

A. KALPINIS – N. SIMOS S.A.
S.A. Companies Registration No. 7365/06/B/86/32

Interim Financial Statements
for the Period
from 1 January to 31 March 2008

The attached Interim Financial Statements are confirmed to be those approved by A. KALPINIS—N. SIMOS S.A. Board of Directors on 20 May 2008 and have been posted on the Internet at www.kalpinis-simos.gr. It is noted that the summary financial data published in the press are intended to provide the reader with certain general financial data, but they do not give the complete picture of the financial position and results of the Company and the Group, in accordance with International Financial Reporting Standards (IFRS). Furthermore, it should be noted that the summary financial data published in the press have a number of abridgements and reclassification of accounts, which have been made for simplification purposes.

A. KALPINIS – N. SIMOS STEEL PRODUCTS S.A.
The Chairman of the Board of Directors
Panagiotis Simos

CONTENTS

1.	Balance Sheet on 31 March 2008	4
2.	Results Statement	5
3.	Statement of Changes in Equity	6
4.	Cash Flow Statement	8

NOTES ON THE FINANCIAL STATEMENTS

1.	General Information	9
2.	The Basic Accounting Principles used by the Group	9
2.1	Framework of Drafting the Financial Statements	9
2.2	Consolidation	10
2.3	Foreign Exchange Conversions	11
2.4	Consolidated Financial Statements	11
2.5	Tangible Fixed Assets	12
2.6	Intangible Assets	12
2.7	Real Estate Investments	12
2.8	Depreciation Audit on Tangible and Intangible Assets	13
2.9	Segment Reporting	13
2.10	Borrowing Cost	13
2.11	Financial Assets	13
	(a) Financial Assets Appraised at their Fair Value with Changes Recorded in the Results	
	(b) Investments Retained to Maturity	
	(c) Financial Assets available for Sale	
	(d) Recognition, Write-off, Estimation of Fair Value	
	(e) Impairment of Financial Assets	
2.12	Inventories	15
2.13	Cash and Cash Equivalents	15
2.14	Share Capital and Reserves	15
2.15	Borrowing	15
2.16	Income Tax—Deferred Income Tax	15
2.17	Employee Benefits	16
2.18	Provisions	16
2.19	Accounting of Income	17
	(a) Income from Sale of Goods	
	(b) Income for Services Rendered	
	(c) Income from Interest	
	(d) Income from Dividends	
2.20	Leasing	18
2.21	Dividend Distribution	18
2.22	State Grants	18
2.23	Profit per Share	18
2.24	Long term Receivables / Liabilities	18
2.25	Affiliated Parties	18
2.26	Capital Management	18
3.	Financial Risk Management	19
	• Credit Risk	
	• Liquidity Risk	
	• Market Risk	
4.	Significant Accounting Evaluations and Judgements by Management	22
5.	Analysis of Tangible Fixed Assets	22
6.	Analysis of Investments in Subsidiaries and Joint Ventures	24
7.	Analysis of Receivables	24
8.	Analysis of Inventories	25
9.	Analysis of Cash Reserves	25
10.	Analysis of All Equity Accounts	26

11.	Analysis of Suppliers and Other Liabilities	27
12.	Analysis of Loans	27
13.	Analysis of Deferred Taxes	28
14.	Analysis of Staff Retirement Indemnities	30
15.	Analysis of Provisions	30
16.	Segment Reporting	30
17.	Analysis of Other Results Accounts	31
18.	Income Tax Reconciliation	32
19.	Analysis of Profits per Share	32
20.	Transactions with Affiliated Parties	33
21.	Contingent Liabilities - Receivables	33
22.	Dividends	34
23.	Staff Information	34
24.	Financial Leasing	35
25.	State Grants	35
	Accounting Principles and Methods – Changes in Accounting Estimates and	
26.	Errors	36
27.	Events following the Balance Sheet Date	37

1. Balance Sheet

(Amounts in €)	Note	GROUP		COMPANY	
		31.03.2008	31.12.2007	31.03.2008	31.12.2007
ASSETS					
Non Current Assets					
Own-Use Tangible Fixed Assets	5	43,161,045.42	41,028,886.10	38,229,774.08	36,963,690.95
Investments in Real Estate Property	5	5,160,710.54	5,173,578.96	5,160,710.54	5,173,578.96
Intangible Assets	5	41,973.75	45,573.18	36,146.89	39,833.91
Investments in Subsidiaries and Joint Ventures	2.2	21,350.00	21,350.00	7,101,750.00	5,301,750.00
Customers and Other Receivables		56,689.89	50,476.23	46,920.06	43,326.40
Total Non Current Assets		48,441,769.60	46,319,864.47	50,575,301.57	47,522,180.22
Current Assets					
Inventories	8	36,882,129.38	36,930,492.47	34,508,741.18	34,066,111.18
Customers and Other Receivables	7	82,684,125.72	81,987,404.66	76,655,118.07	75,573,031.18
Securities	7	350,035.39	464,150.00	0.00	0.00
Cash Reserves and Equivalents	9	2,935,378.85	1,472,019.14	969,256.01	1,104,086.44
Total Current Assets		122,851,669.34	120,854,066.27	112,133,115.26	110,743,228.80
Total Assets		171,293,438.94	167,173,930.74	162,708,416.83	158,265,409.02
EQUITY					
Capital and Reserves Attributable to Parent Company Shareholders					
Share Capital	10	14,918,400.00	14,918,400.00	14,918,400.00	14,918,400.00
Above Par	10	14,900,777.70	14,900,777.70	14,900,777.70	14,900,777.70
Other Reserves	10	20,501,526.86	20,501,526.86	20,340,493.73	20,340,493.73
Results Carried Forward	10	41,964,751.60	38,959,662.77	39,167,774.47	36,250,998.97
Minority Interest	10	0.00	0.00	0.00	0.00
Total Equity		92,285,456.16	89,280,367.33	89,327,445.90	86,410,670.40
LIABILITIES					
Long Term Liabilities					
Loans	12	27,028,394.53	27,000,000.00	27,028,394.53	27,000,000.00
Deferred Income Tax	13	1,820,557.39	1,786,531.37	1,543,686.22	1,493,418.65
Provisions for Employee Benefits	14	537,949.46	530,752.82	515,293.86	509,716.86
Grants	25	757,786.34	789,156.87	757,786.34	789,156.87
Financial Lease Liabilities	24	13,855.20	16,181.61	0.00	0.00
Other Long Term Liabilities	25	704,545.76	707,915.56	704,545.76	707,915.56
Total Long Term Liabilities		30,863,088.68	30,830,538.23	30,549,706.71	30,500,207.94
Short Term Liabilities					
Suppliers and Other Liabilities	11	16,823,994.29	13,822,606.29	14,477,689.50	11,766,669.69
Current Income Tax		2,726,288.49	1,757,262.01	2,612,971.70	1,642,842.01
Short Term Loans	12	28,537,544.77	31,448,453.89	25,694,130.22	27,921,668.31
Grants	11	46,472.80	23,350.67	46,472.80	23,350.67
Financial Lease Liabilities	11,24	10,593.75	11,352.32	0.00	0.00
Total Short Term Liabilities		48,144,894.10	47,063,025.18	42,831,264.22	41,354,530.68
Total Liabilities		79,007,982.78	77,893,563.41	73,380,970.93	71,854,738.62
Total Equity and Liabilities		171,293,438.94	167,173,930.74	162,708,416.83	158,265,409.02

2. Results Statement

(Amounts in €)	Note	GROUP		COMPANY	
		1.1 – 31.03.08	1.1 – 31.03.07	1.1 – 31.03.08	1.1 – 31.03.07
Sales	16	44,478,647.13	41,283,902.50	41,275,281.74	38,343,970.49
Sales Cost		-36,830,100.58	-33,609,783.65	-34,186,587.95	-31,424,312.91
Gross Profit		7,648,546.55	7,674,118.85	7,088,693.79	6,919,657.58
Other Income	17	649,729.52	520,291.67	648,373.18	525,282.36
Sale Expenses		-2,252,797.96	-2,091,839.20	-2,024,374.18	-1,915,861.76
Administrative Expenses		-762,604.96	-742,072.54	-657,069.29	-665,827.74
Other Expenses	17	-420,021.67	-373,768.02	-365,847.53	-361,346.06
Financial Income	17	87,188.43	86,549.51	82,422.76	86,331.44
Financial Cost	17	-895,675.08	-741,257.49	-835,025.97	-701,236.60
Dividends from Subsidiary Companies		0.00	0.00	0.00	0.00
Earnings before Tax		4,054,364.83	4,332,022.78	3,937,172.76	3,886,999.22
Income Tax	18	-1,049,275.90	-1,106,245.61	-1,020,397.26	-996,249.96
Net FY Profit		3,005,088.93	3,225,777.17	2,916,775.50	2,890,749.26
Attributed to					
Parent Company Shareholders		3,005,088.93	3,225,777.17	2,916,775.50	2,890,749.26
Minority Interest		0.00	0.00	0.00	0.00
Profits per Share Attributable to Parent Company Shareholders	19	0.081	0.086	0.078	0.078

