

The figures illustrated below, aim at providing summary information about the financial position and results of "SIDENOR Steel Products Manufacturing Company SA" and the "SIDENOR Group". Readers are suggested before making any investment or other transaction with the company to be informed by the company's website where the interim financial statements and the auditors report, where needed, are posted.

Company's Website: www.sidenor.gr

Date of approval of the financial statements from the Board of Directors: August 29 2011

Auditor : Dimitris Sourbis (Reg. No SOEL 16891)

Audit Firm : PRICEWATERHOUSECOOPERS S.A.

Type of Audit Report: Without qualification

CONDENSED STATEMENT OF FINANCIAL POSITION (Group & Company) Amounts in €

	Group		Company	
	30 Jun 2011	31 Dec 2010	30 Jun 2011	31 Dec 2010
<b>ASSETS</b>				
Land and Buildings	252.989.496	250.920.881	55.267.865	55.893.866
Machinery	415.904.887	434.538.422	70.942.090	74.747.833
Other Assets for own use	73.975.082	77.134.083	4.644.682	4.005.305
Intangible Assets	641.623	671.876	27.004	30.004
Investments in Associates	28.581.639	29.360.776	224.664.653	223.267.815
Available for sale financial assets	1.544.500	1.683.592	1.414.471	1.553.562
Other Tangible Assets	5.722.368	15.170.063	4.809.007	4.961.288
Inventories	324.642.845	277.280.210	76.202.091	60.151.508
Trade Receivables	160.703.507	107.220.252	54.841.545	38.994.956
Cash and cash equivalents	51.462.903	69.003.735	17.750.255	30.230.061
Other Assets	105.414.903	96.545.583	123.694.806	109.976.688
<b>TOTAL ASSETS</b>	<b>1.421.583.753</b>	<b>1.359.529.473</b>	<b>634.258.468</b>	<b>603.812.887</b>
<b>EQUITY AND LIABILITIES</b>				
Share Capital	39.460.002	39.460.002	39.460.002	39.460.002
Share Premium	120.406.136	120.406.136	120.406.136	120.406.136
Other Shareholders Equity	317.232.823	332.978.878	108.492.279	118.041.043
Total Shareholders Equity (a)	477.098.961	492.845.016	268.358.417	277.907.181
Minority interest ( b )	101.388.384	107.647.864	-	-
Total Equity (c) = (a) + (b)	578.487.345	600.492.880	268.358.417	277.907.181
Long Term Borrowings	201.763.590	186.087.467	65.750.004	67.833.336
Deferred Tax Liabilities	59.216.942	60.121.235	13.827.415	14.300.172
Provisions / Other Long Term Liabilities	20.859.157	21.605.682	2.976.453	2.914.215
Short Term Borrowings	351.807.193	313.384.443	168.903.525	132.395.807
Other Short Term Liabilities	209.449.526	177.837.766	114.442.655	108.462.175
Total liabilities (d)	843.096.408	759.036.593	365.900.052	325.905.706
<b>TOTAL EQUITY AND LIABILITIES (e) = (c) + (d)</b>	<b>1.421.583.753</b>	<b>1.359.529.473</b>	<b>634.258.468</b>	<b>603.812.887</b>

CONDENSED STATEMENT OF CHANGES IN EQUITY (Group & Company) Amounts in €

	Group		Company	
	1 Jan - 30 Jun 2011	1 Jan - 30 Jun 2010	1 Jan - 30 Jun 2011	1 Jan - 30 Jun 2010
Equity balance at the beginning of the period (1/1/2011 & 1/1/2010 respectively)	600.492.880	626.810.255	277.907.181	290.326.418
Total comprehensive income after taxes (continuing operations)	-20.704.012	3.557.490	-9.548.765	-4.625.556
Dividend	579.788.868	630.367.745	268.358.416	285.700.862
Increase % of participation in subsidiaries	-76.720	62.801	-	-
Total Equity of the period (30/6/2011 & 30/6/2010 respectively)	1.224.803	-	-	-
	578.487.345	630.430.547	268.358.416	285.700.862

