% plus six month Euribor. The completion of the said investment is expected in approximately two years.

The fair market values of loans are equal to their book values, as the impact of discounting is not significant. The fair values are evaluated based on parameters such as interest expense, specific country risk factors, or price quotations at the reporting date and are within level 2 of the fair value hierarchy.

The Group for the bonds has given guarantees (Note 16).

## 12 Financial lease

	<b>CONSOLIDATED DATA</b>	
	<b>31/3/2014</b>	<b>31/12/2013</b>
<i>Amounts in Euro</i>		
<b>Finance lease obligations - minimum lease payments</b>		
Up to 1 year	175.728	175.171
1-5 years	702.912	700.682
> 5 years	344.663	554.793
<b>Total</b>	<b>1.223.303</b>	<b>1.430.646</b>
Less: Future finance charges on finance leases	-	-173.662
<b>Present value of liabilities due to financial leases</b>	<b>1.223.303</b>	<b>1.256.984</b>

The present value of financial lease liabilities is analyzed below:

Up to 1 year	126.794	136.418
1-5 years	602.409	592.785
> 5 years	494.100	527.781
<b>Present value of liabilities due to financial leases</b>	<b>1.223.303</b>	<b>1.256.984</b>

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

**Finance lease obligations**

<b>CONSOLIDATED DATA</b>	
<b>31/3/2014</b>	<b>31/12/2013</b>
3,21%	3,21%

## 13 Operating Cash Flows

<i>Amounts in Euro</i>	<b>Note</b>	<b>CONSOLIDATED DATA</b>		<b>COMPANY DATA</b>	
		<b>1/1 to 31/3/2014</b>	<b>1/1 to 31/3/2013</b>	<b>1/1 to 31/3/2014</b>	<b>1/1 to 31/3/2013</b>
Profits/losses after taxes <sup>1</sup>		-14.747.650	-31.591.226	-440.845	885.486
Adjustments for:					
Income tax <sup>1</sup>		133.858	10.999.784	-18.812	-311.964
Depreciation of tangible fixed assets <sup>1</sup>	6	10.762.807	10.239.885	101.693	134.727
Depreciation of intangible assets	6	27.335	24.836	-	-
Impairment of inventories		254.719	554.123	-	-
(Profits)/losses from the sale of tangible assets		-899.941	-237.248	-	-1.448.130
Interest (income)		-298.534	-325.527	-3.726	-1.771
Interest expenses		8.700.045	8.686.587	1.600	10.370
Amortisation of grants		-251.462	-252.208	-	-
(Profits) / losses from affiliated companies	7	-729.559	-1.100.088	-	-
Loss from fixed asset destruction	6	-	6.570	-	-
Other		80.693	454.981	-	-
		<b>3.032.311</b>	<b>-2.539.531</b>	<b>-360.090</b>	<b>-731.282</b>
<b>Changes in working capital</b>					
(Increase)/Decrease in inventory <sup>1</sup>		5.118.303	25.525.614	136.561	5.572.206
(Increase)/Decrease in receivables		-15.420.037	6.972.346	-76.229	-3.075.229
Increase /(decrease) of liabilities		4.116.580	-16.844.003	-75.339	-7.091.503
Increase /(decrease) of provisions		-574.266	42.760	-	-
Increase / (decrease) in personnel benefits due to retirement		-7.522	-233.285	-	-12.045
		<b>-6.766.942</b>	<b>15.463.432</b>	<b>-15.007</b>	<b>-4.606.571</b>
<b>Net cash flows from operating activities</b>		<b>-3.734.631</b>	<b>12.923.902</b>	<b>-375.097</b>	<b>-5.337.853</b>
<i>Profits/(losses) from sale of tangible assets include:</i>					
<i>Amounts in Euro</i>					
Net book value		769.342	62.757	-	3.851.870
Profit/(losses) from sale of tangible assets		899.941	237.248	-	1.448.130
Income from sale of tangible assets		<b>1.669.283</b>	<b>300.005</b>	<b>-</b>	<b>5.300.000</b>

