A.KALPINIS – N. SIMOS SA

S.A. Companies Register No 7365/06/B/86/32

Interim Financial Statements

for the period

starting on January 1st and ending on June 30th 2007

It is certified that the Interim Financial Statements attached herewith are those approved by the Board of Directors of A. KALPINIS – N. SIMOS S.A. on 9 August and posted on the Internet, at **www.kalpinis-simos.gr**. It is noted that the summary financial figures published in the press are intended to provide the reader with certain general financial information but do not provide the full picture of the Company and the Group's financial position and results, as per the International Financial Reporting Standards (IFRS). Furthermore, it is specified that for simplicity's sake, some accounts may have been abridged and rearranged in the summary financial figures published in the press.

A.KALPINIS – N. SIMOS STEEL PRODUCTS SA

The Chairman of the Board of Directors

Panagiotis Simos

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Interim financial reporting review report

To the shareholders of the Societe Anonyme “A.KALPINIS - N.SIMOS SA”

Introduction

We reviewed the attached corporate and consolidated balance sheet of “A. KALPINIS – N. SIMOS S.A.” as of June 30th 2007 and the relevant income statement, statement of changes in equity and cash flow statement for the six month period ending on the above date, as well as the summary of significant accounting policies and other explanatory notes. The company’s Management is responsible for the preparation and reasonable presentation of this interim financial information as per the International Financial Reporting Standards, as adopted by the European Union and applied in interim financial reporting (“IAS 34”). Our responsibility lies in expressing a conclusion based on this interim financial reporting based on our review.

Scope of Review

We conducted the review as per the International Review Standard 2410 “Review of an Interim Financial Report Performed by the Independent Auditor of the Entity” referred to by the Hellenic Auditing Standards. The review consists in the performance of procedures to seek out information, primarily from persons responsible for financial and accounting issues and the application of critical analysis and other review procedures. The scope of a review is substantially limited as compared to an audit performed according to the Hellenic Auditing Standards and therefore does not enable us to ensure that all significant issues that would have been noted in the course of an audit have come to our attention. Subsequently, this document does not comprise an audit report.

Review conclusions

Based on the review performed, nothing has come to our attention that would lead us to conclude that the attached corporate and consolidated interim financial report does not reasonably present in every substantial respect, the company’s financial status on 30 June 2007, its financial performance and cash flows for the six month period ending on this date, as per IAS 34.
Although we are not putting forth a reservation as to the conclusions of our audit, we call your attention to note 21 of the financial statements concerning the Company’s and the Group’s current tax status and more specifically to the non-audited fiscal periods with respect to taxation. Currently, it is not possible to predict the outcome of the tax audit and thus no such provision has been made in the financial statements with regard to this issue.

Athens, 27 August 2007

Certified Auditor - Accountant
Ioannis T. Karalis
SOEL Registration No 10801
SOL SA
3 Fok. Negri str., Postal code 11257 Athens
SOEL Registration no. 125

BOARD OF DIRECTORS SEMIANNUAL REPORT
OF A. KALPINIS – N. SIMOS S.A.
FOR THE PERIOD STARING ON 01.01.2007 AND ENDING ON 30.06.2007

The following companies are included in the consolidated financial statements:

	REGISTERED OFFICE	ACTIVITY	PARTICIPATION RATE	PARTICIPATION COST	CONSOLIDATION METHOD
METALIKA PROIONTA VOREIOU ELLADOS SA **(*)**	Aspropirgos	Processing of steel and manufacture and marketing of synthetic metal products	100.00%	958,950.00 **(**)**	Total
CORUS – KALPINIS – SIMOS – COATING MATERIALS S.A.	Aspropirgos	Manufacturing of metal polyurethane panels	50.0% (joint-venture)	3,081,750.00	Proportional
STEEL CENTER S.A. **(***)**	Nikea	Marketing of special steels	0.00%	0.00	Total

SECTION A
1ST SEMESTER 2007 SIGNIFICANT EVENTS

Investment Plan

The Ministry of Development approved a five-year investment plan of €14.7 million. An investment plan grant of 35 % is anticipated on the aforementioned amount. The plan includes:

1. The erection of building and special installations of €4.94 million.
2. New mechanical equipment for the processing of steel products of €5.94 million.
3. Technical equipment of €2.32 million.
4. New vehicles of €740 thousand.
5. Equipment transport and installation expenses of €410 thousand.
6. Automation-computerization systems, etc, of €350 thousand.

The Company estimates that the aforementioned investment plan should improve its position in the industry of steel products, increasing its product range and meeting to a great extent present and future market needs.

Extraordinary General Meeting

An Extraordinary General Meeting of Shareholders was held on 09.05.2007, following such request of shareholder G. Michailides, at the company's registered office. The General Meeting was attended (in person or through legal representatives) by 29 shareholders holding 9,772,491 shares of the total of 12,432,000 common registered shares or 78.61 %.

The following subjects were discussed at the General Meeting :

1. Detailed update of the General Meeting in relation to corporate transactions with Cypriot suppliers in 2004, 2005 and 2006.

2. Update of the General Meeting in relation to the purpose of intermediation of the aforementioned Cypriot companies in the markets by manufacturers.

3. Update of the General Meeting in relation to purchase prices from the aforementioned companies compared to purchase prices directly from manufacturers in 2004, 2005 and 2006.

4. Provision of copies of Company contracts and detailed ledgers with the aforementioned companies for 2004, 2005 and 2006.

5. Decision-making on the revocation of two members of the Board of Directors and election of new BoD members.

During the General Meeting, the following decisions were made :

A. As regards the first four subjects, the General Meeting considered that full and detailed information was provided on all issues requested by shareholder Georgios Michailides, by a percentage of 88.18 % of attending shareholders.

B. As regards the fifth issue, 90.57% of attendants at the General Meeting decided to reject Mr. Michailides' request as unsubstantiated, unfair and defamatory.

Annual ordinary General Meeting

The Ordinary General Meeting of Shareholders was held on 27.06.2007 at the Company's registered offices. The General Assembly was Meeting (in person or through legal representatives) by 21 shareholders holding 9,334,747 shares of the total of 12,432,000 common registered shares or 75,09 %.

During the General Meeting, the following decisions were made :

1. Approval of reports by the Board of Directors and the Auditor on the Corporate and Consolidated Financial Statements for 2006.

2. Approval of Corporate and Consolidated Financial Statements for 2006 and distribution of the year's profits. Approval of dividend payment amounting to 0.20 euros per share. Dividend beneficiaries include the Company's shareholders at the end of the ASE session of 16 August 2007. The designated cut off date for this right is 17 August 2007. Therefore, as of this date Company shares shall be traded without dividend rights for the 2006 fiscal year. Dividends shall be paid on 27 August 2007 through ALPHA BANK.

3. Approval to relieve Board of Directors members and the Auditor from any responsibility for compensation regarding the management and audit of the year 2006.

4. Approval of the election of Mr. I. Karalis as a Regular Auditor and Mr. S. Pappas as a Substitute Auditor from the auditing company SOL S.A. for the year 2007, and definition of their fees.

5. Approval of fees-compensation for Board of Directors members for the year 2006 and pre-approval of the same fees for the year 2007.

6. Approval of the participation of BoD members and company managers in the Boards of Directors of affiliated companies.

The items No. 1, 2, 3,4 & 5 were approved by a percentage of 90.56% of present parties, whereas a percentage of 9.44% voted against them. Item number 6 was approved unanimously by a percentage of 100% of present parties.

Subsidiary share capital increase

The General Meeting of the subsidiary NORTHERN GREECE METAL PRODUCTS S.A., by a participation of 100%, decided the company's share capital increase by € 1,200,000 by cash payment. The share capital after the increase, will amount to € 2,200,000. The amount of the increase will constitute part of the company's participation in an investment program of up to 15 million

Strategic cooperation with Corus Group

The Company signed a significant agreement with CORUS, member of the Indian multinational group in the metal sector TATA-STEEL, that opens up new prospects for the coming years. More specifically, following the successful cooperation over the past eight years between the two companies in the steel panel polyurethane coating sector, through a common company called CORUS KALPINIS SIMOS S.A. in the Greek and Balkan markets, the managements of the two businesses decided to expand their cooperation in the sector of steel processing centers as well.