3. Statement of Changes in Equity

(A) STATEMENT OF CHANGES IN GROUP EQUITY

	Due to Parent Company Shareholders			Minority Interest	Total Equity
	Share Capital	Reserves	Results Carried Forward		
Balance on 1 January 2007	26,089,577.70	23,952,943.98	32,100,602.95	0.00	82,143,124.63
Financial Period Net Profits	0.00	0.00	9,556,733.17	0.00	9,556,733.17
Net Profits Recorded for Period (Total)	0.00	0.00	9,556,733.17	0.00	9,556,733.17
Non-Recognition of Untaxed Reserves	0.00	-34,409.81	34,409.81	0.00	0.00
Profits Transferred to Reserves	0.00	312,592.69	-312,592.69	0.00	0.00
Share Issue Proceeds	3,729,600.00	-3,729,600.00	0.00	0.00	0.00
Dividend of 2006 Period	0.00	0.00	-2,486,400.00	0.00	-2,486,400.00
Damages from Liquidation of Subsidiary	0.00	0.00	66,909.54	0.00	66,909.54
	3,729,600.00	-3,451,417.12	6,859,059.83	0.00	7,137,242.71
Balance on 31 December 2007	29,819,177.70	20,501,526.86	38,959,662.78	0.00	89,280,367.34
Financial Period Profits	0.00	0.00	3,005,088.93	0.00	3,005,088.93
Net Profits Recorded for Period (Total)	0.00	0.00	3,005,088.93	0.00	3,005,088.93
Profits Transferred to Reserves	0.00	0.00	0.00	0.00	0.00
Share Issue Proceeds	0.00	0.00	0.00	0.00	0.00
Coverage of Subsidiary Damages by Parent Company	0.00	0.00	0.00	0.00	0.00
Dividend of 2007 Period	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	3,005,088.93	0.00	3,005,088.93
Balance on 31 March 2008	29,819,177.70	20,501,526.86	41,964,751.71	0.00	92,285,456.16

(B) STATEMENT OF CHANGES IN COMPANY EQUITY

	Due to Parent Company Shareholders			Minority Interest	Total Equity
	Share Capital	Reserves	Results Carried Forward		
Balance on 1 January 2007	26,089,577.70	23,795,093.73	30,504,406.47	0.00	80,389,077.90
Financial Period Net Profits	0.00	0.00	8,507,992.50	0.00	8,507,992.50
Net Profits Recorded for Period (Total)	0.00	0.00	8,507,992.50	0.00	8,507,992.50
Non-Recognition of Untaxed Reserves	0.00	0.00	0.00	0.00	0.00
Profits Transferred to Reserves	0.00	275,000.00	-275,000.00	0.00	0.00
Share Issue Proceeds	3,729,600.00	-3,729,600.00	0.00	0.00	0.00
Dividend of 2006 Period	0.00	0.00	-2,486,400.00	0.00	-2,486,400.00
	3,729,600.00	-3,454,600.00	5,746,592.50	0.00	6,021,592.50
Balance on 31 December 2007	29,819,177.70	20,340,493.73	36,250,998.97	0.00	86,410,670.40
Financial Period Profits	0.00	0.00	2,916,775.50	0.00	2,916,775.50
Net Profits Recorded for Period (Total)	0.00	0.00	2,916,775.50	0.00	2,916,775.50
Profits Transferred to Reserves	0.00	0.00	0.00	0.00	0.00
Share Issue Proceeds	0.00	0.00	0.00	0.00	0.00
Dividend of 2007 Period	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00
Balance on 31 March 2008	29,819,177.70	20,340,493.73	39,167,774.47	0.00	89,327,445.90

4. Cash Flow Statement

(Amounts in €)	GROUP		COMPANY	
	1.1-31.03.2008	1.1-31.03.2007	1.1-31.03.2008	1.1-31.03.2007
Operating Activities				
Earnings Before Tax	4,054,364.83	4,332,022.78	3,937,172.76	3,886,999.22
Plus / Minus Adjustments for:				
Amortisations	395,245.08	364,790.75	344,164.58	318,640.27
Provisions	7,196.63	13,947.10	5,577.00	12,655.00
Foreign Exchange Differences	0.00	0.00	0.00	0.00
Investment Activity Results (Income, Expenses, Profit and Loss)	-1,201.25	-749.05	2,971.24	-749.05
Debit Interest and Related Expenses	<u>895,675.08</u>	<u>741,257.49</u>	<u>840,662.31</u>	<u>701,236.60</u>
	5,351,280.37	5,451,269.07	5,130,547.89	4,918,782.04
Plus/Minus Adjustments for Working Capital Account Changes or Adjustments Related to Operating Activities				
Inventories Reduction / (Increase)	48,363.11	275,225.13	-442,630.00	368,885.38
Receivables Reduction / (Increase)	-702,934.72	-8,349,526.90	-1,085,680.55	-8,558,473.97
Liabilities (Reduction)/Increase (Except Bank Liabilities)	1,743,785.98	5,094,052.38	1,533,729.62	4,659,804.84
Minus:				
Debit Interests and Related Expenses Paid	-878,189.67	-714,600.31	-839,805.87	-691,522.92
Taxes Paid	-46,223.39	-422,551.34	0.00	-399,996.00
Total Cash Inflows/(Outflows) from Operating Activities (a)	5,516,081.68	1,333,868.03	4,296,161.09	297,479.37
Investment Activities				
Acquisition of Subsidiaries, Affiliates, Joint Ventures and Other Investments	0.00	0.00	-1,800,000.00	0.00
Purchase – Sale of Securities	114,114.61	-60,209.40	0.00	0.00
Purchase of Tangible and Intangible Assets	-1,290,918.93	-623,748.56	-450,901.38	-544,127.70
Income from Sales of Tangible and Intangible Assets	9,000.00	0.00	9,000.00	0.00
Interest Received	15,180.35	749.05	11,007.86	749.05
Dividends Collected	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Cash Inflows/(Outflows) from Investment Activities (b)	1,152,623.97	-683,208.91	-2,230,893.52	543,378.65
Financial Activities				
Amounts Collected from Share Capital Increase	0.00	0.00	0.00	0.00
Amounts Collected from Issued / Raised Loans	13,600,000.00	15,250,000.00	13,600,000.00	10,500,000.00
Loan Repayments	-16,500,000.00	-16,450,000.00	-15,800,000.00	-11,100,000.00
Dividends Paid	-98.00	-99.87	-98.00	-99.87
Total Cash Inflows/(Outflows) from Financial Activities (c)	2,900,098.00	-1,200,099.87	-2,200,098.00	-600,099.87
Net Increase / (Decrease) in Cash and Cash Equivalents in the Period (a) + (b) + (c)	1,463,359.71	-549,440.75	-134,830.43	-845,999.15
Cash and Cash Equivalents, Beginning of Period	1,472,019.14	1,723,445.63	1,104,086.44	1,389,028.01
Cash and Cash Equivalents, End of Period	2,935,378.85	1,174,004.88	969,256.01	543,028.86

5. Notes on the Financial Statements

1. General Information

The Company “A. KALPINIS—N. SIMOS S.A. STEEL PRODUCTS” was founded in 1958 as a Limited Liability Company and in 1965 was converted to an S.A. Company. It has its headquarters in Aspropirgos Municipality (Diilistirion Avenue, Agios Ioannis) and it is registered with the Ministry of Development, General Secretariat of Commerce, Corporations and Credit Directorate, under the Registration Number 7365/06/B/86/32.

The Company’s main activity is the import, processing, and trade of steel, steel plates, iron and metal goods, and similar goods.

The Company’s shares have been listed for trading on the Athens Stock Exchange since 1990.

The Company has no disputes in litigation or in arbitration, nor are there any decisions by judicial or arbitration bodies that may have a significant impact on its financial situation or operation.

The Company’s web address is **www.kalpinis-simos.gr**.

The financial statements dated 31 March 2008 were approved by the Company’s Board of Directors on 20 May 2008.

2. The Basic Accounting Principles used by the Group

2.1 Framework of Drafting the Financial Statements

A. KALPINIS – N. SIMOS S.A Company and Group financial statements have been drawn up in accordance with International Financial Reporting Standards (IFRS) and Interpretations, as they have been adopted by the European Union. The date the Group converted to IFRS was set as 1 January 2004, at which time the Opening Balance Sheet was drafted.

The above statements are based on the financial statements that are drafted by the Company and the Group in accordance with Greek Trade Law, with the appropriate off-balance adjustments made in order to comply with the IFRS, and they have been drafted according to the historical cost principle, except for certain cases that pertain to tangible assets (land plots & buildings/ building installations) that were valued based on their fair market value.

The preparation of the financial statements in accordance with generally accepted accounting principles requires the use of evaluations and assumptions that affect the balances of the assets and liabilities accounts, as well as the disclosure of the contingent receivables and payables on the date of drafting of the financial statements, as well as the reported income during the financial years in question. Even though these specific evaluations are based on the Management’s (the Group’s) best knowledge, the actual results may eventually differ from these estimates.

