A. KALPINIS - N. SIMOS S.A.
STEEL SERVICE CENTERS

A. KALPINIS – N. SIMOS SA

Companies Register No 7365/06/B/86/32

Interim Financial Statements

for the period

from January 1st to March 31st 2007

It is hereby certified that the attached Annual Financial Statements are those approved by the Board of Directors of A. KALPINIS – N. SIMOS S.A. on March 8th, 2007 and have been posted on the internet at the web site **www.kalpinis-simos.gr**. It is specified that the concise financial data published in the press aim at providing the reader with certain general financial data; however, they do not provide the whole image of the financial position and results of the Company and the Group, according to 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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1. Balance Sheet

(Amounts in €)		GROUP		COMPANY	
	Note	31.03.2007	31.03.2006	31.03.2007	31.03.2006
ASSETS					
Non current assets					
Tangible fixed assets	5	46,520,589.51	45,678,461.33	35,070,838.69	38,185,079.12
Investment property	5	5,212,184.22	163,657.90	5,212,184.22	163,657.90
Intangible assets	5	24,905.70	24,575.69	16,729.07	10,926.55
Investments in affiliated companies	2.3	1,350.00	5,000.00	4,040,700.00	4,040,700.00
Trade and other receivables		39,618.92	81,086.27	32,891.18	74,616.13
Total non current assets		**51,798,648.35**	**45,952,781.19**	**44,373,343.16**	**42,474,979.70**
Current Assets					
Inventories	8	48,385,513.83	39,141,239.32	36,421,287.16	30,498,559.51
Trade and other receivables	7	94,024,719.80	69,299,178.14	75,511,521.69	57,834,364.41
Current debit income tax	7	0.00	79,726.02	0.00	214,503.44
Cash and cash equivalents	9	1,538,789.57	1,638,704.46	543,028.86	587,462.93
Securities		60,209.40	0.00	0.00	0.00
Total current assets		**144,009,232.60**	**110,158,847.94**	**112,475,837.71**	**89,134,890.29**
Total assets		**195,807,880.95**	**156,111,629.13**	**156,849,180.87**	**131,609,869.99**
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	23,952,943.98	23,847,943.99	23,795,093.73	23,690,093.73
Retained earnings	10	35,326,380.12	27,438,509.94	33,395,155.73	26,635,606.84
Minority interest	10	9,184,189.07	7,207,191.43	0.00	0.00
Total shareholders' equity		**94,553,090.87**	**84,583,223.06**	**83,279,827.16**	**76,415,278.27**
LIABILITIES					
Long-term liabilities					
Loans	12	30,670,000.00	35,008,435.20	30,000,000.00	35,008,435.20
Deferred income tax	13	1,830,165.68	1,676,265.75	1,156,690.21	1,098,390.66
Long-term income tax		0.00	0.00	0.00	0.00
Provisions for employee benefits	14	539,204.82	457,891.41	469,821.86	394,081.59
Financial Lease liabilities	24	1,514.17	0.00	0.00	0.00
Total long-term liabilities		**33,040,884.67**	**37,142,592.36**	**31,626,512.07**	**36,500,907.45**
Short-term liabilities					
Trade and other payables	11	21,090,459.85	14,287,283.59	14,955,277.43	9,656,677.81
Current income tax		4,603,222.82	0.00	3,654,756.45	0.00
Short-term loans	12	42,516,656.22	20,098,530.12	23,332,807.76	9,037,006.46
Financial Lease liabilities	11,24	3,566.52	0.00	0.00	0.00
Total short-term liabilities		**68,213,905.41**	**34,385,813.71**	**41,942,841.64**	**18,693,684.27**
Total liabilities		**101,254,790.08**	**71,528,406.07**	**73,569,353.71**	**55,194,591.72**
Total Equity and Liabilities		**195,807,880.95**	**156,111,629.13**	**156,849,180.87**	**131,609,869.99**

