Annual Financial Report

(1st January 2010 – 31st December 2010)

THE CHAIRMAN OF THE BOARD OF DIRECTORS	A MEMBER OF THE BOARD OF DIRECTORS	THE GENERAL MANAGER	THE FINANCIAL MANAGER OF THE GROUP
THEODOSIOS PAPAGEORGOPOULOS ID Card No. AE 135393	GEORGE PASSAS ID Card No. Φ 020251	PERIKLIS SAPOUNTZIS ID Card No. AH 582570	SPYRIDON KOKKOLIS ID Card No. X701209

HALCOR S.A.

NO. in S.A. Register 2836/06/B/86/48

Address: Athens Tower, Building B, 2-4, Messoghion Avenue, 11527, Athens

Contents

STATEMENTS BY MEMBERS OF THE BOARD OF DIRECTORS

(pursuant to Article 4(2) of Law 3556/20077)

The members of the Board of Directors of the company with the name HALCOR S.A.-METAL PROCESSING, trading as HALCOR S.A., whose registered offices are in Athens, at 2-4, Messoghion Avenue:

1. Theodosios Papageorgopoulos, Chairman of the Board of Directors
2. Nikolaos Koudounis, Board of Directors Member,
3. George Passas, Board of Directors Member,

in our said capacity, do hereby declare and confirm that as far as we know:

(a) the attached annual company and consolidated financial statements for the company HALCOR S.A. for the period from 1 January to 31 December 2010, which were prepared in accordance with the applicable International Financial Reporting Standards (IFRS), as adopted by the European Union, accurately present the assets, liabilities, equity and results for the period ended on 31 December 2010 for HALCOR S.A. and the entities included in the consolidation taken as a whole, in line with the provisions of Article 4(3) to (5) of Law 3556/2007; and

(b) the attached annual report of the Board of Directors of HALCOR S.A. contains the true information required by Article 4(6) to (8) of Law 3556/2007.

Athens, 24 March 2011

Confirmed by

The Chairman of the Board	The Board-appointed Member	The Board-appointed Member
THEODOSIOS PAPAGEORGOPOULOS	NIKOLAOS KOUDOUNIS	GEORGE PASSAS
ID Card No. AE 135393	ID Card No. AE 012572	ID Card No. Φ 020251

Annual Report by Board of Directors

This Annual Report of the Board of Directors set out below (hereinafter referred to for the purpose of brevity as "Report") concerns year 2010 (1 January – 31 December 2010). This report was prepared in line with the relevant provisions of Codified Law 2190/1920 as it was revised by the Law 3873/2010, the provisions of Law 3556/2007 (Government Gazette 91/A/30.4.2007) and the decisions of the Hellenic Capital Market Commission (HCMC) issued pursuant to it, and in particular Decision No. 7/448/11.10.2007 of the Board of Directors of the HCMC.

This report details financial information on the Group and Company of HALCOR S.A.-METAL PROCESSING (hereinafter referred to for the purpose of brevity as "Company" or "HALCOR") for year 2010, important events that took place during the said year and their effect on annual financial statements. It also stresses the main risks and uncertainties with which Group companies were faced and finally sets out the important transactions between the issuer and its affiliated parties.

A. Financials - Business report - Major events

In 2010 global economic activity showed signs of recovery, but remained at low levels reflecting the prevailing difficult economic conditions and low consumer confidence facing particular countries of Europe. Despite the negative economic conditions in Greece and the difficult environment in Western and South Eastern Europe, the Group managed to increase its sales volume and gain market share. The consolidated turnover stood at Euro 1,044 million compared to Euro 679 million in 2009, thus registering a 53.8% increase. This growth is due to the comparatively higher average metal prices and the increase of sales volume by 19.9%.

Metal prices increased significantly in 2010 compared with those of last year, driven both by demand from emerging markets and investment movements due to liquidity in international financial markets coupled with expectations for a recovery of developed markets. Thus, the average price of copper was higher by 54.9% and stood at 5,681 euros per ton from Euro 3,667 per ton, while the average price of zinc was higher by 37.7% and stood at 1,623 euros per ton compared to Euro 1,179 per ton.

In terms of volumes in 2010, the sales mix changed considerably in favour of copper tubes and copper extrusion products and at the detriment of brass extrusion products. More specifically, the sales of cables accounted for 41% of total sales, the sales of tubes for 26%, rolling products for 18%, copper bus bars for 9% and brass rods for 6%.

Consolidated gross profit rose by 35.2% and stood at Euro 43.4 million compared to Euro 32.1 million in 2009. In 2010, consolidated earnings before interest, taxes, depreciation and amortization (EBITDA) came to Euro 32.5 million compared to Euro 20.4 million during last year increased by 59.5%, while earnings before interest and taxes (EBIT) came to Euro 4.2 million compared to losses of Euro 5.8 million in 2009. In 2010, consolidated results (profit/loss before taxes) stood at losses of Euro 16.2 million compared to losses of Euro 22.1 million in 2009. Finally, losses after taxes and minority interests stood at Euro 13.1 million or Euro -0.1293 per share, compared to losses of Euro 19.4 million or Euro -0.1913 per share in 2009.

The increased sales abroad, mainly in Western and Central Europe which showed signs of recovery, offset the negative impact on the gross results from the loss of revenue due to the significant deterioration in the domestic market. In Greece, construction activity has declined for the third consecutive year and the worsening financial crisis is expected to lead to further decline. The increase in demand on international markets was more pronounced in industrial products than in installation products that negatively affected by the rising price of copper and its high volatility.

In 2010, following the movements of 2009, cost savings initiatives and the restructuring of production optimization and reorganization of production processes continued. Within this place, it was accomplished the de-merger of brass rods and tubes industry from HALCOR and the transfer to its 100% subsidiary FITCO SA (former SYLL.AN. SA). In addition to the measures implemented to reduce production costs, the HALCOR Group continued measures to contain administrative and selling expenses, the results of which will appear in 2011.

The increase in metal prices during 2010 coupled with increased total sales negatively affected the working capital producing a result that the Group generated a negative cash flow from operating activities. This also adversely affected the total Group net debt, which amounted to Euro 477 million versus Euro 402 million at the end of 2009.

In 2010 the Group proceeded with low investment costs consisted primarily of some necessary improvements - upgrades to existing machinery.

In 2010, the Group proceeded with low investment expenditures that concerned some necessary improvements – upgrades of existing mechanical equipment. The total cost of these investments amounted to Euro 13.3 million approximately, out of which the amount of Euro 3.6 million concerned the plants of the parent company and its subsidiary FITCO SA at Inofyta focusing mainly on the Tubes Plant; Euro 4.3 million concerned the upgrade of the production units of subsidiary SOFIA MED in Bulgaria; Euro 4 million concerned the production facilities of HELLENIC CABLES in Greece and Euro 1.4 million referred to the cables plant of ICME ECAB in Romania.

In December 2010, our subsidiary Sofia Med SA (100%) completed a capital increase by Euro 25 million with a capitalization of an equal amount of financial debt towards HALCOR in order to improve its capital structure.

B. Financial standing

The ratios showing the financial standing of both Group and Company evolved as follows:

RATIOS	GROUP		COMPANY	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Liquidity Current Assets / Current Liabilities	1,03	1,16	1,06	1,25
Leverage Equity / Bank Loans	0,34	0,44	0,59	0,77
Return on Invested Capital Profit Before Taxes and Financial Expences / Equity + Bank Loans	0,7%	-0,7%	-0,5%	-1,7%
Return on Equity Net Profits / Equity	-9,1%	-12,1%	-5,4%	-6,9%

C. Corporate Social Responsibility and Sustainable Development

Environment

HALCOR, considering the major environmental problems that humanity is facing, seeks to actively contribute to international efforts to protect the environment, both through its responsible operation and minimizing its environmental footprint.

The protection of the environment implemented with significant investments in integrated measures to prevent pollution and to optimize production processes through the use of BAT (Best Available Techniques), established by the European Union. In the adoption of best available techniques, the production processes are assessed based on the total environmental footprint, including the consumption of electricity, water and other natural resources, not only in terms of waste.

Human Resources

One of the main advantages of HALCOR is the quality of human capital that is credited in large part for its hitherto successful course. For this reason, the company attaches great importance to the selection, evaluation and reward its staff.

HALCOR's policy is to attract high quality individuals for optimal and timely needs, the establishment of objective evaluation and selection criteria as well as to ensure fairness and merit-based recruitment, through transparent procedures.

HALCOR within its responsible operation has established a code of values and behavior of employees. The Code is mandatory for all workers across the range of activities of the Company. This Code has been incorporated in the Bylaws of the Company and outlines the basic principles and rules governing the internal life and practices of the organization, taking into account the existing provisions under national and international legislative framework.

In the context of equal opportunities policy that is being applied, the Company desires and seeks a balanced distribution among employed men and women. However, given the nature of business, the involvement of men is increased.

Moreover, HALCOR seeks and ensures jobs and recruitment from the wider society, Viotia and Evia, supporting virtually the employment in the region.

Health & Safety

HALCOR cares of creating and maintaining a modern and safe working environment which is continuously improved reflecting the high levels of security that seeks to provide for their employees. For this reason, it maintains and implements a Management System for Safety and Health at Work, in accordance with the standards OHSAS 18001:2007 / ELOT 1801:2008.

In 2010, further steps were taken to improve the security culture while the training of employees to create a safe working environment intensified. HALCOR's virtue is the recording and reporting of "near misses" something that is key element for improving and advancing worker safety.

D. Main risks and uncertainties

The Group is exposed to the following risks from the use of its financial instruments:

Credit Risk

Group exposure to credit risk is primarily affected by the features of each customer. The demographic data of the Group's clientele, including payment default risk characterising the specific market and the country in which customers are active, affect less the credit risk since no geographical concentration of credit risk is noticed. No client exceeds 10% of total sales and, consequently, commercial risk is spread over a large number of clients.

Based on the credit policy adopted by the Board of Directors, each new customer is tested separately for creditworthiness before normal payment terms are proposed. The creditworthiness test made by the Group includes the examination of bank sources. Credit limits are set for each customer, which are reviewed in accordance with current circumstances and the terms of sales and collections are readjusted, if necessary. In principal, the credit limits of customers are set on the basis of the insurance limits received for them from insurance companies and, subsequently, receivables are insured according to such limits.

When monitoring the credit risk of customers, the latter are grouped according to their credit characteristics, the maturity characteristics of their receivables and any past problems of receivability they have shown. Trade and other receivables include mainly wholesale customers of the Group. Any customers characterised as being of "high risk" are included in a special list of customers and future sales must be received in advance and approved by the Board of Directors. Depending on the background of the customer and its status, the Group demands real or other security (e.g. letters of guarantee) in order to secure its receivables, if possible.

The Group makes impairment provisions which reflect its assessment of losses from customers, other receivables and investments in securities. This provision mainly consists of impairment losses of specific receivables that are estimated based on given circumstances that they will be materialized though they have not been finalized yet.

Investments

These items are classified by the Company pursuant to the purpose for which they were acquired. The Management decides on adequate classification of the investment at the time of acquisition and reviews classification on each presentation date.

The Management estimates that there will be no payment default for such investments.

Guarantees

The Group's policy consists in not providing any financial guarantees, unless the Board of Directors decides so on an exceptional basis; this concerning subsidiaries or affiliated companies.

Liquidity risk

Liquidity risk is the inability of the Group to discharge its financial obligations when they mature. The approach adopted by the Group to manage liquidity is to ensure, by holding absolutely necessary cash and adequate credit limits from cooperating banks, that it will always have adequate liquidity to cover its obligations when they mature, under normal or more difficult conditions, without there being unacceptable losses or its reputation being jeopardised. Note that on 31 December 2010, the Group had an amount of Euro 17.4 million as cash and the necessary credit lines that are approved but are not used so as to meet its short- and medium-term obligations easily.

To avoid liquidity risk the Group makes a cash flow provision for one year when preparing the annual budget as well as a monthly rolling provision for three months to ensure that it has adequate cash to cover its operating needs, including fulfilment of its financial obligations. This policy does not take into account the impact of extreme conditions which cannot be foreseen.

Market Risk

Market risk is the risk of a change in raw material prices, exchange rates and interest rates, which affect the Group's results or the value of its financial instruments. The purpose of risk management in respect of market conditions is to control Group exposure to such risks in the context of acceptable parameters while at the same time improving performance.

The Group enters into transactions involving derivative financial instruments so as to hedge a part of the risks arising from market conditions.

Fluctuation risk of metal prices (copper, zinc, other metals)

The Group bases both its purchases and sales on stock market prices/ indexes for the price of copper and other metals used and contained in its products. The risk from metal price fluctuation is covered by hedging instruments (futures on London Metal Exchange-LME). The Group, however, does not use hedging instruments for the entire stock of its operation and, as a result, any drop in metal prices may have a negative effect on its results through inventories impairment.

Exchange rate risk

The Group is exposed to foreign exchange risk in relation to the sales and purchases carried out and the loans issued in a currency other than the functional currency of Group companies, which is mainly Euro. The currencies in which these transactions are held are mainly Euro, USD and GBP.

Over time, the Group hedges the greatest part of its estimated exposure to foreign currencies in relation to the anticipated sales and purchases as well as receivables and liabilities in foreign currency. The Group enters mainly into currency forward contracts with external counterparties so as to deal with the risk of the exchange rates varying, which mainly expire within less than a year from the balance sheet date. When deemed necessary, these contracts are renewed upon expiry. As the case may be, the foreign exchange risk may be hedged by taking out loans in the respective currencies.

Loan interest is denominated in the same currency with that of cash flows, which arises from the Group's operating activities and is mostly Euro.

The investments of the Group in other subsidiaries are not hedged because these exchange positions are considered to be long-term.

Interest rate risk

The Group finances its investments and its needs for working capital from bank and bond loans with the result that interest charges reduce its results. Rising interest rates have a negative impact on results since borrowing costs for the Group rise.

Interest rate risk is mitigated since part of the Group borrowing is set at fixed rates either directly or using financial instruments (interest rate swaps).

Capital management

The Groups' policy is to maintain a strong capital base to ensure investor, creditor and market trust in the Group and to allow Group activities to expand in the future. The Board of Directors monitors the return on capital which is defined by the Group as net results divided by total equity save non-convertible preferential shares and minority interests. The Board of Directors also monitors the level of dividends distributed to holders of common shares.

The Board of Directors tries to maintain equilibrium between higher returns that would be feasible through higher borrowing levels and the advantages and security offered by a strong and robust capital structure.

The Group does not have a specific plan for own shares purchase.

There were no changes in the approach adopted by the Group in how capital was managed during the financial year.

E. Outlook and prospects for 2011

In 2011, economic conditions will remain difficult in certain key markets (Greece, Balkans), but some early signs of economic stabilization - growth in some of the countries where we operate are encouraging. Despite the uncertainty about the movement of metal prices and the development in foreign markets we are cautiously optimistic about the progress of the Group's financial results in 2011.

In a quite difficult macroeconomic environment, the Group has set as its main strategic goal to maintain its market shares in Western and South Eastern Europe and to enhance its activity in new markets where it was not operating until now. The actions implemented in 2010 to reduce costs will perform in 2011 while others will continue to be implemented this year with the main objective of the Group to remain competitive in the long term. Alongside this, the optimal management of working capital and net debt reduction are the main priority for this year.

F. Important transactions with related parties

Transactions with affiliated parties mainly concern purchases, sales and processing of copper and zinc products (finished and semi-finished). Through such transactions, the companies take advantage of the Group's size and attain economies of scale.

Transactions between affiliated parties within the meaning of IAS 24 are broken down as follows:

Transactions of the parent company with subsidiaries (amounts in thousand Euros)

Company	Sales of Goods, Services & Fixed assets	Purchases of Goods, Services & Fixed assets	Receivables	Payables
HELLENIC CABLES GROUP	56.563	17.634	926	1.324
STEELMET GROUP	9	2.494	1	2
SOFIA MED	38.920	12.663	32.705	1,80
FITCO	17.140	2.560	3.332	0
METAL AGENCIES	53.293	70	7.824	62
OTHER SUBSIDIARIES	360	312	1.763	316
TOTAL SUBSIDIARIES	**166.286**	**35.733**	**46.551**	**1.705**

HELLENIC CABLES S.A. buys from HALCOR considerable quantities of wire rod for cable production. In its turn, it sells copper scrap to HALCOR from the products returned during its production process.

STEELMET S.A. provides HALCOR with administration and organization services.

SOFIA MED SA buys from HALCOR semi-finished products of copper and copper alloys, depending on its needs. It also sells semi-finished copper and brass coils for further processing in HALCOR. HALCOR provides technical, administrative and commercial support services.

FITCO SA buys from HALCOR raw materials. HALCOR processes FITCO’s materials and deliver back semi-finished products. It also provides FITCO with administrative support services.

METAL AGENCIES LTD acts as merchant - central distributor of HALCOR Group in Great Britain.

Transactions of the parent company with other affiliated companies (amounts in thousand Euros)

Company	Sales of Goods, Services & Fixed assets	Purchases of Goods, Services & Fixed assets	Receivables	Payables
MKC GMBH	35.363	249	7.701	38
STEELMET ROMANIA SA	15.596	27	2.220	27
TEKA SYSTEMS SA	36	568	7	38
ANAMET SA	138	23.184	74	204
VIEXAL SA	-	254	-	13
CPW AMERICA SA	409	-	-	-
VIOHALCO SA	35	926	43	-
TEPRO METAL AG	2	114	-	102
ETEM SA	1	2	1	-
ELVAL SA	426	2.118	91	229
SIDENOR SA	119	15	51	3
CPW SA	-	18	-	-
SYMETAL	-	9	-	11
STOMANA	-	6	-	6
STEELMET BULGARIA	-	-	-	-
COPPERVALIUS	1.818	4.748	138	1.431
OTHER AFFILIATED	425	985	853	377
TOTAL AFFILIATED	**54.369**	**33.222**	**11.179**	**2.479**

MKC GMBH trades HALCOR products in the German market.

STEELMET ROMANIA trades HALCOR products in the Romanian market.

TEKA SYSTEMS S.A. undertakes to carry out certain industrial constructions on behalf of HALCOR and provides consulting services in IT issues and SAP support and upgrade.

ANAMET S.A. provides HALCOR with considerable quantities of copper and brass scrap.

VIEXAL SA provides HALCOR with travelling services.

CPW AMERICA CO trades HALCOR products in the American market.

VIOHALCO S.A. provides HALCOR with buildings - industrial premises for renting.

TEPRO METALL AG trades (through its subsidiary MKC) HALCOR products and represents the latter in the German market.

COPPERVALIUS S.A. provides HALCOR with considerable quantities of copper and brass scrap.

Transactions of HALCOR Group with other affiliated companies (amounts in thousand Euros)

Company	Sales of Goods, Services & Fixed assets	Purchases of Goods, Services & Fixed assets	Receivables	Payables
MKC GMBH	68.055	256	13.893	40
STEELMET ROMANIA SA	19.219	209	3.063	193
TEKA SYSTEMS SA	37	1.421	34	412
ANAMET SA	628	26.340	244	204
VIEXAL SA	-	835		58
CPW SA	409	-	-	-
VIOHALCO SA	222	1.241	113	-
TEPRO METAL AG	53	355	6	270
ETEM SA	562	142	365	194
ELVAL SA	7.344	8.030	1.642	2.972
SIDENOR SA	3.132	1.653	864	1.383
CORINTH PIPEWORKS SA	1.142	895	156	752
SYMETAL SA	496	9.012	201	2.116
STOMANA SA	871	2.013	440	1.341
STEELMET BULGARIA SA	2.716	196	1.076	196
COPPERVALIUS SA	19.118	75.369	3.795	1.432
OTHER AFFILIATED	2.939	4.825	2.306	1.044
TOTAL AFFILIATED	**126.943**	**132.791**	**28.199**	**12.606**

Fees of Executives and Board members (amounts in thousand Euro)

The table below sets out the fees paid to executives and members of the Board of Directors:

	Group	**Company**
Total fees of management executives & Board members	3,946	2,347

G. Subsequent events

On January 24, 2011 HALCOR SA and its subsidiary HELLENIC CABLES SA signed a contract for a common bond of Euro 12,250,000 and Euro 4,700,000 respectively with the bank ALPHA BANK. Both loans are for 2 years and issued under the Laws 3156/2003 and 2190/1920, pursuant to the decision of the Annual General Meeting of 17/6/2010 and the decisions of the Boards of Directors of 09/12/2010.