2.2 Consolidation

The consolidated financial statements consist of the financial statements of the parent Company A. KALPINIS – N. SIMOS S.A. and the other Companies of the Group, which are the following:

	HEADQUARTERS	ACTIVITIES	PARTICIPATION PERCENTAGE	PARTICIPATION COST	CONSOLIDATION METHOD
CORUS - KALPINIS- SIMOS S.A. STEEL PROCESSING CENTRE (*)	Aspropirgos	Processing- distribution and sale of steel and steel related products	50.00% (Joint Venture)	4,020,000	Pro Rata
CORUS - KALPINIS- SIMOS COATING MATERIALS S.A	Aspropirgos	Construction of metal polyurethane panels	50.00% (Joint Venture)	3,081,750	Pro Rata

(*) The General Meeting of its 100% owned subsidiary 'SINTHETA METALLICA PROIONTA S.A. UNDER LIQUIDATION' decided to resurge on 1 December 2006 under the new trade name 'METALLICA PROIONTA BOREIOY ELLADOS S.A.' and the distinctive title 'METALPRO S.A.' The damages to the parent Company from this liquidation amounted to EUR 66,909.54.

Pursuant to the decision by the Extraordinary General Meeting on 21 September 2007, the Company METALLICA PROIODA VOREIOU ELLADOS S.A. was renamed CORUS-KALPINIS-SIMOS STEEL PROCESSING CENTER S.A.". As of 5 October 2007, our participation was readjusted to 50% after CORUS joined, which is a member of TATA STEEL, an Indian multinational colossus in the metals sector. The agreement includes new commercial and industrial facilities in the industrial area of Sindos in Thessalonica. We note that the Company was incorporated into the Group's financial statements on 31 December 2006 using the total consolidation method and on 31 December 2007 in the form of a joint venture.

Cross-company transactions, balances and unrealised profit from transactions between the companies of the Group are written-off. The unrealised losses are also written-off, unless the transaction provides indications of impairment of the transferred asset. During the buyout of a Company, the fair value of its assets, liabilities as well as contingent obligations on the buyout date are estimated.

The cost of the buyout, in the amount that exceeds the fair value of the acquired net assets (assets –liabilities – contingent obligations), is recorded as goodwill in the financial year in which the buyout took place.

In the event that the buyout cost is less than the above fair value, the difference is recorded in the results of the financial year in which the buyout took place. Minority interest is recorded according to its ratio to the fair value. In the following financial years, any damages are proportionally distributed to the minority, in addition to minority interest.

The results of the acquired or sold subsidiaries within the financial year are included in the consolidated financial year results statement from or until the date of acquisition or sale, respectively. The accounting principles of the Group's companies have been amended so that they conform to those adopted by the Group. The participation of the above companies in the A. KALPINIS - N. SIMOS S.A. Company financial statements is estimated at acquisition cost, minus any provision for impairment of their value.

The participation in subsidiaries or affiliated companies, as recorded in the consolidated balance sheet, concerns the following entities:

- A subsidiary of CORUS – KALPINIS – SIMOS S.A. COATING MATERIALS in Romania under the trade name CORUS – KALPINIS – SIMOS ROM S.R.L., with headquarters in Bucharest. The participation in said Company is 100%. The total assets amount to EUR 1,350.00 and the participation value stands at EUR 1,350.00.

- A subsidiary of A. KALPINIS – N. SIMOS S.A. in Romania under the trade name KALPINIS – SIMOS ROM S.R.L., with headquarters in Bucharest. The participation in said Company stands at 100%. The total assets amount to EUR 10,000.00 and the participation value is worth EUR 10,000.00.
- A subsidiary of A. KALPINIS – N. SIMOS S.A. in Bulgaria under the trade name KALPINIS – SIMOS BULGARIA E.O.O.D., with headquarters in Sofia. The participation in said Company stands at 100%. The total assets amount to EUR 10,000.00 and the participation value is worth EUR 10,000.00.

Consolidation did not occur due to negligible interest in relation to the scope of Article 100, paragraph 3 of Law 2190/20.

2.3 Foreign Exchange Conversions

The reference currency of the Group is the Euro and therefore the financial statements are presented in Euro (€). Transactions in foreign currency are converted to Euro using the applicable exchange rates on the date of the transactions. The receivables and liabilities in foreign currency on the date the financial statements were drafted are adjusted so that they reflect the exchange rates on the drafting date. The profits and losses that arise from such transactions are recorded in the results statement.

2.4 Consolidated Financial Statements

(a) Subsidiary Companies

Subsidiaries are companies, which the parent Company controls. The subsidiaries are fully consolidated using the total consolidation method from the date whereupon control over them is acquired and they stop being consolidated from the date upon which such control ceases to exist. The intercompany balances between the Group's companies, transactions between the Group's companies, as well as the unrealised profits are fully written off in the consolidated financial statements. The consolidated financial statements are drafted using the same accounting principles, while the necessary adjustments are made whenever deemed necessary. Investments in subsidiaries are entered under acquisition cost minus any impairment.

(b) Associated – Affiliated Companies

Associated companies are ones over which the parent Company exercises substantial influence and which are not considered subsidiaries nor joint ventures. In general, ownership of 20% to 50% of voting rights denotes the existence of substantial influence. Investments in associated companies are accounted for using the net equity method and are initially entered under acquisition cost.

(c) Joint Ventures (Entities under Joint Control)

The entity under joint control is a joint venture that consists of the incorporation of a Company in which each participant receives a share. It operates like any other entity except that there is a contractual arrangement between the participants that determines the joint control of the entity's financial activities. The Company unifies its share in joint ventures using the pro rata consolidation method.

2.5 Tangible Fixed Assets

The tangible assets under Assets are recorded in the financial statements at their acquisition cost (historical cost) minus accumulated amortisations and any impairment in value.

The acquisition cost of land plots and buildings/ building installations was determined on the transfer date to market value. The Group assigned the appraisal of its properties to an independent appraiser in order to record them at their fair value on the transfer date.

The acquisition cost includes all the expenses directly attributable to the acquisition of the assets. Later additions and improvements are recorded as increase in the cost of related assets, on condition they increase the useful life or production capacity of the asset or decrease its operating cost. Repairs and maintenance are recorded as expenses of the period in which they were carried out.

Amortisations of tangible assets (besides land plots, which are not amortised) are calculated based on the straight-line method over their estimated useful life. The estimated useful life per class of fixed assets is as follows:

Buildings/ Building Installations etc.	10 – 30 years
Mechanical Equipment etc.	10 – 30 years
Means of Transport	10 – 20 years
Other Equipment	3.3 – 15 years

When the book value of tangible assets exceeds their recoverable value, the difference (impairment) is recorded as an expense in the results. The related cost and accumulated depreciations of assets that are sold or withdrawn are written off from the corresponding accounts at the time of withdrawal or sale, and corresponding profits or losses are recorded in the operating results statements.

Installation Expenses

The pluri-annual amortisation expenses that did not meet the IAS recognition criteria have been written off. Asset acquisition expenses that were included in the pluri-annual depreciation expenses were transferred to an increase in acquisition cost of immovable property. The asset expenses that were transferred to an increase in acquisition cost of immovable property on 31 March 2008 stand at EUR 308,561.61 for the Group and EUR 308,561.61 for the Company.

2.6 Intangible Assets

Intangible assets include software, which are valued at acquisition cost minus amortisations. The amortisation is estimated using the standard method throughout the useful life of these items, which is approximately 3.3 years. Expenses generated from the development and maintenance of software are acknowledged as expenses when they are incurred.

2.7 Real Estate Investments

Investments in real estate concern real estate holdings (land plots or buildings or part of a building or both) that are owned (by the owner or by the lessee with financial leasing) in order to yield rents or an increase in their value or both, and not for:

- Use in production (plants) or procurement of goods (warehouses) or for administrative purposes (office buildings);
- Sale in the regular course of the Company's business.

Investments in real estate are appraised according to the acquisition cost method (in the exact manner as operational real estate) and are recorded in the balance sheet at acquisition cost minus accumulated amortisations and accumulated impairment losses.

2.8 Depreciation Audit on Tangible and Intangible Assets

Assets that are depreciated are subject to impairment audit when indications exist that their book value is not recoverable. Recoverable value is the larger value between the net selling value (selling price minus the selling expenses) and use value. Damage due to asset depreciation is recognised when the book value of these items or the cash-flow generating units is greater than their recoverable amount.

Segment Reporting

IAS 14 “Segment Reporting” establishes criteria for determining distinct segments of business activity. The segments are determined based on the Group’s structure of companies, on condition that those responsible for making financial decisions are monitoring the financial information separately, as recorded by the Company and by each one of its subsidiary companies that are included in the consolidation. The segments that must be recorded separately are determined on the basis of the quantitative criteria set by the Standard.

A business segment is defined as a group of assets and activities in order to provide products and services, which are subject to different risks and returns to those of other business segments. A geographical sector is defined as a geographical area in which products and services are provided and which is subject to different risks and returns to other areas.

2.10 Borrowing Cost

The underwriting, legal, and other direct costs that occur in relation to the issuance of a loan readjust the borrowing amount recorded in the Results based on the actual interest rate method for the duration of the loan agreement. Expenses are recorded in the results on the date they are incurred.

2.11 Financial Assets

(a) Financial Assets Appraised at their Fair Value with Changes Recorded in the Results

This involves financial assets that satisfy any of the following conditions:

- Financial assets held for commercial purposes (including derivatives, excluding those that are specified and effective as hedges), those that are acquired or created with the intent of sale or re-purchase, and finally those that are part of a portfolio of recognised financial instruments that are managed for profit purposes.
- Upon initial recognition, the Company specifies it as an asset measured at fair value by recording the changes in the Financial Year Results Statement.
- On the Group’s Balance Sheet the transactions and fair market valuations of the derivatives are recorded in separate funds of the Assets and Liabilities under the title “Derivatives of Financial Assets.” Fair market value fluctuations of the derivatives are recorded in the financial year results statement.