To this effect, a new common company will be called into action. The two companies will participate in this new venture by 50% each and shall develop new installations, both commercial and industrial, in the industrial area of Sindos, in Thessaloniki. Once developed, these installations will cover an area of 17,000 s.m. and come under the new investment law in terms of grants.

The sales of the new company, including Balkan countries, are expected to reach 150,000 tons per annum (approximately €100 million in current prices), considering that they will cover areas such as Northern Greece and the Balkans, where A. KALPINIS – N. SIMOS S.A. had limited presence thus far.

The implementation of the agreement requires necessary approvals by competent authorities.

Provided that the new investment will be successful and develop as anticipated, the two companies will examine further expansion of the cooperation in Balkan states and possibly other European Union states, with additional installations.

SECTION B

MAIN RISKS & UNCERTAINTIES FOR THE 2ND SEMESTER 2007

Credit risk

The Group does not have significant credit risk accumulated, since sales are mainly made with customers of evaluated credit background. Exposure to credit risks is monitored and evaluated on an ongoing basis, so that the credit given does not exceed the defined credit limit per customer. Moreover, as of 2007 all Group sales and receivables from customers deriving therefrom are insured.

Liquidity risk

Liquidity risk is maintained at low levels since the Group holds considerable cash and sufficient secured credits from collaborating banks, which results from its long term cooperation and good credit rating.

Foreign exchange risk

As a rule, all of the Groups transactions and balances are made in euros. A small percentage of purchases are made in US dollars. In addition, all of the Group's loans are in euros. Therefore, the Group's exposure to foreign exchange risks is deemed low. Currently, with the Euro / Dollar parity in historically high levels, the Group has covered its future liabilities with forward dollar purchases and, thus, foreign exchange risk is considered extremely limited.

Interest rate risks

The Group's risk deriving from Euro interest rates rising is limited because a higher interest rate has been secured for part of the loans, while the loans to equity ratio is at a very satisfactory level.

Raw material price increase risk

Market prices of raw materials traded by the Group present with fluctuations. However, over the past years they are showing signs of stabilization, thus it is estimated that the Group faces limited risk in that respect.

SECTION C

Significant transactions with associated parties

	THE GROUP		THE COMPANY	
	1.1-30.06		1.1-30.06	
	2007	2006	2007	2006
Sales of goods, services and fixed assets	0.00	0.00	1,119,076.92	572,975.40
Purchases of goods, services and fixed assets	0.00	0.00	430,328.03	284,345.27
Receivables	0.00	0.00	173,434.41	117,493.06
Liabilities	0.00	0.00	29,368.91	0.00
Transactions and fees of directors and managers	613,315.84	570,450.32	418,426.68	406,810.22
Receivables from directors and managers	0.00	0.00	0.00	0.00
Liabilities to directors and managers	0.00	0.00	0.00	0.00

SECTION D

SEMIANNUAL FINANCIAL FIGURES

The first half of fiscal 2007 was impressive for all A. KALPINIS – N. SIMOS. S.A. Group companies, which fully exploited the conditions prevailing in the steel market and significantly boosted their main figures.

More specifically, the consolidated turnover increased by 33.5 % amounting to € 97.5 million as against € 73.01 million in last year's corresponding period. The consolidated earnings before interest, taxes, depreciation and amortization (EBITDA) increased by 74.2 % amounting to € 11.5 million as against € 6.6 million in the corresponding period of the previous year. The consolidated results before taxes increased by 80 % amounting to € 9 million against € 5 million and, finally, the consolidated net profits post tax and minority interest increased by 62.9 % amounting to € 5.7 million as compared to € 3.5 million in the corresponding period of the previous year.

ASPROPIRGOS AUGUST 7th 2007
THE BOARD OF DIRECTORS

PANAGIOTIS SIMOS
CHAIRMAN

1. Balance Sheet

(amounts in €)		GROUP		COMPANY	
	Note	30.06.2007	31.12.2006	30.06.2007	31.12.2006
ASSETS					
Non current assets					
Tangible fixed assets	5	47,393,486.31	46,349,598.11	35,576,535.82	34,997,732.56
Investments in property	5	5,199,315.80	5,225,052.64	5,199,315.80	5,225,052.64
Intangible assets	5	33,690.79	22,901.05	24,032.01	14,877.10
Investments in subsidiaries and joint ventures	2.2	1,350.00	1,350.00	4,040,700.00	4,040,700.00
Trade and other receivables		53,640.41	36,947.01	45,276.18	30,219.28
Total non current assets		**52,681,483.31**	**51,635,848.81**	**44,885,859.81**	**44,308,581.58**
Current Assets					
Inventories	8	54,906,989.81	45,491,307.81	39,763,823.39	36,790,172.54
Trade and other receivables	7	107,935,195.38	83,052,295.76	86,058,873.10	66,955,719.62
Cash and cash equivalents	9	795,110.73	1,875,688.23	281,709.25	1,389,028.01
Total current assets		**163,637,295.92**	**130,419,291.80**	**126,104,405.74**	**105,134,920.17**
Total assets		**216,318,779.23**	**182,055,140.61**	**170,990,265.55**	**149,443,501.75**
EQUITY					
Capital and reserves attributable to equity holders of the parent					
Share capital	10	11,188,800.00	11,188,800.00	11,188,800.00	11,188,800.00
Above par	10	14,900,777.70	14,900,777.70	14,900,777.70	14,900,777.70
Other reserves	10	24,197,545.45	23,952,943.98	24,070,093.73	23,795,093.73
Results carried forward	10	35,103,426.21	32,100,602.94	32,992,764.74	30,504,406.47
Minority interest	10	9,502,336.78	8,502,245.54		
Total shareholders' equity		**94,892,886.14**	**90,645,370.16**	**83,152,436.17**	**80,389,077.90**
LIABILITIES					
Long-term liabilities					
Loans	12	4,677,062.00	30,000,000.00	4,000,000.00	30,000,000.00
Deferred income tax	13	1,835,173.13	1,766,570.22	1,147,820.27	1,118,211.50
Provisions for employee benefits	14	545,971.87	523,755.22	478,751.86	457,166.86
Long-term income tax		0.00	11,760.14	0.00	0.00
Subsidies	25	1,245,988.01	0.00	409,467.77	0.00
Financial Lease liabilities	24	1,822.34	2,422.67	0.00	0.00
Other long-term liabilities	25	1,119,290.19	0.00	1,119,290.19	0.00
Total long-term liabilities		**9,425,307.54**	**32,304,508.25**	**7,155,330.09**	**31,575,378.36**
Short-term liabilities					
Trade and other payables	11	24,211,716.87	14,040,932.96	18,707,357.35	10,451,443.45
Current income tax		4,445,480.10	3,755,846.47	3,535,079.86	3,096,981.20
Short-term loans	12	83,341,008.62	41,304,953.90	58,440,062.08	23,930,620.84
Financial Lease liabilities	11,24	2,379.96	3,528.87	0.00	0.00
Total short-term liabilities		**112,000,585.55**	**59,105,262.20**	**80,682,499.29**	**37,479,045.49**
Total liabilities		**121,425,893.09**	**91,409,770.45**	**87,837,829.38**	**69,054,423.85**
Total Equity and Liabilities		**216,318,779.23**	**182,055,140.61**	**170,990,265.55**	**149,443,501.75**

2. Income Statement

2a. Group's Income Statement

(amounts in €)	Note	1.1 – 30.06.07	1.1 – 30.06.06	1.4 – 30.06.07	1.4 – 30.06.06
Sales	16	97,463,498.78	73,093,370.57	50,220,579.20	41,508,275.27
Cost of sales		-80,734,647.95	-62,164,468.30	-42,533,699.56	34,303,384.66
Gross Profit		**16,728,850.83**	**10,928,902.27**	**7,686,879.64**	**7,204,890.61**
Other operating income	17	1,212,112.45	1,275,527.16	659,311.56	728,239.75
Selling expenses		-4,607,704.51	-3,785,678.28	-2,242,599.81	-1,912,446.25
Administrative expenses		-1,823,517.58	-1,964,851.66	-987,307.07	-901,414.76
Other expenses	17	-878,822.13	-635,399.69	-503,962.24	-516,964.78
Financial income	17	319,938.79	380,162.97	210,933.77	227,478.63
Financial cost	17	-1,943,921.96	-1,189,990.14	-1,058,589.67	-620,402.36
Dividends from subsidiaries		0.00	0.00	0.00	0.00
Profit before taxes		**9,006,935.89**	**5,008,672.63**	**3,764,666.18**	**4,209,380.84**
Income tax	18	-2,273,019.91	-1,231,855.34	-938,470,90	-1.237,516.98
Net profit for the period		**6,733,915.98**	**3,776,817.29**	**2,826,195.28**	**2,971,863.86**
Attributable to					
Parent equity holders		5,733,824.74	3,495,856.20	2,508,047.57	2,736,276.22
Minority interest		1,000,091.24	280,961.09	318,144.71	235,587.64
Profits per share attributable to equity holders of the parent	19	**0.461**	**0.281**	**0.201**	**0.220**