2. *Income Statement*

(Amounts in €)	Note	GROUP 1.1 – 31.03.07	GROUP 1.1 – 31.03.06	COMPANY 1.1 – 31.03.07	COMPANY 1.1 – 31.03.06
Sales	16	47,242,919.58	31,585,095.30	38,343,970.49	27,277,564.34
Cost of sales		-38,200,948.39	-27,861,083.64	-31,424,312.91	-24,182,067.72
Gross Profit		**9,041,971.19**	**3,724,011.66**	**6,919,657.58**	**3,095,496.62**
Other income	17	552,800.89	547,287.41	525,282.36	551,929.87
Selling expenses		-2,365,104.70	-1,873,232.03	-1,915,861.76	-1,552,783.85
Administrative expenses		-836,210.51	-1,063,436.90	-665,827.74	-902,737.08
Other expenses	17	-374,859.89	-118,434.91	-361,346.06	-118,410.12
Other financial income	17	109,005.02	152,684.34	86,331.44	135,315.64
Financial cost	17	-885,332.29	-569,587.78	-701,236.60	-422,446.30
Dividends from subsidiaries		0.00	0.00	0.00	0.00
Profit before taxes		**5,242,269.71**	**799,291.79**	**3,886,999.22**	**786,364.78**
Income tax	18	-1,334,549.01	5,661.64	-996,249.96	-78,172.20
Net profit for the period		**3,907,720.70**	**804,953.43**	**2,890,749.26**	**708,192.58**
Attributable to					
Parent equity holders		3,225,777.17	759,579.98	2,890,749.26	708,192.58
Minority interest		681,943.53	45,373.45	0.00	0.00
Profits per share attributable to equity holders of the parent	19	**0.259**	**0.061**	**0.233**	**0.057**

3. *Statement of changes in equity*

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

	Note	Attributable to equity holders of the parent			Minority interest	Total Equity
		Share Capital	**Reserves**	**Retained earnings**		
Balance as of 1.1.2006		**26,089,577.70**	**23,847,943.98**	**26,678,929.97**	**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 2005		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**	**90,645,370.17**
Profit for the period		0.00	0.00	3,225,777.17	691,943.53	3,907,720.70
Net profit registered for the period (total)		**0.00**	**0.00**	**3,225,777.17**	**681,943.53**	**3,907,720.70**
Transfer of profits to reserves		0.00	0.00	0.00	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	0.00	0.00	0.00
		0.00	**0.00**	**3,225,777.17**	**681,943.53**	**3,907,720.70**
Balance as of 31.03.2007		**26,089,577.70**	**23,952,943.98**	**35,326,380.12**	**9,184,189.07**	**94,553,090.87**

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

		Attributable to equity holders of the parent			Minority interest	Total Equity
	Note	Share Capital	Reserves	Retained earnings		
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		**26,089,577.20**	**23,795,093.73**	**30,504,406.47**	**0.00**	**80,389,077.90**
Profit for the period		0.00	0.00	2,890,749.26	0.00	2,890,749.26
Net profit registered for the period (total)		0.00	0.00	2,890,749.26	0.00	2,890,749.26
Transfer of profits to reserves		0.00	0.00	0.00	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	0.00	0.00	0.00
		0.00	**0.00**	**2,890,749.26**	**0.00**	**2,890,749.26**
Balance as of 31.03.2007		**26,089,577.70**	**23,795,093.73**	**33,395,155.73**	**0.00**	**83,279,827.16**