(b) Investments Retained to Maturity

This includes non-derivative financial assets with fixed or specific payments and specific maturity, which the Group has the intention and ability to retain until their maturity.

(c) Financial Assets Available for Sale

This includes non-derivative financial assets that cannot be included in any of the above categories. They are included in the non-circulating assets, provided that the management does not intend to liquidate them within a 12-month period from the Balance Sheet date.

The purchase and sales of investments are recorded on the date of the transaction, which is the date that the Group commits itself to purchase or sell the asset. The investments are initially accounted for at their fair value increased by the direct expenses ascribed to the transaction,

with the exception of direct expenses ascribed to the transaction, for those assets that are measured at their fair value with changes recorded in the results. The investments are written-off when the right to the cash flows from investments ceases to exist and the Group has transferred all the risks and rewards that the ownership entails. The financial assets available for sale are valued at their fair value, while the profits or losses that may arise are recorded in the equity reserves until these assets are sold or designated as impaired. During the sale or when designated as impaired, the profits or losses are transferred to the results. The fair values of the financial assets that are traded in active markets are determined by their market prices. For the non-traded assets, the fair values are determined using valuation techniques, such as future cash flows discount and stock option valuation models.

On every balance sheet date, the Group must proceed with evaluations of whether its financial assets have been subject to impairment. For participating securities, which have been classified as financial assets available for sale, such an indication constitutes a significant reduction to their fair market value compared to their acquisition cost. If there is impairment, the accumulated damage on equity is transferred to the results. Impairment losses from participating securities that have been accounted for in the results are not reversed through results.

(d) Recognition, Write-off, Estimation of Fair Value

The purchase and sales of investments are acknowledged on the date of the transaction, which is the date that the Group commits itself to purchase or sell the asset. The investments are initially recognised at their fair value plus the expenses directly attributed to the transaction, with the exception of those expenses directly attributed to the transaction, that are evaluated at their fair value with changes in the results. The investments are written-off when the right to the cash flows from investments expires or is transferred and the Group has essentially transferred all the risks and rewards ownership entails.

The realised and unrealised profits or losses arising from the changes in the fair values of the financial assets measured at fair value with changes in the results are recorded in the results during the period that they arise.

The fair values of the financial assets that are traded in active markets are determined by the current demand prices. For the non-traded assets, the fair values are determined using evaluation techniques such as the analysis of recent transactions, comparative assets traded, and discounted cash flows. The equity instruments, non-traded in an active market, that have been classified under the category Financial Assets Available For Sale and the fair value of which cannot be determined in a reliable way, are valued at their acquisition cost.

(e) Impairment of Financial Assets

On every balance sheet date, the Group estimates whether there is objective evidence leading to the conclusion that the financial assets have been subject to impairment. For shares of companies classified as financial assets available for sale, such an indication consists of the significant or extended drop of their fair value in relation to their acquisition cost. If impairment is substantiated, the accumulated loss to equity, namely the difference between acquisition cost and fair value, is carried over to the results.

2.12 Inventories

Inventories are measured at the lower value between acquisition or production cost and their net liquidation value. The cost is determined by the weighted average cost method and includes expenses to acquire the inventories or expenses for their production and the expenses to transport them to their storage location. Borrowing cost is not included in the acquisition cost of inventories. The net liquidating value is estimated based on the current selling price of inventories in the context of normal activity, minus the given distribution cost, where applicable.

2.13 Cash and Cash Equivalents

» Cash and cash equivalents include cash and demand deposits.

«

2.14 Share Capital and Reserves

Share capital includes ordinary registered Company shares and reserves from the issue of shares above par. Expenses that were made for the issuance of shares are recorded following the subtraction of the relevant income tax, minus the issue product, at the difference above par.

We note that the Company's Ordinary General Meeting on 29 June 2006 decided to convert its shares from bearer to registered. The share conversion procedure was completed on 8 September 2006, at which time the trading of the new registered shares commenced on the Athens Stock Exchange. The share conversion procedure was completed on 8 September 2006, at which time the trading of the new nominal shares began in the Athens Stock Exchange.

2.15 Borrowing

Loans are initially recorded at their fair value reduced by any direct costs for the implementation of the transaction. They are subsequently measured at the undepreciated cost, using the actual interest rate method. Loans for which the Company is entitled to defer repayment for more than 12 months are considered long term.

2.16 Income Tax – Deferred Income Tax

The encumbrance of the financial year with income tax consists of the current taxes and deferred taxes, i.e. taxes or tax relief related to the economic benefits arising in the current period but which have already been accounted for or will be accounted for by the tax authorities in different periods.

The deferred tax is calculated upon all the temporary differences of the balance sheet (the difference between the book value of each asset and its corresponding recognised tax value).

Concerning readjustment for undepreciated fixed assets (sports fields, etc.) at their fair value, the deferred tax is calculated upon its liquidation (selling) value.

The cost of deferred taxes encumbers the results of the financial year in which they are accounted. However, in the event that the temporary differences have been recorded in the equity, the corresponding deferred tax is directly recorded in equity.

Deferred tax is not ascribed to a tax liability that may be created solely pursuant to a decision made by the Company.

The calculation of deferred tax is done based on the tax rate that is expected to be in effect during the next financial year.

The recording of a claim for deferred income tax occurs only when there is certainty that the Company will achieve profits in the future, so that it will offset the present receivable with the future tax liability.

The financial year (or period) damage that is carried forward to the next financial year (or period) in order to offset the taxable profits of a following financial year (period) contains a tax

requirement equal to the income tax that will be to the benefit of the Company in the next financial year (or period) in which the offset will occur. This receivable is recorded when it is deemed certain that the Company will achieve profits in the future in order for it to be possible to offset the liability.

When there is a change in tax legislation, the tax liabilities and receivables recorded in the books are adjusted accordingly. The adjustment differences are accounted for in the financial year results.

2.17 Employee Benefits

(a) Short Term Benefits:

Short-term benefits toward personnel in cash and in goods are recorded as expenses when they become payable.

b) Compensation Obligations to Personnel Due to Retirement

Compensation obligations to personnel due to retirement are calculated at the discounted value of the future benefits in place at the end of every year, recognising the personnel entitlements to provisions during the period of employment. These obligations are calculated annually by an independent actuary, using the projected credit unit method. The financial year's net retirement costs include the present value of the benefits that became payable during the financial year and are included in the results account statement of the company and of the Group.

2.18 Provisions

Conditions for recording provisions:

- Legal Commitment

Contract, Legislation, or other application of the Law.

- or Constructive Obligation

This is an obligation that arises from past Company practice, published practices or a specific public statement.

- Reliable estimate of the amount
- Arises from past events (present obligation)
- Possible outflow of economic resources is possible from the settlement of the obligation.

The conditions for registration of provisions must apply cumulatively. A provision shall only be registered where the obligation exists, regardless of future Company actions. Where the Company can avoid the expense, no obligation exists and no provision is registered. A BoD decision does not suffice for the registration of a provision, since the BoD may revoke its decision. A provision may also represent future expenses necessary for the acquisition of future economic benefits. In these cases, the amount of the provision is capitalised as an asset.

» Provisions are re-examined at the end of each period and are adjusted in order to reflect the best possible estimates and, where necessary, they are discounted at a pre-tax discount rate.

«

2.19 Accounting of Income

Income consists of the fair value of the selling of goods and the provision of services, net of VAT, discounts and refunds and they are accounted for only when the economic benefits associated with the transaction shall be received by the Company.

Inter-Company income within the Group is written-off entirely.

Income recognition is carried out as follows:

(a) Income from Sale of Goods

Sales of goods are recognised when the Group has transferred the material risks and benefits arising from the ownership of the goods to the buyer and the receivable amount can be reliably valued and its collection is reasonably assured.

(b) Income from Provision of Services

Income from the provision of services is calculated based on the service's completion stage with regard to its estimated total cost.

(c) Income from Interest

Income from interest is recorded based on the time proportion (accrual principle) and by employing the real interest rate.

(d) Income from Dividends

Dividends are recognised as income when the shareholders' right to collect them is finalised (that is, after the General Meeting has approved them).

2.20 Leasing

Leases where risks and benefits of ownership are transferred from the lessor to the lessee are classified as financial leases, regardless of whether the ownership is eventually transferred or not. In this case, the fixed asset and the liability are recorded at the lowest of the current value of minimum benefits guaranteed by the lessor or the fair value of the asset. Financial lease payments include the amount of principal and the financial expense. The financial expense should be allocated in the operating results so as to provide a fixed rate on the balance of the obligation.

A lease is classified as financial or operating based on the essence of the transaction and not the type of contract.

If it arises from the lease agreement that all the benefits and risks derived from the ownership of the asset substantially remain with the lessor, then it is classified as an operating lease. The lease payments of an operating lease are registered as an expense in the results on a regular basis during the lease period.

2.21 Dividend Distribution

» Distribution of dividends to the parent Company's shareholders is recorded as a liability in the financial statements when distribution is approved by the shareholders' General Meeting.



2.22 State Grants

State grants constitute assistance by transferring economic resources, provided that the Company has or will comply with the terms related to the grant. Grants related to assets are reported as deferred income and are recorded during the asset's useful life >> Grants related to income are recorded in those financial years required in order to correlate them to the respective expenses that they will offset.