2b. Company's Income Statement

(amounts in €)	Note	1.1 – 30.06.07	1.1 – 30.06.06	1.4 – 30.06.07	1.4 – 30.06.06
Sales	16	79,368,675.09	62,361,670.06	41,024,704.60	35,084,105.72
Cost of sales		-66,261,784.53	-53,356,333.40	-34,837,471.62	-29,174,265.68
Gross Profit		**13,106,890.56**	**9,005,336.66**	**6,187,232.98**	**5,909,840.04**
Other operating income	17	1,134,167.70	1,160,282.40	608,885.34	608,352.53
Selling expenses		-3,694,328.45	-3,093,193.97	-1,778,466.69	-1,540,410.12
Administrative expenses		-1,438,111.36	-1,642,763.35	-772,283,62	-740,026.27
Other operating expenses	17	-847,582.24	-614,763.03	-486,236.18	-496,352.91
Financial income	17	263,616.66	328,603.88	177,285.22	193,288.24
Financial cost	17	-1,486,798.83	-903,789.12	-785,562.23	-481,342.82
Dividends from subsidiaries		0.00	0.00	0.00	0.00
Profit before taxes		**7,037,854.04**	**4,239,713.47**	**3,150,854.82**	**3,453,348.69**
Income tax	18	-1,788,095.77	-1,105,089.09	-791,845.81	-1,026,916.89
Net profit for the period		**5,249,758.27**	**3,134,624.38**	**2,359,009.01**	**2,426,431.80**
Earnings per share	19	**0.422**	**0.252**	**0.190**	**0.195**

3. Statement of changes in equity

(A) STATEMENT OF CHANGES IN THE GROUP'S EQUITY

		Attributable to equity holders of the parent			Minority interest	Total equity
		Share Capital	Reserves	Results carried forward		
Balance as of 1.1.2006		**26,089,577.70**	**23,847,943.98**	**26,678,929.96**	**7,161,818.39**	**83,778,270.04**
Net profit for the period		0.00	0.00	6,210,432.98	908,427.15	7,118,860.13
Net profit registered for the period (total)		**0.00**	**0.00**	**6,210,432.98**	**908,427.15**	**7,118,860.13**
Non-recognition of untaxed reserves		0.00	0.00	0.00	0.00	0.00
Transfer of profits to reserves		0.00	105,000.00	-105,000.00	0.00	0.00
Proceeds from the issue of shares		0.00	0.00	0.00	432,000.00	432,000.00
Dividend for the period 2006		0.00	0.00	-683,760.00	0.00	-683,760.00
Redemption of minority interest		0.00	0.00	0.00	0.00	0.00
		0.00	**105,000.00**	**5,421,672.98**	**1,340,427.15**	**6,867,100.13**
Balance as of 31.12.2006		**26,089,577.70**	**23,952,943.98**	**32,100,602.94**	**8,502,245.54**	**90,645,370.16**
Profit for the period		0.00	0.00	5,733,824.74	1,000,091.24	6,733,915.98
Net profit registered for the period (total)		**0.00**	**0.00**	**5,733,824.74**	**1,000,091.24**	**6,733,915.98**
Transfer of profits to reserves		0.00	244,601.47	-244,601.47	0,00	0.00
Proceeds from the issue of shares		0.00	0.00	0.00	0.00	0.00
Dividend for the period 2006		0.00	0.00	-2,486,400.00	0.00	-2,486,400.00
		0.00	**244,601.47**	**3,002,823.27**	**1,000,091.24**	**4,247,515.98**
Balances 30.06.2007		**26,089,577.70**	**24,197,545.45**	**35,103,426.21**	**9,502,336.78**	**94,892,886.14**

(B) STATEMENT OF CHANGES IN THE COMPANY'S EQUITY

		Attributable to equity holders of the parent			Minority interest	Total equity
		Share Capital	Reserves	Results carried forward		
Balance as of 1.1.2006		**26,089,577.70**	**23,690,093.73**	**25,927,414.27**	**0.00**	**75,707,085.70**
Net profit for the period		0.00	0.00	5,365,752.20	0.00	5,365,752.20
Net profit registered for the period (total)		**0.00**	**0.00**	**5,365,752.20**	**0.00**	**5,365,752.20**
Non-recognition of untaxed reserves		0.00	0.00	0.00	0.00	0.00
Transfer of profits to reserves		0.00	105,000.00	-105,000.00	0.00	0.00
Dividend for the period 2005		0.00	0.00	-683,760.00	0.00	-683,760.00
		0.00	**105,000.00**	**4,576,992.20**	**0.00**	**4,681,992.20**
Balance as of 31.12.2006		**26,089,577.70**	**23,795,093.73**	**30,504,406.47**	**0.00**	**80,389,077.90**
Profit for the period		0.00	0.00	5,249,758.27	0.00	5,249,758.27
Net profit registered for the period (total)		0.00	0.00	**5,249,758.27**	**0.00**	**5,249,758.27**
Transfer of profits to reserves		0.00	275,000.00	-275,000.00	0.00	0.00
Proceeds from the issue of shares		0.00	0.00	0.00	0.00	0.00
Dividend for the period 2006		0.00	0.00	-2,486,400.00	0.00	-2,486,400.00
		0.00	**275,000.00**	**2,488,358.27**	**0.00**	**2,763,358.27**
Balances 30.06.2007		**26,089,577.70**	**24,070,093.73**	**32,992,764.74**	**0.00**	**83,152,436.17**

4. Cash flow statement

(Amounts in €)	THE GROUP		THE COMPANY	
	1.1-30.06.2007	1.1-30.06.2006	1.1-30.06.2007	1.1-30.06.2006
Operating activities				
Earnings before taxes	9,006,935.89	5,008,672.63	7,037,854.04	4,239,713.47
Plus / less adjustments for:				
Depreciations	853,313.39	786,107.37	639,729.34	623,320.53
Provisions	22,216.65	129,660.00	21,585.00	102,000.00
Foreign exchange differences	0	0	0	0
Results (income, expenses, profits and losses) from investments	10,885.51	-2,138.26	-3,195.21	-709.2
Debit interest & related expenses	1,952,613.03	1,189,990.14	1,486,798.83	903,789.12
	11,845,964.47	7,112,291.88	9,182,772.00	5,868,113.92
Plus/ less adjustments for changes in working capital accounts or related to operating activities				
Decrease/ (Increase) of inventories	-9,415,682.00	229,930.14	-2,973,650.85	813,101.37
Decrease/ (increase) receivables	-24,899,593.02	-9,771,206.76	-19,118,210.38	-9,658,630.06
(Decrease)/ increase of liabilities (except banks)	11,011,665.51	-1,930,931.52	7,087,218.45	-1,918,004.09
Less:				
Interest & related expenses paid	-1,817,867.23	-1,192,268.11	-1,368,666.51	-882,180.65
Taxes paid	-1,526,543.51	-179,003.70	-1,320,388.34	-73,340.45
Total inflows/ (outflows) from operating activities (a)	**-14,802,055.78**	**-5,731,188.07**	**-8,510,925.63**	**-5,850,939.96**
Investing activities				
Acquisition of affiliates, subsidiaries, joint ventures and other investments	0	0	0	0
Purchase of securities	0	0	0	0
Acquisition of intangible and tangible fixed assets	-2,867,104.85	-1,891,194.34	-996,598.18	-1,652,009.63
Proceeds from sale of tangible and intangible fixed assets	7,500.00	100	6,500.00	100
Interest received	1,083.49	3,063.01	767.41	1,628.91
Dividends received	0	0	0	0
Total inflows/ (outflows) from investments (b)	**-2,858,521.36**	**-1,888,031.33**	**-989,330.77**	**-1,650,280.72**
Financing activities				
Proceeds from share capital increase	0	0	0	0
Proceeds on issued/raised bank borrowings	63,887,062.00	35,450,000.00	36,600,000.00	33,850,000.00
Repayment of loans	-47,300.00	-26,749,471.29	-28,200,000.00	-26,150,000.00
Dividends paid	-7,062.36	0	-7,062.36	0
Total inflows/ (outflows) from financing activities (c)	**16,579,999.64**	**8,700,528.71**	**8,392,937.64**	**7,700,000.00**
Net increase/ (decrease) on cash and cash equivalents for the period (a) + (b) + (c)	**-1,080,577.50**	**1,081,309.31**	**-1,107,318.76**	**198,779.32**
Cash and cash equivalents as at the beginning of period	1,875,688.23	1,976,798.67	1,389,028.01	1,235,893.07
Cash and cash equivalents as at the end of period	**795,110.73**	**3,058,107.98**	**281,709.25**	**1,434,672.39**