## 14 Commitments

### Contractual commitments

#### Contractual commitments

<i>Amounts in Euro</i>	<b>CONSOLIDATED DATA</b>	
	<b>31/3/2014</b>	<b>31/12/2013</b>
Tangible assets	261.382.504	49.671.324
	<b>261.382.504</b>	<b>49.671.324</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 Euro</i>	<b>CONSOLIDATED DATA</b>		<b>COMPANY DATA</b>	
	<b>31/3/2014</b>	<b>31/12/2013</b>	<b>31/3/2014</b>	<b>31/12/2013</b>
Under 1 year	960.320	1.031.344	94.088	166.036
From 1-5 years	2.974.228	2.940.559	755.945	761.207
More than 5 years	621.021	763.910	132.191	276.400
	<b>4.555.569</b>	<b>4.735.813</b>	<b>982.224</b>	<b>1.203.643</b>
	<b>31/3/2014</b>	<b>31/3/2013</b>	<b>31/3/2014</b>	<b>31/3/2013</b>
<b>Burden to Results</b>	<b>471.817</b>	<b>445.352</b>	<b>30.445</b>	<b>49.299</b>

1. *Restated financial figures of comparative period due to the reassessment of the useful life of assets of the subsidiary company. See analytical presentation in note 23 of the financial statements.*

### Capital commitments

CORINTH PIPEWORKS' capital expenditures in progress on 31/3/2014 amounted to € 45,080 thousand (31.12.2013: €45,091 thousand) are related to fixed assets (machinery).

## 15 Contingent Liabilities - Receivables

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 Euro</i>	<b>CONSOLIDATED DATA</b>		<b>COMPANY DATA</b>	
	<b>31/3/2014</b>	<b>31/12/2013</b>	<b>31/3/2014</b>	<b>31/12/2013</b>
<b>Liabilities</b>				
Guarantees for securing payables to suppliers	27.560.503	22.301.251	2.414.822	2.414.822
Good performance guarantees to customers	859.401	880.401	190.756	190.756
Other contingent liabilities	3.628.554	4.103.222	-	-
<b>Total</b>	<b>32.048.458</b>	<b>27.284.875</b>	<b>2.605.577</b>	<b>2.605.577</b>
	<b>31/3/2014</b>	<b>31/12/2013</b>	<b>31/3/2014</b>	<b>31/12/2013</b>
Lawsuits of employees	240	65.210	-	-
Other lawsuits	526.088	526.088	-	-
Contractual obligations	825.000	825.000	-	-
Bank Letters of Guarantee	1.575.929	1.985.627	-	-
Tax liabilities	53.297	53.297	-	-
Other contingent liabilities	648.000	648.000	-	-
<b>Total</b>	<b>3.628.554</b>	<b>4.103.222</b>	<b>-</b>	<b>-</b>

On 31.3.2014 the total provisions of the group amounted to € 1,876 thousand. Specifically:

The subsidiary CORINTH PIPEWORKS S.A. on 31.3.2014 recognised a provision of €638 thousand. (of which €137 thousands regards cases in court or under arbitration of a total amount of €526 thousand, € 50 thousand provisions for taxes and €450 thousand for compensation ). On 31.3.2013, the subsidiary company 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.

The subsidiary STOMANA INDUSTRY S.A. has recognized a provision of € 65 thousand against lawsuits by former employees due to dismissals and labor accidents.

A provision of € 510 thousand for the Group has been formed for unaudited tax years.

There is also a balance of other provisions amounting to €662 thousand related to receivables of the subsidiary company SIDENOR STEEL INDUSTRY S.A. of €648 thousand and general expenses of subsidiaries SIGMA of €9 thousand and ETIL €5 thousand.

In 2010, the subsidiary company CORINTH PIPEWORKS S.A. has made an impairment to a receivable of € 18,627,586 (\$ 24,864,102) due to its overdue status. On 31/03/2014, the same amount is valued at € 18,071,155. 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 € 9,066,696 (2013: € 9,050,909) that has formed in its financial statements. Management estimates that potential loss will not exceed the impaired amount.