CASH FLOW STATEMENT (Group & Company) Amounts in € - Indirect Method

	Group		Company	
	1 Jan - 30 Jun 2011	1 Jan - 30 Jun 2010	1 Jan - 30 Jun 2011	1 Jan - 30 Jun 2010
<b>Cash Generated from operations</b>				
Profits/(Losses) before taxes (Continuing Operations)	-22.707.743	1.583.299	-10.057.688	-5.143.072
Adjustments for:				
Depreciation	32.575.308	30.633.148	5.617.099	5.362.335
Fixed asset impairment	-	39.483	-	-
Provisions	822.228	536.107	302.413	83.980
(Income)/expenses & (profits)/losses from investment activities	-19.076	-385.893	-196.288	-126.903
Interest payable & related expenses	14.852.657	9.860.527	5.732.071	2.377.980
Other adjustments	-876.359	-1.437.638	-49.055	-150.353
Plus / minus adjustments for working capital changes or related to operating activities:				
Decrease / (increase) in inventories	-47.514.027	-36.157.358	-16.050.583	-13.838.013
Decrease / (increase) in receivables	-51.298.477	-43.293.806	-29.503.454	-39.426.113
(Decrease) / increase in liabilities (except Banks)	31.010.972	27.198.504	4.813.503	14.346.434
Minus:				
Interest payable & related expenses	-13.783.421	-9.357.946	-5.022.307	-2.185.226
Tax Paid	-1.672.881	-4.922.778	-	-3.889.428
<b>Total Cash Generated from Operating Activities (a)</b>	<b>-58.610.821</b>	<b>-25.704.351</b>	<b>-44.414.288</b>	<b>-42.588.378</b>
<b>Cash generated from Investment Activities</b>				
Acquisition - sale of subsidiaries, associates, joint ventures and other investments	-1.335.290	-22.260	-1.268.642	-131.160
Return of associates' share capital	10.895	-	10.895	-
Purchase of tangible and intangible assets	-12.552.271	-17.780.925	-1.566.107	-945.114
Other	-47.802	-	-	-
Sales income from tangible and intangible assets	161.618	275.581	161.509	4.576
Interest Income	-	26.488	-	-
Dividends received	118.350	206.907	118.350	-
<b>Total cash generated from investing activities (b)</b>	<b>-13.644.499</b>	<b>-17.294.208</b>	<b>-2.543.995</b>	<b>-1.071.698</b>
<b>Cash generated from Financing Activities</b>				
Proceeds from borrowings	243.132.202	230.705.553	118.720.636	83.504.447
Repayment of Borrowings	-189.033.330	-174.152.805	-84.296.250	-31.889.951
Income from securities	735.509	971.190	54.092	124.413
Dividends paid	-	-9.486	-	-
<b>Total Cash Generated from financing activities (c)</b>	<b>54.834.380</b>	<b>57.514.452</b>	<b>34.478.477</b>	<b>51.738.909</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents for the period (a) + (b) + (c)</b>	<b>-17.420.940</b>	<b>14.515.892</b>	<b>-12.479.806</b>	<b>8.078.833</b>
Cash & cash equivalents at the beginning of the period	69.003.735	29.145.546	30.230.061	10.506.818
Foreign Exchange differences in Cash and cash equivalents	-119.893	537.866	-	-
<b>Cash &amp; cash equivalents at the end of the period</b>	<b>51.462.903</b>	<b>44.199.304</b>	<b>17.750.255</b>	<b>18.585.651</b>

CONDENSED INCOME STATEMENT (Group & Company) Amounts in €

	Group			
	Continuing Operations			
	1 Jan - 30 Jun 2011	1 Jan - 30 Jun 2010	1 Apr - 30 Jun 2011	1 Apr - 30 Jun 2010
<b>Turnover</b>	<b>621.855.947</b>	<b>472.947.000</b>	<b>350.817.571</b>	<b>265.681.026</b>
Cost of Goods Sold	-572.632.837	-410.395.415	-324.544.583	-223.947.285
<b>Gross Profits / (Losses)</b>	<b>49.223.110</b>	<b>62.551.585</b>	<b>26.272.987</b>	<b>41.733.741</b>
Selling Expenses	-40.572.611	-36.474.877	-22.012.290	-19.313.317
Administrative Expenses	-15.141.360	-13.715.012	-8.320.237	-7.032.634
Other Income / (Expenses) - Net	-2.183.410	-2.176.991	-1.433.178	-950.763
<b>Profits/(Losses) before taxes, financing &amp; investment results</b>	<b>-8.674.271</b>	<b>10.184.704</b>	<b>-5.492.718</b>	<b>14.437.028</b>
<b>Profits / (Losses) before taxes, financing &amp; investment &amp; depreciation</b>	<b>23.901.037</b>	<b>40.817.852</b>	<b>11.236.712</b>	<b>30.214.016</b>
<b>Total Profits / (Losses) before Taxes</b>	<b>-22.707.743</b>	<b>1.583.299</b>	<b>-13.602.410</b>	<b>9.335.236</b>
Minus Taxes	639.171	5.018	659.047	-167.794
<b>Profits / (Losses) after taxes (A)</b>	<b>-22.068.573</b>	<b>1.588.316</b>	<b>-12.943.363</b>	<b>9.167.442</b>
<b>Profits / (Losses) after taxes per share - basic (in €)</b>	<b>(0,1870)</b>	<b>(0,0022)</b>	<b>(0,1076)</b>	<b>0,0763</b>
Distributed:				
Company's Shareholders	-17.996.895	-211.103	-10.359.597	7.342.078
Minority Interest	-4.071.678	1.799.420	-2.583.766	1.825.364
	-22.068.573	1.588.316	-12.943.363	9.167.442
Other comprehensive income, after taxes (B)	1.364.561	1.969.174	-25.448	261.255
<b>Total comprehensive income for the period, after taxes (A) + (B)</b>	<b>-20.704.012</b>	<b>3.557.490</b>	<b>-12.968.811</b>	<b>9.428.697</b>
Distributed:				
Company's Shareholders	-16.969.076	1.516.172	-10.390.822	7.723.520
Minority Interest	-3.734.935	2.041.318	-2.577.989	1.705.176
	-20.704.012	3.557.490	-12.968.811	9.428.697