5. Notes to the financial statements

1. General Information

The Company "A. KALPINIS – N. SIMOS STEEL PRODUCTS SA" was established in 1958 as a limited company and in 1965 it was incorporated. Its seat is in the Municipality of Aspropirgos (Diilistirion Avenue, Ag. Ioannis) and it is registered with the Ministry of Development, General Secretariat of Commerce, Corporations and Credit Division, under the Reg. No 7365/06/B/86/32.

The main activity of the company involves importing, processing and trading steel, steel sheets, iron, metal and similar products.

The Company stocks are listed on the Athens Stock Exchange since 1990.

There are no Company disputes in litigation or arbitration nor court or arbitration bodies judgments that might significantly affect the financial status or operation of the company.

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

The financial statements of 30.06.2007 were approved by the Company's Board of Directors on 09/08/2007.

2. Important accounting principles used by the Group

2.1 Basis of preparation of financial statements

The financial statements of the Company A. KALPINIS – N. SIMOS SA and the Group have been drawn up in accordance with the International Financial Reporting Standards (IFRS) and the interpretations as adopted by the European Union. The date of transition of the Group to the IFRS has been determined to be January 1st, 2004, when the starting balance sheet was drawn up.

The above statements are based on the financial statements drawn up by the Company and the Group in accordance with Greek Commercial Law and adjusted to the appropriate off-balance sheet entries in order to be aligned with the IFRS and have been drawn up pursuant to the principle of historic cost except for some cases involving tangible assets (lots & buildings – installations) that were valued at their fair value.

The preparation of financial statements according to the generally accepted accounting principles requires estimates and assumptions influencing the balances of the assets and liabilities accounts, and disclosure of contingent assets and liabilities as of the date of preparation of the financial statements, as well as the reported income of the periods in question. Although these particular estimates are based on management's (the Group's) best knowledge, actual results may eventually differ from these estimates.

2.2 Consolidation

The consolidated financial statements comprise the financial statements of the Parent Company A. KALPINIS – N. SIMOS SA and the other companies of the Group, including:

	REGISTERED OFFICE	ACTIVITY	PARTICIPATION RATE	PARTICIPATION COST	CONSOLIDATION METHOD
METALIKA PROIONTA VOREIOU ELLADOS SA **(*)**	Aspropirgos	Processing of steel and manufacture and marketing of synthetic metal products	100,00%	958.950,00 **(**)**	Total
CORUS – KALPINIS – SIMOS – COATING MATERIALS S.A.	Aspropirgos	Manufacturing of metal polyurethane panels	50,00% (joint-venture)	3.081.750,00	Proportional
STEEL CENTER SA (***)	Nikea	Marketing of special steels	0,00%	0,00	Total

(*) The General Meeting as of 1.12.2006 of the 100% subsidiary “SYNTHETA METALIKA PROIONTA SA” decided the revival of the company into “METALICA PROINTA BOREIOY ELLADOS” under the style “METALPRO SA”. The company proceeded to the purchase of a 32-stremma plot in the industrial area of Sindos where installations will be erected, in the context of developing the Group’s operations in Northern Greece and the wider area of the Balkans.

“A. KALPINIS – N. SIMOS S.A.“ and “CORUS”, member of the Indian multinational group in the metal sector “TATA-STEEL”, signed a significant cooperation agreement in the steel processing center sector. To this effect, a new common company will be called into action. The two companies will participate in this new venture by 50% each. The agreement includes new commercial and industrial installations in the Sindos industrial area in Thessaloniki.

(**) Cost of participation acquisition €1,004,950.00

Less value impairment € <u>46,000.00</u>

Balance € 958,950.00

(***) The aforementioned company is under the control of the Parent Company.

Inter-company transactions, balances and unrealized profits from transactions between the Companies of the Group are written off. Unrealized losses are also written off, unless the transaction indicates that the transferred property has been impaired. The accounting principles of the Group companies have been modified to be consistent with those adopted by the Group. In the corporate Financial Statements of the Company “A.KALPINIS – N. SIMOS SA” participation in the aforementioned companies is valued at the acquisition cost less any provisions for impairments.

Participation in affiliated companies, as presented in the balance sheet, concerns the CORUS - KALPINIS– SIMOS - COATING MATERIALS S.A. affiliate in Romania. There was no consolidation due to the insignificance of the figure.

2.3 Foreign exchange conversions

The Group's measuring and reference currency is Euro; consequently the financial statements are presented in Euros (€). Transactions in foreign currency are translated into Euros according to the exchange rates applying on the date of the transactions. Receivables and liabilities in foreign currencies on the date of preparation of the financial statements are adjusted in order to reflect the exchange rates on the date of preparation. Profit and losses arising from such transactions are registered in the income statement.

2.4 Consolidated Financial Statements

(a) Subsidiaries

Subsidiaries are those companies which the parent company controls. Subsidiaries are fully consolidated with the total consolidation method on the date of acquisition, while consolidation ceases on the date that control no longer applies. Inter-company balances between group companies, transactions between group companies as well as unrealized profits are fully written off in the consolidated financial statements. The consolidated financial statements are prepared using the same accounting principles, and necessary amendments are made where appropriate. Investments in subsidiaries are registered under the acquisition cost less any impairment.

(b) Associated – Affiliated Companies

Associated are those companies on which the parent exercises material influence and are neither subsidiaries nor joint ventures. In general, holding of 20% up to 50% of voting rights indicates the existence of material influence. Investments in associated companies are accounted for using the net equity method and are initially registered under the acquisition cost.

(c) Joint Ventures (Entities in joint control)

An entity in joint control is a joint venture which includes incorporation of a company, in which each joint holder receives a share. This operates like all other entities, with the exception that a contractual arrangement is in place between joint holders, determining the joint control of financial activities of such entity. The company consolidates its shares in joint ventures using the proportional consolidation method.

2.5 Tangible Assets

Tangible fixed assets under assets are presented in the financial statements at their acquisition values (historic cost), less accumulated depreciations and any impairment.

The acquisition value of lots and buildings-installations was determined on the date of transition at market value. The Group has assigned the assessment of its property to an independent assessor so that it is posted at its fair value on the date of transition.

The acquisition cost includes all the directly ascribable expenses for the acquisition of assets. Subsequent additions and improvements are registered in cost incrementation of the relevant assets, where these increase the useful life or productive capacity of the asset or reduce its operating cost. Repairs and services are registered under the expenses of the period when they are incurred.

Depreciations of tangible fixed assets (except for lots, which are not depreciated) are calculated using the straight line method during their entire useful life. The estimated duration of useful life, per class of fixed asset, is as follows:

Buildings – 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 values of tangible fixed assets exceed their recoverable value, the differences (impairment) are registered in the income statement as expenses. On withdrawal or sale of an asset, the respective cost and accumulated depreciations are written off from the respective accounts at the time of withdrawal or sale and the relevant profit or loss is registered in the operating results.

Setup expenses

Capitalized expenses not meeting the IAS recognition criteria were written-off. Fixed assets acquisition expenses included in capitalized expenses were carried and added to property acquisition value. Fixed assets expenses that were carried to the increase of the property acquisition value account on 30.06.2007 amount to € 503,768.52 for the Group and €.287,894.30 for the Company.