BOARD OF DIRECTORS' EXPLANATORY REPORT

(Article 4(7) and (8) of Law 3556/2007)

a) Structure of share capital

Company share capital stands at Euro 38,486,258 divided into 101,279,627 common unregistered shares with a nominal value of Euro 0.38 each. All shares are traded on the ATHEX Equities Market in the Large Cap category. Company shares are unregistered, dematerialised shares incorporating voting rights.

According to the Company's Articles of Associations, the rights and obligations of shareholders are as follows:

- Right to obtain a dividend from the Company's annual profits. The dividend to which each share is entitled shall be paid to the shareholder within two (2) months from the date of approval by the General Meeting of the financial statements. The right to collect a divided shall be deleted after the elapse of 5 years from the end of the year in which the General Meeting approved distribution.
- Option in each share capital increase and right to subscribe new shares.
- Right to participate in the General Meeting of Shareholders.
- Ownership of shares automatically entails acceptance of the Company's Articles of Association and the decisions of its bodies taken in accordance with the law.
- Company shares are indivisible and the Company only recognises one owner of each share. All co-owners of a share by entirety as well as those having the usufruct or bare ownership are represented in the General Meeting by a single person that is appointed by the same following agreement. In case of disagreement the share of the aforementioned owners is not represented.
- Shareholder liability is limited to the nominal value of each share they hold.

b) Restrictions on the transfer of Company shares

Company shares may be transferred in the manner laid down by law and there are no restrictions on their transfer contained in the Articles of Association.

c) Major direct or indirect holdings within the meaning of Articles 9 to 11 of Law 3556/2007

The major holdings (over 5%) known on 31 December 2010 were as follows:

- VIOHALCO S.A. — 60.10 % of voting rights of which it directly holds 53.55 % of share capital
- Mr. Evangelos Stasinopoulos: — 9.33% of voting rights (to which the 7.3% holding of WHEATLAND HOLDINGS LTD has been added).
- WHEATLAND HOLDINGS LTD: — 7.37% of the share capital

d) Shares granting special rights of control

There are no shares in the Company granting their holders special rights of control.

e) Restrictions on voting rights

The Company's Articles of Association contain no restrictions on voting rights deriving from its shares. The rules in the Company's Articles of Association which regulate issues on the exercise of voting rights are contained in Article 24 of the Articles of Association and stipulate:

- Each share entitles its holder to one vote at the General Meeting.
- In order to obtain a right to attend a General Assembly, shareholders are obliged at least 3 days before the date of the meeting to present a certificate from the Central Securities Depository (Athens) to the company's offices on the number of shares entered in their name, with a date of registration at the start of fifth date before the date of the General Assembly. They shall also submit powers of attorney for their representatives to the Company's offices within the same deadline of 3 days.

f) Agreements between Company shareholders

The Company is not aware of the existence of agreements between its shareholders which entail restrictions on the transfer of its shares or the exercise of voting rights deriving from its shares.

g) Rules on the appointment and replacement of Board members and amendment of the Articles of Association

The rules contained in the Company's Articles of Association on appointment and replacement of members of the Board of Directors and amendment of the provisions of the latter are not different from those contained in Codified Law (C.L.) 2190/1920.

h) Powers of the Board of Directors to issue new shares or purchase own shares

- Article 6(1) of the Company's Articles of Association states that only the General Shareholders Meeting with a 2/3 quorum of the paid-up share capital has the right to decide on a share capital increase of the Company with the issuance of new shares, such decision requiring the 2/3 of represented voting rights.

- The Articles of Association of the Company do not allow the transfer to the Board of Directors or to some of its members of any right falling under the competence of the General Meeting regarding the issuance of shares and share capital increase.

- The Board of Directors may acquire own shares in implementation of a decision of the General Meeting taken under Article 16(5) to (13) of C.L. 2190/20.

- In pursuance of Article 13(9) of C.L. 2190/1920 and a decision of the General shareholders Meeting made on 20 June 2002, during the month of December of years 2006-2013 the Board of Directors of the Company shall increase the Company's share capital without amending its Articles of Association by issuing new shares in the context of implementation of an approved Stock Option Plan, details of which are laid down in Note 18.

i) Major agreements which take effect have been amended or expire in the case of change in control

The bank loans of both the Company and HALCOR Group, taken out fully by Banks and set out in Note 17 of the Annual Financial Report (Group: Euro 158.1 million on a long-term basis and Euro 214.7 million on a short-term basis and Company: Euro 113.9 million long-term and Euro 118.7 million short-term) include clauses of change in control granting lenders the right to early terminate them.

There are no other major agreements which take effect, have been amended or expire in the case of change in control of the Company.

j) Agreements with Board of Directors members or Company staff

There are no agreements between the Company and members of the Board of Directors or staff which provide for the payment of remuneration specifically in the case of resignation or dismissal without just cause or termination of service or employment.

CORPORATE GOVERNANCE STATEMENT

This statement has been prepared in accordance with the provisions of Law 3873/10. Specifically, as those referred to in Article 2 of Law 3873/2010, note the following:

Corporate Governance Code

The Company has adopted the practices of Corporate Governance as for its management and operation, as these are specified under the applicable institutional framework and the Corporate Governance Code recently published by the Hellenic Federation of Enterprises (SEV) (hereinafter the "code") and available on the following website:

http://www.sev.org.gr/Uploads/pdf/KED_TELIKO_JAN2011.pdf

In the context of preparation of the Annual Report of the Board of Directors, the Company reviewed the Code. Based on such review, the Company concluded that it applies the special practices for listed companies which are set out and described in the Corporate Governance Code of SEV, save the following practices due to the recent publication of the Code, which requires an adjustment phase:

- **Part A.II.2.2 & 2.3: Size and composition of the Board.** The independent non-executive members of the current Board of Directors are two (2) out of eleven (11) and therefore, their number is less than the one third of all its members, as indicated in the Code. An independent non-executive member has served on the Board for more than 12 years from the date of the first election.
- **Part A.III.3.3: Role and qualities required from the President of the Board.** The Vice President of this Board has not the status of independent non-executive member, although the President is an executive member.
- **Part A.V.5.5: Nomination of Board members.** There was no committee to nominate members until the time this Statement was drafted.
- **Part A.VII.7.1. – 7.3: Evaluation of Board of Directors and its Committees.** Until the time this Statement was drafted, the Company had not chosen any specific method to evaluate the effectiveness of the Board of Directors and its Committees.
- **Part C.I.1.6: Level and structure of remuneration.** Until the time this Statement was drafted, there was no Remuneration Committee.

The Company does not implement any other corporate governance practices than the special practices of the Corporate Governance Code of SEV and the provisions of Law 3873/2010.

Main characteristics of the Internal Control and Risk Management Systems in relation to the preparation of the Financial Statements and financial reports.

i. **Description of main characteristics and details of the Internal Control and Risk Management Systems in relation to the preparation of the consolidated financial statements**.

The Internal Control System of the Company covers the control procedures involving the operation of the Company, its compliance with the requirements of supervisory authorities, risk management and preparation of financial reports.

The Internal Audit Department controls the proper implementation of each procedure and internal control system regardless of their accounting or non-accounting content and evaluates the enterprise by reviewing its activities, acting as a service to the Management.

The Internal Control System aims, among others, to secure the thoroughness and reliability of the data and information required for the accurate and timely determination of the Company's financial situation and the generation of reliable financial statements.

As regards the preparation of financial statements, the Company reports that the financial reporting system of "HALCOR S.A.-METAL PROCESSING" uses an accounting system that is adequate for reporting to Management and external users. The financial statements and other analyses reported to Management on a quarterly basis are prepared on an individual and consolidated basis in compliance with the International Financial Reporting Standards, as adopted by the European Union for reporting purposes to Management, and also for the purpose of publication in line with the applicable regulations and on a quarterly basis. Both administrative information and financial reports to be published include all the necessary details about an updated internal control system including analyses of sales, cost/expenses and operating profits as well as other data and indexes. All reports to Management include the data of the current period compared to the respective data of the budget, as the latter has been approved by the Board of Directors, and to the data of the respective period of the year before the report.

All published interim and annual financial statements include all necessary information and disclosures about the financial statements, in compliance with the International Financial Reporting Standards, as adopted by the European Union, reviewed by the Audit Committee and respectively approved in their entirety by the Board of Directors.

Controls are implemented with respect to: a) risk identification and evaluation as for the reliability of financial statements; b) administrative planning and monitoring of financial figures; c) fraud prevention and disclosure; d) roles and powers of executives; e) year closing procedure including consolidation (e.g. recorded procedures, access, approvals, agreements, etc) and f) safeguarding the data provided by information systems.

The internal reports to Management and the reports required under Codified Law 2190/1920 and by the supervisory authorities are prepared by the Financial Services Division, which is staffed with adequate and experienced executives to this effect. Management takes steps to ensure that these executives are adequately updated about any changes in accounting and tax issues concerning both the Company and the Group.

The Company has established separate procedures as to how to collect the necessary data from the subsidiary companies, and secures the reconciliation of individual transactions and the implementation of the same accounting principles by the aforementioned companies.

ii. Annual evaluation of corporate strategy, main business risks and Internal Control Systems.

The Company's Board of Directors states that it has examined the main business risks facing the Group as well as the Internal Control Systems. On an annual basis, the Board of Directors reviews the corporate strategy, main business risks and Internal Control Systems.

iii. Provision of non-audit services to the Company by its legal auditors and evaluation of the effect this fact may have on the objectivity and effectiveness of mandatory audit, taking also into consideration the provisions of Law 3693/2008.

The statutory auditors of the Company for the fiscal year 2010, i.e. "KPMG Certified Auditors A.E.", who have been elected by the Ordinary General Meeting of the Company's Shareholders on 17 June 2010, do not provide non-audit services to the Company and its subsidiaries apart from those prescribed under law.

Public takeover offers - Information

- There are no binding takeover bids and/or rules of mandatory assignment and mandatory takeover of the Company's shares or any statutory provision on takeover.

- There are no third-party public offers to take over the Company's share capital during the last and current year.

- In case the Company takes part in such a procedure, this will take place in accordance to applicable laws.

General Meeting of the Shareholders and rights of shareholders

The General Meeting is convened and operates in compliance with the provisions of the Articles of Association and the relevant provisions of Law 2190/1920, as amended and in force today. The Company makes the necessary publications in line with the provisions of Law 3884/2010 and generally takes all steps required for the timely and thorough information of shareholders in regard to the exercise of their rights. The latter is ensured by publishing the invitations to General Meetings and uploading them on the Company's website, the text of which contains a detailed description of shareholders rights and how these can be exercised.

Composition and operation of the Board of Directors, the Supervisory Bodies and the Committees of the Company

Roles and responsibilities of the Board of Directors

The Company's Board of Directors is responsible for the long-term strategy and operational goals of the Company and generally for the control and decision-making within the framework of the provisions of Codified Law 2190/1920 and the Articles of Association, and for compliance with corporate governance principles.

The Board of Directors convenes at the necessary intervals so as to perform its duties effectively.

The role and responsibilities of the Board of Directors are summed up as follows:

- Supervision and monitoring of Company operations as well as control of attainment of business goals and long-term plans;
- Formulation and specification of Company core values and objectives;
- Securing the alignment of the adopted strategy with Company goals.
- The Board of Directors ensures that there are no situations of conflict of interests and examines any incidents or cases of deviation from the confidential information policy;
- Ensuring the reliability and approval of the Company's Financial Statements prior to their final approval by the Ordinary General Meeting;
- Securing the execution of its business activity on a daily basis through a special authorization system, while other affairs falling under its scope of responsibility are implemented under special decisions.
- The secretary of the Board of Directors is appointed for each Board of Directors and his main responsibilities are to support the Chairman and the operation of the Board in general.

The existing Board of Directors of the Company consists of 11 members of whom:

- 5 are executive members (Chairman, Vice-Chairman & 3 Members)
- 4 are non-executive members (Other Members)
- 2 are independent, non-executive members (Other Members)

The current Board of Directors of HALCOR S.A.-METAL PROCESSING consists of the following:

- Theodossios Papageoprgopoulos, Chairman, executive member
- Nikolaos Koudounis, Vice Chairman, executive member
- Perikles Sapountzis, executive member
- Eftyhios Kotsambasakis, executive member
- Tassos Kassapoglou, executive member
- Georgios Passas, non-executive member
- Konstantinos Bakouris, non-executive member
- Christos – Alexis Komninos, non-executive member
- Andreas Katsanos, non-executive member
- Andreas Kyriazis, independent non-executive member
- Nikolaos Galetas, independent non-executive member

The members of the Board are elected for a one-year term by the General Meeting of the Shareholders. The existing Board of Directors of the Company was elected by the Ordinary General Meeting on 17 June 2010 and its term of office shall expire on 17 June 2011.

The Board of Directors met 72 times during 2010 with all members attended.

Audit Committee

i. Description of the composition, operation, work, responsibilities and of the issues discussed during Committee meetings

The Audit Committee, which is elected and operates according to Law 3693/2008 (Article 37), consists of three non-executive members of the Board of Directors, one of which is independent, and his main task, in the context of the obligations described by the above law, is to support the Company's Board of Directors to fulfil its mission to safeguard the effectiveness of accounting and financial systems, audit mechanisms, business risk management systems, assure compliance with the legal and regulatory framework, and effectively implement Corporate Governance principles.

More specifically, the Audit Committee has the following responsibilities:

- To examine the effectiveness of all Management levels in relation to the safeguarding of the resources they manage and their compliance with the Company's established policy and procedures;
- To evaluate the procedures and data in terms of adequacy as for the attainment of objectives and assess the policy and the programme concerning the activity under review;
- To control periodically the various functions of different divisions or departments so as to ensure that their various functions are carried out regularly, comply with Management instructions, Company policy and procedures, and that they abide by Company objectives and standards of management practice;
- To review internal audit reports and specifically:
    - to evaluate the adequacy of their scope;
    - to confirm the accuracy of reports;
    - to examine the adequacy of documentation of the results.

The Audit Committee receives the following reports on audit activity:

- Extraordinary reports
- Quarterly financial audit reports
- Ordinary annual audit reports
- Corporate Governance Reports

The Audit Committee examines and ensures the independence of the Company's external auditors and takes cognisance of their findings and the Audit Reports on the annual or interim financial statements of the Company. At the same time, it recommends corrective actions and procedures so as to deal with any findings or failures in areas of financial reports or other important functions of the Company.

According to its Operation Regulation, the Audit Committee consists of one independent and non-executive member of the Board of Directors and two non-executive members who have the necessary knowledge and experience for the Committee's work.

The existing Audit Committee consists of the following persons:

Members: Andreas Kyriazis: independent non-executive member of the Board.

Georgios Passas: non-executive member of the Board

Andreas Katsanos: non-Executive member of the Board

ii. Number of Committee meetings and frequency of each member's participation in meetings

The Audit Committee met 4 times during 2010 having full quorum but was not attended by the statutory auditors as prescribed under the Code.

iii. Evaluation of effectiveness and performance of the Committee

Until the time this Statement was drafted, no special procedures had been established to evaluate the effectiveness of the Board's Committee. Company Management will establish such procedures in the future.

CURRICULUM VITAE OF THE BOARD MEMBERS

Theodossios Papageorgopoulos, Chairman (Executive Member)

Mr. Papageorgopoulos is a graduate of Athens University of Economics and Business. He has been working for VIOHALCO GROUP since 1962 and has served as General Manager in HALCOR SA from 1973 to 2004. Between 2004 and this date is the Chairman of the Board of HALCOR SA.

Nikolaos Koudounis, Vice-Chairman (Executive Member)

Mr. Koudounis is a graduate of Athens University of Economics and Business. He has been working for VIOHALCO Group since 1968 and he has been the Financial Manager of ELVAL SA (1983), General Manager of ELVAL SA (2000) and Managing Director of FITCO SA (2004). He already participates as an executive director in the Boards of ELVAL SA, HALCOR SA, DIA.VI.PE.THI.V SA (Chairman of BoD), FITCO SA (Chairman of BoD) and other Group companies. He is also the Chairman of the Board of Viotia Association of Industries.

Perikles Sapountzis, (Executive Member)

Mr. Sapountzis is a Chemical Engineer, graduated from the University of Munich and has also a PhD (TUM). He has been working for VIOHALCO Group since 1995 when hired as a sales manager in HELLENIC CABLES SA. From 1997 to 2000 he was Commercial Director of TEPRO METALL AG. In 2000 he became General Manager of ICME ECAB SA and in 2004 took the same position in the parent company HELLENIC CABLES SA. Between 2008 and currently holds the position of General Director and Board Member of HALCOR SA.

Tassos Kassapoglou, (Executive Member)

Graduate Engineer - Electrical Engineer of National Technical University of Athens. He has been working for VIOHALCO Group since 1972. He was Production Manager of HELLENIC CABLES SA. From 1981 until 2001, he served as Technical Director at the tubes plant of HALCOR SA. From 2002 until early 2004 he served as General Manager of SOFIA MED. From 2004 to 2005 he was Production Manager for all HALCOR’s plants.

Eftyhios Kotsambasakis, (Executive Member)

Mr. Kotsampasakis holds the position of Administrative Director of HALCOR SA. He has been working for VIOHALCO Group since 1965. He serves on the Board of DIA.VI.PE.THIV. SA as a Vice-President and is treasurer of the Federation of Industries of Viotia.

Andreas Katsanos, (Non-executive Member)

Mr. Katsanos is a graduate of Piraeus University of Economics and Business and has been working for VIOHALCO Group since 1960. He was senior officer in various group companies while from 1978 to 1980 he held the position of General Manager in the company VOIOTIAS CABLES SA Between 1989 and now is Director of the metals department of VIOHALCO Group. Mr. Katsanos was instrumental in the adoption and implementation in Greece, from the Bank of Greece, the HEDGING process (hedging of metal price volatility), through the London Metal Exchange (LME). He is also on the Board of HELLENIC CABLES SA

Georgios Passas, (Non-executive Member)

Mr. Passas is a graduate of Athens University of Economics and Business. He joined the Group VIOHALCO since 1969 and has served in senior positions of the Group. From 1973 to 1983 he served as CFO of ELVAL SA, from 1983 to 1987 as Financial Director of HALCOR SA, while from 1987 to 2004 was General Manager of HELLENIC CABLES SA. Mr. Passas is a member of the Board of Directors in several companies of VIOHALCO Group.

Konstantinos Bakouris, (Non-executive Member)

Mr. Konstantinos Bakouris is member on the Boards of ELVAL and HALCOR. Mr. Bakouris has been the Chairman of Corinth Pipeworks since 2005. He started his career in 1968 in ESSO PAPPAS. Two years later he became Financial Manager of UNION CARBIDE in Athens and six years later he became Managing Director. In 1985 he took over the responsibility for the company's consumer products as Europe Vice-chairman. In 1986 he was elected Chairman of RALSTON PURINA for Europe. In 1998 he returned to Greece as Managing Director of the Olympic Games Organizational Committee “Athens 2004”. From 2001 to 2002 he was the Chairman of the Hellenic Centre for Investment (EKE). From 2004 to 2008 he also served as Chairman of NET MED N.V., the parent company of NOVA subscribers’ television. He is Chairman of International Transparency Hellas and Chairman of the Greek-Russian Business Council. He has a MBA from DE PAUL University in Chicago.

Christos - Alexis Komninos, (Non-executive Member)

Mr. Christos Komninos was born in Istanbul in 1943.

In 1971 he graduated from Istanbul Technical University (I.T.U.) with a degree in Chemical Engineering (MSc).