The application that was submitted by the subsidiary company on September 26th 2013 before Dubai's Court of Cassation for review of the decision that ordered the set off between the subsidiary company's claim which was recognized by the court with res judicata and the customer's counterclaim which was raised by the latter under the legal action brought against him by the subsidiary company and which counterclaim is denied by the subsidiary company as fictitious, was accepted by the Court of Cassation which ordered the cancelation of the decision as regards to the customer's counterclaim and to refer the case back to the Court of appeal for review with new panel. Therefore, the subsidiary company believes that the likelihood of an outflow of resources from the outcome of the counterclaim of that customer versus the subsidiary company is remote.

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.

## 16 Existing Collaterals

Mortgages and statutory notices of mortgage in the amount of €438,157 thousand in favour of banks have been filled against the fixed assets of subsidiary company for current loan balances totalling € 329,631 thousand.

## 17 Related Parties

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

<i>Amounts in Euro</i>	<b>CONSOLIDATED DATA</b>		<b>COMPANY DATA</b>	
	<b>31/3/2014</b>	<b>31/3/2013</b>	<b>31/3/2014</b>	<b>31/3/2013</b>
<b>Sales of goods</b>				
Subsidiaries	-	-	276.753	6.532.595
Associates	5.202.004	4.942.979	31.970	54.136
Other Related Parties	5.001.508	10.150.865	24.681	2.623.386
	<b>10.203.512</b>	<b>15.093.844</b>	<b>333.405</b>	<b>9.210.117</b>
<b>Sales of services</b>				
Subsidiaries	-	-	92.163	513.388
Associates	12.911	10.410	-	-
Other Related Parties	689.026	373.455	23.280	990
	<b>701.937</b>	<b>383.865</b>	<b>115.443</b>	<b>514.378</b>
<b>Sales of fixed assets</b>				
Subsidiaries	-	-	-	5.300.000
	-	-	-	<b>5.300.000</b>
<b>Purchases of goods</b>				
Subsidiaries	-	-	8.305	3.740.629
Associates	146.888	108.912	-	-
Other Related Parties	19.785.315	21.318.592	247	6.374
	<b>19.932.202</b>	<b>21.427.504</b>	<b>8.552</b>	<b>3.747.002</b>
<b>Purchases of services</b>				
Subsidiaries	-	-	31.310	46.203
Associates	665.390	750.201	53.225	144.541
Other Related Parties	1.674.139	1.360.080	119.345	254.028
	<b>2.339.529</b>	<b>2.110.281</b>	<b>203.881</b>	<b>444.772</b>
<b>Purchases of fixed assets</b>				
Subsidiaries	-	-	-	3.933
Associates	90.526	-	-	-
Other Related Parties	213.321	-	-	-
	<b>303.847</b>	-	-	<b>3.933</b>

**Board of Directors' and Senior Officers' Remuneration**

<i>Amounts in Euro</i>	<b>CONSOLIDATED DATA</b>		<b>COMPANY DATA</b>	
	<b>31/3/2014</b>	<b>31/3/2013</b>	<b>31/3/2014</b>	<b>31/3/2013</b>
Salaries and other benefits to directors and key management	471.234	271.791	70.424	-
Compensations due to termination of employment	42.335	-	-	-
	<b>513.569</b>	<b>271.791</b>	<b>70.424</b>	<b>-</b>
	<b>31/3/2014</b>	<b>31/12/2013</b>	<b>31/3/2014</b>	<b>31/12/2013</b>
<b>Liabilities to senior Management and Board Members</b>	<b>59.701</b>	<b>59.701</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 Euro</i>	<b>CONSOLIDATED DATA</b>		<b>COMPANY DATA</b>	
	<b>31/3/2014</b>	<b>31/12/2013</b>	<b>31/3/2014</b>	<b>31/12/2013</b>
<b>Receivables from related parties:</b>				
Subsidiaries	-	-	4.585.157	4.288.080
Associates	16.575.955	15.627.393	627.005	679.127
Other Related Parties	19.236.742	19.800.958	999.957	1.002.540
	<b>35.812.697</b>	<b>35.428.351</b>	<b>6.212.120</b>	<b>5.969.747</b>
<b>Liabilities to associates:</b>				
Subsidiaries	-	-	325.125	478.794
Associates	844.556	932.335	923	3.478
Other Related Parties	18.992.165	16.682.579	331.319	297.357
	<b>19.836.721</b>	<b>17.614.914</b>	<b>657.367</b>	<b>779.628</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 they mainly cooperate with are TEPROMETAL AG and METAL AGENCIES (trade of readymade products), ANAMET and METAL VALUES (raw material purchases).