2.23 Profit per Share

The basic earnings, per share, are calculated by dividing the net profits after taxes by the weighted average number of shares of each financial year.

2.24 Long Term Receivables / Liabilities

Long term receivables and liabilities, which are without interest or bear an interest lower than the given market rates, appear at their current net value. The discount differences are shown as financial earnings / expenses in the Results of the given year in which they occur.

2.25 Affiliated Parties

Transactions and balances with related parties appear separately in the Financial Statements. These related parties basically involve the major shareholders and the Management of a business and/or its subsidiary companies, companies with a joint ownership status and/or Management with the business and the consolidated subsidiaries or subsidiaries of these companies.

2.26 Capital Management

It is the Group's policy to maintain a strong equity base in order to retain investors' and creditors' confidence and so that its future development will be supported. Management monitors own capital, which it considers in its entirety, with the exception of minority interest, so that the ratio between debt (except for Company deposits) to its equity will amount to less than between 2 and 2.5 to 1.

In accordance with Codified Law 2190/1920, regarding societe anonymes, there are limits imposed in relation to equity that are as follows:

The acquisition of own shares, with the exception of acquisition with the intent of their distribution to employees, cannot exceed 10% of the paid share capital and cannot result in the decrease of equity to an amount less than the amount of the share capital augmented with the reserves for which distribution is prohibited by Law.

In the event total Company equity amounts to less than 1/2 of share capital, the Board of Directors is obligated to call a General Meeting, within a six month time limit from the end of the financial year, which will decide the dissolution of the Company or the adoption of another measure.

When the Company's total equity reaches below 1/10 of the share capital and the General Meeting does not take the appropriate measures, the Company may be dissolved by a court decision following a claim by anyone with a lawful interest.

At least 1/20 of the net profits are removed annually in order to create a regular reserve, which is used exclusively for hedging, before any dividend distribution, any debit balance of the results carried forward account. The formation of this reserve is rendered optional when its amount reaches 1/3 of share capital.

The payment of dividends to the shareholders in cash, to an amount at least 35% of net profits, after the deduction for the regular reserve and the net result of the assessment of assets and liabilities at their fair value, is mandatory. This is not applicable pursuant to a decision of a General Shareholder Meeting by a majority of at least 65% of the fully paid share capital. In this situation, the non-distributed dividend of up to at least 35% of the above net profits is recorded in a special reserve for capitalisation account, within four years with the issue of new shares that are offered at no charge to the entitled shareholders. Finally, with a majority of at least 70% of the fully paid share capital, the General shareholders Meeting may decide not to distribute dividend.

The Company fully complies with the relevant legal provisions regarding equity.

3. Financial Risk Management

The Group is exposed to the following risks arising from the use of its financial resources.

- Credit Risk
- Liquidity Risk
- Market Risk

Information is provided regarding the exposure of the Group to each of the above risks, on the goals of the Group, its risk assessment and management policies and procedures, as well as the Group's capital management.

More quantitative information on these disclosures is included throughout the Consolidated Financial Statements.

The Group's risk management policies are implemented in order to identify and analyze risks faced by the Group as well as set risk-taking limits and implement controls thereon. Risk management policies and related systems are periodically monitored, in order to ensure that they incorporate the changes in market conditions and in the Group's activities.

The Internal Auditing department is responsible for monitoring compliance with risk management policies and procedures. The department carries out regular as well as special audits in order to ascertain compliance with proper procedures and its findings are communicated to the Board of Directors.

Credit Risk

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

Customers and Other Receivables

The Group's exposure to credit risk is mainly affected by the specific characteristics of each customer.

There is no indication of geographic concentration of credit risk. No customer exceeds 10% of sales and, as a result, market risk is divided among a large number of customers.

The Board of Directors has defined a credit policy, based on which the creditworthiness of every new customer is assessed on an individual basis, before the usual payment terms are offered.

Each customer is assigned a credit limit, which is re-examined depending on ongoing conditions and sales and collection terms may be accordingly readjusted, if so required. The customer credit limits are, as a rule, determined based on the insurance limits set by insurance companies and all their receivables are subsequently insured based on the abovementioned limits.

When monitoring customer credit risk, customers are classified in accordance with their credit profile, the maturity of their receivables and any prior solvency problems they may have displayed.

Customers and other receivables mainly concern wholesale customers of the Group. Customers characterised as “high risk” are placed in a special list and future sales have to be prepaid and approved by the Board of Directors. Depending on the customer’s prior record and profession, the Group reserves the right to demand tangible or other guarantees (such as letters of guarantee), in order to secure its receivables.

The Group records a depreciation projection, which represents its assessment of losses incurred in relation to customer liabilities, other receivables and investment securities. This projection mainly consists of losses due to depreciation of specific receivables that were deemed realisable in relation to specific conditions but which have not as yet been finalised.

The amount of impairment loss is the difference between the book value of the receivables and the present value of the anticipated future cash flows, discounted by the initial real interstate. The amount of impairment loss is recorded as an expense in the results. Receivables that are assessed as uncollectible are written off.

Investments

Investments are classified by the Group based on the purpose for which they were obtained. Management decides on the suitable classification of the investment at the time of its purchase and re-examines said classification at each of the dates when it is due for assessment. Management estimates that payment default will not be observed on these investments.

Guarantees

The policy of the Group is not to offer financial guarantees, except to subsidiary or affiliated companies and in part to its partners if there is lawful interest, and then only on an exceptional basis and by decision of the Board of Directors.

Liquidity Risk

Liquidity risk is the risk that the Group will be unable to fulfil financial obligations when those become due.

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

In order to avoid liquidity risks, the Group anticipates annual cash flows when drafting the annual budget, as well as a rolling monthly prediction for a period of three months, in order to ensure that it will always have enough cash reserves in order to cover its operational costs, including the fulfilment of its financial liabilities. The effects of unforeseeable extreme circumstances are not taken into consideration in this policy.

Market Risk

Market risk is the risk of fluctuations in the prices of raw materials, exchange and interest rates affecting the Group’s financial results or the value of its financial instruments. The purpose of risk management against market conditions is to control the Group’s exposure to those risks, within the framework of acceptable parameters and with a concurrent optimisation of results.

»» Risk of Fluctuation in the Prices of Metal Raw Materials (Iron, Steel and Other Metals)



The Group bases both purchases and sales on international prices / indexes on the value of iron and of the other metals it uses and which are included in its products. However, the Group

does not hedge its entire basic operating inventory and, as a result, a possible reduction in the prices of metals could have an adverse effect on its results, through a depreciation or overvaluation of its inventory.

Currency Risk

The Group is exposed to currency risk in its transactions and in loans issued in a currency other than the operational currency of the Group's companies, which is principally the Euro. The currencies in which these transactions are carried out are mainly the Euro and the US dollar. Over time, the Group hedges its estimated exposure from purchases made in USD by purchasing foreign currency in advance. The Group's borrowing is in Euro.

Interest Rate Risk

The Group does not have significant interest-bearing assets and consequently the income and operational cash flows are essentially independent of the changes in the interest rate market. The interest rate risk arises from long term and short term bank loans in Euro with floating interest rates.

The Group finances its investments as well as its operating capital needs through self financing, bank and bond loans, which result in debit interest being recorded in its financial results. Inflationary tendencies on interest rates will have adverse effects on results, as the Group will incur additional loan costs.

Interest rate risk is contained, as part of the Group's loans is secured with the use of financial instruments (Swaps interest rates).

On 31 March 2008 the after tax profits and the Group's net position would have been modified, namely decreased / increased, by EUR 60 thousand (EUR 65 thousand in the 1st quarter of 2007) while the Company's would have been modified, namely decreased / increased by EUR 55 thousand (EUR 60 thousand in the 1st quarter of 2007), if Euro interest rates had been 50 (0.5%) points higher / lower, with other variables remaining constant. This would take place mainly due to the higher / lower financial cost of bank borrowing with a floating interest rate in Euro.

4. Significant Accounting Evaluations and Judgements by Management

The Group proceeds with estimates and assumptions regarding the progress of future events. Estimates and assumptions carrying a great risk of causing material adjustments to the book values of assets and liabilities within the coming 12 months are as follows:

Income Taxes

There are several transactions and calculations for which the final determination of tax is uncertain. The Group does not recognise liabilities for anticipated taxes from audit, based on estimates from previous audits. The audit result is charged to the income tax corresponding to the assigned period.