4. Cash flow statement

(Amounts in €)	THE GROUP		THE COMPANY	
	1.1-31.03.2007	1.1-31.03.2006	1.1-31.03.2007	1.1-31.03.2006
Operating activities				
Earnings before taxes	5,242,269.71	799,291.80	3,886,999.22	786,359.33
Plus/ less adjustments for:				
Depreciation	423,980.41	410,759.74	318,640.27	333,867.93
Provisions	15,449.60	415,029.40	12,655.00	368,258.39
Foreign exchange differences	0.00	0.00	0.00	0.00
Results (income, expenses, profits and losses) from investments	-1,368.06	-731.85	-749.05	-697.42
Interest & related expenses	897,971.67	511,681.73	701,236.60	379,549.91
	6,578,303.33	2,136,030.82	4,918,782.04	1,867,338.14
Plus/ less adjustments for changes in working capital accounts or related to operating activities				
Decrease/ (Increase) of inventories	-2,894,206.01	1,279,502.47	368,885.38	1,735,777.53
Decrease/ (Increase) of receivables	-10,975,095.95	970,941.24	-8,558,473.97	-134,785.61
(Decrease)/ increase of liabilities (except banks)	7,804,435.19	-2,336,707.65	4,659,804.84	-1,512,268.21
Less:				
Interest charges & related expenses paid	-878,742.58	627,053.47	-691,522.92	-494,818.95
Paid taxes	-435,337.34	-60,340.17	-399,996.00	0.00
Total inflows/ (outflows) from operating activities (a)	**-800,643.36**	**1,362,373.24**	**134,081.62**	**1,461,242.90**
Investments				
Acquisition of affiliates, subsidiaries, joint ventures and other investments	0.00	0.00	0.00	0.00
Purchase of securities	-60,209.40			
Acquisition of intangible and tangible fixed assets	-1,347,695.08	-652,219.01	-544,127.70	-611,393.77
Proceeds from sale of tangible and intangible fixed assets	1,000.00	100.00	0.00	100.00
Interest received	749.05	1,651.56	749.05	1,617.13
Dividends received	0.00	0.00	0.00	0.00
Total inflows/ (outflows) from investments (b)	**-1,406,155.43**	**-650,467.45**	**-379,980.90**	**-609,676.64**
Financing activities				
Proceeds from share capital increase	0.00	0.00	0.00	0.00
Proceeds from bank loans	24,320,000.00	16,100,000.00	10,500,000.00	8,950,000.00
Repayment of loans	-22,450,000.00	-17,150,000.00	-11,100,000.00	-10,450,000.00
Dividends paid	-99.87	0.00	-99.87	0.00
Total inflows/ (outflows) from financing activities (c)	**1,869,900.13**	**-1,050,000.00**	**-600,099.87**	**-1,500,000.00**
Net increase/ (decrease) on cash and cash equivalents for the period (a) + (b) + (c)	**-336,898.66**	**-338,094.21**	**-845,999.15**	**-648,433.74**
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	**1,538,789.57**	**1,638,704.46**	**543,028.86**	**587,459.33**

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 address is **www.kalpinis-simos.gr**

The Financial statements as of 31.03.2007 were approved by the Company's Board of Directors on 08.05.2007.

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 New standards, interpretations and amendment to existing standards

The International Accounting Standards Board and the Interpretations Committee have issued new standards and interpretations and modified existing standards, whose application is mandatory as of 1.1.2006. The Group's estimate as regards the impact of application follows below.

- IAS 19 Employee Benefits (amendment)

Provides the selection of an alternative method to recognize actuarial gains and losses. It also imposes new requirements for recognition in cases of multi-employer retirement plans for which no sufficient information is in place as regards the implementation of a defined benefit accounting method. It also adds new disclosure requirements. This amendment does not apply to the group.

- IAS 39 Fair Value Option

The amendment changes the definition of financial instruments at fair value through results and limits the ability to classify financial assets under this class. The Group believes that this amendment does not affect the classification of financial assets.

- IAS 39 & IFRS 4 Financial Guarantee Contracts (amendment)

This amendment requires that financial guarantees (except those presented as insurance contracts) be initially recognized at fair value and subsequently at the higher of (a) the unamortized balance of commissions collected and deferred and b) the expense required to settle the obligation as of the date of the balance sheet. This amendment does not apply to the group.

- IAS 39 Cash Flow Hedges of Forecast Intragroup Transactions (amendment)

Permits highly probable intragroup forecast transactions to qualify as the hedged item in consolidated financial statements provided that the transactions are denominated in a currency other than the functional currency of the entity entering into that transaction and the foreign currency risk will affect consolidated financial statements. This amendment does not apply to the group.

- IAS 21 Investment in a Foreign Operation

Allows for the reclassification of exchange differences on monetary items under equity. This amendment does not affect the group's financial statements.

- IFRS 6 Exploration for and evaluation of mineral resources

This standard does not apply to the group's activities. It provides accounting guidance to companies operating in mining.