In 1972 he moved to Greece and joined the COCA-COLA 3E, which held various positions until 1987. From 1987 to 1990 he served as CEO of the Company «Coca-Cola Bottlers Ireland» (a subsidiary of COCA COLA 3E). In 1990 he returned to Greece and in 1995 was appointed as Chief Executive Officer, a position he held until 2000. From 2000 to 2004 he served as president and CEO of PAPASTRATOS SA. After the acquisition of PAPASTRATOS SA by PHILIP MORRIS SA, he participated as a volunteer in the Olympic Games Organizing Committee "Athens 2004" as Head of the Opening and Closing Ceremonies of the 28th Olympiad. From 2005 to 2010 he held the position of Executive Vice President of the Company SHELMAN SA and ELMAR SA.

He speaks English, French, Italian and Turkish.

Andreas Kyriazis, (Independent non-executive member)

Mr. Kyriazis is a graduate of the Chemistry Department of Physics and Mathematics School of Athens University. He has served as Chairman of the Central Union of Greek Chambers, the Union of Balkan Chambers, the Chamber of Commerce and Industry of Athens, the Hellenic Productivity Centre, the Hellenic Society of Business Administration, and the Association of Timber Industry. He has also served as Vice-chairman of the Union of the European Chamber of Commerce and Industry and General Secretary of the Union of Greek Chemists.

Nikolaos Galetas, (Independent non-executive member)

Mr. Galetas is a graduate of the Theological School of Athens University with additional studies at Technische Hochschule Wien while he is also a graduate engineer of the School of Electrical Engineering of the National Technical University of Athens. During his long career, Mr. Galetas took over managerial positions in ETBA (Greek Bank for Industrial Development) in CPC (Planning and Development Company) and in the National Investment (National Bank for Industrial Development) where he served as General Manager. He has also served as Senior Advisor to the National Investment and EFG EUROBANK PROPERTIES SA, and was a board member to numerous companies including EFG EUROBANK PROPERTIES AEAAP and ERT (vice president), and various subsidiaries of National Investment Group which was appointed as Chairman of the Board during the years of his career to this organization. In addition in 1990-92 offered advice to the Ministers of Interior, Agriculture and Co-ordination. Mr. Galetas is also member of the Board of Directors in several companies of VIOHALCO Group.

The Chairman of the Board

of HALCOR S.A.

Theodosios Papageorgopoulos

KPMG Chartered Auditors A.E.
3, Stratigou Tobra St.
GR-153 42 Agia Paraskevi
Greece
S.A. Reg. No
29527/01AT/B/93/162/96

Telephone: +30 210 60 62 100
Fax: +30 210 60 62 111
Internet www.kpmg.gr
e-mail postmaster@kpmg.gr

Independent Auditor's Report

To the shareholders of
HALCOR S.A.-METAL PROCESSING

Report on the Financial Statements
We have audited the accompanying stand-alone and consolidated financial statements of HALCOR METAL WORKS S.A. (the "Company") which comprise the stand-alone and consolidated statement of financial position as of 31 December 2010 and the stand-alone and consolidated statements of income and comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the stand-alone and consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these stand-alone and consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these stand-alone and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the stand-alone and consolidated financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the stand-alone and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the stand-alone and consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the stand-alone and consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the stand-alone and consolidated financial position of HALCOR METAL WORKS S.A. of 31 December 2010 and of its stand-alone and consolidated financial performance and its stand-alone and consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

(a) The Board of Directors' Report includes a corporate governance statement, which provides the information set by paragraphs 3d of article 43a and 3e of article 107 of C.L. 2190/1920.

(b) We verified that the contents of the Board of Directors' Report are consistent and correspond with the accompanying stand-alone and consolidated financial statements within the scope set by articles 37, 43a and 108 of C.L. 2190/1920.

KPMG Certified Auditors A.E.

Athens, 28 March 2011

KPMG Certified Auditors A.E
3, Stratigou Tombra Str
153 42 Aghia Paraskevi
Greece
AM SOEL 114

Harry Sirounis, Certified Auditor Accountant

AM SOEL 19071

Statement of Financial Position

(Amounts in euro)	note	GROUP 2010	GROUP 2009	COMPANY 2010	COMPANY 2009
ASSETS					
Non-current assets					
Property, plant and equipment	5	316.958.739	330.276.516	107.305.309	142.983.596
Intangible assets	6	652.245	965.485	186.079	277.741
Investment property	7	2.152.565	2.152.565	-	-
Investments	8	6.082.122	5.992.845	148.524.542	112.046.148
Financial assets available for sale	9	4.302.923	4.301.447	3.847.664	3.846.188
Other receivables	12	1.227.938	1.504.606	522.497	892.571
Deferred tax claims	10	6.259.224	5.523.929	-	-
		337.635.756	**350.717.393**	**260.386.090**	**260.046.243**
Current assets					
Inventories	11	222.506.376	184.408.321	77.259.197	75.037.948
Trade and other receivables	12	212.053.462	147.511.723	108.343.287	82.064.246
Derivatives	13	3.954.232	1.911.638	1.586.132	245.420
Financial assets at fair value through the profit and loss statement		8.231	8.231	-	-
Cash and cash equivalents	14	17.367.950	17.753.177	2.403.946	1.567.556
		455.890.252	**351.593.090**	**189.592.561**	**158.915.170**
Total assets		**793.526.008**	**702.310.482**	**449.978.651**	**418.961.413**
EQUITY					
Equity attributable to Shareholders of the Company					
Share capital	15	38.486.258	38.486.258	38.486.258	38.486.258
Share premium account		67.138.064	67.138.064	67.138.064	67.138.064
Foreign Exchange differences from the consolidation of foreign subsidiaries	16	(6.745.005)	(5.855.150)	-	-
Other reserves	16	68.943.907	71.375.174	64.848.784	66.818.012
Profit carried forward		(24.255.348)	(10.780.117)	(26.867.756)	(9.915.155)
Total		**143.567.876**	**160.364.229**	**143.605.350**	**162.527.180**
Minority interest		24.477.763	24.510.911	-	-
Total equity		**168.045.640**	**184.875.140**	**143.605.350**	**162.527.180**
LIABILITIES					
Long-term liabilities					
Loans	17	156.060.632	192.732.167	113.889.035	113.333.200
Derivatives	13	822.379	311.069	822.379	257.609
Deferred income tax liabilities	10	9.532.996	13.822.309	3.091.437	10.210.091
Personell retirement benefits payable	18	4.721.658	4.971.824	2.059.252	2.648.352
Government Grants	19	2.902.907	2.445.634	2.034.225	2.077.625
Provisions	20	7.135.819	852.079	6.327.610	500.000
		181.176.391	**215.135.081**	**128.223.937**	**129.026.877**
Short-term liabilities					
Suppliers and other liabilities	21	89.310.765	55.479.342	42.195.311	19.104.541
Current tax liabilities	24	5.189.059	4.385.652	299.193	490.707
Loans	17	338.157.544	226.670.628	128.584.417	96.698.348
Derivatives	13	11.556.609	9.544.598	6.980.443	4.893.719
Provisions	20	90.000	6.220.041	90.000	6.220.040
		444.303.977	**302.300.261**	**178.149.364**	**127.407.356**
Total liabilities		**625.480.368**	**517.435.342**	**306.373.301**	**256.434.234**
Total equity and liabilities		**793.526.008**	**702.310.482**	**449.978.651**	**418.961.413**

The notes on pages 5 to 51 constitute an integral part of these Financial Statements (Individual and Consolidated).

Income Statement

Amounts in euro	Note	GROUP 2010	GROUP 2009	COMPANY 2010	COMPANY 2009
Sales	4	**1.044.311.599**	**679.058.638**	**517.612.690**	**343.547.307**
Cost of goods sold	22	(1.000.873.047)	(646.931.445)	(505.258.195)	(335.083.069)
Gross profit		**43.438.552**	**32.127.192**	**12.354.495**	**8.464.238**
Other operating income	25	10.073.419	7.542.335	5.266.911	5.111.690
Selling expenses	22	(15.806.939)	(15.535.645)	(7.063.883)	(7.246.660)
Administrative expenses	22	(22.026.250)	(22.162.303)	(10.146.485)	(11.188.834)
Other operating expenses	25	(11.526.114)	(7.753.232)	(2.826.784)	(2.503.795)
Operating results		**4.152.668**	**(5.781.653)**	**(2.415.746)**	**(7.363.361)**
Finance income	23	524.078	2.196.760	88.469	202.476
Finance expenses	23	(21.127.879)	(17.743.714)	(9.991.415)	(7.072.977)
Dividends	25	5.383	64.754	624.984	982.603
Financial result		**(20.598.419)**	**(15.482.201)**	**(9.277.962)**	**(5.887.898)**
Share of profit/loss of associates	25	196.625	(792.315)	-	-
Profit before income tax		**(16.249.126)**	**(22.056.168)**	**(11.693.708)**	**(13.251.259)**
Income tax expenes	24	3.190.978	2.790.767	3.922.933	2.063.398
Net profit for the period from continued operations		**(13.058.148)**	**(19.265.401)**	**(7.770.775)**	**(11.187.860)**
Attributable to:					
Shareholders of the Parent		(13.097.239)	(19.375.369)	(7.770.775)	(11.187.860)
Minority interest		39.091	109.968	-	-
		(13.058.148)	**(19.265.401)**	**(7.770.775)**	**(11.187.860)**
Earnings per share that attributed to the Shareholders of the Parent for the year (amounts in € per share)					
Basic profit/loss per share	30	(0,1293)	(0,1913)	(0,0767)	(0,1105)
Reluted profit/loss per share	30	(0,1293)	(0,1913)	(0,0767)	(0,1105)

Statement of Comprehensive Income

(Amounts in euro)	GROUP 2010	GROUP 2009	COMPANY 2010	COMPANY 2009
Profit / (Loss) of the year from continuing operations	**(13.058.148)**	**(19.265.401)**	**(7.770.775)**	**(11.187.860)**
Foreign currency translation differences	(1.204.674)	(2.409.341)	-	-
Gain / (Loss) of changes in fair value of cash flow hedging	(2.681.324)	(8.384.971)	(2.282.173)	(7.822.962)
Income tax on income and expense recognised directly in equity	692.022	1.766.637	515.095	1.955.740
Other comprehensive income / (expense) after taxes	**(3.193.975)**	**(9.027.675)**	**(1.767.078)**	**(5.867.222)**
Total comprehensive income / (expense) after tax	**(16.252.123)**	**(28.293.076)**	**(9.537.853)**	**(17.055.082)**
Attributable to:				
Equity holders of the parent company	(16.250.569)	(28.191.873)	(9.537.853)	(17.055.082)
Minority interests	(1.554)	(101.204)	-	-
Total comprehensive income / (expense) after tax	**(16.252.123)**	**(28.293.076)**	**(9.537.853)**	**(17.055.082)**

The notes on pages 5 to 51 constitute an integral part of these Financial Statements (Individual and Consolidated).

Statement of Changes in Equity

(Amounts in euro)	Share capital	Share premium reserves	Fair value reserves	Other reserves	Results carried forward	Foreign exchange differences	Total	Minority interest	Total Equity
GROUP									
Balance as of January 1, 2009	**38.486.258**	**67.138.064**	**4.235.357**	**74.083.901**	**8.118.415**	**(4.206.267)**	**187.855.729**	**25.657.120**	**213.512.849**
Foreign exchange differences	-	-	-	-	(214.170)	(1.648.883)	(1.863.053)	(546.288)	**(2.409.341)**
Hedging result minus tax	-	-	(6.953.450)	-	-	-	(6.953.450)	335.116	**(6.618.334)**
Net profit/(loss) for the period	-	-	-	-	(19.375.369)	-	(19.375.369)	109.968	**(19.265.401)**
Total recognised net profit for the year	-	-	(6.953.450)	-	(19.589.539)	(1.648.883)	(28.191.873)	(101.204)	**(28.293.076)**
Capitalization of subsidiary's losses	-	-	-	-	706.184	-	706.184	5.174	**711.357**
Transfer of reserves	-	-	-	9.366	(15.177)	-	(5.811)	5.811	-
Profit distribution	-	-	-	-	-	-	-	(1.055.990)	**(1.055.990)**
	-	-	-	9.366	691.006	-	700.373	(1.045.005)	**(344.633)**
Balance as of December 31, 2009	**38.486.258**	**67.138.064**	**(2.718.093)**	**74.093.267**	**(10.780.117)**	**(5.855.150)**	**160.364.229**	**24.510.911**	**184.875.140**
Balance as of January 1, 2010	**38.486.258**	**67.138.064**	**(2.718.093)**	**74.093.267**	**(10.780.117)**	**(5.855.150)**	**160.364.229**	**24.510.911**	**184.875.140**
Foreign exchange differences	-	-	-	-	(29.320)	(889.855)	(919.175)	(285.498)	**(1.204.674)**
Hedging result minus tax	-	-	(2.234.155)	-	-	-	(2.234.155)	244.853	**(1.989.302)**
Net loss for the period	-	-	-	-	(13.097.239)	-	(13.097.239)	39.091	**(13.058.148)**
Total recognised net profit for the year	-	-	(2.234.155)	-	(13.126.559)	(889.855)	(16.250.569)	(1.554)	**(16.252.123)**
Acquisition of company	-	-	-	-	(396.260)	-	(396.260)	957.136	**560.876**
Increase / (decrease) of participation in subsidiaries	-	-	-	-	(143.805)	-	(143.805)	-	**(143.805)**
Transfer to subsidiary due to demerger	-	-	-	(203.518)	203.518	-	-	-	-
Transfer of reserves	-	-	-	6.406	(12.125)	-	(5.719)	5.719	-
Profit distribution	-	-	-	-	-	-	-	(994.448)	**(994.448)**
	-	-	-	(197.112)	(348.672)	-	(545.784)	(31.593)	**(577.377)**
Balance as of December 31, 2010	**38.486.258**	**67.138.064**	**(4.952.248)**	**73.896.155**	**(24.255.348)**	**(6.745.005)**	**143.567.876**	**24.477.763**	**168.045.640**

(Amounts in euro)	Share capital	Share premium reserves	Fair value reserves	Other reserves	Results carried forward	Total Equity
COMPANY						
Balance as of January 1, 2009	**38.486.258**	**67.138.064**	**3.420.203**	**69.265.032**	**1.272.705**	**179.582.262**
Hedging result minus tax	-	-	(5.867.222)	-	-	**(5.867.222)**
Net profit for the period	-	-	-	-	(11.187.860)	**(11.187.860)**
Total recognised net profit for the year	-	-	(5.867.222)	-	(11.187.860)	**(17.055.082)**
Balance as of December 31, 2009	**38.486.258**	**67.138.064**	**(2.447.019)**	**69.265.032**	**(9.915.155)**	**162.527.180**
Balance as of January 1, 2010	**38.486.258**	**67.138.064**	**(2.447.019)**	**69.265.032**	**(9.915.155)**	**162.527.180**
Hedging result minus tax	-	-	(1.767.078)	-	-	**(1.767.078)**
Net loss for the period	-	-	-	-	(7.770.775)	**(7.770.775)**
Total recognised net loss for the year	-	-	(1.767.078)	-	(7.770.775)	**(9.537.853)**
Transfer to subsidiary due to demerger	-	-	-	(202.150)	(9.181.826)	**(9.383.977)**
	-	-	-	(202.150)	(9.181.826)	**(9.383.977)**
Balance as of December 31, 2010	**38.486.258**	**67.138.064**	**(4.214.097)**	**69.062.881**	**(26.867.756)**	**143.605.350**

The notes on pages 5 to 51 constitute an integral part of these Financial Statements (Individual and Consolidated).

Statement of Cash Flow

	GROUP		COMPANY	
Amounts in euro	**2010**	**2009**	**2010**	**2009**
Cash flows from operating activities				
Profit / (loss) before taxes	(16.249.126)	(22.056.168)	(11.693.708)	(13.251.258)
Adjustments for:				
Depreciation of tangible assets	28.773.204	26.603.035	10.654.807	11.883.247
Depreciation of grants	(450.227)	(456.800)	(299.967)	(330.624)
Provisions	293.394	572.901	(207.465)	159.572
Investing activities result (income, expenses, profits and losses)	(778.810)	(1.469.199)	(713.453)	(1.185.079)
Interest charges & related expenses	20.943.150	17.649.390	9.691.430	6.978.652
(Profit) / loss from sale of tangible assets	(252.340)	(508.239)	(244.737)	(423.876)
(Profit) / loss from sale of investments	-	33.951	-	33.951
(Profit) / loss from the fair value of derivatives	(1.819.071)	3.508.756	(971.392)	1.643.217
Loss from the destruction of fixed assets	232.115	101.997	137.272	-
Impairment of participations	-	-	299.985	94.324
Decrease / (increase) in inventories	(38.098.055)	27.852.259	(16.920.448)	21.296.869
Decrease / (increase) in receivables	(50.323.433)	37.388.374	(42.443.422)	(1.044.480)
(Decrease) / Increase in liabilities (minus banks)	15.831.996	(18.463.080)	7.525.175	(16.221.944)
Interest charges & related expenses paid	(19.837.372)	(20.943.315)	(8.400.923)	(9.504.878)
Income tax paid	(975.201)	(1.977.448)	-	-
Net Cash flows from operating activities	**(62.709.774)**	**47.836.412**	**(53.586.846)**	**127.695**
Cash flows from investing activities				
Purchase of tangible assets	(13.108.691)	(28.460.097)	(2.495.430)	(9.775.433)
Purchase of intangible assets	(237.707)	(384.946)	(55.156)	(227.161)
Sales of tangible assets	420.167	3.081.360	6.623.427	2.470.592
Sales of investment properties	-	178.066	-	178.066
Dividends received	5.383	64.754	624.984	982.603
Interest received	524.078	2.196.760	88.469	202.476
Increase of participation in subsidiaries	-	-	(2.256.822)	(165.538)
Increase of participation in other investment properties	(6.320)	(2.834.283)	(6.320)	(2.708.858)
Net Cash flows from investing activities	**(12.403.091)**	**(26.158.386)**	**2.523.151**	**(9.043.253)**
Cash flows from financing activities				
Dividends paid to shareholders of the parent	(794)	(11.559)	(794)	(6.020)
Loans received	172.461.016	32.192.485	110.023.974	13.083.200
Loans settlement	(97.645.635)	(95.354.430)	(59.030.596)	(44.710.153)
Changes in financial leases	-	(6.069)	-	-
Dividends paid to minority interest	(994.448)	(1.065.398)	-	-
Grand proceeds	907.500	1.348.900	907.500	1.348.900
Net cash flows from financing activities	**74.727.639**	**(62.896.071)**	**51.900.084**	**(30.284.073)**
Net (decrease)/ increase in cash and cash equivalents	**(385.226)**	**(41.218.044)**	**836.389**	**(39.199.632)**
Cash and cash equivalents at the beginning of period	17.753.177	58.971.221	1.567.556	40.767.188
Cash and cash equivalents at the end of period	**17.367.950**	**17.753.177**	**2.403.946**	**1.567.556**

The notes on pages 5 to 51 constitute an integral part of these Financial Statements (Individual and Consolidated).

Notes to the Financial Statements
1. Incorporation and Group Activities:

HALCOR S.A.-METAL PROCESSING (former VECTOR S.A.-Metal processing) ("HALCOR" or the "Company") was established in 1977 and has No 2836/06/B/86/48 in the Register of Societes Anonyme. In 1997, merger of VECTOR S.A. and (former) HALCOR S.A. took place, which was completed by way of decision dated 5 June 1997 of the Ministry of Development.

The term of the Company has been set at 50 years from publication of its Articles of Association, namely until 2027. It is listed on Athens Stock Exchange since 1996 and is a subsidiary and member of VIOHALCO Group.

HALCOR manufactures extrusion and rolling products made of copper, zinc, brass and other copper alloys. The Company has a vertically integrated production and is the unique company in Greece manufacturing copper tubes and zinc rolling products while holding a leading position in the production and trade of copper, brass and other alloy products as well as copper wires.