2.6 Intangible assets

Intangible assets include software valued at the acquisition cost less depreciations. Depreciations are made using the straight line method during the useful life of these items, about 3.3 years. Expenses generated from developing and maintaining software are recognized as expenses when realized.

2.5 Investments in property

Investments in property concern real estate (land or buildings or part of building or both) owned (by the proprietor or the lessee by way of financial lease) in order to yield rents or value increase or both and not to be:

- Used in production (plants) or the supply of goods (warehouses) or for administrative purposes (office building)
- Sold in the regular course of company business

Investments in property are estimated as per the acquisition cost method (in the same way as operational property) and appear in the balance sheet entry of acquisition cost decreased as per the accumulated depreciations and accumulated impairment losses

2.8 Tangible and intangible assets impairment audit

Depreciated assets are subject to impairment audit when there are indications that their book value shall not be recovered. The recoverable value is the higher of the net selling price (selling price less selling expenses) and the value in use. Loss due to assets impairment is recognized when the book value of these items or of the entity generating cash flow is higher than their recoverable amount.

2.9 Investments

(a) Financial assets valued at fair value with changes registered in results

This class includes financial assets acquired with the aim of speculation, including derivatives.

(b) Loans and receivables

This includes non-derivative financial assets with fixed or specified payments, not negotiable on active markets.

These are generated when the Group pays cash or provides goods and services which are not intended to be sold. These assets are included in the current assets, except for those maturing upon lapse of a 12-month period from the date of the balance sheet and registered as non-current assets.

(c) Investments retained to maturity

This includes non-derivative financial assets with fixed or specified payments, which the Group intends to and can retain until maturity.

(d) Financial assets available for sale

This includes non-derivative financial assets which may not be incorporated in one of the above classes. These assets are included in non-current assets, since the management has no intention of liquidation within 12 months from the balance sheet date.
Investment purchases and sales are registered on the date of transaction, which is the date on which the Group commits to purchase or sell the asset. Investments are initially registered at fair value, increased by expenses which are immediately charged on the transation, except, in the case of immediately chargeable expenses, for those assets valued at fair value with changes registered in results. Investments are written off when the right to cash flow from investments no longer exists and the Group has transferred all risks and ownership benefits. Financial assets available for sale are valued at fair value, while any profit and loss which might arise is registered in equity reserves until the sale or impairment of those assets. Upon such sale or impairment, profit or loss is registered in results.
Fair values of financial assets negotiable on active markets are determined according to market prices. As regards non-negotiable assets, fair values are determined using valuation techniques, such as future cash flow discount and option valuation models.
On each balance sheet date, the Group must estimate whether financial assets have been impaired. As regards participating securities which have been classified as financial assets available for sale, such an indication constitutes a significant reduction of reasonable value compared to their acquisition cost. In case of impairment, loss accrued in equity is transferred to results. Impairment loss of participating securities registered in results cannot be reversed through the results.

2.10 Inventories

Inventories are valued at the lower value between acquisition or production cost and net liquidation value. The cost is determined with the method of weighted average cost and involves inventory acquisition expenses or their production expenses and the cost for transporting them to warehouse. Borrowing cost is not included in inventory’s acquisition cost. The net liquidation value is estimated on the basis of the inventory’s current selling prices in the ordinary course of business less cost of sales, where applicable.

2.11 Cash and cash equivalents

Cash and cash equivalents include cash and sight deposits.

2.12 Share capital and reserves

The share capital includes the common registered shares of the company and reserves from the issue of shares above par. Expenses generated upon the issue of shares are presented after deducting the relevant income tax by decreasing the issue revenues, at a premium.

It is noted that the company's Ordinary General Meeting as of 29.06.2006 decided the conversion of shares from bearer to registered shares. The conversion was completed on 8.9.2006, and the new registered shares started trading on the Athens Exchange.

2.13 Loans

Loans are initially registered at their fair value reduced by any direct costs incurred to perform the transaction. These are subsequently valued at the undepreciated cost using the real interest rate. Loans whose repayment the company may defer for more than 12 months are considered long-term.

2.14 Deferred taxes

Income tax charged on a period involves current and deferred taxes, i.e. taxes or tax reliefs related to the financial benefits that occurred during the current period, but already assigned or to be assigned to different periods by tax authorities.

Deferred tax is calculated on all temporary differences of the balance sheet (difference between the book value of each item and their corresponding recognizable value).

With regard to the readjustment of an undepreciated fixed asset (land etc) at fair value, deferred tax is calculated on the basis of its liquidation (selling) value.

Deferred tax expenses are charged on the results of the period in which they are accounted for. However, if temporary differences are posted in shareholders' equity, the corresponding deferred tax is posted directly to equity.

No deferred tax is calculated for a tax liability that may be incurred only following a decision made by the Company.

Deferred tax is calculated on the basis of the tax rate expected to apply in the following period.

A claim for deferred income tax is registered only if it is certain that the Company is going to make profit in the future, for the current claim to be offset against the future tax obligation.

The loss of the fiscal year (or period) carried forward to the next fiscal year (or period) to be offset against the tax profits of a subsequent fiscal year (or period) involves a tax claim equal to the income tax that the Company shall benefit from in the next fiscal year (or period) when the offset shall be applied. This claim is registered when it is certain that the enterprise shall make profit in the future so that it is possible to offset the claim.
When there is a change in the tax system, tax liabilities and claims posted in the books are adjusted accordingly. Adjustment differences are posted in the results of the period.

2.15 Employee benefits

a) Short-term benefits:

Short-term benefits to employees in cash and in kind are registered in the results in arrears.

b) Retirement compensation

Obligations for retirement compensation are calculated at the discounted value of future benefits in place at the end of each year, recognizing the right to benefits during the period of employment. These liabilities are calculated per annum by an independent actuary using the projected unit credit method. Net retirement costs for the period include the present value of benefits in arrears for the period, the actuarial gains and losses, and the interest of the benefit obligation, and are included in the operating results of the company and the Group.

2.16 Provisions

Conditions for the registration of provisions:

- Legal obligation

Contract, legislation or other enactment

- or constructive obligation

This is an obligation that derives 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 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 entity actions. Where the entity 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. It these cases, the amount of provision is capitalized as an asset.

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

2.17 Income recognition

Income comprises the fair value of the sale of goods and the provision of services, net of VAT, discounts and refunds and they are accounted for only when the economic benefits connected to the transaction shall be received by the company.

Inter-company income in the Group is fully written off.

Income recognition is made as follows:

(a) Income from the sale of goods

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

(b) Income from the 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 recognized based on the time proportion (principle of accrual) and employing the real interest rate.

(d) Income from dividends

Dividends are recognized as income when the shareholders right to collect them is finalized (that is after the General Meeting has approved them).

2.18 Leases

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 otherwise. In this case, the fixed asset and the obligation are registered at the lowest of the present 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.

Leases where risks and benefits of ownership remain with the lessor are characterized as operating leases. The benefits of an operating lease are registered in the operating results during the lease period, while debts and advance payments are registered in the balance sheet.

2.19 Distribution of dividends

Distribution of dividends to the equity holders of the parent is registered as an obligation in the financial statements when the distribution is approved by the shareholders' General Meeting.

2.20 State Grants

State grants constitute assistance by transferring economic resources, provided that the entity has or will comply with the terms related to the grant. Grants related to property are presented as deferred income and are registered during the asset's useful life. Grants related to income are registered in those fiscal years required to be correlated to the respective expenses to offset.

3. *Financial risk management*

(a) Credit risk

The Group does not have significant credit risk accumulated, since sales are mainly made with customers of evaluated credit background. Exposure to credit risks is monitored and evaluated on an ongoing basis, so that the credit given does not exceed the defined credit limit per customer.

(b) Liquidity risk

Liquidity risk is maintained at low levels since the Company holds considerable cash and sufficient secured credits from collaborating banks, which results from its good credit rating.