5. Analysis of Tangible Fixed Assets

The Group's fixed assets are broken down as follows:

MOVEMENT IN FIXED ASSETS	Land plots & Buildings	Vehicles & Mechanical Equipment	Furniture and Other Equipment	Capital Investments in Progress	Intangible Assets	Real Estate Investments	Total
Acquisition Book Value	28,102,180.66	16,853,225.45	809,924.21	3,135,953.26	191,952.25	5,379,473.68	54,472,709.51

Accumulated Depreciation and Value Impairment	-2,274,558.43	-5,083,120.01	-514,719.06	0.00	-146,379.06	-205,894.72	-8,224,671.28
Unamortised Book Value as of 31 DEC 2007	25,827,622.23	11,770,105.44	295,205.15	3,135,953.26	45,573.19	5,173,578.96	46,248,038.24
Acquisition Book Value	28,105,530.67	16,858,020.04	817,526.42	5,618,073.10	195,228.25	5,379,473.68	56,973,852.16
Accumulated Depreciation and Value Impairment	-2,430,440.02	-5,272,137.85	-535,526.95	0.00	-153,254.49	-218,763.14	-8,610,122.45
Unamortised Book Value as of 31 MAR 2008	25,675,090.62	11,585,882.19	281,999.47	5,618,073.10	41,973.76	5,160,710.54	48,363,729.71

MOVEMENT IN FIXED ASSETS	Land plots & Buildings	Vehicles & Mechanical Equipment	Furniture and Other Equipment	Capital Investments in Progress	Intangible Assets	Real Estate Investments	Total
Acquisition Book Value	25,827,622.23	11,770,105.44	295,205.15	3,135,953.26	45,573.19	5,173,578.96	46,248,038.23
Additions	3,350.00	37,567.58	7,602.21	2,482,433.50	3,276.00	0.00	2,534,229.29
Depreciation	-155,881.62	-198,811.72	-20,807.89	0.00	-6,875.43	-12,868.42	-395,245.08
Value Impairment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sales – Write-offs	0.00	-32,773.00	0.00	0.00	0.00	0.00	-32,773.00
Depreciation of Items Sold – Written Off	0.00	9,793.90	0.00	0.00	0.00	0.00	9,793.90
Transfer to Investment Property	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfer to Fixed Assets	0.00	0.00	0.00	-313.63	0.00	0.00	-313.63
Unamortised Book Value as of 31 MAR 2008	25,675,090.61	11,585,882.20	281,999.47	5,618,073.11	41,973.76	5,160,710.54	48,363,729.71

The Group's fixed assets are broken down as follows:

MOVEMENT IN FIXED ASSETS	Land plots & Buildings	Vehicles & Mechanical Equipment	Furniture and Other Equipment	Capital Investments in Progress	Intangible Assets	Real Estate Investments	Total
Acquisition Book Value	27,137,666.70	14,233,530.77	710,669.48	1,764,618.10	147,178.04	5,379,473.68	49,373,136.77
Accumulated Depreciation and Value Impairment	-2,260,516.93	-4,145,600.90	-476,676.29	0.00	-107,344.13	-205,894.72	-7,196,032.97
Unamortised Book Value as of 31 DEC 2007	24,877,149.77	10,087,929.87	233,993.19	1,764,618.10	39,833.91	5,173,578.96	42,177,103.80
Acquisition Book Value	27,141,016.70	14,211,925.35	714,302.48	3,362,643.89	147,673.04	5,379,473.68	50,957,035.14
Accumulated Depreciation and Value Impairment	-2,415,249.99	-4,289,991.81	-494,872.54	0.00	-111,526.15	-218,763.14	-7,530,403.65
Unamortised Book Value as of 31 MAR 2008	24,725,766.71	9,921,933.54	219,429.94	3,362,643.89	36,146.89	5,160,710.54	43,426,631.51

MOVEMENT IN FIXED ASSETS	Land plots & Buildings	Vehicles & Mechanical Equipment	Furniture and Other Equipment	Capital Investments in Progress	Intangible Assets	Real Estate Investments	Total
Acquisition Book Value	24,877,149.77	10,087,929.87	233,993.19	1,764,618.10	39,833.91	5,173,578.96	42,177,103.80
Additions	3,350.00	11,197.60	3,633.00	1,598,025.79	495.00	0.00	1,616,701.39
Depreciation	-154,733.06	-154,184.83	-18,196.25	0.00	-4,182.02	-12,868.42	-344,164.58
Value Impairment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sales – Write-offs	0.00	-32,773.00	0.00	0.00	0.00	0.00	-32,773.00
Depreciation of Items Sold – Written Off	0.00	9,763.90	0.00	0.00	0.00	0.00	9,763.00
Transfer to Investment Property	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfer to Fixed Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unamortised Book Value as of 31 MAR 2008	24,725,766.71	9,921,933.54	219,429.94	3,362,643.89	36,146.89	5,160,710.54	43,426,631.51

6. Analysis of Investments in Subsidiaries and Joint Ventures

The Company participation rates in subsidiaries and joint ventures under incorporation, none of which are listed, are as follows:

	Country of Establishment	Assets	Liabilities	Income	Profit / Loss	Participation Rate
31.03.2008						
CORUS - KALPINIS – SIMOS STEEL SERVICE CENTRE S.A.	Greece	7,855,884.85	28,229.52	0.00	(46,874.18)	50%
CORUS - KALPINIS – SIMOS COATING MATERIALS S.A.	Greece	23,823,524.93	11,569,064.35	6,946,129.67	223,501.04	50%
TOTAL		31,679,409.78	11,597,293.87	6,946,129.67	176,626.86	

31.03.2007						
CORUS - KALPINIS - SIMOS STEEL SERVICE CENTRE S.A.	Greece	1,914,570.15	1,018,872.64	0.00	(3,661.19)	100%
CORUS - KALPINIS - SIMOS COVERING MATERIALS S.A.	Greece	22,070,423.32	11,585,798.95	6,257,958.16	650,856.05	50%
TOTAL		23,984,993.47	12,604,671.59	6,257,958.16	647,194.86	

7. Analysis of Receivables

The receivables of the Group and the Company are presented in detail as follows:

	GROUP		COMPANY	
	31.03.2008	31.12.2007	31.03.2008	31.12.2007
Trade Receivables	34,874,882.45	35,269,972.41	32,481,950.60	32,915,387.63
Provisions for Bad Debt	(885,971.85)	(663,995.34)	(714,819.21)	(488,819.21)
Post-dated Cheques	47,395,73.71	47,039,111.35	43,797,284.95	42,850,304.58
Promissory Notes	154,111.96	26,111.96	154,111.96	26,111.96
Other Debtors	1,145,365.45	316,204.28	936,589.77	270,046.22
Receivables from Customers	82,684,125.72	81,987,404.66	76,655,118.07	75,573,031.18
Securities	350,035.39	464,150.00	0.00	0.00
Total Receivables	83,034,161.11	82,451,554.66	76,655,118.07	75,573,031.18

8. Analysis of Inventories

The inventories of the Group and the Company are presented in detail as follows:

	GROUP		COMPANY	
	31.03.2008	31.12.2007	31.03.2008	31.12.2007
Merchandise	11,918,849.37	17,636,291.51	11,815,354.09	17,535,524.83
Goods in Stock	12,664,140.18	6,326,149.08	12,664,140.18	6,326,149.08
Products	7,327,498.65	6,752,880.15	7,066,785.33	6,676,634.35
Orders	3,038,181.71	4,010,259.75	2,962,461.58	3,527,802.92
Raw Materials – Consumables	1,933,459.47	2,204,911.98	0.00	0.00
Total	36,882,129.38	36,930,492.47	34,508,741.18	34,066,111.18
Minus Provisions for Inventory Impairment:				
Merchandise	0.00	0.00	0.00	0.00
Products	0.00	0.00	0.00	0.00
Raw Materials	0.00	0.00	0.00	0.00
Total	36,882,129.38	36,930,492.47	34,508,741.18	34,066,111.18

9. Analysis of Cash Reserves

Cash and cash equivalents of the Group and the Company include the following:

	GROUP		COMPANY	
	31.03.2008	31.12.2007	31.03.2008	31.12.2007

Cash-In-Hand	51,855.69	82,427.84	49,879.22	80,135.18
Demand Deposits	2,883,523.16	1,389,591.30	919,376.79	1,023,951.26
Total	2,935,378.85	1,472,019.14	969,256.01	1,104,086.44

10. Analysis of All Equity Accounts <<

The equity of the Group and the Company is analysed as follows:

	GROUP		COMPANY <<	
	31.03.2008	31.12.2007	31.03.2008	31.12.2007
Share Capital	14,918,400.00	14,918,400.00	14,918,400.00	14,918,400.00
Premium from the issue of Shares Above Par	14,900,777.70	14,900,777.70	14,900,777.70	14,900,777.70
Ordinary Reserve	2,840,909.12	2,840,909.12	2,780,000.00	2,780,000.00
Extraordinary Reserves	5,270,400.00	5,270,400.00	5,270,000.00	5,270,400.00
Untaxed Reserves subject to Special Legal Provisions	11,985,901.87	11,985,901.87	11,885,777.86	11,885,777.86
Reserves of Untaxed Income	404,315.87	404,315.87	404,315.87	404,315.87
Total Reserves	20,501,526.86	20,501,526.86	20,340,493.73	20,340,493.73
Profit Balance Carried Forward	38,959,662.67	29,402,929.60	36,250,998.97	27,743,006.47
Results for Financial Year	3,005,088.93	9,556,733.17	2,916,775.50	8,507,992.50
Accumulated Profit	41,964,751.60	38,959,662.77	39,167,774.47	36,250,998.97
Total Equity without Minority Interest	92,285,456.16	89,280,367.33	89,327,445.90	86,410,670.40
Minority Interest	0.00	0.00	0.00	0.00
Total Equity	92,285,456.16	89,280,367.33	89,327,445.90	86,410,670.40

The Extraordinary General Shareholder Meeting of the Company on 12 September 2007 decided the following:

a) The share capital increase of the Company by the amount of 3,729,600.00 euro by capitalising extraordinary taxable reserve and the subsequent increase in the share's par value to EUR 1.20 from EUR 0.90 per share.

b) The decrease in the nominal value of the share from EUR 1.20 to EUR 0.40 and the simultaneous increase in the total number of shares from 12,432,000 to 37,296,000 common registered shares (split).