These Financial Statements (the "Financial Statements") of the Company for the year ended on 31 December 2010 include the individual financial statements of HALCOR and the consolidated financial statements of the Company (together the "Group"). The names of subsidiaries and affiliated companies are presented in Note 8 of the Financial Statements.

The principal activities of the Group lie in the production and trade of rolling and extrusion products made of copper and copper alloys, zinc rolling products and cables of all types.

The Group is operating in Greece, Bulgaria, Romania, Cyprus, United Kingdom, France, Germany and Serbia.

The shares of the Company and its subsidiary "HELLENIC CABLES S.A." are traded on Athens Stock Exchange.

The Company is seated in Greece, 2-4 Messoghion Ave., Athens Tower, Building B, 11525, Athens. The principal establishment of the Company and its contact address are located at the 57th km of "Athens-Lamia" National Highway, Inofyta (Pref. of Viotia), GR-32011. The company's website is ***www.halcor.gr***.

Notes to the Financial Statements

2. Basis of preparation of the Financial Statements

(a) Compliance note

The Financial Statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union. The International Financial Reporting Standards issued by the IASB may differ from those adopted by the European Union.

The financial statements ended 31 December 2010 were approved for publication by the Company's Board of Directors on 24 March 2011.

(b) Measurement basis

The Financial Statements have been prepared in accordance with the historical cost principle with the exception of derivative financial instruments presented at fair value.

(c) Functional exchange rate and presentation

The Financial Statements are presented in Euro, which is the Company's functional currency. The amounts indicated in the Financial Statements are denominated in Euro and are rounded up/down to the nearest unit (any differences in sums are due to rounding up/down).

(d) Application of estimates and judgments

Preparing financial statements in line with the IFRS requires that Management take decisions, make assessments and assumptions which affect the implementation of accounting policies, and the book amounts of assets, liabilities, income and expenses. The actual results may finally differ from such estimates.

Estimates and related assumptions are continuously revised. These revisions are recognized in the period they were made and any subsequent ones.

Specific information about the areas for which estimates are uncertain and vital decisions must be made with respect to the application of accounting policies having a considerable effect on the amounts posted in financial statements is given in the notes below:

- Inventory valuation (note 11)
- Measurement of defined-benefit liability (note 18)
- Provisions (note 20)
- Subsidiary impairment (note 8)
- Use of tax loss (note 10)
- Valuation of securities available for sale (Note 9)

Notes to the Financial Statements

2. Basis of preparation of the Financial Statements (cont'd)

2.1 Change in accounting principles

2.1.1 Accounting for Business Combinations

From 1 January 2010 the Group has applied 'IFRS 3 Business Combinations' in accounting for business combinations. The change in accounting policy has been applied prospectively and has had no material impact on earnings per share.

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

Acquisitions on or after 1 January 2010

For acquisitions on or after 1 January 2010, the Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; less
- the fair value of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit and loss. Costs related to the acquisition that the Group incurs in connection with a business combination are recognised immediately in profit and loss. Any contingent consideration payable is recognised at fair value at the acquisition date.

Acquisitions prior to 1 January 2010

For acquisitions between 1 January 2004 and 1 January 2010, goodwill represents the excess of the cost of the acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess was negative, a bargain purchase gain was recognised immediately in profit and loss. Transaction costs that the Group incurred in connection with business combinations were capitalised as part of the cost of the acquisition.

2.1.2. Accounting for acquisitions of non-controlling interests

From 1 January 2010 the Group has applied '*IAS 27 Consolidated and Separate Financial Statements'* in accounting for acquisitions of non-controlling interests. The change in accounting policy has been applied prospectively and has had no impact on earnings per share.

Under the new accounting policy, acquisitions of non-controlling interests are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognized as a result of such transactions. As regards the change of non-controlling interests in entities over which control is already exists, the accounting treatment applied by the Group until December 31, 2009 is the same with the treatment of the revised Standard and, thus, in essence there is no change of accounting policy.

Notes to the Financial Statements
3. Significant accounting principles

The accounting principles cited below have been consistently applied to all periods presented in these Financial Statements and have also been consistently applied by all Group companies.

3.1 Basis for consolidation

(a) Subsidiaries

Subsidiaries are entities that the Group, directly or indirectly, controls their financial and operating policies. Subsidiary companies are fully consolidated from the day control over them is acquired and cease to be consolidated from the day this control is no longer exist.

The accounting principles that are applied by Group's subsidiaries have been amended so that they may be consistent with those that have been adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance. In its financial statements, the Company measures holdings in subsidiaries at their acquisition cost less any impairment of their value.

(b) Business combinations

The Group has changed its accounting policy with respect to accounting for business combinations. See note 2.1.1 for further details.

(c) Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an investment in an associate or as an available-for-sale financial asset depending on the level of influence retained.

(d) Investments in associates

Associated companies are companies over which the Group exercises significant influence, but not control, which, in general, applies when the holding percentage in the voting rights ranges between 20% and 50%. Investments in associates are accounted for using the equity method and recognised initially at their acquisition cost. The Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. When the Group's share of losses exceeds its interest in an investment in associate the carrying amount of that interest is reduced to zero and no recognition of further losses are recognized except to the extent that the Group has an obligation or has made payments on behalf of the associate.

In the Company's financial statements, investments in associates are recorded at cost, less accumulated impairments.

Notes to the Financial Statements
3. Significant accounting principles (cont'd)

3.1 Basis for consolidation (cont'd)

(e) Transactions eliminated in consolidation

Inter-company transactions, balances and non-realised profits from transactions between Group companies are eliminated in preparing the consolidated financial statements. Unrealised gains on transactions between associates are eliminated against the Group's stake in the affiliated company. The same applies to non-realised losses, unless there are indications that the value of the fixed asset that was transferred has been impaired.

3.2 Foreign currency conversion

(a) Transactions and balances

Transactions that are carried out in a foreign currency are converted to the Company's functional currency based on the exchange rate that is applicable on the day the transaction is carried out. Profits and losses from foreign exchange differences that arise from the settlement of such transactions during the period and from the conversion of monetary assets that are expressed in a foreign currency based on the exchange rate that is applicable on the balance sheet date are recorded in profit and loss.

(b) Transactions with foreign companies

The financial statements of Group companies (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the Group's presentation currency are translated as follows:

- Assets and liabilities of foreign activities including goodwill and fair value adjustments arising during consolidation are converted into Euro based on the official exchange rate for the foreign currency that is in effect on the balance sheet date.
- Income and expenses are converted into Euro on the basis of the average rate of the foreign currency during the year which approaches the exchange rate in effect on the date of transactions.
- Any foreign exchange difference that may arise is recorded in an equity reserve named "Foreign exchange differences due to consolidation" and transferred to profit and loss when these companies are sold.

3.3 Property, plant and equipment

(a) Recognition and subsequent expenses

Property, plant and equipment are presented at acquisition cost less accumulated depreciation and any impairment. The cost of acquisition includes all directly payable expenses for acquiring fixed assets. The construction cost of a fixed asset includes the cost of raw materials, direct labour and other direct expenses for its construction as well as consumption cost of installation point together with any borrowing costs (Note 2.1.1).

Subsequent expenses are recorded as an increase to the book value of the fixed assets or as a separate asset only where it is probable that the future financial benefits will accrue to the Group and the cost can be reliably measured. The cost of repairs and maintenance is posted to the results when incurred.

Notes to the Financial Statements
3. Significant accounting principles (cont'd)

3.3 Property, plant and equipment (cont'd)

(a) Recognition and subsequent expenses (cont'd)

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised in 'other operating income' or 'other operating expenses' in profit and loss.

(b) Depreciation

Plots – lots are not depreciated. Depreciation of other tangible assets is calculated using the straight-line method during the estimated useful life of fixed assets and their segments if they have a different useful life. The estimated useful life of these categories is as follows:

Buildings	20-33	years
Machinery & equipment	1-18	years
Transportation equipment	5-7	years
Furniture and fixtures	3-7	years

Residual value and the useful life of tangible assets are subject to re-examination on each balance sheet date, if deemed necessary.

3.4 Intangible assets

Intangible assets acquired separately are recognized at acquisition cost while any intangible assets acquired through the purchase of entities are recognized at their fair value on acquisition date. After acquisition they are valued at that amount less accumulated depreciation and any accumulated impairment losses. The useful life of intangible assets may be limited or unlimited. The cost of intangible assets with a limited useful life is depreciated over the estimated useful life using the straight-line method. Intangible assets are depreciated from the date they become available for use.

Intangible assets with unlimited useful life are not depreciated but are subject periodically (at least annually) to an estimate of any impairment based on the provisions of IAS 36 "Impairment of Assets". Residual values are not recognized. The useful life of intangible assets is evaluated on an annual basis. Intangible assets are tested for impairment at least annually individually or at cash-generating unit level.

Software licences are valued at acquisition cost less accumulated depreciation and any accumulated impairment. Depreciation is recorded using the straight-line method over the useful life of the assets which ranges from 3 to 5 years.

Expenses required to develop and maintain software are posted as expenses in the income statement during the year they incur.

3.5. Investment Property

Investment property concerns lots that are not used for administrative purposes by the Group and are valued at acquisition cost less any impairment.

Notes to the Financial Statements

3. Significant accounting principles (cont'd)

3.6 Assets impairment

The book values of Group assets that are not recognized at fair value are tested for impairment when there are indications that their book values are not recoverable. In this case, the recoverable amount of assets is determined and if book values exceed the estimated recoverable amount an impairment loss is recognized that is posted directly in the income statement in item "Cost of goods sold" or "Other expenses", depending on their nature. The recoverable value of assets is either the fair value of asset less sale costs or the value in use, whichever is higher.

In order to calculate the value in use, the estimated future cash flows are discounted at present value using a discount rate which reflects current market assessments of the value of money over time and relates risks for such assets.

For an asset which does not generate significant cash inflows on its own, the recoverable value is determined for the cash-generating unit to which the asset belongs. Following recognition of loss due to asset impairment, on each balance sheet it is examined whether the conditions having led to its recognition still apply. In this case, the recoverable amount of the asset is re-determined and the impairment loss is reversed thus restoring the book value of the asset to its recoverable amount to the extent this does not exceed the book value of the asset (net of depreciation) that would have been determined if impairment loss had not been posted.

3.7 Non-derivative financial instruments

Financial instruments save derivatives consist of equities and other securities, receivables and other receivables, cash and cash equivalents, loans and long-term liabilities, trade and other payables. These items are classified by the Company pursuant to the purpose for which they were acquired. The Management decides on adequate classification of the investment at the time of acquisition. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial assets are initially recognized at fair value plus acquisition cost save those recognized at fair value. Assets are measured as per their classification.

(a) Trade and other receivables

Receivables from customers are initially booked at their fair value and are subsequently valued at their non-depreciated cost less impairment losses. Impairment losses are recognised when there are objective indications that the Group is not in a position to collect all or part of the amounts due based on contractual terms. The amount of impairment loss is the difference between the book value of receivables and the present value of the estimated future cash flows. The amount of provision is recognised in the income statement as an expense.

(b) Cash and cash equivalents

Cash and cash equivalents include cash balances, sight deposits and short-term, high-liquid and low-risk investments.

Notes to the Financial Statements
3. Significant accounting principles (cont'd)

3.7 Non-derivative financial instruments (cont'd)

(c) Available-for-sale financial assets

These include assets that are either designated in this category or not classified in any of the other categories.

Financial assets available for sale are measured at fair value and the relevant profits or losses are posted to an equity reserve until these assets are sold or recognised as impaired. Upon sale or when recognised as impaired, the profits or losses are transferred to the results from reserves. Impairment losses which have been recognised in the income statement cannot be reversed through profit or loss.

Foreign exchange differences in non-monetary available-for-sale assets are posted in profit or loss.

(d) Fair Value

The fair values of financial assets traded on active markets are designated based on current market price. In the case of assets not so traded, fair values are designated using valuation techniques such as recent transaction analysis, reference to comparables and cash flow discounts.

(e) Loans

Loans are initially booked at fair value, less any direct expenses for the execution of the transaction. Subsequently loans are valued at non-depreciated cost based on the effective interest rate method. Any difference between the amount that has been collected (net of relative expenses) and the settlement value is recorded in the results during the term of the loan based on the effective interest rate method.

Loans are classified as "Short-term Liabilities" unless the Group has the right to defer the settlement thereof for at least 12 months from the balance sheet date. Loan interest charges are directly posted to the income statement of the period they concern.

3.8 Derivatives

Derivatives are recognised at fair value both initially and subsequently. The method by which profits and losses are recognised depends on whether derivatives are designated as a hedging instrument or are held for trading. Derivatives are recognised when the transaction is entered into by the Group as hedges for the fair value of receivables, liabilities or commitments (fair value hedges) or very probable transactions (cash flow hedges).

When entering into transactions the Group records the proportion between hedged assets and hedging instruments and the relevant risk management strategy. When entering into the contract and thereafter the estimate is recorded about the effectiveness of hedging both for fair value hedges and for cash flow hedges.

(a) Fair value hedging

Changes in the fair value of derivatives which are defined as fair value hedges are posted to the results as are the changes in the fair value of the hedged assets which are attributed to the risk offset.

Notes to the Financial Statements
3. Significant accounting principles (cont'd)

3.8 Derivatives (cont'd)

(b) Cash flow hedges

The effective proportion of change in the fair value of derivatives defined as cash flow change hedges are posted to an equity reserve. The gain or loss on the non-effective proportion is posted to the results. The amounts posted as an equity reserve are carried forward to the results of the periods where the hedged assets affect profits or losses. In cases of hedging forecast future transactions which result in recognition of a non-monetary asset (e.g. inventory) or liability, profits or losses which had been posted to equity are carried forward to acquisition cost of the non-financial asset generated.

When a hedge matures or is sold or when the hedging proportion no longer meets the hedge accounting criteria, the profits and losses accrued to Equity remain as a reserve and are carried forward to the results when the hedged asset affects profits or losses. In the case of a hedge on a forecast future transaction which is no longer expected to be realised, the profits or losses accrued to Equity are carried forward to the income statement.

3.9 Inventories

Inventories are valued at acquisition cost or net realisable value, whichever is lower. Acquisition cost is determined by applying the annual average weighted cost method and includes the cost to buy, produce or manufacture and other expenses so as to acquire its current condition and location and the ratio of production expenses. The cost may include any transfer from the cash flow hedging reserve. Net realisable value is assessed based on current sale prices of inventories in the course of ordinary activities less any termination and sales expenses which apply to the case.

3.10 Share capital

Share capital consists of common shares. Direct costs for the issuance of shares are presented after deducting the income tax applied to reduce Equity.

The acquisition cost of own shares including direct costs is recorded as a reduction to equity attributable to the Company's equity until these shares are sold, cancelled or re-issued. Any profits or loss from sale of own shares net of direct other costs for the transaction and income tax are presented in Equity as direct transaction.

Notes to the Financial Statements

3. Significant accounting principles (cont'd)

3.11 Income tax

The income tax of the year includes both current and deferred tax. Income tax is posted in profit or loss save any cases concerning items directly posted to Equity, in which case it is recognized in Equity.

Current income tax is the tax expected to be paid on the taxable income for the year, based on enacted tax rates on the balance sheet date, and any adjustment to prior-period payable tax.

Deferred income tax is calculated using the liability method which arises from temporary differences between the book value and taxation basis of the assets and liabilities. Deferred income tax is not calculated if it is clear from initial recognition of an asset or liability in a transaction (apart from business combinations in which the transaction occurred) that it did not affect either the book or tax profits or losses. Deferred tax is determined using the tax rates that are expected to apply to the period in which the asset (liability) will be realized (settled). The determination of future tax rates is based on laws passed on the date the financial statements are prepared.

Deferred tax assets are recognised only to the extent that there will be a future taxable profit for use of the temporary difference generating the deferred tax assets. Deferred tax assets are reduced when the relevant tax benefit is realized.

Deferred income tax is provided for temporary differences arising on investments in subsidiaries and associated companies, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Additional income taxes arising from the allocation of dividends are posted in the same year with the obligation to pay the relevant dividend.

3.12 Employee benefits

(a) Short-term benefits

Short-term benefits to staff in cash and kind are posted as expenses when accrued. A liability is recognized for the amount expected to be paid as benefit to the staff and its executives if there is a legal or contractual obligation to pay this amount as a result of employee services and insofar as such liability can be reliably measured.

(b) Defined-contribution Plans

Defined-contribution plans are plans for the period after the employee has ceased to work during which the Company pays a defined amount to a third legal entity without any other obligation. Obligations for contributions to defined-contribution plans are recognized as expense in profit or loss at the time they are due.

Notes to the Financial Statements
3. Significant accounting principles (cont'd)

3.12 Employee benefits (cont'd)

(c) Defined-Benefit Plans

Defined-benefit plans are any other retirement plans save defined-contribution plans. The obligation posted to the balance sheet for defined-benefit plans is the current value of the future benefit of the employee for his services for the defined benefit less the fair value of the plan assets and changes arising from the non-posted actuarial gains and losses and the past service cost. The discount rate corresponds to the rate of the index applying to the European bonds "iBoxx – AA-rated Euro corporate bond 10+ year". Independent actuaries using the projected unit credit method calculate the defined benefit obligation.

The past service cost is recorded directly in the income statement with the exception of the case where changes in the plan depend on the remaining service lives of employees. In this case the past service cost is recorded in the income statement using the straight-line method within the maturity period.

Actuarial gains and losses arising from historical data adjustments exceeding 10% of the accumulated liability

(d) Benefits for employment termination

The benefits due to termination of the employment relationship are paid when employees depart before their retirement date. The Group books these benefits when it is committed, either when it terminates the employment of existing employees according to a detailed programme for which there is no departure possibility, or when it provides such benefits as an incentive for voluntary departure. Employment termination benefits that are due in 12 months after the balance sheet date are discounted. In the case of termination where it is impossible to determine the number of employees that will make use of such benefits, these will not be accounted for but will be disclosed as a contingent liability.

(e) Plans for participation in profits and benefits

The Group records a liability and a corresponding expense for benefits and profit participation. This amount is included in post-tax profits less any reserves stipulated by law.

3.13 Government Grants

Government grants for investments in assets are recognised as accrued income where there is a reasonable assurance that the grant will be received and the Group will comply with all relevant conditions. Government grants relating to the purchase of fixed assets are credited to the income statement on a straight-line basis over the expected useful lives of the related assets.

Government grants compensating the Group for expenses are recognized in the results so that these will match the expenses that they will cover.

Notes to the Financial Statements

3. Significant accounting principles (cont'd)

3.14 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation which will probably demand an outflow of resources for its settlement. In addition, the amount of this obligation should be reliably measurable. Provisions are re-examined on each balance sheet date and, if it is likely that there will no longer be an outflow of resources to settle the obligations, the provisions are reversed. Provisions are used only for the purpose for which they were originally created. No provisions are recognized for future losses. Contingent assets and contingent liabilities are not recognized in the financial statements.

3.15 Income

Revenue includes the fair value of the sale of goods and services, net of discounts and returns. Intra-group revenue is completely eliminated.

(a) Sales of goods

Income from sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the purchaser, the collection of the price is reasonably secured, the relevant expenses and eventual returns of goods can be reliably measured and no continuous involvement in goods management applies. Any returns or turnover-related discounts are deducted from the income from sales of goods. The time at which the risk and rewards are transferred varies per product.

(b) Services

Revenue from the sale of services is recognised in the period in which the services are rendered, on the basis of the stage in completion of the actual service to the services as a whole.

(c) Income from interest

Income from interest is recognised when the interest becomes accrued (based on the effective interest rate method).

(d) Income from dividends

Dividends are recognised as income when the right of the Group to receive payment is established.