- IFRIC 5 & 6 Not applicable to the group

- IFRIC 4 Determining Whether an Arrangement Contains a Lease

Specifies under which circumstances an arrangement is or contains a lease. Requires an assessment of whether fulfilment of the arrangement depends on the use of a specific asset and whether the arrangement conveys a right to use that asset.

2.3 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:

COMPANY	REGISTERED OFFICE	ACTIVITY	PARTICIPATION RATE	PARTICIPATION COST	CONSOLIDATION METHOD
METALPRO SA **(*)**	Aspropirgos	Processing of steel and manufacture and marketing of synthetic metal products	100.00%	958,950.00 **(**)**	Total
CORUS – KALPINIS – SIMOS SA COVERING MATERIALS	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 "SYNTHETIC METAL PRODUCTS 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.

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

Less value impairment	€	46,000.00
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 affiliates as presented in the balance sheet involves a subsidiary of CORUS - KALPINIS – SIMOS COVERING MATERIALS S.A. in Romania. There was no consolidation due to the insignificance of the figure.

2.4 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.

2.5 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 unrealised 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.

2.6 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

Capitalised 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 carried and added to property acquisition value on 31.03.2007 are €503,768.52.00 for the Group and €287,894.30 for the Company.

2.7 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.

2.8 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 transaction, 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 Borrowing

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 obligations are calculated on an annual basis 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 appreciation 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	33,942,128.91	17,704,152.41	894,042.96	1,241,290.58	191,261.87	5,379,473.68	59,352,350.41
Accumulated depreciation and value impairment	-2,042,725.67	-4,686,142.05	-532,157.63	0.00	-166,356.17	-167,289.46	-7,594,670.98
Undepreciated Book value as of 31.03.07	**31,899,403.24**	**13,018,010.36**	**361,885.33**	**1,241,290.58**	**24,905.70**	**5,212,184.22**	**51,757,679.43**

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	84,718.23	161,483.33	47,706.22	345,941.41	5,769.85	0.00	645,619.04
Depreciation	-181,662.03	-203,214.90	-22,469.87	0.00	-3,765.20	-12,868.42	-423,980.42
Value impairment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sales – write-offs	0.00	-1,325.17	0.00	0.00	0.00	0.00	-1,325.17
Depreciations of items sold – written-off	0.00	944.18	0.00	0.00	0.00	0.00	944.18
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	-61,130.00	0.00	0.00	-61,130.00
Undepreciated Book value as of 31.03.07	**31,899,403.24**	**13,018,010.36**	**361,885.33**	**1,241,290.58**	**24,905.70**	**5,212,184.22**	**51,757,679.43**

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**	**Investment 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	26,094,534.14	13,137,582.41	650,442.78	1,134,154.37	115,545.51	5,379,473.68	46,511,732.89
Accumulated depreciation and value impairment	-1,805,537.57	-3,716,597.06	-423,740.38	0.00	-98,816.44	-167,289.46	-6,211,980.91
Undepreciated Book value as of 31.03.07	**24,288,996.57**	**9,420,985.35**	**226,702.40**	**1,134,154.37**	**16,729.07**	**5,212,184.22**	**40,299,751.98**

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	0.00	132,522.00	27,347.40	362,655.20	3,662.85	0.00	526,187.45
Depreciation	-147,224.52	-139,790.86	-16,945.59	0.00	-1,810.88	-12,868.42	-318,640.27
Value impairment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sales – write-offs	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciations of items sold – written-off	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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	-145,457.50	0.00	0.00	-145,457.50
Undepreciated Book value as of 31.03.07	**24,288,996.57**	**9,420,985.35**	**226,702.40**	**1,134,154.37**	**16,729.07**	**5,212,184.22**	**40,299,751.98**

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	Obligations	Income	Profit (loss)	Participation rate
31.03.2007						
METALPRO SA	Greece	1,914,570.15	1,014,690.88	0.00	(3,503.19)	100%
CORUS – KALPINIS – SIMOS SA COVERING MATERIALS	Greece	22,070,423.32	11,585,798.95	6,257,958.16	861,079.41	50%
TOTAL		**23,984,993.47**	**12,600,489.83**	**6,257,958.16**	**857,576.22**	
31.03.2006						
METALPRO SA	Greece	960,351.28	10,290.36	0.00	(8,773.56)	100%
CORUS – KALPINIS – SIMOS SA COVERING MATERIALS	Greece	18,243,230.27	10,120,975.54	3,423,060.50	62,336.23	50%
TOTAL		**19,203,581.55**	**10,131,265.90**	**3,423,060.50**	**53,562.67**	