## 18 Earnings per share

**Continued operations**

<b>Basic</b>	<b>CONSOLIDATED DATA</b>		<b>COMPANY DATA</b>	
	<b>3 months until 31/3/2014</b>	<b>3 months until 31/3/2013</b>	<b>3 months until 31/3/2014</b>	<b>3 months until 31/3/2013</b>
<i>Amounts in Euro</i>				
Profits attributable to parent company shareholders <sup>1</sup>	-12.737.411	-26.426.794	-440.845	885.486
Weighted average number of shares	96.243.908	96.243.908	96.243.908	96.243.908
Basic earnings per share (Euro per share)	(0,1323)	(0,2746)	(0,0046)	0,0092

Diluted	CONSOLIDATED DATA		COMPANY DATA	
	3 months until 31/3/2014	3 months until 31/3/2013	3 months until 31/3/2014	3 months until 31/3/2013
<i>Amounts in Euro</i>				
Profits attributable to parent company shareholders <sup>1</sup>	-12.737.411	-26.426.794	-440.845	885.486
Weighted average number of shares	96.243.908	96.243.908	96.243.908	96.243.908
Diluted earnings per share (Euro per share)	(0,1323)	(0,2746)	(0,0046)	0,0092

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 period, excluding ordinary shares purchased by the company and held as treasury shares.

1. Restated financial figures of comparative period due to the reassessment of the useful life of assets of the subsidiary company. See analytical presentation in note 23 of the financial statements.

## 19 Unaudited tax years

The parent company has been audited by the tax authorities until the fiscal year 2010.

For the FY 2012 PricewaterhouseCoopers performed the tax audit and there were no additional tax liabilities, in excess of those disclosed in the financial statements.

For the 2013 financial year, the tax audit is being performed by PricewaterhouseCoopers S.A. The Company's management does not expect that additional tax liabilities will arise, 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.

Company	Tax authorities	Statutory auditors
SOVEL S.A.	2010 - 2010	2012 - 2013
CORINTH PIPEWORKS S.A.	2008 - 2010	2012 - 2013
ERLIKON WIRE PROCESSING S.A.	2006 - 2010	2012 - 2013
AEIFOROS S.A.	2010 - 2010	2012 - 2013
SIDENOR STEEL INDUSTRY S.A.	2007 - 2010	2012 - 2013
PROSAL S.A.	2010 - 2010	2012 - 2013
ETIL S.A.	2008 - 2010	2012 - 2013
ARGOS S.A.	2009 - 2010	2012 - 2013
VET S.A.	2010 - 2010	2012 - 2013
PRAKSYS S.A.	2010 - 2010	2012 - 2013
THERMOLITH S.A.	2010 - 2010	2012 - 2013
VEMET S.A.	2003 - 2010	2012 - 2013
VEAT S.A.	-	2012 - 2013
DIAVI.PE.THIV. S.A.	2010 - 2010	2012 - 2013
SIDMA S.A.	2008 - 2010	2012 - 2013
DIAPEM S.A.	2010 - 2010	2012 - 2013
VEPE.M. S.A.	2010 - 2010	2012 - 2013
METALOURGIA ATTIKIS S.A.	2007 - 2010	2012 - 2013
BIODIESEL S.A.	2007 - 2010	2012 - 2013