3.16 Leases

Leases of property, plant and equipment, in which the Group substantially maintains all the risks and benefits of ownership, are classified as financial leasing. Financial leasing is capitalised from the moment the lease begins at the lower amount between the fixed asset's fair value and the present value of the minimum lease payments. Financial leases net of financial expenses are classified on 'Liabilities'. The part of financial expenses that concerns financial leasing is recorded in profit and loss during the term of the lease. Items of property, plant and equipment that were acquired through financial leasing are depreciated over the shorter period between the useful lives thereof and the term of their lease.

Notes to the Financial Statements
3. Significant accounting principles (cont'd)

3.16 Leases (cont'd)

Leases, in which the lessor substantially maintains all the risks and benefits of ownership, are classified as operating leases. Payments that are made with regard to operating leases are recognised in profit and loss proportionately during the term of the lease.

3.17 Stock option plans for employees

The Company and its subsidiary HELLENIC CABLES S.A. have granted stock options to certain executives that have been gradually established from 2002 to 2011. Based on the interim provisions of IFRS 2 and given that the specific options were granted prior to 7 November 2002, the Group has not applied the provisions of this Standard save the disclosures of IFRS 2.

3.18 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the chief operating decision maker which is considered to be the Board of Directors that is responsible for measuring the business performance of the segments.

3.19 Basic and Diluted Earnings per Share

The Group presents both basic and diluted earnings per share for its common shares. The basic earnings per share are calculated by dividing the profits or loss attributable to holders of common shares by the average weighted number of outstanding common shares during the period. Diluted earnings per share are determined by adjusting the profit or loss attributable to holders of common shares and the average weighted number of outstanding common shares by the effect of all diluted eventual common shares consisting of convertible notes and shares with options granted to the staff.

3.20 Operating lease payments

Operating lease payments are allocated as an expense in the income statement under the direct method over the lease. The lease grants received are entered in the income statement as an integral part of the cost during the lease.

3.21 New Standards and Interpretations

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2010, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group, except for IFRS 9 *Financial Instruments*, which becomes mandatory for the Group's 2013 consolidated financial statements and could change the classification and measurement of financial assets. The Group does not plan to adopt this standard early and the extent of the impact has not been determined.

Notes to the Financial Statements

4. Operating segments

Operating segments refer to the business and geographical segments of the Group. The segment is based on the structure of Group Management and internal reporting system.

The Group includes the following main business segments:

- Copper products
- Cable products
- Other services

Results per sector for the financial year ended on December 31, 2009

December 31, 2009 (amounts in euro)	**Copper products**	**Cable products**	**Other - Services**	**Total**
Total gross sales by sector	**480.351.914**	**241.636.476**	**77.078.948**	**799.067.338**
Intercompany sales from consolidated entities	(101.778.951)	(11.963.431)	(6.266.319)	**(120.008.700)**
Net sales	**378.572.964**	**229.673.045**	**70.812.629**	**679.058.638**
Operating profits	(11.583.973)	3.750.639	2.051.681	**(5.781.653)**
Financial income	285.130	1.952.994	23.389	**2.261.514**
Financial expenses	(11.234.608)	(6.122.332)	(386.774)	**(17.743.714)**
Share at results of affiliated companies	-	239.447	(1.031.762)	**(792.315)**
Profit before income tax	**(22.533.450)**	**(179.252)**	**656.534**	**(22.056.168)**
Income tax	4.895.797	(1.050.311)	(1.054.719)	**2.790.767**
Net profit	**(17.637.654)**	**(1.229.563)**	**(398.184)**	**(19.265.401)**

December 31, 2009	**Copper products**	**Cable products**	**Other - Services**	**Total**
Assets	489.232.232	194.933.190	18.145.060	**702.310.482**
Total liabilities	373.302.722	128.549.592	15.583.028	**517.435.342**
Investments in tangible, intangible assets and investments in real estate	16.345.114	12.423.309	76.620	**28.845.043**

Other figures per sector that consists the Financial Results for the year ended on December 31, 2009

December 31, 2009 (amounts in euro)	**Copper products**	**Cable products**	**Other - Services**	**Total**
Depreciation of tangible assets	(18.832.326)	(6.998.737)	(158.962)	**(25.990.025)**
Amortization of intangible assets	(169.823)	(442.526)	(661)	**(613.010)**
Total depreciation	**(19.002.149)**	**(7.441.264)**	**(159.622)**	**(26.603.035)**
Impairment of claims	(25.659)	(488.347)	-	**(514.006)**
Impairment of inventories	-	(542.346)	-	**(542.346)**

Notes to the Financial Statements
4. Operating segments (cont'd)

Results per sector for the financial year ended on December 31, 2010

December 31, 2010 (amounts in euro)	**Copper products**	**Cable products**	**Other Services**	**Total**
Total gross sales by sector	**811.014.005**	**351.883.981**	**110.208.747**	**1.273.106.733**
Intercompany sales from consolidated entities	(203.692.917)	(19.585.413)	(5.516.804)	**(228.795.134)**
Net sales	**607.321.088**	**332.298.568**	**104.691.944**	**1.044.311.599**
Operating profits / (loss)	(2.389.664)	5.133.761	1.408.571	**4.152.668**
Financial income	135.317	258.542	135.601	**529.460**
Financial expenses	(15.721.171)	(4.801.210)	(605.498)	**(21.127.879)**
Share at results of affiliated companies	-	-	196.625	**196.625**
Profit before income tax	**(17.975.518)**	**591.093**	**1.135.300**	**(16.249.126)**
Income tax	4.502.749	(173.499)	(1.138.273)	**3.190.978**
Net profit	**(13.472.769)**	**417.594**	**(2.973)**	**(13.058.148)**

December 31, 2010	**Copper products**	**Cable products**	**Other Services**	**Total**
Assets	548.367.292	222.160.344	22.998.372	**793.526.008**
Total liabilities	448.745.713	155.036.893	21.697.763	**625.480.368**
Investments in tangible, intangible assets and investments in real estate	7.842.807	5.437.898	65.694	**13.346.399**

Other figures per sector that consists the Financial Results year ended December 31, 2010

December 31, 2010 (amounts in euro)	**Copper products**	**Cable products**	**Other Services**	**Total**
Depreciation of tangible assets	(20.288.662)	(7.705.039)	(197.667)	**(28.191.368)**
Amortization of intangible assets	(157.963)	(415.943)	(7.930)	**(581.836)**
Total depreciation	**(20.446.625)**	**(8.120.982)**	**(205.597)**	**(28.773.204)**
Impairment of claims	25.161	(164.857)	-	**(139.695)**

Transfers and transactions between segments are made at arm's length subject to the same terms applying to transactions with third parties.

Notes to the Financial Statements
4. Operating segments (cont'd)

Sales and non-current assets of the Group based on their geographical allocation are briefly presented as follows:

(Amounts in euro)	GROUP	
Sales	**2010**	**2009**
Greece	227.234.147	207.508.708
European Union	691.892.868	398.633.890
Other European countries	61.036.871	30.481.908
Asia	29.724.455	25.030.606
America	13.741.771	4.714.406
Africa	20.110.829	12.097.067
Oceania	570.659	592.052
Total	**1.044.311.599**	**679.058.638**

(Amounts in euro)	GROUP		COMPANY	
Analysis of sales by category	**2010**	**2009**	**2010**	**2009**
Sales of merchandise & products	964.490.883	604.422.334	485.411.711	312.359.082
Income from services	22.973.481	20.148.230	1.709.415	1.027.457
Other	56.847.236	54.488.074	30.491.564	30.160.768
Total	**1.044.311.599**	**679.058.638**	**517.612.690**	**343.547.307**

(Amounts in euro)	GROUP	
Total assets	**2010**	**2009**
Greece	647.473.166	558.037.889
Foreign	146.052.842	144.272.593
Total	**793.526.008**	**702.310.482**

Investments in tangible, intangible fixed assets & real estate	**2010**	**2009**
Greece	7.644.849	21.068.933
Foreign	5.701.549	7.776.110
Total	**13.346.399**	**28.845.043**

Notes to the Financial Statements
5. Property, plant and equipment

GROUP

(Amounts in euro)	Land	Buildings	Mechanical equipment	Transportation Vehicles	Furniture and Fixtures	Fixed assets under construction	Total
Cost							
Balance as of 1 January 2009	**41.052.867**	**84.821.042**	**286.625.315**	**3.896.842**	**14.942.302**	**35.662.411**	**467.000.779**
Foreign exchange differences	(83.176)	(981.481)	(1.774.539)	7.137	(171.103)	(26.188)	**(3.029.351)**
Additions	-	5.971.574	20.061.034	136.766	1.365.965	924.757	**28.460.097**
Sales	(998.507)	(517.562)	(1.048.915)	(160.042)	(14.125)	(430.736)	**(3.169.887)**
Destructions / Disposals	-	-	(348.627)	(3.478)	(187.861)	-	**(539.965)**
Reallocations	-	-	(237.162)	-	-	(296.693)	**(533.856)**
Balance as of 31 December 2009	**39.971.184**	**89.293.574**	**303.277.106**	**3.877.226**	**15.935.178**	**35.833.550**	**488.187.816**
Accumulated depreciation							
Balance as of 1 January 2009	**-**	**(27.442.611)**	**(92.689.595)**	**(2.913.909)**	**(11.662.359)**	**-**	**(134.708.475)**
Foreign exchange differences	-	688.511	880.279	(4.812)	134.169	-	**1.698.148**
Depreciation for the year	-	(3.859.070)	(20.817.217)	(273.225)	(1.040.514)	-	**(25.990.025)**
Sales	-	-	434.975	148.522	13.268	-	**596.765**
Destructions / Disposals	-	-	303.862	1.889	132.217	-	**437.969**
Reallocations	-	-	57.574	(3.256)	-	-	**54.318**
Balance as of 31 December 2009	**-**	**(30.613.170)**	**(111.830.122)**	**(3.044.790)**	**(12.423.218)**	**-**	**(157.911.300)**
Undepreciated value as of 1 January 2009	**41.052.867**	**57.378.431**	**193.935.720**	**982.933**	**3.279.942**	**35.662.411**	**332.292.304**
Undepreciated value as of 31 December 2009	**39.971.184**	**58.680.404**	**191.446.984**	**832.435**	**3.511.960**	**35.833.550**	**330.276.516**
Cost							
Balance as of 1 January 2010	**39.971.184**	**89.293.574**	**303.277.106**	**3.877.226**	**15.935.178**	**35.833.550**	**488.187.816**
Foreign exchange differences	(18.019)	(221.705)	(418.368)	1.267	(38.477)	(3.786)	**(699.088)**
Additions	450.197	2.308.730	35.775.766	76.484	1.164.388	(26.666.874)	**13.108.691**
Sales	-	-	-	(70.230)	(33.119)	(148.025)	**(251.374)**
Destructions / Disposals	-	(26.459)	(128.636)	(4.951)	(51.053)	(1.033)	**(212.133)**
Impairment	-	-	-	-	-	(137.272)	**(137.272)**
Additions due to acquisition of company	-	80.228	192.107	-	2.436	2.174.499	**2.449.271**
Balance as of 31 December 2010	**40.403.362**	**91.434.368**	**338.697.975**	**3.879.795**	**16.979.352**	**11.051.058**	**502.445.911**
Accumulated depreciation							
Balance as of 1 January 2010	**-**	**(30.613.170)**	**(111.830.122)**	**(3.044.790)**	**(12.423.218)**	**-**	**(157.911.300)**
Foreign exchange differences	-	162.453	257.359	(658)	31.882	-	**451.036**
Depreciation for the year	-	(4.053.815)	(22.800.818)	(238.129)	(1.098.607)	-	**(28.191.368)**
Sales	-	-	-	61.511	22.037	-	**83.547**
Destructions / Disposals	-	3.675	64.053	3.021	50.219	-	**120.968**
Impairment	-	-	-	(3.678)	-	-	**(3.678)**
Additions due to acquisition of company	-	(10.704)	(25.674)	-	-	-	**(36.378)**
Balance as of 31 December 2010	**-**	**(34.511.560)**	**(134.335.202)**	**(3.222.724)**	**(13.417.687)**	**-**	**(185.487.172)**
Undepreciated value as of 1 January 2010	**39.971.184**	**58.680.404**	**191.446.984**	**832.435**	**3.511.960**	**35.833.550**	**330.276.516**
Undepreciated value as of 31 December 2010	**40.403.362**	**56.922.807**	**204.362.774**	**657.072**	**3.561.665**	**11.051.058**	**316.958.739**

Notes to the Financial Statements
5. Property, plant and equipment (cont'd)

COMPANY

(Amounts in euro)	Land	Buildings	Mechanical equipment	Transportation Vehicles	Furniture and Fixtures	Fixed assets under construction	Total
Cost							
Balance as of 1 January 2009	**26.128.943**	**36.270.250**	**114.783.208**	**1.814.986**	**5.729.556**	**15.235.697**	**199.962.640**
Additions	-	3.746.848	9.634.945	967	355.311	(3.962.638)	**9.775.433**
Sales	(998.507)	-	(820.618)	(10.600)	-	(430.736)	**(2.260.461)**
Balance as of 31 December 2009	**25.130.436**	**40.017.098**	**123.597.534**	**1.805.353**	**6.084.866**	**10.842.323**	**207.477.611**
Accumulated depreciation							
Balance as of 1 January 2009	**-**	**(8.340.905)**	**(38.301.209)**	**(1.492.814)**	**(4.854.423)**	**-**	**(52.989.350)**
Depreciation for the year	-	(1.913.212)	(9.309.775)	(107.738)	(387.686)	-	**(11.718.411)**
Sales	-	-	206.679	7.067	-	-	**213.746**
Balance as of 31 December 2009	**-**	**(10.254.117)**	**(47.404.305)**	**(1.593.485)**	**(5.242.109)**	**-**	**(64.494.015)**
Undepreciated value as of 1 January 2009	**26.128.943**	**27.929.346**	**76.482.000**	**322.172**	**875.133**	**15.235.697**	**146.973.289**
Undepreciated value as of 31 December 2009	**25.130.436**	**29.762.982**	**76.193.230**	**211.868**	**842.758**	**10.842.323**	**142.983.596**
Cost							
Balance as of 1 January 2010	**25.130.436**	**40.017.098**	**123.597.534**	**1.805.353**	**6.084.866**	**10.842.323**	**207.477.611**
Additions	-	575.887	3.149.361	530	362.317	(1.592.664)	**2.495.430**
Sales	-	-	(3.061.752)	(37.224)	(10.434)	(3.445.333)	**(6.554.743)**
Impairment	-	-	-	-	-	(137.272)	**(137.272)**
Transfer to subsidiary company	(2.911.050)	(8.529.440)	(20.259.869)	(212.005)	(661.904)	(609.024)	**(33.183.292)**
Balance as of 31 December 2010	**22.219.386**	**32.063.546**	**103.425.275**	**1.556.654**	**5.774.845**	**5.058.029**	**170.097.735**
Accumulated depreciation							
Balance as of 1 January 2010	**-**	**(10.254.117)**	**(47.404.305)**	**(1.593.485)**	**(5.242.109)**	**-**	**(64.494.015)**
Depreciation for the year	-	(1.677.769)	(8.365.879)	(82.086)	(382.254)	-	**(10.507.989)**
Sales	-	-	133.395	33.724	8.934	-	**176.053**
Transfer to subsidiary company	-	2.596.950	8.609.605	211.751	615.219	-	**12.033.525**
Balance as of 31 December 2010	**-**	**(9.334.936)**	**(47.027.184)**	**(1.430.097)**	**(5.000.210)**	**-**	**(62.792.426)**
Undepreciated value as of 1 January 2010	**25.130.436**	**29.762.982**	**76.193.230**	**211.868**	**842.758**	**10.842.323**	**142.983.596**
Undepreciated value as of 31 December 2010	**22.219.386**	**22.728.610**	**56.398.091**	**126.557**	**774.636**	**5.058.029**	**107.305.309**

Notes to the Financial Statements
6. Intangible assets

GROUP

(Amounts in euro)	Development Expenses	Trade marks and Licenses	Software	Other	Total
Cost					
Balance as of 1 January 2009	**-**	**1.552.105**	**7.164.069**	**73.628**	**8.789.802**
Foreign exchange differences	-	-	(49.823)	-	**(49.823)**
Additions	-	77.721	307.225	-	**384.946**
Balance as of 31 December 2009	**-**	**1.629.826**	**7.421.471**	**73.628**	**9.124.926**
Accumulated depreciation					
Balance as of 1 January 2009	**-**	**(1.053.414)**	**(6.552.821)**	**(56.269)**	**(7.662.504)**
Foreign exchange differences	-	-	116.073	-	**116.073**
Depreciation for the year	-	(219.529)	(390.561)	(2.920)	**(613.010)**
Balance as of 31 December 2009	**-**	**(1.272.943)**	**(6.827.310)**	**(59.189)**	**(8.159.441)**
Undepreciated value as of 1 January 2009	**-**	**498.691**	**611.248**	**17.359**	**1.127.298**
Undepreciated value as of 31 December 2009	**-**	**356.883**	**594.162**	**14.439**	**965.485**
Cost					
Balance as of 1 January 2010	**-**	**1.629.826**	**7.421.471**	**73.628**	**9.124.926**
Foreign exchange differences	-	-	(14.844)	(86)	**(14.929)**
Additions	-	4.362	233.100	245	**237.707**
Additions due to acquisition of company	39.180	-	966	-	**40.146**
Balance as of 31 December 2010	**39.180**	**1.634.188**	**7.640.693**	**73.788**	**9.387.850**
Accumulated depreciation					
Balance as of 1 January 2010	**-**	**(1.272.943)**	**(6.827.310)**	**(59.189)**	**(8.159.441)**
Foreign exchange differences	-	-	14.476	78	**14.554**
Depreciation for the year	(7.731)	(210.856)	(360.130)	(3.119)	**(581.836)**
Depreciation due to acquisition of company	(7.941)	-	(837)	(103)	**(8.881)**
Balance as of 31 December 2010	**(15.672)**	**(1.483.799)**	**(7.173.801)**	**(62.333)**	**(8.735.605)**
Undepreciated value as of 1 January 2010	**-**	**356.883**	**594.162**	**14.439**	**965.485**
Undepreciated value as of 31 December 2010	**23.508**	**150.390**	**466.892**	**11.455**	**652.245**

Notes to the Financial Statements
6. Intangible assets (cont'd)

COMPANY

(Amounts in euro)	**Software**
Cost	
Balance as of 1 January 2009	**3.266.015**
Additions	227.161
Balance as of 31 December 2009	**3.493.176**
Accumulated depreciation	
Balance as of 1 January 2009	**(3.050.598)**
Depreciation for the year	(164.837)
Balance as of 31 December 2009	**(3.215.435)**
Undepreciated value as of 1 January 2009	**215.417**
Undepreciated value as of 31 December 2009	**277.741**

Cost	
Balance as of 1 January 2010	**3.493.176**
Additions	55.156
Transfer to subsidiary company	(74.559)
Balance as of 31 December 2010	**3.473.774**
Accumulated depreciation	
Balance as of 1 January 2010	**(3.215.435)**
Depreciation for the year	(146.818)
Transfer to subsidiary company	74.559
Balance as of 31 December 2010	**(3.287.695)**
Undepreciated value as of 1 January 2010	**277.741**
Undepreciated value as of 31 December 2010	**186.079**

Notes to the Financial Statements
7. Investment Property

Investment property refers to lots of the subsidiary "HELLENIC CABLES S.A.".

The real estate investment concern in land, which at the date of transition to IFRS, were valued at fair value which was regarded as deemed cost.