7. *Analysis of receivables*

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

	GROUP		COMPANY	
	31.03.2007	31.03.2006	31.03.2007	31.03.2006
Clients	35,737,277.94	26,117,611.63	28,173,628.77	21,779,264.72
Provisions for doubtful claims	(912,728.98)	(505,166.78)	(729,972.53)	(410,000.00)
Post-dated cheques	58,432,918.59	42,586,372.08	47,404,737.06	35,585,675.38
Notes	371,942.01	938,656.15	322,592.01	747,874.21
Trade receivables	**93,629,409.56**	**69,137,473.08**	**75,170,985.31**	**57,702,814.31**
Other debtors	395,310.24	161,705.06	340,536.38	131,550.10
	94,024,719.80	**69,299,178.14**	**75,511,521.69**	**57,834,364.41**
Debit income taxes (*)	0.00	79,726.02	0.00	214,503.44
Total receivables	**94,024,719.80**	**69,378,904.16**	**75,511,521.69**	**58,048,867.85**

(*) Debit income taxes resulted from the down payment of income tax for the period of 2004 which was higher than the debts for the year of 2005.

8. *Analysis of inventories*

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

	GROUP		COMPANY	
	31.03.2007	31.03.2006	31.03.2007	31.03.2006
Merchandise	21,954,861.96	18,362,851.28	13,398,212.17	12,166,478.71
Goods in stock	12,148,382.58	9,716,187.72	12,148,382.58	9,716,187.72
Products	7,493,013.63	4,036,147.01	5,874,912.01	3,618,855.68
Orders	5,000,114.61	5,235,265.91	4,999,780.40	4,987,018.69
Raw materials	1,802,081.55	1,790,787.40	0.00	10,018.71
Total	**48,398,454.33**	**39,141,239.32**	**36,421,287.16**	**30,498,559.51**
Less provisions for inventory impairment:				
Merchandise	(615.50)	0.00	0.00	0.00
Products	(1,553.50)	0.00	0.00	0.00
Raw materials	(10,771.50)	0.00	0.00	0.00
Total	**48,385,513.83**	**39,141,239.32**	**36,421,287.16**	**30,498,559.51**

9. *Analysis of cash*

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

	GROUP		COMPANY	
	31.03.2007	31.03.2006	31.03.2007	31.03.2006
Cash Register	49,746.98	38,839.53	43,829.79	36,368.54
Sight deposits	1,489,042.59	1,599,864.93	499,199.07	551,094.39
Total	**1,538,789.57**	**1,638,704.46**	**543,028.86**	**587,462.93**

10. *Analysis of all equity accounts*

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

	GROUP		COMPANY	
	31.03.2007	31.03.2006	31.03.2007	31.03.2006
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**
Statutory reserves	2,528,248.69	2,423,248.69	2,505,000.00	2,400,000.00
Extraordinary reserves	9,000,000.00	9,000,000.00	9,000,000.00	9,000,000.00
Untaxed reserves under special law provisions	11,952,107.02	11,952,107.02	11,885,777.86	11,885,777.86
Taxed reserves	68,272.40	68,272.40	0.00	0.00
Reserves of untaxed income	404,315.87	404,315.87	404,315.87	404,315.87
Total reserves	**23,952,943.98**	**23,847,943.98**	**23,795,093.73**	**23,690,093.73**
Profit carried forward	32,100,602.94	26,678,929.96	30,504,406.47	25,927,414.26
Results for the period	3,225,777.18	759,579.98	2,890,749.26	708,192.58
Accumulated profit	**35,326,380.12**	**27,438,509.94**	**33,395,155.73**	**26,635,606.84**
Total equity without minority interest	**85,368,901.80**	**77,376,031.63**	**83,279,827.16**	**76,415,278.27**
Minority interest	9,184,189.07	7,207,191.43		
Total Equity	**94,553,090.87**	**84,583,223.06**	**83,279,827.16**	**76,415,278.27**