For the Greek subsidiaries and affiliates, the tax audit for the fiscal year 2013 financial year is being performed by the following audit companies:

<b>Company</b>	<b>Audit company</b>
SIDENOR S.A.	PRICEWATERHOUSECOOPERS Audit Company S.A.
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.	PD AUDIT Chartered Accountants-Auditors S.A.
THERMOLITH S.A.	GRANT THORNTON Statutory Auditors S.A.
SIDMAS.A	GRANT THORNTON Statutory Auditors S.A.
SIDENOR STEEL INDUSTRY S.A.	PRICEWATERHOUSECOOPERS Audit Company S.A.
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.
VEPE.M. S.A.	ABACUS Chartered Accountants-Auditors S.A.
METALOURGIAATTIKIS S.A.	ABACUS Chartered Accountants-Auditors S.A.
EL.K.E.ME	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>Fiscal years</b>
STOMANA INDUSTRY S.A.	2010 - 2013
TEPRO STEEL EAD	2008 - 2013
AEIFOROS BULGARIA S.A.	2007 - 2013
SIGMA S.A.	2009 - 2013
PROSAL TUBES S.A.	2008 - 2013
BOZETTI LTD	2010 - 2013
DOJLAN STEEL LLCOP	2012 - 2013
SIDEROM STEEL SLR	2007 - 2013
SIDERAL SHPK	2005 - 2013
PORT SMSHTOVWEST S.A.	2008 - 2013
SIDEBALK STEEL DOO	2011 - 2013
PRISTANISHTEN KOMPLEX SVILOSAEOOD	2004 - 2013
JOSTDEX LTD	2010 - 2013
DOMOPLEX LTD	2007 - 2013
ZAO TMK-CPW	2010 - 2013
AWM SPA	2006 - 2013
SMARTREOPTYLTD	2013 - 2013

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: 2,746 and Company: 7. In the respective 2013 period, Group's personnel amounted to 2,739 employees and Company's to 9 employees.

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

On May 6th 2014, the Board of Directors of the parent company "SIDENOR STEEL PROCESSING INDUSTRY SA", announced its invitation to its shareholders, for the Annual General Shareholders Meeting on Tuesday May 27th 2014, at 14:00 in the PRESIDENT Hotel, Kifissias Avenue 43, Athens, with a daily agenda of:

1. Approval of the Annual Financial Statements for the Company's financial year 2013 and the reports of the Directors and the Certified Auditors on them.
2. Approval of the discharge of the Directors and the Certified Auditors from all responsibilities for damages regarding the financial year 2013.
3. Appointment of the Certified Auditors, as well as the substitutes of them, for the financial year 2014 and approval of their remuneration.
4. Election of the members of a new Board of Directors.
5. Appointment of the members of the inspection committee, according to article 37 of L. 3693/2008.
6. Approval of the Director's remuneration, following art.24 par.2 of L.2190/20.
7. Change of the corporate name and the object of the company and amendment of the pertinent articles 1 and 3 of its Articles of Association.
8. Various announcements.

Also in April 2014 the subsidiary company CORINTH PIPEWORKS S.A., as a result of an out of court settlement, has received the amount of USD \$4.000.000 in relation to a disputed claim for which no provision has been made in subsidiary company's financial statements.

## **22 Significant Events**

With the implementation of the decision reached by the Public Power Corporation (PPC) at the General Meeting on 28/02/2014 regarding the reduction of the price of electricity for the industry, the board of PPC decided on 27.3.2014 to grant discounts with retroactive effect as of 01.01.2014.

SIDENOR announced a new 10 million euro investment in its Thessaloniki plant to enhance its competitiveness.

The objective of the new investment is to avoid the reheating of billets - as done in the classical reheating method in gas - fired furnaces - by installing an electric induction furnace in line with the continuous caster, which will raise the temperature of the already hot billets to the required rolling temperature, before cooling. Thanks to this investment significant energy saving will be achieved and at the same time total carbon footprint will be reduced, since steel rolling will then have a zero direct carbon footprint (no use of natural gas).