8. Participations

	GROUP		COMPANY	
(Amounts in euro)	**2010**	**2009**	**2010**	**2009**
Investments to subsidiary Companies	-	-	144.260.438	107.486.903
Investments to affiliated Companies	6.082.122	5.992.845	4.264.104	4.559.245
	6.082.122	**5.992.845**	**148.524.542**	**112.046.148**

Participations in subsidiaries can be broken down as follows:

Corporate Name	Country	Value at the beginning of period	Additions	Sales	Impairments	Value at the end of period	Direct Holding Percentage	Indirect Holding Percentage	Direct & Indirect Holding Percentage
2009									
HELLENIC CABLES S.A.	Greece	21.728.188	16.031.214	-	-	37.759.402	78,71%	0,00%	78,71%
STEELMET S.A.	Greece	140.880	-	-	-	140.880	29,56%	23,27%	52,83%
AKRO S.A.	Greece	-	94.324	-	(94.324)	-	95,74%	0,00%	95,74%
SOFIA MED SA	Bulgaria	69.228.073	-	-	-	69.228.073	100,00%	0,00%	100,00%
METAL AGENCIES LTD	United Kingdom	140.931	-	-	-	140.931	67,00%	25,98%	92,98%
BELANTEL HOLDINGS LTD	Cyprus	95.437	-	-	-	95.437	100,00%	0,00%	100,00%
METAL GLOBE DOO	Serbia	-	-	-	-	-	30,00%	23,61%	53,61%
COPPERPROM LTD	Greece	7.200	-	-	-	7.200	40,00%	31,49%	71,49%
GENECOS SA	France	54.980	-	-	-	54.980	25,00%	47,23%	72,23%
SYLLAN S.A.	Greece	60.000	-	-	-	60.000	100,00%	0,00%	100,00%
OGWELL LIMITED	Cyprus	15.960.000	-	(15.960.000)	-	-	100,00%	0,00%	100,00%
CHABAKIS LTD	Greece	-	-	-	-	-	100,00%	0,00%	100,00%
		107.415.689	**16.125.538**	**(15.960.000)**	**(94.324)**	**107.486.903**			
2010									
HELLENIC CABLES S.A.	Greece	37.759.402	-	-	-	37.759.402	78,71%	0,00%	78,71%
STEELMET S.A.	Greece	140.880	-	-	-	140.880	29,56%	23,27%	52,83%
AKRO S.A.	Greece	-	-	-	-	-	95,74%	0,00%	95,74%
SOFIA MED SA	Bulgaria	69.228.073	25.000.015	-	-	94.228.089	100,00%	0,00%	100,00%
METAL AGENCIES LTD	United Kingdom	140.931	-	-	-	140.931	67,00%	25,98%	92,98%
BELANTEL HOLDINGS LTD	Cyprus	95.437	-	-	-	95.437	100,00%	0,00%	100,00%
METAL GLOBE DOO	Serbia	-	-	-	-	-	30,00%	23,61%	53,61%
COPPERPROM LTD	Greece	7.200	-	-	-	7.200	40,00%	31,49%	71,49%
GENECOS SA	France	54.980	-	-	-	54.980	25,00%	47,23%	72,23%
FITCO SA (former SYLLAN S.A.)	Greece	60.000	9.516.720	-	-	9.576.720	100,00%	0,00%	100,00%
HALCOR R&D SA	Greece	-	42.000	-	-	42.000	70,00%	0,00%	70,00%
TECHOR SA	Greece	-	2.214.800	-	-	2.214.800	68,97%	0,00%	68,97%
		107.486.903	**36.773.535**	**-**	**-**	**144.260.438**			

Notes to the Financial Statements
8. Participations (cont'd)

On June 30, 2010 with the inclusion of No. 17374/30-06-2010 approval decision of the Prefecture of Athens in the Register of incorporated companies, the de-merger of brass rods and tubes industry by the parent and its contribution to its 100% subsidiary FITCO SA (formerly SYLL.AN. SA) in accordance with the provisions of Law 2166/93 was completed. A balance sheet date being fixed for March 31, 2010, while the de-merger was based on the decisions of HALCOR's & FITCO's Board of Directors at their meetings on March 30, 2010. The de-merged assets and liabilities of the industry as contained in the Company's financial statements under IFRS at the time of de-merger, are described below:

	Value in Euro'000
Tangible assets	21.150
Other long-term receivables	33
Stocks	14.699
Customers & other receivables	7.938
Allowances for personnel indemnification	(274)
Grants	(651)
Bank loans	(18.552)
Deferred tax	(2.900)
Suppliers & other liabilities	(2.543)
	18.901

The contribution of the sector carried out in accordance with the provisions of Law 2166/93 as a result of the above contributed capital amounting to Euro 18,901 thousand, an amount of Euro 9.517 thousand concerns the book value of the sector, while amounts of Euro 202 thousand and Euro 9.182 thousand respectively concern a tax-free reserve and adjustment of the first application of IFRS not included in the reserves, but in retained earnings. The share capital of the acquiring company's sector (FITCO SA) increased by the amount of Euro 9.517 thousand by issuing 3,172,240 new shares of nominal value Euro 3.00 each. Thus, the share capital of FITCO SA after the de-merger has risen to Euro 9.577 thousand, divided into 3,192,240 shares of nominal value Euro 3.00 each. HALCOR SA holds all the shares (100%). The movements above had no effect (inflow - outflow) in cash flows of the Company. The result of the period 01.04 – 31.12.2010 of FITCO SA amounts to Euro 123,766 while the first quarter results included in the results of HALCOR SA.

On April 21, 2010 the Extraordinary General Meeting of shareholders of a company called TECHOR SA, decided to increase its share capital by the amount of Euro 380.000 by issuing 190,000 new shares of nominal value Euro 2.00 and issue price of Euro 11,43. The premium difference from the total increase amounted to Euro 1.791.700 has formed a special reserve to share premium. HALCOR SA paying an amount of Euro 2,171,700 assumed coverage of all new shares after the resignation of former shareholders of the right of preference in this increase. Upon completion of this capital increase the share capital of TECHOR SA amounted to 580.000 euros divided into 290.200 shares with a nominal value of Euro 2.00 each and HALCOR SA holds 190,000 shares (65.52%). In December 2010, HALCOR further increased its stake by acquiring 10,000 shares with value of Euro 43,100. After that acquisition the stake has risen to 68.97%. TECHOR S.A. was not consolidated the previous year.

In December 2010, our subsidiary Sofia Med SA (100%) completed a capital increase by Euro 25 million with a capitalization of an equal amount of financial debt towards HALCOR in order to improve its capital structure.

Notes to the Financial Statements
8. Participations (cont'd)

The participations in associated companies can be broken down as follows:

			GROUP		COMPANY	
Corporate Name	Country	Direct & Indirect Holding Percentage	2010	2009	2010	2009
DIAPEM TRADING S.A.	Greece	33,33%	210.619	213.180	266.627	266.627
ELKEME S.A.	Greece	30,90%	627.673	625.379	381.604	381.604
S.C. STEELMET ROMANIA S.A	Romania	40,00%	1.915.990	1.722.465	729.237	729.237
TEPRO METALL AG	Germany	36,99%	3.170.240	3.306.460	2.873.392	2.873.392
ENERGY SOLUTIONS SA	Boulgaria	38,60%	-	-	-	299.985
VIEXAL LTD	Greece	26,67%	9.399	19.159	13.244	8.400
HALCOR R&D SA	Greece	70,00%	42.000	-	-	-
E.D.E. S.A.	Greece	78,71%	106.201	106.201	-	-
			6.082.122	**5.992.845**	**4.264.104**	**4.559.245**

In October 2010, the company HALCOR RESEARCH AND DEVELOPMENT SA was established with HALCOR SA as its major shareholder, which participates with 70% in the new company. The value of HALCOR's participation in the new company amounted to Euro 42,000. The new company did not show any activity in 2010 and therefore was not consolidated by the full consolidation method.

In 2010 the parent Company recognized impairment in the associate ENERGY SOLUTIONS SA amounting to Euro 299,985, which is included in the account "Financial expenses" in the Profit and Loss Statement.

The main financial assets of these associated companies can be broken down as follows:

Corporate Name	Country	Assets	Liabilities	Income (Turnover)	Profit / (losses) after tax	Participation percentage
2009						
DIAPEM TRADING S.A.	Greece	659.126	19.580	-	(2.638)	33,33%
ELKEME S.A.	Greece	2.642.858	618.976	2.047.545	38.288	30,90%
S.C. STEELMET ROMANIA S.A	Romania	7.596.393	3.289.693	15.644.320	205.019	40,00%
TEPRO METALL AG	Germany	25.800.897	18.205.077	70.998.259	(1.509.822)	43,53%
ENERGY SOLUTIONS SA	Bulgaria	3.506.936	3.876.712	1.937.415	(954.952)	38,60%
VIEXAL LTD	Greece	565.878	494.042	3.866.519	(8.100)	26,67%
		40.772.087	**26.504.080**	**94.494.058**	**(2.232.205)**	

Corporate Name	Country	Assets	Liabilities	Income (Turnover)	Profit / (losses) after tax	Participation percentage
2010						
DIAPEM TRADING S.A.	Greece	657.886	26.023	-	(7.683)	33,33%
ELKEME S.A.	Greece	2.343.903	312.598	2.112.108	7.423	30,90%
S.C. STEELMET ROMANIA S.A	Romania	9.230.403	4.439.829	22.235.622	509.843	40,00%
TEPRO METALL AG	Germany	29.256.129	20.685.597	106.249.075	20.504	36,99%
ENERGY SOLUTIONS SA	Bulgaria	2.061.221	3.799.236	1.271.578	(1.368.239)	38,60%
VIEXAL LTD	Greece	568.511	533.270	3.636.719	(54.759)	26,67%
		44.118.053	**29.796.553**	**135.505.102**	**(892.911)**	

Notes to the Financial Statements
9. Financial assets available for sale

Financial assets available for sale include the following:

	GROUP		COMPANY	
(Amounts in euro)	**2010**	**2009**	**2010**	**2009**
Unlisted titles				
Domestic Participating Titles	4.293.000	4.291.524	3.840.675	3.839.199
International Participating Titles	1.119	1.119	1.119	1.119
Others	8.804	8.804	5.869	5.869
	4.302.923	**4.301.447**	**3.847.664**	**3.846.187**

Financial assets available for sale concern holdings in unlisted domestic and foreign companies and are measured at acquisition cost.

10. Deferred tax assets and liabilities

Deferred tax assets and liabilities are offset when there is an applicable legal right to offset the current tax assets against current tax liabilities and when the deferred income tax relates to the same taxation authority. The net amount of the deferred tax is as follows:

	GROUP		COMPANY	
(Amounts in euro)	**2010**	**2009**	**2010**	**2009**
Deferred tax claims	**6.259.224**	**5.523.929**	-	-
Deferred tax liabilities	**(9.532.996)**	**(13.822.309)**	**(3.091.437)**	**(10.210.091)**
Net amount	**(3.273.772)**	**(8.298.380)**	**(3.091.437)**	**(10.210.091)**

The total change in the deferred income tax is:

	GROUP		COMPANY	
(Amounts in euro)	**2010**	**2009**	**2010**	**2009**
Opening balance	**(8.298.380)**	**(14.031.991)**	**(10.210.091)**	**(14.321.839)**
Foreign exchange differences	(3.738)	(122.569)	-	-
Transfer to subsidiary	-	-	2.899.524	-
(Debit)/credit recorded in the profit and loss statement	4.336.324	4.089.544	3.704.034	2.156.008
Tax that was (debited)/credited in equity	692.022	1.766.637	515.095	1.955.740
Closing balance	**(3.273.772)**	**(8.298.380)**	**(3.091.437)**	**(10.210.091)**

Notes to the Financial Statements
10. Deferred tax assets and liabilities (cont'd)

Use of temporary tax differences is as follows:

Deferred tax liabilities:
(Amounts in euro)

GROUP	Difference in Depreciation	Difference in Provisions	Non-recognised intangible assets	Change in tax rate	Future benefits from the reversal real estate adjustments	Tax losses recognition	Other
Balance as of 1/1/2009	**(30.807.465)**	**1.118.509**	**(117.073)**	**4.274.407**	**-**	**5.251.737**	**2.477.799**
Foreign exchange differences	-	-	-	-	-	-	(156)
(Debit) / Credit recorded in the profit and loss statement	605.380	885.899	(254.354)	46.211	-	4.778.179	(3.589.667)
(Debit) / Credit in equity	-	-	-	-	-	-	1.508.285
Balance as of 31/12/2009	**(30.202.084)**	**2.004.408**	**(371.427)**	**4.320.618**	**-**	**10.029.916**	**396.260**
(Debit) / Credit recorded in the profit and loss statement	869.226	207.454	(231.046)	-	-	62.564	2.803.482
(Debit) / Credit in equity	-	-	-	-	-	-	577.633
Balance as of 31/12/2010	**(29.332.858)**	**2.211.861**	**(602.473)**	**4.320.618**	**-**	**10.092.480**	**3.777.375**

Deferred tax liabilities:

GROUP	Difference in Depreciation	Difference in Provisions	Non-recognised intangible assets	Change in tax rate	Future benefits from the reversal real estate adjustments	Tax losses	Other
Balance as of 1/1/2009	**1.709.182**	**409.817**	**783**	**(78.553)**	**1.200.129**	**417.557,82**	**111.181**
Foreign exchange differences	(92.434)	-	-	-	-	-	(29.979)
(Debit) / Credit recorded in the profit and loss statement	695.989	(425.089)	-	-	(1.264.471)	2.541.195	70.271
(Debit) / Credit in equity	-	-	-	-	-	-	258.352
Balance as of 31/12/2009	**2.312.736**	**(15.272)**	**783**	**(78.553)**	**(64.342)**	**2.958.753**	**409.824**
Foreign exchange differences	(3.738)	-	-	-	-	-	-
(Debit) / Credit recorded in the profit and loss statement	858.721	373.752	-	-	-	(560.856)	(46.973)
(Debit) / Credit in equity	-	-	-	-	-	-	114.389
Balance as of 31/12/2010	**3.167.719**	**358.480**	**783**	**(78.553)**	**(64.342)**	**2.397.898**	**477.240**

Deferred tax liabilities:

COMPANY	Difference in Depreciation	Difference in Provisions	Non-recognised intangible assets	Change in tax rate	Future benefits from the reversal real estate adjustments	Tax losses	Other
Balance as of 1/1/2009	**(25.328.501)**	**350.572**	**(143.163)**	**9.721.395**	**-**	**5.251.736,82**	**(4.173.878)**
(Debit) / Credit recorded in the profit and loss statement	776.013	88.747	(234.101)	25.236	-	4.307.149	(2.807.036)
(Debit) / Credit in equity	-	-	-	-	-	-	1.955.740
Balance as of 31/12/2009	**(24.552.488)**	**439.319**	**(377.264)**	**9.746.630**	**-**	**9.558.886**	**(5.025.175)**
(Debit) / Credit recorded in the profit and loss statement	1.086.730	1.034.016	(213.943)	-	-	(334.567)	2.131.798
(Debit) / Credit in equity	-	-	-	-	-	-	515.095
Transfer to subsidiary	2.931.884	(168.802)	-	-	-	-	136.442
Balance as of 31/12/2010	**(20.533.873)**	**1.304.533**	**(591.207)**	**9.746.630**	**-**	**9.224.319**	**(2.241.839)**

Deferred tax assets were offset against deferred tax liabilities for companies falling under the same taxation authority.

The recognition of tax losses of Euro 9,558,886 for the parent company refers to the years 2008 (Euro 5,251,737) and 2009 (Euro 4,307,149). In 2010, there was a reduction in the total amount of Euro 334,567 for non-recoverability of those losses. Tax losses under Greek tax law can be offset within five years.

Notes to the Financial Statements
11. Inventories

(Amounts in euro)	GROUP		COMPANY	
	2010	**2009**	**2010**	**2009**
Merchandise	13.850.203	9.026.300	1.945.559	3.155.203
Finished products	69.645.138	61.905.899	25.358.027	26.010.660
Semi-finished	44.722.747	29.155.923	20.273.751	18.668.641
By-products and scrap	1.922.771	1.514.078	305.895	431.358
Work in progress	21.515.269	21.323.461	2.182.419	3.207.031
Raw and indirect materials - consumables - spare parts & packaging materials	68.501.451	61.244.667	27.193.546	23.565.056
Down payments for the purchase of stocks	2.667.059	780.339	-	-
Total	**222.824.639**	**184.950.666**	**77.259.197**	**75.037.948**
Less: Inventories devaluation	**(318.264)**	**(542.346)**	**-**	**-**
Total net liquid value	**222.506.376**	**184.408.321**	**77.259.197**	**75.037.948**

Depreciation of inventories has been posted to the Income Statement and in particular in the account "Cost of goods sold".

12. Trade and other receivables

Current assets	GROUP		COMPANY	
(Amounts in euro)	**2010**	**2009**	**2010**	**2009**
Customers	130.041.715	88.966.342	32.680.878	19.474.783
Less: Impairment provisions	(3.791.478)	(3.651.783)	(1.264.598)	(1.206.309)
Net customer receivables	**126.250.237**	**85.314.560**	**31.416.280**	**18.268.474**
Other down payments	500.651	625.182	222.074	276.284
Notes-cheques receivable & sealed	12.879.127	12.240.828	794.781	954.625
Receivables from affiliated entities	28.198.550	31.507.186	57.723.967	55.305.095
Receivables from other holdings	-	388.000	6.000	394.000
Current tax receivables	10.084.851	7.589.402	562.404	2.018.638
Other debtors	34.140.046	9.846.565	17.617.780	4.847.130
Total	**85.803.226**	**62.197.163**	**76.927.007**	**63.795.772**
Non-current assets				
(Amounts in euro)				
Long-term receivables against affiliated companies	431.893	-	431.893	-
Long-term claims against other holdings	1.580	1.580	1.580	1.580
Other long-term claims	794.464	1.503.026	89.023	890.991
Total	**1.227.938**	**1.504.606**	**522.497**	**892.571**
Total receivables	**213.281.400**	**149.016.329**	**108.865.783**	**82.956.817**

The provision for doubtful debts is raised for specific balances of customers that the Group Management finds doubtful in terms of collection less the expected indemnity received from insurance companies.

During the year 2010, provisions for impairment equal to Euro 58,289 and Euro 139,695 were raised for the Company and the Group respectively. The respective amounts for year 2009 came to Euro 20,669 and Euro 514,006.

In "Other receivables" is an amount of Euro 16,530,604 for the Company and an amount of Euro 23,744,112 for the Group, which refer to raw materials in transit that ownership had not been transferred.

Notes to the Financial Statements
13. Derivatives

	GROUP		COMPANY	
(Amounts in euro)	**2010**	**2009**	**2010**	**2009**
Current assets				
Foreign exchange swaps	159.360	64.140	-	-
Forward contracts	954.890	147.779	886.598	147.779
Future contracts	2.839.982	1.699.719	699.534	97.642
Total	**3.954.232**	**1.911.638**	**1.586.132**	**245.420**
Long-term liabilities				
Interest rate swaps	822.379	311.069	822.379	257.609
Total	**822.379**	**311.069**	**822.379**	**257.609**
Short-term liabilities				
Interest rate swaps	174.388	-	-	-
Foreign exchange forwards	356.128	114.540	356.128	114.540
Option contracts	671.825	445.210	671.825	445.210
Future contracts	10.354.268	8.984.848	5.952.490	4.333.969
Total	**11.556.609**	**9.544.598**	**6.980.443**	**4.893.719**
Amounts that were recorded in the results as earnings or (expenses)	**(10.641.468)**	**(42.257.066)**	**(6.899.307)**	**(22.556.444)**
Interest rate swaps				
Nominal Value	**60.000.000**	**60.000.000**	**48.750.000**	**48.750.000**

For the Group and the Company, the results from the settled financial risk management acts that were posted to the Income Statement during the years 2010 and 2009 are included in “Sales” and “Cost of goods sold” as regards metal and foreign exchange derivatives and in “Other Income-Expenses” as regards interest swap derivatives, options and foreign exchange futures.