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	
	31.03.2007	31.03.2006	31.03.2007	31.03.2006
Suppliers	7,929,739.79	4,328,457.38	2,295,607.00	784,531.09
Notes payable	10,272,218.59	8,175,512.89	10,164,689.76	7,523,352.95
Accrued expenses	8,116.00	287,970.65	0.00	252,000.00
Insurance and other taxes	2,457,395.76	1,260,942.87	2,160,228.18	946,389.10
Advances from customers	273,774.57	132,818.28	206,795.48	123,892.41
Other liabilities	149,215.14	101,581.52	127,957.01	26,512.26
Financial lease liabilities	3,566.52	0.00	0.00	0.00
Total	**21,094,026.37**	**14,287,283.59**	**14,955,277.43**	**9,656,677.81**

12. Analysis of loans

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

Long-term loans

	GROUP		COMPANY	
	31.03.2007	31.03.2006	31.03.2007	31.03.2006
Debenture loans	30,670,000.00	35,008,435.20	30,000,000.00	35,008,435.20

Short-term loans

	GROUP		COMPANY	
	31.03.2007	31.03.2006	31.03.2007	31.03.2006
Bank loans	37,499,319.19	20,040,624.07	18,315,470.73	8,994,110.07
Short-term segment of debenture loans	5,017,337.03	57,906.05	5,017,337.03	42,896.39
Total	**42,516,656.22**	**20,098,530.12**	**23,332,807.76**	**9,037,006.46**

TOTAL LOANS	**73,186,656.22**	**55,106,965.32**	**53,332,807.76**	**44,045,441.66**

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

	31.03.2007		31.03.2006	
	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	2,006,759.14	0.00	1,694,382.33
From a depreciation tax claim for intangible assets at a time earlier than the time when it is charged	0.00	3,322.35	0.00	0.00
From a depreciation tax claim for intangible assets at a time later than the time when it is charged	1,645.49	0.00	2,029.99	0.00
From valuation of long-term liabilities at present value	0.00	0.00	939.02	0.00
From accounting recognition of liabilities to employees discounted from tax at the time they are paid.	134,872.67	0.00	114,472.86	0.00
From deletion of claims	995.38	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	3,001.85	0.00	0.00	37,921.81
From a depreciation tax claim for setup expenses at a time later than the time when it is charged on the results	164.52	0.00	628.68	0.00
From inventory impairment	0.00	1,197.50	0.00	0.00
From a provision for doubtful claims	40,433.40	0.00	0.00	62,032.16
	181,113.31	**2,011,278.99**	**118,070.55**	**1,794,336.30**
		181,113.31		**118,070.55**
		1,830,165.68		**1,676,265.75**

b) For the Company

	31.03.2007		31.03.2006	
	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	1,334,957.10	0.00	1,108,130.30
From a depreciation tax claim for intangible assets at a time earlier than the time when it is charged	0.00	3,322.35	0.00	0.00
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	797.97
From accounting recognition of liabilities to employees discounted from tax at the time they are paid.	117,455.47	0.00	98,520.40	0.00
From valuation of long-term liabilities at present value	0.00	0.00	939.02	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	37,921.81
From a depreciation tax claim for setup expenses at a time later than the time when it is charged on the results	133.77	0.00	0.00	0.00
From exchange differences	0.00	0.00	0.00	0.00
From a provision for doubtful claims	52,500.00	0.00		62,500.00
Difference of product valuation	0.00	0.00	0.00	0.00
Impairment of participation value	11,500.00	0.00	11,500.00	0.00
	181,589.24	**1,338,279.45**	**110,959.42**	**1,209,350.08**
		181,589.24		**110,959.42**
		1,156,690.21		**1,098,390.66**