## 23 Restatement of comparative financial data

On 24.6.2013 the Board of the subsidiary company CORINTH PIPEWORKS approved the reassessment of the useful lives of the fixed assets and their retroactive implementation as of 1/1/2013. Thus, the published financial figures of 31.3.2013 were restated (Note 6).

The restated financial figures are as follows:

### CONDENSED STATEMENT OF FINANCIAL POSITION

<i>Amounts in Euro</i>	<b>31/3/2013</b>		
	<b>Published figures</b>	<b>Restatement due to change in accounting estimate</b>	<b>Restated figures</b>
Land & Buildings	254.788.335	165.489	254.953.824
Machinery	406.074.809	756.758	406.831.567
<b>Total non-current assets</b>	<b>727.712.222</b>	<b>922.247</b>	<b>728.634.469</b>
Inventories	259.805.591	-67.954	259.737.637
<b>Total current assets</b>	<b>472.610.605</b>	<b>-67.954</b>	<b>472.542.651</b>
<b>Total assets</b>	<b>1.200.322.827</b>	<b>854.292</b>	<b>1.201.177.119</b>
Total equity of parent company owners	351.746.997	482.717	352.229.714
Non-controlling interest	85.053.346	131.791	85.185.137
<b>Total equity</b>	<b>436.800.343</b>	<b>614.508</b>	<b>437.414.851</b>
Deferred tax liabilities	62.583.802	239.784	62.823.586
<b>Total non-current liabilities</b>	<b>210.987.558</b>	<b>239.784</b>	<b>211.227.342</b>
<b>Total equity and liabilities</b>	<b>1.200.322.827</b>	<b>854.292</b>	<b>1.201.177.119</b>

### CONDENSED INCOME STATEMENT

<i>Amounts in Euro</i>	<b>31/3/2013</b>		
	<b>Published figures</b>	<b>Restatement due to change in accounting estimate</b>	<b>Restated figures</b>
Cost of sales	-175.036.257	457.202	-174.579.055
Gross profit	9.239.889	457.202	9.697.091
Selling expenses	-13.109.524	-1.628	-13.111.152
Other operating expenses	-5.462.249	398.718	-5.063.531
Operating results	-14.184.761	854.292	-13.330.469
Profits/(losses) before taxes	-21.445.733	854.292	-20.591.441
Income tax expense	-10.760.000	-239.784	-10.999.784
Profits/(losses) after taxes	-32.205.734	614.508	-31.591.226
<b>Attributable to:</b>			
Owners of the parent	-26.909.511	482.717	-26.426.794
Non-controlling interests	-5.296.223	131.791	-5.164.432
	<u>-32.205.734</u>	<u>614.508</u>	<u>-31.591.226</u>

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

Basic	(0,2796)	0,0050	(0,2746)
Diluted	(0,2796)	0,0050	(0,2746)

**STATEMENT OF OTHER COMPREHENSIVE INCOME AFTER TAXES**

<i>Amounts in Euro</i>	Published figures	31/3/2013 Restatement due to change in accounting	
		estimate	Restated figures
Profits/(losses) after taxes	-32.205.734	614.508	-31.591.226
Cumulative Comprehensive results after taxes	-32.562.211	614.508	-31.947.703
<b>Attributable to:</b>			
Owners of the parent	-27.156.975	482.717	-26.674.258
Non-controlling interests	-5.405.236	131.791	-5.273.445
	<u>-32.562.211</u>	<u>614.508</u>	<u>-31.947.703</u>

Athens, 20 May, 2014

The Chairman of the  
Board of Directors

The General Manager

The Financial Manager

Kalfarentzos Georgios  
ID Card no. F 147183

Nikolaos Mariou  
ID Card no. AE 083192

Thomadakis Stratos  
ID Card AE 551391  
LICENCE No. 0065081  
A CLASS