	COMPANY	
	2010	**2009**
Gains from future contracts	5.065.012	8.212.221
Losses from future contracts	(12.266.303)	(30.104.495)
Gains from option contracts	735.165	-
Losses from option contracts	(671.825)	(445.210)
Gains from foreign exchange forwards	1.046.986	388.213
Losses from foreign exchange forwards	(808.342)	(607.173)
Total	**(6.899.307)**	**(22.556.444)**

Notes to the Financial Statements
14. Cash and cash equivalents

	GROUP		COMPANY	
(Amounts in euro)	**2010**	**2009**	**2010**	**2009**
Cash on hand and in banks	123.589	647.468	10.140	6.657
Short-term bank deposits	17.244.361	17.105.708	2.393.806	1.560.899
Total	**17.367.950**	**17.753.177**	**2.403.946**	**1.567.556**

Bank deposits are set at variable rates according to the applicable rates of interest of interbank market.

15. Share capital

Company share capital stands at Euro 38,486,258 (2008: 38,486,258) divided into 101,279,627 (2008: 101,279,627) common unregistered shares with a nominal value of Euro 0.38 each.

16. Reserves

Statutory Reserve

Under Greek trade law, companies must transfer at least 5% of their annual net profits to a statutory reserve until that reserve is equal to 1/3 of the paid-up share capital. Distribution of Statutory Reserve is prohibited. No statutory reserve will be set aside during this year due to losses.

Untaxed and special reserves

Untaxed and special reserves concern non-distributed profits that are exempt from taxation pursuant to special provisions of incentive laws (under the condition that companies have sufficient profits to form these reserves). Reserves from income exempt from taxation and reserves taxed pursuant to special laws concern income from interest for which a tax has been withheld at the source. In addition to any prepaid taxes, these reserves are subject to taxation in case they are distributed. No deferred taxes have been accounted for as regards the above untaxed reserves in case they are distributed.

Notes to the Financial Statements

17. Loans and obligations from Financial Leasing

	GROUP		COMPANY	
(Amounts in euro)	**2010**	**2009**	**2010**	**2009**
Long-term borrowings				
Bank loans	15.343.843	37.994.000	-	-
Bond loans	140.716.789	154.738.167	113.889.035	113.333.200
Total long-term borrowings	**156.060.632**	**192.732.167**	**113.889.035**	**113.333.200**
Short-term borrowings				
Bank loans	338.157.544	226.670.628	128.584.417	96.698.348
Total short-term borrowings	**338.157.544**	**226.670.628**	**128.584.417**	**96.698.348**
Total loans	**494.218.176**	**419.402.795**	**242.473.452**	**210.031.548**

The maturity dates of long-term debt are:

(Amounts in euro)				
Between 1 and 2 years	93.171.502	122.187.500	66.416.665	69.500.000
Between 2 and 5 years	62.889.130	70.544.667	47.472.369	43.833.200
	156.060.632	**192.732.167**	**113.889.035**	**113.333.200**

During 2010, the Company raised debt capital from a group of banks which amounted to Euro 110,023,974 mainly in order to meet its needs for working capital. During the same period, the Company repaid loans totalling Euro 59,030,596 (both short and long-term).

At Group level, during 2010 the loans taken out amounted to Euro 172,461,016 while the sum of Euro 97,645,635 was repaid. The respective amounts for year 2009 came to Euro 32,192,485 and Euro 95,354,430.

The fair values of loans are approximately equal to their book values as loans bear mainly floating interest rates. The book values of the Group's loans concern loans issued in Euro.

The actual weighted average interest rates (both short and long term) at the balance sheet date were:

	GROUP		COMPANY	
	2010	**2009**	**2010**	**2009**
Average borrowing interest rate	3,41%	3,38%	3,25%	3,32%

The bank loans of both the Company and HALCOR Group, taken out fully by Banks (Group: Euro 158.1 million on a long-term basis and Euro 214.7 million on a short-term basis and Company: Euro 113.9 million long-term and Euro 118.7 million short-term) include clauses of change in control granting lenders the right to early terminate them.

There was no fact in 2010 which has led to a breach of the terms of the loans of the Group.

Notes to the Financial Statements
18. Liabilities for staff retirement benefits

Under Greek labour law employees are entitled to compensation when dismissed or retiring, the level of which is related to employee pay, length of service and the mode of departure (dismissal or retirement). No employees resigning are entitled to compensation.

	GROUP		COMPANY	
(Amounts in euro)	2010	2009	2010	2009
Balance sheet liabilities for:				
Non-funded retirement benefits	**4.721.658**	**4.971.824**	**2.059.252**	**2.648.352**
Present value of non-funded liabilities	4.260.317	5.494.113	1.825.068	2.878.607
Non-recorded actuarial (profits)/losses	461.341	(522.289)	234.184	(230.255)
Liability recorded in the Balance Sheet	**4.721.658**	**4.971.824**	**2.059.252**	**2.648.352**
Variations in net liability recognised in the Balance Sheet				
Net liability at the beginning of the year	4.971.824	4.819.750	2.648.352	2.615.178
Net liability from subsidiary aquisition	40.628	-	(210.741)	-
Benefits that have been paid	(2.193.671)	(2.114.027)	(1.554.766)	(1.691.688)
Total expenditure that was recognised in the profit and loss accounts	1.902.878	2.266.101	1.176.407	1.724.862
Net liability at the end of the year	**4.721.658**	**4.971.824**	**2.059.252**	**2.648.352**
Analysis of expenditures that were recognised in the profit and loss accounts				
Cost of current employment	391.835	419.127	131.065	214.842
Interest on the liability	206.780	260.578	79.724	145.019
Cost of additional benefits	1.299.478	1.584.780	965.618	1.365.001
Expenses & amortization of actual loss	4.785	1.616	-	-
Total expenditure that was recognised in the profit and loss accounts	**1.902.878**	**2.266.101**	**1.176.407**	**1.724.862**

The assumptions on which the actuarial study was based for the calculation of provision are the following:

	GROUP		COMPANY	
	2010	2009	2010	2009
Discount interest rate	4,7%	5,0%	4,7%	5,0%
Future salary increases	3,0%	4,5%	3,0%	4,5%

The Company has granted stock options to certain executives. More specifically the General Meeting dated 20 June 2002 decided to grant options for the acquisition of 1,225,000 shares maximum corresponding to 1.21% of the existing number of the Company's shares. Options are gradually vested from 2002 to 2011 (10%) every year. The exercise price of the option was defined as the average closing price of the Company's share on ATHEX during the first fortnight of June 2002, namely Euro 3.45. Options may be exercised between the first and last business day of November of each year, between 2006 and 2013, when the deadline for their exercise will expire. Based on the interim provisions of IFRS 2 and given that the specific options were granted prior to 7 November 2002, the Company has not applied the provisions of this Standard save the disclosures of IFRS 2.

During the year no options were exercised.

HELLENIC CABLES S.A. has established corresponding options up to 1.97% of the number of existing common registered shares at the time of establishment (530,600 options) adjusted to future changes in the number of shares in which the share capital is divided under the following main terms and conditions:

Notes to the Financial Statements
18. Liabilities for staff retirement benefits (cont'd)

a) Beneficiaries of stock option plan: Members of the Board, employees of the company or associated entities.

b) Option exercise price: Closing price on ATHEX during the first fortnight of June 2002, i.e. Euro 2.97 per option, was set as exercise price.

c) Option exercise: Options are gradually vested by 10% per annum starting on the first business day of November 2002 until the first business day of November 2011. The above vested options are exercised from the first business day of November 2006 until the first business day of November 2013. After this expiry date, non-exercised options will be abolished.

During the year no options were exercised.

19. Grants

	GROUP		COMPANY	
(Amounts in euro)	**2010**	**2009**	**2010**	**2009**
Opening balance of the fiscal year	**2.445.634**	**1.553.534**	**2.077.625**	**1.059.349**
Proceeds from investement grants	907.500	1.348.900	907.500	1.348.900
Depreciation of grants	(450.227)	(456.800)	(299.967)	(330.624)
Transfer to subsidiary	-	-	(650.933)	-
Closing balance of the fiscal year	**2.902.907**	**2.445.634**	**2.034.225**	**2.077.625**

Depreciation of grants corresponding to fixed assets depreciation is posted in the account "Other income" of the income statement.

Grants have been provided for the purchase of tangible assets. Company grants concern investments made over the previous years at the Tubes Plant, the Brass Bars and Tubes Plant and the Foundry. During the year 2010, the Group took the first instalment of grant totalling Euro 907,500 for investments made in the Tubes Plant.

20. Provisions

During the current year, the Company set up additional provisions totalling Euro 164,019 (2009: Euro 138,902) as supplementary provision of proportionate interest for the fine imposed by the European Competition Commission (see note 28).

During the year 2010, the Group raised a provision for un-audited fiscal years and the one-off charge of social responsibility which amounts to Euro 456,130. Overall, the provision that has been formed for the un-audited fiscal years and the one-off charge of social responsibility for the Group amount to € 616,106.

The amount of Euro 6,276,610 was transferred from short to long-term provisions, which refers to a provision for the fine imposed on the Company by the European Competition Commission. The decrease of long-term provisions of Euro 500,000 is due to used provisions for un-audited fiscal years.

Also, there are other provisions for Group Euro 333,103 and Company Euro 141,000.

Notes to the Financial Statements
21. Suppliers and other liabilities

	GROUP		COMPANY	
(Amounts in euro)	**2010**	**2009**	**2010**	**2009**
Suppliers	62.049.532	28.543.406	32.210.718	9.612.972
Cheques payable	492	12.728	-	-
Customer down payments	5.010.444	3.669.155	2.839.116	2.532.832
Insurance organisations	2.266.377	2.279.160	1.017.475	1.183.583
Amounts due to affiliated entities	12.606.253	11.131.507	4.184.341	3.912.543
Dividends payable	22.425	23.219	13.521	14.315
Sundry creditors	2.736.918	3.520.563	9.436	590.450
Deferred income	10.210	102.946	-	-
Accrued expenses	3.314.324	2.808.737	1.736.743	1.100.416
Other transitory accounts	1.293.789	3.387.920	183.959	157.431
Total	**89.310.765**	**55.479.342**	**42.195.311**	**19.104.541**

22. Expenses

Expenses per category and account can be broken down as follows:

GROUP
2009

(Amounts in euro)	Cost of sales	Distribution expenses	Administrative expenses	Total
Employee benefits	(45.749.895)	(8.313.035)	(12.432.626)	**(66.495.556)**
Depreciation	(24.889.480)	(313.988)	(991.800)	**(26.195.268)**
Other Expenses	(576.292.070)	(6.908.623)	(8.737.876)	**(591.938.569)**
Total	**(646.931.445)**	**(15.535.645)**	**(22.162.303)**	**(684.629.393)**

2010

	Cost of sales	Distribution expenses	Administrative expenses	Total
Employee benefits	(49.466.819)	(8.417.183)	(11.788.132)	**(69.672.134)**
Depreciation	(26.836.120)	(318.895)	(939.756)	**(28.094.771)**
Other Expenses	(924.570.108)	(7.070.861)	(9.298.363)	**(940.939.332)**
Total	**(1.000.873.047)**	**(15.806.939)**	**(22.026.250)**	**(1.038.706.236)**

COMPANY
2009

(Amounts in euro)	Cost of sales	Distribution expenses	Administrative expenses	Total
Employee benefits	(18.466.423)	(3.922.597)	(5.797.525)	**(28.186.544)**
Depreciation	(11.373.177)	(236.559)	(273.511)	**(11.883.247)**
Other Expenses	(305.243.470)	(3.087.504)	(5.117.797)	**(313.448.771)**
Total	**(335.083.069)**	**(7.246.660)**	**(11.188.834)**	**(353.518.563)**

2010

	Cost of sales	Distribution expenses	Administrative expenses	Total
Employee benefits	(17.839.357)	(3.536.051)	(5.180.258)	**(26.555.665)**
Depreciation	(10.195.839)	(240.003)	(218.964)	**(10.654.807)**
Other Expenses	(477.222.998)	(3.287.829)	(4.747.263)	**(485.258.091)**
Total	**(505.258.195)**	**(7.063.883)**	**(10.146.485)**	**(522.468.563)**

Notes to the Financial Statements
22. Expenses (cont'd)

The cost of benefits to employees can be broken down as follows:

	GROUP		COMPANY	
(Amounts in euro)	**2010**	**2009**	**2010**	**2009**
Employee renumeration & expenses	54.434.071	52.763.210	20.180.625	22.241.166
Social security expenses	12.824.735	12.243.745	4.878.046	5.271.690
Retirement benefit usage	-	(1.051.173)	-	(1.051.173)
Retirement cost of fixed benefits schemes	1.902.878	2.266.101	1.176.407	1.724.862
Other Benefits	510.739	273.674	320.586	-
Total	**69.672.423**	**66.495.556**	**26.555.665**	**28.186.544**

The number of staff employed by the Company at the end of the current year was: 493 (2009: 716) and as for the Group: 2,217 (2009: 2,270).

23. Financial expenses/income

	GROUP		COMPANY	
(Amounts in euro)	**2010**	**2009**	**2010**	**2009**
Income				
Interest income	524.078	2.196.760	88.469	202.476
Total income	**524.078**	**2.196.760**	**88.469**	**202.476**
Expenses				
Interest charges & related expenses	(20.943.150)	(17.649.390)	(9.691.430)	(6.978.652)
Impairment of participations	-	(94.324)	(299.985)	(94.324)
Total expenses	**(21.127.879)**	**(17.743.714)**	**(9.991.415)**	**(7.072.977)**
Financial cost (net)	**(20.603.801)**	**(15.546.955)**	**(9.902.946)**	**(6.870.501)**

During the year 2010, the Group recognized the impairment of its holding in the associate ENERGY SOLUTIONS S.A. which totalled Euro 299,985 (Note 8 to Financial Statements).

24. Income tax

Greek taxation legislation and the relevant provisions are interpreted by the taxation authorities. Income tax returns are submitted each year but the profits and losses declared for taxation purposes remain temporarily open until the taxation authorities audit the tax returns and books of the taxpayer at which time the relevant taxation obligations will be finalised. Tax losses, to the extent that these are recognised by the taxation authorities, can be used to offset profits for the next five years after the accounting period to which they relate.

Until the year 2009, the tax rate was 25%. Under current tax law, the tax rate will be gradually reduced the next five years by 1% every year starting from 2010. From the year 2014 onwards the tax rate will be 20%.

Notes to the Financial Statements
24. Income tax (cont'd)

The income tax charged to or having reduced results is broken down as follows:

(Amounts in euro)	GROUP		COMPANY	
	2010	**2009**	**2010**	**2009**
Tax of the fiscal year	(650.044)	(1.148.999)	-	-
Other taxes	(794.126)	(92.610)	(62.499)	(92.610)
Deferred Taxes	4.336.324	4.089.544	3.704.034	2.156.008
Tax differences from tax audits	298.824	(57.168)	281.397	-
	3.190.978	**2.790.767**	**3.922.933**	**2.063.398**

Effective tax rate reconciliation

		GROUP			COMPANY	
		2010	**2009**		**2010**	**2009**
Earnings/(losses) before taxes		(16.249.126)	(22.056.168)		(11.693.708)	(13.251.258)
Tax rate		24%	25%		24%	25%
		3.899.790	**5.514.042**		**2.806.490**	**3.312.815**
Tax rate effects from foreign subsidiaries	4,91%	(797.901)	(1.685.829)	-	-	-
Non-deducted expenses	1,98%	(321.765)	(1.552.817)	2,80%	(326.924)	(1.567.195)
Exempt income	(1,23%)	199.493	3.614.639	(1,50%)	175.114	763.562
Tax loss for which a deferred tax was not recognised	2,06%	(334.567)	(471.019)	2,86%	(334.567)	(471.019)
Crearing tax losses	(10,16%)	1.650.265	(815.663)	(11,30%)	1.321.423	-
Unutilised tax provisions	(1,73%)	281.397	-	(2,41%)	281.397	-
Other changes	(0,35%)	56.728	(429.701)	-	-	-
Tax differences from tax audits	5,23%	(850.464)	(76.259)	-	-	-
Permanent tax differences	3,63%	(589.178)	(37.290)	-	-	-
Future profits from revaluation of properties	0,02%	(2.821)	(1.294.571)	-	-	-
Tax rate change	0,00%	-	25.236	-	-	25.236
Total	**(19,64%)**	**3.190.978**	**2.790.767**	**(33,55%)**	**3.922.933**	**2.063.398**

Under Article 5 of Law 3845/2010, the special one-off charge of social responsibility in the total net income for year 2010, calculated for the subsidiary STEELMET SA to Euro 186.544. The parent company HALCOR will not incur the extra charge because it does not fall under the provisions of this article. This amount charged on the consolidated results for the year 2010 according to the percentage of holding in the subsidiary. The exact amount will be finalized after receipt of the notification by the tax authorities.

Notes to the Financial Statements

25. Other Operating expenses – income (net)

	GROUP		COMPANY	
(Amounts in euro)	**2010**	**2009**	**2010**	**2009**
Other income				
Grants of the fiscal year	110.039	97.670	110.039	97.670
Income from other activities	1.532.218	2.287.546	1.495.245	2.032.462
Depreciation of subsidies received	450.227	456.800	299.967	330.624
Foreign exchange differences	7.267.210	3.483.437	2.215.779	1.780.558
Damage compensation	146.966	54.900	146.966	54.900
Gains from the tangible assets sale	253.315	509.272	245.712	424.910
Other income	313.444	652.710	753.203	390.567
Total other income	**10.073.419**	**7.542.335**	**5.266.911**	**5.111.690**
Other expenses				
Derivatives	-	(445.210)	-	(445.210)
Impairment of fixed assets	(3.678)	(3.256)	-	-
Foreign exchange differences	(7.129.374)	(2.934.328)	(1.765.362)	(1.249.501)
Losses from the sale of tangible assets	(975)	(1.033)	(975)	(1.033)
Losses from the sale of investments	-	(33.951)	-	(33.951)
Other expenses	(4.392.087)	(4.335.454)	(1.060.448)	(774.099)
Total	**(11.526.114)**	**(7.753.232)**	**(2.826.785)**	**(2.503.795)**
Other operating income - expenses (net)	**(1.452.695)**	**(210.897)**	**2.440.127**	**2.607.895**
Dividend Income	**5.383**	**64.754**	**624.984**	**982.603**
Profits / (losses) from afiliate companies				
Profit from affiliated companies	237.139	333.276	-	-
Loss from affiliated companies	(40.514)	(1.125.590)	-	-
Total	**196.625**	**(792.315)**	**-**	**-**

Notes to the Financial Statements

26. Financial Instruments

Credit Risk

Group exposure to credit risk is primarily affected by the features of each customer. The demographic data of the Group's clientele, including payment default risk characterising the specific market and the country in which customers are active, affect less the credit risk since no geographical concentration of credit risk is noticed. No client exceeds 10% of sales and, consequently, commercial risk is spread over a large number of clients.

Based on the credit policy adopted by the Board of Directors, each new customer is tested separately for creditworthiness before normal payment terms are proposed. The creditworthiness test made by the Group includes the examination of bank sources. Credit limits are set for each customer, which are reviewed in accordance with current circumstances and the terms of sales and collections are readjusted, if necessary. In principal, the credit limits of customers are set on the basis of the insurance limits received for them from insurance companies and, subsequently, receivables are insured according to such limits.

When monitoring the credit risk of customers, the latter are grouped according to their credit characteristics, the maturity characteristics of their receivables and any past problems of receivability they have shown. Trade and other receivables include mainly wholesale customers of the Group. Any customers characterised as being of "high risk" are included in a special list of customers and future sales must be received in advance and approved by the Board of Directors. Depending on the background of the customer and its status, the Group demands real or other security (e.g. letters of guarantee) in order to secure its receivables, if possible.

The Group makes impairment provisions which reflect its assessment of losses from customers, other receivables and investments in securities. This provision mainly consists of impairment losses of specific receivables that are estimated based on given circumstances that they will be materialized though they have not been finalized yet.

Liquidity risk

Liquidity risk is the inability of the Group to discharge its financial obligations when they mature. The approach adopted by the Group to manage liquidity is to ensure, by holding absolutely necessary cash and adequate credit limits from cooperating banks, that it will always have adequate liquidity to cover its obligations when they mature, under normal or more difficult conditions, without there being unacceptable losses or its reputation being jeopardised. Note that on 31 December 2010, the Group had an amount of Euro 17.4 million as cash and the necessary credit lines that are approved but are not used so as to meet its short- and medium-term obligations easily.