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	
	31.3.2007	31.3.2006	31.3.2007	31.3.2006
Balance as of 1.1.07 & 1.1.06	523,755.22	492,738.71	457,166.86	430,719.59
Compensations paid for the period	(965.00)	(129,689.30)	(965.00)	(127,870.00)
Provisions for the period	16,414.60	94,842.00	13,620.00	91,232.00
Total	**539,204.82**	**457,891.41**	**469,821.86**	**394,081.59**

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 95 %)
- Foreign sales (about 5 %)

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

	Group		Company	
	1.1-31.03		1.1-31.03	
	2007	2006	2007	2006
Sales of Merchandise	27,511,316.60	18,486,510.58	24,743,228.64	16,613,698.65
Sales of Products	19,626,207.32	13,005,452.04	13,600,741.85	10,663,836.59
Other sales	105,395.66	93,132.68	1,315.80	29.10
Total Sales	**47,242,919.58**	**31,585,095.30**	**38,343,970.49**	**27,277,564.34**

	THE GROUP		THE COMPANY	
	1.1-31.03		1.1-31.03	
	2007	2006	2007	2006
Domestic Sales	44,644,559.01	29,374,138.63	36,021,651.26	24,978,640.17
Foreign Sales	2,598,360.57	2,210,956.67	2,322,319.23	2,298,924.17
Total Sales	**47,242,919.58**	**31,585,095.30**	**38,343,970.49**	**27,277,564.34**

17. *Analysis of other accounts*

(a) Other income

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

	THE GROUP		THE COMPANY	
	1.1-31.03		1.1-31.03	
	2007	2006	2007	2006
Income from transport & delivery expenses	426,217.82	426,598.96	422,459.77	432,931.74
Income from foreign exchange differences	1,178.63	6,957.16	150.11	6,956.84
Other income	125,404.44	113,731.29	102,672.48	112,041.29
Total other operating income	**552,800.89**	**547,287.41**	**525,282.36**	**551,929.87**

(b) Other expenses

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

	THE GROUP		THE COMPANY	
	1.1-31.03		1.1-31.03	
	2007	2006	2007	2006
Doubtful debts	252,460.00	110,000.00	242,460.00	110,000.00
Losses from sale of fixed assets	0.00	919.71	0.00	919.71
Other expenses (foreign exchange differences etc)	122,399.89	7,515.20	118,886.06	7,490.41
Total other operating expenses	**374,859.89**	**118,434.91**	**361,346.06**	**118,410.12**

(c) Financial result

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

	THE GROUP		THE COMPANY	
	1.1-31.03		1.1-31.03	
	2007	2006	2007	2006
Interest and related income	109,005.02	152,684.34	86,331.44	135,315.64
Interest and related expenses	(885,332.29)	(569,587.78)	(701,236.60)	(422,446.30)
Financial result	**(776,327.27)**	**(416,903.44)**	**(614,905.16)**	**(287,130.66)**

18. *Reconciliation of income tax*

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

	THE GROUP		THE COMPANY	
	1.1-31.03		1.1-31.03	
	2007	2006	2007	2006
Tax for the period	1,270,953.55	214,700.00	957,771.25	214,700.00
Deferred tax	63,595.46	(206,162.84)	38,478.71	(136,527.80)
Tax audit adjustments	0.00	(14,198.80)	0.00	0.00
Total	**1,334,549.01**	**(5,661.64)**	**996,249.96**	**78,172.20**

19. *Analysis of profit per share*

	THE GROUP		THE COMPANY	
	1.1-31.03		1.1-31.03	
	2007	2006	2007	2006
Net profit attributable to equity holders	3,225,777.17	759,579.98	2,890,749.26	708,192.58
Number of shares	12,432,000	12,432,000	12,432,000	12,432,000
Profit per share (€)	**0.259**	**0.061**	**0.233**	**0.057**

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 analysed as follows:

	THE GROUP		THE COMPANY	
	1.1-31.03		1.1-31.03	
	2007	2006	2007	2006
Sales of goods, services and fixed assets	0.00	0.00	380,280.95	320,963.47
Purchases of goods, services and fixed assets	0.00	0.00	137,540.83	144,298.54
Receivables	0.00	0.00	324,749.07	208,674.34
Obligations	0.00	0.00	29,446.98	15,676.15
Transactions and fees of directors and managers	298,806.49	247,538.77	189,764.55	161,760.73
Receivables from directors and managers	0.00	0.00	0.00	0.00
Obligations to directors and managers	0.00	0.00	0.00	0.00

21. *Contingent Liabilities - Assets*

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 SA has been audited for the periods up to 2004 inclusive, METALPRO SA has been audited for the periods up to 2005 inclusive and STEEL CENTRE SA has been audited for to the periods up to 2004 inclusive. Therefore, tax obligations have not been finalized for the unaudited periods.