4. *Important accounting estimates and judgments of the management*

The Group proceeds to 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 certain transactions and calculations for which the final determination of tax is uncertain. The Group does not recognize 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 analyzed as follows:

MOVEMENT IN FIXED ASSETS	Land & buildings	Vehicles & mechanical equipment	Furniture and other equipment	Capital investments in progress	Intangible assets	Investment property	Total
Acquisition book value	33,857,410.69	17,543,994.25	846,336.74	956,479.17	185,492.02	5,379,473.68	58,769,186.55
Accumulated depreciation and value impairment	-1,861,063.65	-4,483,871.33	-509,687.76	0.00	-162,590.97	-154,421.04	-7,171,634.75
Undepreciated Book value as of 31.12.06	**31,996,347.04**	**13,060,122.92**	**336,648.98**	**956,479.17**	**22,901.05**	**5,225,052.64**	**51,597,551.80**
Acquisition book value	34,715,928.53	17,973,546.99	914,919.66	1,450,502.90	203,422.27	5,379,473.68	60,637,794.03
Accumulated depreciation and value impairment	-3,224,971.75	-4,880,021.91	-556,418.12	0.00	-169,731.47	-180,157.88	-8,011,301.13
Undepreciated Book value as of 30.06.07	**32,490,956.78**	**13,093,525.08**	**358,501.54**	**1,450,502.90**	**33,690.80**	**5,199,315.80**	**52,626,492.90**

MOVEMENT IN FIXED ASSETS	Land & buildings	Vehicles & mechanical equipment	Furniture and other equipment	Capital investments in progress	Intangible assets	Investment property	Total
Acquisition book value	**31,996,347.04**	**13,060,122.92**	**336,648.98**	**956,479.17**	**22,901.05**	**5,225,052.64**	**51,597,551.80**
Additions	858,517.84	462,668.75	68.582.,93	1,201,268.37	17,930.25	0.00	2,608,968.14
Depreciations	-363,908.00	-409,797.56	-46,730.36	0.00	-7,140.51	-25,736.84	-853,313.27
Value impairment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sales – write-offs	0.00	-33,116.01	0.00	0.00	0.00	0.00	-33,116.00
Depreciations of items sold – written-off	0.00	13,646.88	0.00	0.00	0.00	0.00	13.646.,87
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	-707,244.64	0.00	0.00	-707,244.64
Undepreciated Book value as of 30.06.07	**32,490,956.88**	**13,093,524.98**	**358,501.55**	**1,450,502.90**	**33,690.79**	**5,199,315.80**	**52,626,492.90**

The **Company's** fixed assets are analyzed as follows:

MOVEMENT IN FIXED ASSETS	Land & buildings	Vehicles & mechanical equipment	Furniture and other equipment	Capital investments in progress	Intangible assets	Investments in property	Total
Acquisition book value	26,094,534.14	13,005,060.41	623,095.38	916,956.67	111,882.66	5,379,473.68	46,131,002.94
Accumulated depreciation and value impairment	-1,658,313.05	-3,576,806.20	-406,794.79	0.00	-97,005.56	-154,421.04	-5,893,340.64
Undepreciated Book value as of 31.12.06	**24,436,221.09**	**9,428,254.21**	**216,300.59**	**916,956.67**	**14,877.10**	**5,225,052.64**	**40,237,662.30**
Acquisition book value	26,819,983.21	13,334,818.07	663,657.64	997,619.27	124,698.91	5,379,473.68	47,320,250.78
Accumulated depreciation and value impairment	-1,952,812.84	-3,845,992.19	-440,737.34	0.00	-100,666.90	-180,157.88	-6,520,367.15
Undepreciated Book value as of 30.06.07	**24,867,170.37**	**9,488,825.88**	**222,920.30**	**997,619.27**	**24,032.01**	**5,199,315.80**	**40,799,883.63**

MOVEMENT IN FIXED ASSETS	Land & buildings	Vehicles & mechanical equipment	Furniture and other equipment	Capital investments in progress	Intangible assets	Investment property	Total
Acquisition book value	**24,436,221.09**	**9,428,254.21**	**216,300.59**	**916,956.67**	**14,877.10**	**5,225,052.64**	**40,237,662.30**
Additions	725,449.07	361,548.50	40,562.26	783,384.74	12,816.25	0.00	1,923,760.82
Depreciations	-294,499.80	-281,888.81	-33,942.55	0.00	-3,661.34	-25,736.84	-639,729.34
Value impairment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sales – write-offs	0.00	-31,790.84	0.00	0.00	0.00	0.00	-31,790.84
Depreciations of items sold – written-off	0.00	12,702.83	0.00	0.00	0.00	0.00	12,702.83
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	-702,722.14	0.00	0.00	-702,722.14
Undepreciated Book value as of 30.06.07	**24,867,170.37**	**9,488,825.88**	**222,920.30**	**997,619.27**	**24,032.01**	**5,199,315.80**	**40,799,883.63**

6. Analysis of investments in subsidiaries and joint ventures

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

	Country of Establishment	Assets	Liabilities	Income	Profit (loss)	Participation rate
30.06.2007						
METALIKA PROIONTA VOREIOU ELLADOS SA	Greece	1,988,917.60	1,115,566.72	0.00	-40,252.78	100%
CORUS – KALPINIS – SIMOS – COATING MATERIALS S.A.	Greece	22,855,247.78	12,004,489.47	13,602,957.01	1,349,374.61	50%
TOTALS		**24,844,165.38**	**13,120,056.19**	**13,602,957.01**	**1,309,121.83**	
30.06.2006						
METALIKA PROIONTA VOREIOU ELLADOS SA	Greece	956,270.94	4,143.60	2,170.00	-11,526.30	100%
CORUS – KALPINIS – SIMOS SA COVERING MATERIALS	Greece	18,824,635.32	10,074,667.33	8,867,100.95	948,560.96	50%
TOTALS		**19,780,906.26**	**10,078,810.93**	**8,869,270.95**	**937,034.66**	

7. Analysis of receivables

The receivables of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	30.06.2007	31.12.2006	30.06.2007	31.12.2006
Trade receivables	36,824,207.36	26,690,070.52	28,553,136.58	21,980,004.22
Provisions for doubtful claims	-1,270,268.98	-660,268.98	-1,087,512.53	-487,512.53
Post-dated cheques	71,167,815.04	55,268,161.16	58,303,418.04	43,906,657.96
Notes	131,527.14	415,384.01	124,027.14	348,384.01
Trade receivables	**106,853,280.56**	**81,713,346.71**	**85,893,069.23**	**65,747,533.66**
Other debtors	1,081,914.82	1,338,949.05	165,803.87	1,208,185.96
Total receivables	**107,935,195.38**	**83,052,295.76**	**86,058,873.10**	**66,955,719.62**

8. Analysis of inventories

The inventories of the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	30.06.2007	31.12.2006	30.06.2007	31.12.2006
Merchandise	23,669,292.50	23,784,058.20	12,706,689.71	17,820,198.73
Goods in stock	16,737,673.98	6,232,320.00	16,737,673.98	6,232,320.01
Products	7,685,238.08	5,632,711.64	5,430,503.68	4,904,996.32
Orders	4,929,607.16	8,548,689.48	4,881,361.17	7,832,657.48
Raw materials - Consumables	1,898,118.59	1,306,468.99	7,594.85	0.00
Total	**54,919,930.31**	**45,504,248.31**	**39,763,823.39**	**36,790,172.54**
Less provisions for inventory impairment:				
Merchandise	-615.50	-615.50	0.00	0.00
Products	-1,553.50	-1,553.50	0.00	0.00
Raw materials	-10,771.50	-10,771.50	0.00	0.00
Total	**54,906,989.81**	**45,491,307.81**	**39,763,823.39**	**36,790,172.54**

9. Analysis of cash

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

	GROUP		COMPANY	
	30.06.2007	31.12.2006	30.06.2007	31.12.2006
Cash in hand	25,739.11	31,282.82	16,750.25	15,916.75
Sight deposits	769,371.62	1,844,405.41	264,959.00	1,373,111.26
Total	**795,110.73**	**1,875,688.23**	**281,709.25**	**1,389,028.01**

10. Analysis of all equity accounts

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

	GROUP		COMPANY	
	30.06.2007	31.12.2006	30.06.2007	31.12.2006
Share capital	**11,188,800.00**	**11,188,800.00**	**11,188,800.00**	**11,188,800.00**

Premium from the issue of shares above par	**14,900,777.70**	**14,900,777.70**	**14,900,777.70**	**14,900,777.70**
Legal reserves	2,841,122.55	2,528,248.68	2,780,000.00	2,505,000.00
Extraordinary reserves	9,000,000.00	9,000,000.00	9,000,000.00	9,000,000.00
Untaxed reserves under special law provisions	11,952,107.03	12,020,379.43	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	**24,197,545.45**	**23,952,943.98**	**24,070,093.73**	**23,795,093.73**
Profit carried forward	29,369,601.47	25,890,169.96	27,743,006.47	25,138,654.27
Results for the period	5,733,824.74	6,210,432.98	5,249,758.27	5,365,752.20
Accumulated profit	**35,103,426.21**	**32,100,602.94**	**32,992,764.74**	**30,504,406.47**
Total equity without minority interest	**85,390,549.36**	**82,143,124.62**	**83,152,436.17**	**80,389,077.90**
Minority interest	9,502,336.78	8,502,245.54	0.00	0.00
Total Equity	**94,892,886.14**	**90,645,370.16**	**83,152,436.17**	**80,389,077.90**

The Company's share capital consists of 12.432.000 common shares with the nominal value of € 0,90 each.