The aforementioned 24,864,000 new shares were distributed to Company shareholders at no charge at a ratio of 2 new ordinary registered shares for every one existing ordinary registered share. After the abovementioned corporate changes, the Company's share capital amounts to EUR 14,918,400 divided by 37,296,000 shares with a nominal value of EUR 0.40 each.

11. Analysis of Suppliers and Other Liabilities

The liabilities of the Group and the Company to suppliers and other third parties are analyzed as follows:

	GROUP		COMPANY <<	
	31.03.2008	31.12.2007	31.03.2008	31.12.2007
Vendors	6,577,202.17	4,373,759.21	4,606,506.01	2,287,731.14
Payable Promissory notes	8,117,644.49	8,484,235.25	8,117,644.49	8,484,235.28
Accrued Income	9,128.00	54,111.09	0.00	0.00
Insurance Accounts & Other Taxes	1,140,943.08	439,717.28	1,121,619.96	462,436.25
Advances from Customers	334,225.35	223,038.74	270,397.48	190,502.17
Other Liabilities	644,851.20	247,744.72	361,521.56	341,764.85
Total	16,823,994.29	13,822,606.29	14,477,689.50	11,766,666.69
Financial Lease Liabilities	10,593.75	11,352.32	0.00	0.00
Grants	46,472.80	23,350.67	46,472.80	23,350.67
Total	16,881,060.84	13,857,309.28	14,524,162.30	11,790,020.36

12. Analysis of Loans

The loan liabilities of the Group and the Company are analysed as follows:

Long Term Loans

	GROUP		COMPANY <<	
	31.03.2008	31.12.2007	31.03.2008	31.12.2007
Bond Loans	27,028,394.53	27,000,000.00	27,028,394.53	27,000,000.00

Short Term Loans

	GROUP		COMPANY <<	
	31.03.2008	31.12.2007	31.03.2008	31.12.2007
Bank Loans	13,537,901.02	16,301,605.36	10,694,486.47	12,774,819.78
Short Term Segment of Bond Loans	14,999,643.75	15,146,848.53	14,999,643.75	15,146,848.53
Total	28,537,544.77	31,448,453.89	25,694,130.22	27,921,668.31

TOTAL LOANS	55,565,939.30	58,448,453.89	52,722,524.75	54,921,668.31
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13. Analysis of Deferred Taxes

Deferred tax receivables and liabilities are calculated at the level of each individual Company of the Group. If receivables and liabilities incur these are offset against each other at the individual Company level.

The deferred tax receivables (DTR) and liabilities (DTL) are offset when there is an enforceable legal right for the current tax claims to be offset against current tax liabilities and when the deferred income taxes concern the same tax authority.

Deferred taxes are as follows:

(a) For the Group:

	31.03.2008		31.12.2007	
	DTR	DTL	DTR	DTL
From tax claim for the depreciation of tangible fixed assets at a time prior to the encumbrance of the results	0.00	1,886,090.47	0.00	1,840,715.41
From tax claim for the depreciation of intangible fixed assets at a time prior to the encumbrance of the results	0.00	8,884.08	0.00	9,958.45
From tax claim for the depreciation of intangible fixed assets at a time following the encumbrance of the results	0.00	0.00	0.00	257.37
From tax loss offset with taxable gain of subsequent fiscal years & periods	15,511.97	0.00	4,552.83	0.00
From accounting recognition of tax deductible liabilities to employees at the time they are paid	134,487.37	0.00	132,688.21	0.00
From Receivables Written Off	0.00	0.00	0.00	0.00
From tax claim for the depreciation of establishment cost at a time prior to the encumbrance of the results	12,837.11	0.00	16,046.39	0.00
From a depreciation tax claim for setup expenses at a time following the encumbrance of the results	2,046.42	0.00	0.96	0.00
From Inventory Impairment	0.00	0.00	10,659.37	0.00
» From a Provision for Doubtful Debt	0.00	88,268.30	0.00	101,375.56
From Exchange Differences	0.00	0.00	0.00	415.68
From Leasing Liabilities	6,112.24	0.00	6,883.48	0.00
Difference in Product Valuation	0.00	0.00	764.96	0.00
Grants	0.00	8,742.22	0.00	5,837.67
From Unrealised Profits from Intercompany Transactions	432.57	0.00	432.57	0.00
	171,427.68	1,991,985.07	172,028.77	1,958,560.14
Deferred Tax Liability		1,820,557.39		1,786,531.37
Deferred Tax for Financial Year		34,026.03		402,143.88

(b) For the Company:

	31.03.2008		31.12.2007	
	DTR	DTL	DTR	DTL
From tax claim for the depreciation of tangible fixed assets at a time prior to the encumbrance of the results	0.00	1,541,800.87	0.00	1,495,295.44
From tax claim for the depreciation of intangible fixed assets at a time earlier than the time when it is charged	0.00	9,012.06	0.00	9,958.45
From tax claim for the depreciation of intangible fixed assets at a time following the encumbrance of the results	0.00	0.00	0.00	0.00
From accounting recognition of tax deductible liabilities to employees at the time they are paid	128,823.47	0.00	127,429.22	0.00
From valuation of long-term liabilities at present value	0.00	0.00	0.00	0.00
From tax claim for the depreciation of setup expenses at a time prior to the encumbrance of the results	0.00	0.00	0.00	0.00
From a depreciation tax claim for setup expenses at a time following the encumbrance of the results	2,045.46	0.00	0.00	0.00
From Inventory Impairment	0.00	0.00	10,659.37	0.00
From Exchange Differences	0.00	0.00	0.00	415.68
» From a Provision for Doubtful Debt	0.00	115,000.00	0.00	120,000.00
Difference in Product Valuation	0.00	0.00	0.00	0.00
Grants	0.00	8,742.22	0.00	5,837.67
Impairment of Participation Value	0.00	0.00	0.00	0.00
Income taxes that shall burden the accounts of subsequent periods	130,868.93	1,674,555.15	138,088.59	1,631,507.24
Deferred Tax Liability		1,543,686.22		1,493,418.65
Deferred Tax for Financial Year		50,267.57		375,207.15

14. » *Analysis of Staff Retirement Indemnities*

The Group has assigned an actuary to conduct a study in order to investigate and calculate the actuarial figures, based on the specifications set by the International Accounting Standards (IAS 19), which must be recorded on the balance sheet and the income statement. When performing the actuarial estimate, all economic and population parameters connected to the employees of the Group were taken into account.

	Group		Company	
	31.03.2008	31.12.2007	31.03.2008	31.12.2007
Balance on 1 JAN 08 & 1 JAN 07	530,752.83	470,784.42	509,716.86	457,166.86
Indemnifications Paid in Period	-18,453.37	-6,950.00	-16,423.00	-6,950.00
Provisions for the Period	25,650.00	66,918.40	22,000.00	59,500.00
Total	537,949.46	530,752.82	515,293.86	509,716.86

15. *Analysis of Provisions*

By virtue of Law 3220/2004, the Company and the Group formed untaxed reserves amounting to EUR 2,560 thousand and EUR 2,840 thousand for the years 2003 – 2004, respectively. The untaxed reserves are considered by the European Union as a form of State aid and are subject to taxation. Due to this development, the Company considers that there may eventually be an outflow of resources and has made a provision burdening the results of 2006 in the amounts of EUR 750 thousand and EUR 790.2 thousand for the Company and the Group, respectively.

16. *Segment Reporting*

The Group operates solely in a single business sector, that of steel products, which is the primary reporting sector in accordance with IAS 14. Therefore results are not presented by individual business sector.

The geographical sector can be considered as a secondary reporting sector. It includes the following reporting sectors:

- Domestic Sales (about 94 %)
- Foreign Sales (about 6 %)

The sales of the Group and the Company are analysed as follows:

	Group		Company	
	1.1-31.03		1.1-31.03	
	2008	2007	2008	2007
Merchandise Sales	26,216,819.97	24,760,323.65	26,197,511.29	24,741,907.00
Product Sales	18,260,527.16	16,522,832.85	15,077,170.45	13,600,747.69
Other Sales	1,300.00	746.00	600.00	1,315.80
Total Sales	44,478,647.13	41,283,902.50	41,275,281.74	38,343,970.49

	THE GROUP		THE COMPANY	
	1.1-31.03		1.1-31.03	
	2008	2007	2008	2007
Domestic Sales	41,966,234.79	38,758,850.59	39,302,831.39	36,021,651.26
Foreign Sales	2,512,412.34	2,525,051.91	1,972,450.35	2,322,319.23
Total Sales	44,478,647.13	41,283,902.50	41,275,281.74	38,343,970.49

17. Analysis of Other Results Accounts

(a) Other Income

Other Income of the Group and the Company is analysed as follows:

	THE GROUP		THE COMPANY	
	1.1-31.03		1.1-31.03	
	2008	2007	2008	2007
Income from Transport & Delivery Expenses	487,217.74	453,592.90	446,088.67	422,459.77
Income from Foreign Exchange Differences	41,100.60	1,178.63	41,093.48	150.11
Rental Income	49,765.83	38,250.00	99,231.66	76,200.00
Income from Grants	11,618.20	0.00	11,618.20	
Other Income	60,027.15	27,270.14	50,341.17	26,472.48
Total Other Operating Income	649,729.52	520,291.67	648,373.18	525,282.36