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:

	31.03.2007	
	Group	Company
Guarantees to secure obligations to banks	255,937.00	255,937.00
Guarantees to secure obligations to trade	16,838,624.25	12,559,736.35
Other guarantees	20,000.00	0.00
Total	**17,114,561.25**	**12,815,673.35**

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	
	31.03		31.03	
	2007	2006	2007	2006
Salaried employees	124	114	78	76
Day laborers	153	137	115	104
Total personnel	**277**	**251**	**193**	**180**

(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	
	31.03		31.03	
	2007	2006	2007	2006
Remuneration of employees	1,439,489.82	1,284,280.20	1,107,841.80	1,042,162.08
Employer contributions	399,578.24	343,909.93	310,886.80	282,683.63
Other benefits	2,694.59	14,556.10	45.00	17.60
Total	**1,841,762.65**	**1,642,746.23**	**1,418,773.60**	**1,324,863.31**

24. Financial Lease

The Financial Lease obligation is as follows:

	THE GROUP		THE COMPANY	
	1.1-31.03		1.1-31.03	
	2007	2006	2007	2006
Up to 1 year	3,679.08	0.00	0.00	0.00
From 1 to 5 years	1,532.95	0.00	0.00	0.00
Total	**5,212.03**	**0.00**	**0.00**	**0.00**
Less future financial leases	(131.34)	0.00	0.00	0.00
Current value of financial lease obligations	**5,080.69**	**0.00**	**0.00**	**0.00**
Present value of financial lease obligations				
Up to 1 year	3,566.52	0.00	0.00	0.00
From 1 to 5 years	1,514.17	0.00	0.00	0.00
Total	**5,080.69**	0.00	0.00	0.00

25. State Grants

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-computerisation systems, etc, of €350 thousand.

The grant of investment cost is subject to the following restrictions:

1. No grant of this investment by another source
2. Official supporting documents proving all expenses. In the case of purchase of new mechanical and other equipment whose net value exceeds €300,000.00 for each machinery or other equipment, the grant shall apply provided that the purchase by the investor is directly made from the manufacturing firm.

Until lapse of the five-year period from publication of the decision on completion and commissioning of the investment, the entity must not:

1. Interrupt production activity of the investment, unless Force Majeure applies due to natural disasters.
2. Cease operation of the entity, unless Force Majeure applies due to natural disasters.
3. Transfer subsidized fixed assets in no case whatsoever, unless replaced by other fixed assets held by the entity of equivalent value within a period of six months, able to serve

the productive operation of the entity, subject to notification of the competent service within three (3) months to that respect. Requests for the replacement of fixed assets for any subsidized investment may not be approved more than twice.

The grant of € 5,145,912.56 shall be collected in two equal instalments. The 1st instalment of € 2,572,956.28 shall be paid upon certification by the competent inspection bodies under article 7 of Law 3299/2004, that 50% of the investment has been implemented and that the investor complies with the terms and conditions of the inclusion decision. The remaining 50% of the grant shall be paid upon certification of the completion and commissioning of the investment by the competent inspection body under article 7 of Law 3299/2004.
It is possible to pay a lump-sum advance payment which shall not exceed 30% of that anticipated in the relevant decision on inclusion to the grant, upon procurement of a guarantee letter to the equivalent amount, incremented by 10% from a bank incorporated and legally operating in Greece. The aforementioned advance payment forms part of the totally paid grant.

The grant shall appear in the form of untaxed reserves under a special account in the entity's accounting books and shall be subject to the provisions of article 8(6) of Law 3299/2004.

26. Post balance sheet events

No events occurred that affect the Financial Statements.

Aspropirgos, May 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 69589/06