11. Analysis of trade and other payables

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

	GROUP		COMPANY	
	30.06.2007	31.12.2006	30.06.2007	31.12.2006
Suppliers	8,273,958.50	5,552,812.26	3,395,711.15	2,590,471.28
Notes payable	11,275,641.48	7,220,741.43	11,224,729.22	7,129,829.17
Accrued expenses	0.00	68,316.44	0.00	15,680.99
Insurance and other taxes	1,507,468.20	721,837.43	1,108,253.87	430,370.67
Advances from customers	293,324.86	289,616.03	227,100.64	235,176.11
Other liabilities	2,861,323.83	187,609.37	2,751,562.47	49,915.23
Financial lease liabilities	2,379.96	3,528.87	0.00	0.00
Total	**24,214,096.83**	**14,044,461.83**	**18,707,357.35**	**10,451,443.45**

12. Analysis of loans

The loans of the Group and the Company are analyzed as follows:

Long-term loans

	GROUP		COMPANY	
	30.06.2007	31.12.2006	30.06.2007	31.12.2006
Debenture loans	4,677,062.00	30,000,000.00	4,000,000.00	30,000,000.00

Short-term loans

	GROUP		COMPANY	
	30.06.2007	31.12.2006	30.06.2007	31.12.2006
Bank loans	48,316,656.40	36,248,430.57	23,415,709.86	18,874,097.51
Short-term segment of debenture loans	35,024,352.22	5,056,523.33	35,024,352.22	5,056,523.33
Total	**83,341,008.62**	**41,304,953.90**	**58,440,062.08**	**23,930,620.84**

TOTAL LOANS	**88,018,070.62**	**71,304,953.90**	**62,440,062.08**	**53,930,620.84**

13. Analysis of deferred taxes

Deferred tax assets and liabilities are calculated at the level of each individual Group company. If assets and liabilities incur these are offset against each other for each company.
Deferred tax assets (DTA) and liabilities (DTL) are offset when a relevant legal right applies allowing to offset current tax assets against current tax liabilities and when deferred income taxes involve the same tax authority.

Deferred taxes include:

a) For the Group

	30.06.2007		31.12.2006	
	DTA	DTL	DTA	DTL
From a depreciation tax claim for tangible fixed assets at a time earlier than the time when it is charged	0.00	2,072,384.06	0.00	1,935,512.58
From a depreciation tax claim for intangible assets at a time earlier than the time when it is charged	0.00	3,337.51	0.00	3,245.38
From a depreciation tax claim for intangible assets at a time later than the time when it is charged	1,151.68	0.00	1,969.97	0.00
From tax loss offset with tax profits of subsequent fiscal years	4,090.38	0.00	0.00	0.00
From accounting recognition of liabilities to employees discounted from tax at the time they are paid.	136,492.97	0.00	130,938.81	0.00
From deletion of claims	995.38	0.00	995.38	0.00
From a depreciation tax claim for setup expenses at a time earlier than the time when it is charged on the results	5,972.82	0.00	0.00	0.00
From a depreciation tax claim for setup expenses at a time later than the time when it is charged on the results	109.31	0.00	219.74	0.00
From inventory impairment	0.00	1,197.50	0.00	1,197.50
From a provision for doubtful claims	90,433.40		65,998.88	28,065.48
From exchange differences	0.00	0.00	0.00	4,188.17
Difference of product valuation	0.00	0.00	790.14	0.00
From unrealized profits from inter-company transactions	2,500.00	0.00	4,725.97	0.00
	241,745.94	**2,076,919.07**	**205,638.89**	**1,972,209.11**
		241,745.94		**205,638.89**
		1,835,173.13		**1,766,570.22**

b) For the Company

	30.06.2007		31.12.2006	
	DTA	DTL	DTA	DTL
From a depreciation tax claim for tangible fixed assets at a time earlier than the time when it is charged	0.00	1,378,259.91	0.00	1,290,038.18
From a depreciation tax claim for intangible assets at a time earlier than the time when it is charged	0.00	3,337.51	0.00	3,245.38
From a depreciation tax claim for intangible assets at a time later than the time when it is charged	0.00	0.00	0.00	0.00
From accounting recognition of liabilities to employees discounted from tax at the time they are paid.	119,687.97	0.00	114,291.72	0.00
From valuation of long-term liabilities at present value	0.00	0.00	0.00	0.00
From a depreciation tax claim for setup expenses at a time earlier than the time when it is charged on the results	0.00	0.00	0.00	0.00
From a depreciation tax claim for setup expenses at a time later than the time when it is charged on the results	89.18	0.00	178.37	0.00
From exchange differences	0.00	0.00	0.00	4,188.17
From a provision for doubtful claims	102,500.00	0.00	52,500.00	0.00
Difference of product valuation	0.00	0.00	790.14	0.00
Impairment of participation value	11,500.00	0.00	11,500.00	0.00
Income taxes that shall burden the accounts of subsequent periods	**233,777.15**	**1,381,597.42**	**179,260.23**	**1,297,471.73**
		233,777.15		**179,260.23**
		1,147,820.27		**1,118,211.50**

14. Analysis of post-employment benefits

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 posted in 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	
	30.06.2007	31.12.2006	30.06.2007	31.12.2006
Balance as of 1.1.07 & 1.1.06	523,755.22	492,738.70	457,166.86	430,719.59
Compensations paid for the period	-11,185.00	-171,354.71	-5,655.00	-165,189.00
Fiscal period provisions	33,401.65	202,371.23	27,240.00	191,636.27
Total	**545,971.87**	**523,755.22**	**478,751.86**	**457,166.86**

15. Analysis of provisions

Based on Law 3220/2004, the Company and the Group formed untaxed reserves amounting to € 2,560 thousand and € 2,960 thousand for the years 2003 – 2004, respectively. The untaxed reserves are considered by the European Union as a form of public aid and are subject to taxation. Due to this development, the Company considers that finally there might be an outflow of resources and made a provision against results of 2006 amounting to € 750 thousand and € 825 thousand for the Company and the Group, respectively.

16. Information by sector

The Group operates only in one business sector, that of steel products, which is the primary reporting sector according to IAS 14. Therefore results are not presented by individual business sector.