Other important data and Information:

- Company's financial statements are consolidated by VIOHALCO Group with the following information:

Company	Registered Office	Direct	Direct & Indirect	Consolidation Method
VIOHALCO S.A.	Greece	67,38%	74,04%	Full Consolidation
- Parent Company has been audited from the tax authorities till the financial period of 2006. The unaudited financial periods for the subsidiaries are being mentioned at Note 18.
- By the publishing date of these annual financial statements the disputes against subsidiaries were amounted at € 268 thousand. The provision for any disputes against subsidiaries at 30.06.2011 is € 256 thousand for the Group. Furthermore the provision for tax unaudited years is analyzed as follows: Group €867 thousand, Company €267 thousand. The other Group's provisions at 30.06.2011 were € 2,834 thousand and Company € 648 thousand. (Note 14).
- Mortgages and statutory notices of mortgage in the amount of € 153.201 thousands in favour of banks, have been filed against the fixed assets of subsidiaries, whilst the current balance of the loans is € 51.274 thousand.
- Number of persons employed at 30.06.2011: Company 325 and Group 3,059 while at 30.06.2010: Company 332 and Group 3,031.
- Sales and purchases which have been accumulated from the beginning of the accounting period as well as the balance of the receivables and liabilities at the end of the current period, have arisen from transactions with entities, under the meaning of International Accounting Standard (IAS) 24, are as follow:

	Group		Company	
(Amounts in '000€)	2011	2010	2011	2010
i) Sales of goods, services and fixed assets	30.667	21.179	104.788	63.885
ii) Purchases of goods, services and fixed assets	54.785	47.165	39.239	39.209
iii) Receivables from affiliated entities	43.399	40.250	101.520	85.283
iv) Liabilities towards affiliated entities	12.628	11.791	52.468	65.539
v) Key Management Compensations	829	941	315	306
vi) Payables to directors and key management	276	342	-	-
- Other total incomes after taxes are as follows:

	Group		Company	
	1 Jan - 30 Jun 2011	1 Jan - 30 Jun 2010	1 Jan - 30 Jun 2011	1 Jan - 30 Jun 2010
Currency translation differences	-235.951	2.394.184	-	-
Cash flow hedges, net of tax	1.600.512	-425.010	25.833	-42.800
<b>Total comprehensive income after taxes</b>	<b>1.364.561</b>	<b>1.969.174</b>	<b>25.833</b>	<b>-42.800</b>
- In Income Statements the "Tax Expense" is analyzed as follows:
  - Group: 2011 Income Tax € (629) thousand, deferred tax expense € 1,268 thousand - 2010 € (2,962) thousand and € 2,966 thousand respectively.
  - Company: 2011 Income Tax € 0 thousand, deferred tax expense € 483 thousand - 2010 € 0 thousand and € 560 thousands, respectively.
- SIDENOR Group companies, and their accounting percentage participation, addressess, share capital and consolidation method are analyzed in Financial Statements Note 7 & 8.
- In July the Group acquired the remaining 25% of the subsidiary DOJRAN STEEL LLCOP. In addition, on the 31/03/2011, the subsidiary ELMONTE HOLDINGS LIMITED based in Cyprus was wound down due to inactivity (Note 20 & 8).
- The subsidiary CORINTH PIPEWORKS S.A. has reclassified, for comparison purposes, foreign exchange differences related to assets, liabilities, Cash & cash equivalents and gain/(losses) from FX FORWARDS (figures are analyzed in the financial statements in Note. 22), relating to 2010.
- During 2010 the subsidiary CORINTH PIPEWORKS S.A., proceeded to an impairment of trade receivables amounting to € 9,497,740 (\$ 12,677,584) thousand, due to delayed collection of the amount of € 18,627,586 (\$ 24,864,102) thousand. For the first half of 2011 the receivables impaired amount and the total amount of the receivables due were € 8,698,641 and € 17,203,419, respectively. A set of legal and non legal actions have been undertaken in Greece and abroad in order to ensure the prompt collection of due amount. Based on the information available, information available, the subsidiary's management estimates that the potential loss will not exceed the impaired amount. For the first half of 2011 there were no changes in the collection status of the amount due.

THE CHAIRMAN OF THE BOARD OF DIRECTORS

GEORGE X.KALFARENTZOS

ID No.: F 147183

Athens, August 29, 2011  
CHIEF EXECUTIVE OFFICER

SARANTOS K. MILOS

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THE FINANCIAL MANAGER

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