(b) Other Expenses

Other Expenses of the Group and the Company are analysed as follows:

	THE GROUP		THE COMPANY	
	1.1-31.03		1.1-31.03	
	2008	2007	2008	2007
Bad Debts	226,000.00	242,460.00	226,000.00	242,460.00
Losses from Sale of Fixed Assets	13,979.10	0.00	13,979.10	0.00
Other Expenses (Foreign Exchange Differences, etc)	180,042.57	131,308.02	125,868.43	118,886.06
Total Other Operating Expenses	420,021.67	373,768.02	365,847.53	361,346.06

(c) Financial Result

The Financial Results of the Group and the Company are analysed as follows:

	THE GROUP		THE COMPANY	
	1.1-31.03		1.1-31.03	
	2008	2007	2008	2007
Interest and Related Income	87,188.43	86,549.51	82,422.76	86,331.44
Interest and Related Expenses	(895,675.08)	(741,257.49)	(835,025.97)	(701,236.60)
Financial Result	(808,486.65)	(654,707.98)	(752,603.21)	(614,905.16)

18. Income Tax Reconciliation

The Tax Obligations of the Group and the Company are analysed as follows:

	THE GROUP		THE COMPANY	
	1.1-31.03		1.1-31.03	
	2008	2007	2008	2007
Tax for Financial Year	1,015,249.87	1,054,248.55	970,129.69	957,771.25
Deferred Tax	34,026.03	51,997.06	50,267.57	38,478.71
Provision for taxation of untaxed reserves	0.00	0.00	0.00	0.00
Balance of Tax Audit	0.00	0.00	0.00	0.00
Total	1,049,275.90	1,106,245.61	1,020,397.26	996,249.96

19. Analysis of Profits per Share

	THE GROUP		THE COMPANY	
	1.1-31.03		1.1-31.03	
	2008	2007	2008	2007
Net Profit Attributable to Shareholders	3,005,088.93	3,225,777.17	2,916,775.50	2,890,749.26
Number of Shares	37,296,000	37,296,000	37,296,000	37,296,000
Profit per Share (€)	0.081	0.086	0.078	0.078

20. Transactions with Affiliated Parties

Amounts of sales and purchases of the Group and the Company, to and from associated parties, as well as the balances of receivables and obligations are analysed as follows:

	THE GROUP		THE COMPANY	
	1.1-31.03		1.1-31.03	
	2008	2007	2008	2007
Sales of Goods, Services and Fixed Assets	0.00	0.00	200,349.95	167,671.33
Purchases of Goods, Services and Fixed Assets	0.00	0.00	118,816.03	59,325.74
Receivables	0.00	0.00	106,890.92	136,616.40
Liabilities	0.00	0.00	0.00	3,484.32
Transactions and Remuneration of Management Executives and	206,879.07	199,524.07	140,492.60	148,067.27

Members of Management				
Receivables from Management Executives and Members of Management	0.00	0.00	0.00	0.00
Liabilities to Management Executives and Members of Management	0.00	0.00	0.00	0.00

21. Contingent Liabilities - Receivables

There are no disputes in court or in arbitration, nor are there any decisions by judicial or arbitration bodies that may have a significant impact on the Company's or Group's financial situation or operation.

The parent Company has been tax audited for the periods up to 2005 inclusive.

CORUS-KALPINIS-SIMOS S.A. COATING MATERIALS has been audited up to and including financial year 2004, CORUS – KALPINIS – SIMOS STEEL SERVICE CENTRE S.A. has been audited up to and including fiscal year 2005. Therefore, tax obligations have not been rendered final for the unaudited fiscal years.

The Group and Company incur contingent liabilities and receivables with regard to banks, other guarantees and other issues that arise in the context of usual activities, as follows:

	31.03.2008	
	Group	Company
Guarantees to Secure Obligations to Suppliers	16,887,248.68	11,048,515.68
Guarantees to Secure Receivables from Customers	3,797,903.49	3,797,903.49
Other Guarantees	20,000.00	0.00
Total	20,705,152.17	14,846,419.17

22. Dividends

According to Greek Commercial Law, companies are obligated to annually distribute to the shareholders the larger amount between 35% of the profits remaining after deducting taxes and withholding for the regular reserve, on the one hand, and 6% of paid share capital, on the other.

23. Staff Information

(a) Number of Staff

The number of employees working for the Group and Company is shown in the following Table:

	THE GROUP		THE COMPANY	
	1.1-31.03		1.1-31.03	
	2008	2007	2008	2007
Salaried	117	111	83	78
Staff on a Daily-Wage Basis	155	148	126	115
Total Staff	272	259	209	193

(b) Staff Remuneration

The remuneration of employees working for the Group and Company is shown in the following Table:

	THE GROUP		THE COMPANY	
	1.1-31.03		1.1-31.03	
	2008	2007	2008	2007
Remuneration of Employees	1,303,235.66	1,263,892.39	1,080,642.60	1,107,841.80
Employer Contributions	353,722.45	350,631.70	295,272.06	310,886.80
Other Benefits	9,581.13	2,191.99	3,850.00	45.00
Total	1,666,539.24	1,616,716.08	1,379,764.66	1,418,773.60

24. Financial Leasing

The Financial Leasing liability is as follows:

	THE GROUP		THE COMPANY	
	31.03.2008	31.12.2007	31.03.2008	31.12.2007
Up to 1 year	11,781.10	12,705.69	0.00	0.00
From 1 to 5 Years	14,658.39	17,069.20	0.00	0.00
Total	26,439.49	29,774.89	0.00	0.00
Minus Future Financial Charges	(1,990.54)	(2,240.97)	0.00	0.00
Current Value of Financial Leasing Obligations	24,448.95	27,533.92	0.00	0.00
Present Value of Financial Leasing Obligations				
Up to 1 year	10,593.75	11,352.32	0.00	0.00
From 1 to 5 Years	13,855.20	16,181.61	0.00	0.00
Total	24,448.95	27,533.93	0.00	0.00

25. State Grants

	Grants on Completed Investments	Grants on Income of Period and FY 2007	Balance	Balance after Grant to be Covered
A. KALPINIS – N. SIMOS S.A.	839,228.01	34,968.87	804,259.14	704,545.76

Advance payment of grants appears in other long-term liabilities in the company's and the group's financial statements and grant receivables in other receivables of the consolidated financial statements.

On 22 December 2006 the Ministry of Development approved a new five-year investment plan worth EUR 14.7 million. An investment plan grant for 35% of the above amount is anticipated. The programme includes:

1. The construction of buildings and special installations in the amount worth EUR 4.94 million.

2. New mechanical equipment for processing steel products worth EUR 5.94 million.
3. Technical equipment worth EUR 2.32 million.
4. New vehicles worth EUR 740 thousand.
5. Equipment transport and installation expenses worth EUR 410 thousand.
6. Office Automation Computerised systems worth EUR 350 thousand.

The investment cost grant is subject to limitations and conditions that are reasonably expected to be implemented in whole.

(c) Proceeds on account of Grants

In June 2007 “A. KALPINIS – N. SIMOS S.A.” received an advance payment of EUR 1.54 million, corresponding to 30% of the total grant amount, making use of the option of a lump sum advance payment.

(d) Accounting Treatment of the Grants

The company accounted for grants corresponding to 35% of completed investments.

26. Accounting Principles and Methods – Changes in Accounting Estimates and Errors

As of 31 March 2008, STEEL CENTER S.A., in which the Group does not hold an interest, has not been included in the consolidated financial statements of the Group. As a result, the financial statements for financial year 2007 were adjusted accordingly in order to render them comparable. The modifications in relation to the previous published financial statement and summary data and information regarding Turnover, Results after Taxes and Minority Interest and Company Shareholders’ Equity are provided below:

	Comparable Interim Period		Previous Financial Year	
	From Beginning of Period 01.01.-31.03.2008		01.01.-31.12.07	
	Published before the Modification	Revised	Published before the Modification	Revised
Turnover	44,478,647.1 3	44,478,647.13	189,345,382. 82	168,398,863.96
Results after Taxes and Minority Interest	3,005,088.93	3,005,088.93	9,556,733.16	9,556,733.16
Company Shareholders’ Equity	92,285,456.1 6	92,285,456.16	89,280,367.3 3	89,280,367.33

The beginning balances of the Assets, Liabilities and Equity for the Interim Period being presented are the following:

Balance Sheet Data	Revised 01 JAN 2007
Non Current Assets	43,931,382.09
Current Assets	113,918,277.88
Equity	82,143,124.62
Long Term Liabilities	31,879,730.28
Short Term Liabilities	43,826,805.07

27. Events following the Balance Sheet Date

There were no events affecting the financial statements.

Aspropirgos, 19 May 2008

THE CHAIRMAN OF THE BOD

THE MANAGING DIRECTOR

THE ACCOUNTING DIRECTOR

PANAGIOTIS SIMOS

ATHANASIOS KALPINIS

STELIOS KOUTSOTHANASIS

ID CARD No. AE 063856/07

ID CARD No. Π620166/90

ID CARD No. AB 669589/