As secondary reporting sector can be considered the geographical sector which is analyzed as follows:
- Domestic sales (about 93 %)
- Foreign sales (about 7 %)

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

	Group		Company	
	1.1-30.06		1.1-30.06	
	2007	2006	2007	2006
Sales of Merchandise	55,774,787.40	42,150,802.06	50,635,066.57	37,473,042.08
Sales of Products	41,419,935.12	30,767,183.25	28,732,292.72	24,887,520.88
Other sales	268,776.26	175,385.26	1,315.80	1,107.10
Total Sales	**97,463,498.78**	**73,093,370.57**	**79,368,675.09**	**62,361,670.06**

	THE GROUP		THE COMPANY	
	1.1-30.06		1.1-30.06	
	2007	2006	2007	2006
Domestic Sales	91,045,035.98	67,529,294.01	73,783,472.16	57,482,341.76
Foreign Sales	6,418,462.80	5,564,076.56	5,585,202.93	4,879,328.30
Total Sales	**97,463,498.78**	**73,093,370.57**	**79,368,675.09**	**62,361,670.06**

17. Analysis of other accounts

(a) Other income

Other income of the Group and the Company is analyzed as follows:

	THE GROUP		THE COMPANY	
	1.1-30.06		1.1-30.06	
	2007	2006	2007	2006
Income from transport & delivery expenses	976,973.94	1,016,796.50	866,286.82	932,667.62
Income from foreign exchange differences	53,725.23	12,317.24	41,381.22	12,318.96
Other income	181,413.28	246,413.42	226,499.66	215,295.82
Total other operating income	**1,212,112.45**	**1,275,527.16**	**1,134,167.70**	**1,160,282.40**

(b) Other expenses

Other expenses of the Group and the Company are analyzed as follows:

	THE GROUP		THE COMPANY	
	1.1-30.06		1.1-30.06	
	2007	2006	2007	2006
Doubtful debts	610,000.00	365,088.77	600,000.00	350,955.55
Losses from sale of fixed assets	12,588.01	919.71	12,588.01	0.00
Other expenses (foreign exchange differences etc)	256,234.12	269,391.21	234,994.23	263,807.48
Total other operating expenses	**878,822.13**	**635,399.69**	**847,582.24**	**614,763.03**

(c) Financial result

The financial results of the Group and the Company are analyzed as follows:

	THE GROUP		THE COMPANY	
	1.1-30.06		1.1-30.06	
	2007	2006	2007	2006
Interest and related income	319,938.79	380,162.97	263,616.66	328,603.88
Interest and related expenses	-1,943,921.96	-1,189,990.14	-1,486,798.83	-903,789.12
Financial result	**-1,623,983.17**	**-809,827.17**	**-1,223,182.17**	**-575,185.24**

18. Reconciliation of income tax

The tax obligations of the Group and the Company are analyzed as follows:

	THE GROUP		THE COMPANY	
	1.1-30.06		1.1-30.06	
	2007	2006	2007	2006
Tax for the year	2,204,417.00	1,393,895.06	1,758,487.00	1,211,300.00
Deferred tax	68,602.91	-147,840.92	29,608.77	-106,210.91
Tax audit adjustments	0.00	-14,198.80	0.00	0.00
Total	**2,273,019.91**	**1,231,855.34**	**1,788,095.77**	**1,105,089.09**

19. Analysis of profit per share

	THE GROUP		THE COMPANY	
	1.1-30.06		1.1-30.06	
	2007	2006	2007	2006
Net profit attributable to equity holders	5,733,824.74	3,495,856.20	5,249,758.27	3,134,624.38
Number of shares	12,432,000	12,432,000	12,432,000	12,432,000
Profit per share (€)	**0.461**	**0.281**	**0.422**	**0.252**

20. Transactions with associated 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 analyzed as follows:

	THE GROUP		THE COMPANY	
	1.1-30.06		1.1-30.06	
	2007	2006	2007	2006
Sales of goods, services and fixed assets	0.00	0.00	1,119,076.92	572,975.40
Purchases of goods, services and	0.00	0.00	430,328.03	284,345.27

fixed assets				
Receivables	0.00	0.00	173,434.41	117,493.06
Liabilities	0.00	0.00	29,368.91	0.00
Transactions and fees of directors and managers	613,315.84	570,450.32	418,426.68	406,810.22
Receivables from directors and managers	0.00	0.00	0.00	0.00
Liabilities to directors and managers	0.00	0.00	0.00	0.00

21. *Contingent Liabilities - Receivables*

There are no Company disputes in litigation or arbitration nor court or arbitration bodies judgments that might significantly affect the financial status or operation of the Company and the Group.

The parent company has been audited by tax authorities for the periods up to 2005 inclusive.

CORUS-KALPINIS-SIMOS S.A. has been audited up to fiscal 2004 inclusive, METALIKA PROIONTA VOREIOU ELLADOS SA has been audited up to fiscal 2005 inclusive and STEEL CENTER S.A. has been audited up to fiscal 2004 inclusive. Therefore, tax obligations have not been rendered final for non audited fiscal years.

The Group and the Company have contingent liabilities and claims with banks, trade, other guarantees and other issues arising in their ordinary course of business, as follows:

	30.06.2007	
	Group	**Company**
Guarantees to secure obligations to banks	255,937.00	255,937.00
Guarantees to secure obligations to trade	21,433,072.96	15,291,511.70
Guarantees to secure receivables from customers	3,797,903.49	3,797,903.49
Other guarantees	21,630.00	0.00
Total	**25,508,543.45**	**19,345,352.19**

22. *Dividends*

Based on the Greek commercial law, companies must annually distribute the higher of 35% of profit remaining after deducting taxes and withholding statutory reserves and 6% of paid-in share capital.

23. *Information about personnel*

(a) Number of personnel

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

	THE GROUP		THE COMPANY	
	1.1-30.06		1.1-30.06	
	2007	2006	2007	2006
Salaried personnel	129	119	80	77
Day laborers	162	144	117	110
Total personnel	**291**	**263**	**197**	**187**

(b) Remuneration of personnel

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

	THE GROUP		THE COMPANY	
	1.1-30.06		1.1-30.06	
	2007	2006	2007	2006
Remuneration of employees	3,090,177.54	2,658,361.43	2,390,903.38	2,113,683.54
Employer contributions	818,496.02	745,965.42	631,132.18	578,589.65
Other benefits	13,275.23	32,140.47	6,566.78	15,488.09
Total	**3,921,948.79**	**3,436,467.32**	**3,028,602.34**	**2,707,761.28**

24. Financial Lease

The Financial Lease obligation is as follows:

	THE GROUP		THE COMPANY	
	30.06.2007	31.12.2006	30.06.2007	31.12.2006
Up to 1 year	3,679.08	3,679.08	0.00	0.00
From 1 to 5 years	613.18	2,454.22	0.00	0.00
Total	**4,292.26**	**6,133.30**	0.00	0.00
Less future financial leases	-89.96	-181.76	0.00	0.00
Current value of financial lease obligations	**4,202.30**	**5,951.54**	0.00	0.00
Present value of financial lease obligations				
Up to 1 year	3,601.97	3,528.87	0.00	0.00
From 1 to 5 years	600.33	2,422.67	0.00	0.00
Total	**4,202.30**	**5,951.54**	0.00	0.00

25. State Grants

	Grants on completed investments	Grants in Revenue	Grant Collection	Grant receivables (advance payment)

A.KALPINIS – N. SIMOS S.A.	424,483.58	15,015.81	1,543,773.77	-1,119,290.19
STEEL CENTER S.A.	860,156.30	23,636.06	0.00	860,156.30
TOTAL	**1,284,639.88**	**38,651.87**	**1,543,773.77**	**-259,133.89**

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.

(a) Parent company

On 22/12/2006 the Ministry of Development approved a five-year investment plan of €14.7 million. An investment plan grant of 35% is anticipated from the aforementioned amount.
The plan includes:

1. The erection of building and special installations of €4.94 million.
2. New mechanical equipment for the processing of steel products of € 5.94 million.
3. Technical equipment of €2.32 million.
4. New vehicles of €740 thousand.
5. Equipment transport and installation expenses of €410 thousand.
6. Automation-computerization systems, etc, of €350 thousand.

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

(b) Steel Center S.A.

On 11/09/2006 the Ministry of Economy and Finance approved the new investment plan submitted by the subsidiary "Steel Center S.A." amounting to €2.72 million. A 35% grant is expected on the above investment plan.

The plan includes:

1. Landscape works in the surrounding area of € 250 thousand.
2. Erection of building and special installations of € 985 thousand.
3. New mechanical and other equipment of € 1.37 million.
4. New vehicles of € 60 thousand.
5. Survey and consultant fee expenses of € 57 thousand.

(c) Proceeds on account of grants

In June 2007 "A. KALPINIS – N. SIMOS S.A." received an advance payment of €1.54 million, corresponding to 30% of the total grant amount, making use of the capability of lump sum advance payment. "Steel Center S.A." had yet to receive any amount on account of the grant by 30/06/07.

(d) Grant journalization

The company journalized grants corresponding to 35% of completed investments

26. Post balance sheet events

There were no events affecting the financial statements.

Aspropirgos, August 7th 2007

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 669589/06