To avoid liquidity risk the Group makes a cash flow provision for one year when preparing the annual budget as well as a monthly rolling provision for three months to ensure that it has adequate cash to cover its operating needs, including fulfilment of its financial obligations. This policy does not take into account the impact of extreme conditions which cannot be foreseen.

Notes to the Financial Statements
26. Financial Instruments (cont'd)

Exchange rate risk

The Group is exposed to foreign exchange risk in relation to the sales and purchases carried out and the loans issued in a currency other than the functional currency of Group companies, which is mainly Euro. The currencies in which these transactions are held are mainly Euro, USD, GBP and the Swiss Franc.

Over time, the Group hedges the greatest part of its estimated exposure to foreign currencies in relation to the anticipated sales and purchases as well as receivables and liabilities in foreign currency. The Group enters mainly into currency forward contracts with external counterparties so as to deal with the risk of the exchange rates varying, which mainly expire within less than a year from the balance sheet date. When deemed necessary, these contracts are renewed upon expiry. As the case may be, the foreign exchange risk may be hedged by taking out loans in the respective currencies.

Loan interest is denominated in the same currency with that of cash flows, which arises from the Group's operating activities and is mostly Euro.

The investments of the Group in other subsidiaries are not hedged because these exchange positions are considered to be long-term.

Interest rate risk

The Group finances its investments and its needs for working capital from bank and bond loans with the result that interest charges reduce its results. Rising interest rates have a negative impact on results since borrowing costs for the Group rise.

Interest rate risk is mitigated since part of the Group borrowing is set at fixed rates either directly or using financial instruments (interest rate swaps).

Notes to the Financial Statements
26. Financial Instruments (cont'd)

(a) Credit Risk

	Balance sheet values			
	GROUP		COMPANY	
(Amounts in euro)	2010	2009	2010	2009
Financial assets available for sale	4.302.923	4.301.447	3.847.664	3.846.188
Financial assets at fair value through results	8.231	8.231	-	-
Trade and other recievables	154.448.787	117.209.746	89.146.247	73.967.569
Cash on hand and equivalent cash accounts	17.367.950	17.753.177	2.403.946	1.567.556
Derivatives	3.954.232	1.911.638	1.586.132	245.420
Total	**180.082.124**	**141.184.239**	**96.983.989**	**79.626.733**

The account "Clients" includes receivables from client and affiliated companies:

Clients	GROUP		COMPANY	
(Amounts in euro)	2010	2009	2010	2009
Current	138.854.875	99.420.460	84.271.707	65.012.038
Pastdue				
Until 6 months	10.201.170	10.475.188	1.143.442	3.769.662
Beyond 6 months	5.392.742	7.314.097	3.731.099	5.185.869
Total	**154.448.787**	**117.209.746**	**89.146.247**	**73.967.569**

The account "trade and other receivables" includes claims from clients and affiliated companies

	GROUP		COMPANY	
(Amounts in euro)	2010	2009	2010	2009
Balance as of January 1	**3.651.783**	**3.137.777**	**1.206.309**	**1.185.640**
Transfer due to demerger	(17.894)	-	(36.677)	-
Loss for the period	1.003.716	1.435.269	94.966	20.669
Erasure	(832.084)	(882.765)	-	-
Reversal	(5.112)	-	-	-
Foreign exchange differences	(8.930)	(38.497)	-	-
Balance as of December 31	**3.791.478**	**3.651.783**	**1.264.598**	**1.206.309**

The Group insures the greatest part of its receivables so that they are secured if it fails to collect them.

Notes to the Financial Statements
26. Financial Instruments (cont'd)

(b) Liquidity risk

GROUP
31 December 2010
(Amounts in euro)

Liabilities	Value of Balance Sheet	<1 year	1-2 years	2-5 years	> 5 years	Total
Bank lending	**188.111.430**	172.767.680	10.343.750	5.000.000	-	**188.111.430**
Bond loans	**264.050.121**	123.333.332	84.327.752	56.389.036	-	**264.050.121**
Open bank accounts	**42.056.625**	42.056.625	-	-	-	**42.056.625**
Suppliers and other liabilities	**89.310.765**	89.310.765	-	-	-	**89.310.765**
	583.528.941	**427.468.402**	**94.671.502**	**61.389.036**	**-**	**583.528.941**

Derivatives	Value of Balance Sheet	<1 year	1- 2 years	2-5 years	> 5 years	Total
Nominal value of interest rate swaps	**60.000.000**	26.250.000	22.500.000	11.250.000	-	**60.000.000**
Nominal value of fx forward (in USD)	**(31.489.759)**	(31.489.759)	-	-	-	**(31.489.759)**
Nominal value of fx forward (in GBP)	**11.613.842**	11.613.842	-	-	-	**11.613.842**
Nominal value of fx forward (in RON)	**1.000.000**	1.000.000	-	-	-	**1.000.000**
Nominal value of Cu derivatives	**(33.882.901)**	(33.882.901)	-	-	-	**(33.882.901)**
Nominal value of Zn derivatives	**(3.605.654)**	(3.605.654)	-	-	-	**(3.605.654)**
Nominal value of Ni derivatives	**(696.567)**	(696.567)	-	-	-	**(696.567)**
Nominal value of Al derivatives	**996.413**	996.413	-	-	-	**996.413**

COMPANY
31 December 2010

Liabilities	Value of Balance Sheet	<1 year	1- 2 years	2-5 years	> 5 years	Total
Bank lending	**56.834.418**	56.834.418	-	-	-	**56.834.418**
Bond loans	**185.639.034**	71.749.999	66.416.665	47.472.369	-	**185.639.034**
Suppliers and other liabilities	**42.195.311**	42.195.311	-	-	-	**42.195.311**
	284.668.763	**170.779.728**	**66.416.665**	**47.472.369**	**-**	**284.668.763**

Derivatives	Value of Balance Sheet	<1 year	1- 2 years	2-5 years	> 5 years	Total
Nominal value of interest rate swaps	**48.750.000**	16.250.000	21.250.000	11.250.000	-	**48.750.000**
Nominal value of fx forward (in USD)	**(26.918.964)**	(26.918.964)	21.250.000	11.250.000	-	**5.581.036**
Nominal value of Cu derivatives	**(16.614.727)**	(16.614.727)	-	-	-	**(16.614.727)**
Nominal value of Zn derivatives	**(2.297.980)**	(2.297.980)	-	-	-	**(2.297.980)**
Nominal value of Ni derivatives	**(298.529)**	(298.529)	-	-	-	**(298.529)**
Nominal value of Al derivatives	**(43.593)**	(43.593)	-	-	-	**(43.593)**

Notes to the Financial Statements
26. Financial risk management (cont'd)

(b) Liquidity risk (cont'd)

GROUP
31 December 2009

Liabilities	**Value of Balance Sheet**	**<1 year**	**1- 2 years**	**2-5 years**	**> 5 years**	**Total**
Bank lending	**177.664.628**	139.670.628	22.687.500	15.306.500	-	**177.664.628**
Bond loans	**241.738.167**	87.000.000	99.500.000	55.238.167	-	**241.738.167**
Suppliers and other liabilities	**55.479.342**	55.178.051	118.963	42.098	140.230	**55.479.342**
	474.882.137	**281.848.679**	**122.306.463**	**70.586.765**	**140.230**	**474.882.137**

Derivatives	**Value of Balance Sheet**	**<1 year**	**1- 2 years**	**2-5 years**	**> 5 years**	**Total**
Nominal value of interest rate swaps	**60.000.000**	-	26.250.000	33.750.000	-	**60.000.000**
Nominal value of fx forward (in USD)	**(13.650.649)**	(13.650.649)	-	-	-	**(13.650.649)**
Nominal value of fx forward (in GBP)	**6.546.421**	6.546.421	-	-	-	**6.546.421**
Nominal value of Cu derivatives	**(41.770.803)**	(41.770.803)	-	-	-	**(41.770.803)**
Nominal value of Zn derivatives	**(2.598.377)**	(2.598.377)	-	-	-	**(2.598.377)**
Nominal value of Ni derivatives	**(618.325)**	(618.325)	-	-	-	**(618.325)**
Nominal value of Al derivatives	**2.072.101**	2.072.101	-	-	-	**2.072.101**

COMPANY
31 December 2009

Liabilities	**Value of Balance Sheet**	**<1 year**	**1- 2 years**	**2-5 years**	**> 5 years**	**Total**
Bank lending	**29.698.348**	29.698.348	-	-	-	**29.698.348**
Bond loans	**180.333.200**	67.000.000	69.500.000	43.833.200	-	**180.333.200**
Suppliers and other liabilities	**19.104.541**	19.104.541	-	-	-	**19.104.541**
	229.136.089	**115.802.889**	**69.500.000**	**43.833.200**	**-**	**229.136.089**

Derivatives	**Value of Balance Sheet**	**<1 year**	**1- 2 years**	**2-5 years**	**> 5 years**	**Total**
Nominal value of interest rate swaps	**48.750.000**	-	16.250.000	32.500.000	-	**48.750.000**
Nominal value of fx forward (in USD)	**(8.442.338)**	(8.442.338)	-	-	-	**(8.442.338)**
Nominal value of fx forward (in GBP)	**2.677.733**	2.677.733	-	-	-	**2.677.733**
Nominal value of Cu derivatives	**(34.966.996)**	(34.966.996)	-	-	-	**(34.966.996)**
Nominal value of Zn derivatives	**(3.211.350)**	(3.211.350)	-	-	-	**(3.211.350)**
Nominal value of Ni derivatives	**(274.811)**	(274.811)	-	-	-	**(274.811)**
Nominal value of Al derivatives	**(32.941)**	(32.941)	-	-	-	**(32.941)**

Notes to the Financial Statements
26. Financial Instruments (cont'd)

(c) Exchange rate risk

GROUP	2010							
(Amounts in euro)	EURO	USD	GBP	LEVA	RSD	RON	OTHER	TOTAL
Clients and other receivables	152.887.393	4.662.916	33.210.272	14.798.290	959.870	5.432.904	101.818	**212.053.462**
Borrowing	(469.221.773)	(7.414.840)	(9.351.366)	-	-	(8.230.197)	-	**(494.218.176)**
Suppliers and other liabilities	(55.582.738)	(4.400.047)	(19.818.008)	(4.280.058)	(1.689.452)	(3.500.093)	(40.368)	**(89.310.765)**
Cash on hand and equivalent cash accounts	15.532.152	115.354	990.189	39.519	187.500	502.899	339	**17.367.950**
	(356.384.966)	**(7.036.618)**	**5.031.086**	**10.557.751**	**(542.082)**	**(5.794.487)**	**61.789**	**(354.107.528)**
Forwards (Nominal Value)	(3.663.990)	(29.280.531)	(11.894.319)	-	-	(1.000.000)	-	**(45.838.841)**
Total	**(360.048.957)**	**(36.317.149)**	**(6.863.233)**	**10.557.751**	**(542.082)**	**(6.794.487)**	**61.789**	**(399.946.369)**

COMPANY	2010							
(Amounts in euro)	EURO	USD	GBP	LEVA	RSD	RON	OTHER	TOTAL
Clients and other receivables	98.646.751	2.148.936	7.389.505	-	-	-	158.095	**108.343.287**
Borrowing	(239.508.424)	(2.955.616)	(9.411)	-	-	-	-	**(242.473.452)**
Suppliers and other liabilities	(38.820.228)	(3.119.243)	(246.837)	-	-	-	(9.003)	**(42.195.311)**
Cash on hand and equivalent cash accounts	1.840.170	1.113	562.663	-	-	-	-	**2.403.946**
	(177.841.732)	**(3.924.811)**	**7.695.920**	**-**	**-**	**-**	**149.092**	**(173.921.530)**
Forwards (Nominal Value)	-	(26.918.964)	-	-	-	-	-	**(26.918.964)**
Total	**(177.841.732)**	**(30.843.775)**	**7.695.920**	**-**	**-**	**-**	**149.092**	**(200.840.495)**

GROUP	2009							
(Amounts in euro)	EURO	USD	GBP	LEVA	RSD	RON	OTHER	TOTAL
Clients and other receivables	101.323.548	3.092.620	26.356.855	7.212.064	1.048.459	8.414.597	63.581	**147.511.723**
Borrowing	(400.438.315)	(2.023.440)	(10.593.976)	-	(500.000)	(5.847.065)	-	**(419.402.795)**
Suppliers and other liabilities	(25.934.406)	(1.682.733)	(19.204.045)	(3.131.834)	(2.313.397)	(3.117.970)	(94.957)	**(55.479.342)**
Cash on hand and equivalent cash accounts	15.639.500	76.863	1.079.588	38.359	728.556	185.495	4.815	**17.753.177**
	(309.409.673)	**(536.691)**	**(2.361.578)**	**4.118.589**	**(1.036.382)**	**(364.943)**	**(26.561)**	**(309.617.237)**
Forwards (Nominal Value)	(2.959.288)	(3.234.027)	(9.849.866)	-	-	-	-	**(16.043.181)**
Total	**(312.368.961)**	**(3.770.718)**	**(12.211.443)**	**4.118.589**	**(1.036.382)**	**(364.943)**	**(26.561)**	**(325.660.419)**

COMPANY	2009							
(Amounts in euro)	EURO	USD	GBP	LEVA	RSD	RON	OTHER	TOTAL
Clients and other receivables	71.026.028	871.017	10.164.121	-	-	-	3.081	**82.064.246**
Borrowing	(202.574.434)	(947.096)	(6.510.018)	-	-	-	-	**(210.031.548)**
Suppliers and other liabilities	(17.728.162)	(999.357)	(374.674)	-	-	-	(2.348)	**(19.104.541)**
Cash on hand and equivalent cash accounts	1.561.875	2.218	3.463	-	-	-	-	**1.567.556**
	(147.714.693)	**(1.073.219)**	**3.282.893**	**-**	**-**	**-**	**732**	**(145.504.287)**
Forwards (Nominal Value)	-	(8.442.338)	(2.677.733)	-	-	-	-	**(11.120.071)**
Total	**(147.714.693)**	**(9.515.557)**	**605.159**	**-**	**-**	**-**	**732**	**(156.624.358)**

Notes to the Financial Statements
26. Financial Instruments (cont'd)

(c) Exchange rate risk (cont'd)

A 10% increase in the exchange rates would affect results and shreholders equity as follows:

GROUP	**P & L**		**EQUITY**	
(Amounts in euro)	**2010**	**2009**	**2010**	**2009**
USD	(781.846)	(59.632)	(3.253.392)	(359.336)
GBP	615.195	(279.013)	(1.377.777)	(1.077.814)
LEVA	-	-	1.173.083	457.621
RON	-	-	(754.943)	(40.549)
RSD	-	-	(60.231)	(115.154)
OTHER	6.865	(2.951)	-	-

COMPANY	**P & L**		**EQUITY**	
(Amounts in euro)	**2010**	**2009**	**2010**	**2009**
USD	(436.090)	(119.247)	(2.990.996)	(938.038)
GBP	855.102	67.240	-	-
OTHER	16.566	81	-	-

(d) Interest rate risk

The risk from interest rate fluctuations is
(Amounts in euro)

	GROUP		**COMPANY**	
	2010	**2009**	**2010**	**2009**
Fixed rate				
Financial Liabilities	13.781.250	64.218.750	-	-
	13.781.250	**64.218.750**	**-**	**-**
Floating rate				
Financial Liabilities	480.436.926	355.184.045	242.473.452	210.031.548
	480.436.926	**355.184.045**	**242.473.452**	**210.031.548**

A 0.25% increase in interest rates would affect results and shareholders equity as follows:

GROUP	**P & L**		**EQUITY**	
	2010	**2009**	**2010**	**2009**
Floating rate	(1.512.209)	(1.141.844)	-	-
Interest rate swaps	173.630	90.049	133.262	69.121

COMPANY	**P & L**		**EQUITY**	
	2010	**2009**	**2010**	**2009**
Floating rate	(738.689)	(510.254)	-	-
Interest rate swaps	145.505	61.924	110.584	46.443

Notes to the Financial Statements
26. Financial risk management (cont'd)

(e) Classification of financial assets measured at fair value

The classification of financial assets measured at fair value depending on the quality of the data used is as follows:

- Type 1 data: active market prices (no adjustments)
- Type 2 data: directly or indirectly observable data
- Type 3 data: arising from the company's estimates since no observable data is available in the market.

GROUP	2010			2009		
(Amounts in euro)	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Available for sale financial assets	-	3.954.232	-	-	1.911.638	-
Derivative financial assets	-	-	4.302.923	-	-	4.301.447
	-	**3.954.232**	**4.302.923**	**-**	**1.911.638**	**4.301.447**
Derivative financial liabilities	-	(12.378.988)	-	-	(9.855.667)	-
Total	**-**	**(8.424.755)**	**4.302.923**	**-**	**(7.944.029)**	**4.301.447**

COMPANY	2010			2009		
(Amounts in euro)	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Available for sale financial assets	-	1.586.132	-	-	245.420	-
Derivative financial assets	-	-	3.847.664	-	-	3.846.188
	-	**1.586.132**	**3.847.664**	**-**	**245.420**	**3.846.188**
Derivative financial liabilities	-	(7.802.822)	-	-	(5.151.328)	-
Total	**-**	**(6.216.690)**	**3.847.664**	**-**	**(4.905.908)**	**3.846.188**

27. Commitments

The contractual obligations amounting to Euro 966,000 concern commitments of Euro 844,000 of the subsidiary SOFIA MED S.A. and Euro 122,000 of the subsidiary HELLENIC CABLES S.A. for purchases of mechanical equipment.

The Group rents lifting, fork-lift trucks and passenger cars. During the year ended 31 December 2010, expenses amounting to Euro 405,130 were posted to Company Results (2009: Euro 487,855) while expenses equal to Euro 1,223,450 were posted to Group Results (2009: 1,115,106).

(Amounts in euro)	GROUP		COMPANY	
	2010	2009	2010	2009
Up to 1 year	866.589	779.703	229.597	173.424
From 1-5 year	1.594.821	801.648	501.775	109.294
More than 5 year	37.758	36.595	-	-
	2.499.167	**1.617.946**	**731.372**	**282.718**
Total charge on results	**1.223.450**	**1.115.106**	**405.130**	**487.855**

Notes to the Financial Statements
28. Contingent liabilities / assets

In a research study that the European Competition Commission conducted regarding the European copper tube manufacturers, it established that certain companies violated the rules of competition in the copper sanitary tubes market. The European Commission imposed fines on seven companies, one of which was HALCOR S.A.. HALCOR's fine amounted to € 9.16 million for which the Company has issued a letter of guarantee of a corresponding value. Given that the Company deems that the abovementioned fine is unjustified and unfair and that the amount of the fine imposed was exorbitantly high, it has filed an appeal before the Court of the European Communities against the Commission's decision. On May 19, 2010 the General Court (Justice Court) issued its decision in Case T-21/05"HALCOR SA Metal Processing by the European Commission". The court found that the Commission infringed the principle of equal treatment in the fines imposed in 2004 and reduced the fine of HALCOR by 10%, setting the amount to Euro 8.25 million. Having carefully examined the text of the decision of the appeal (19/05/2010) as to fine the company in 2004 by the European Competition Commission, HALCOR filed a new appeal asking the partial or total annulment of the decision of the Court (European Court Communities) to annul or greater reduction of the fine. The Company's management, based on the opinion of its legal department as to the validity of its appeal, deems that the final amount of the abovementioned fine (if the validity of the fine is judicially justified and confirmed) will not exceed € 5 million, for which a provision has been raised and has burdened the 2004 operating results. If the court decision remains unchanged, the Company's and Group results will bear with the difference between the provision and the final amount of the fine plus the difference in interest. On 31 December 2009 the cumulative provision for the proportionate interest came to € 1,112,590 while an additional provision was raised for the current year that stands at € 164,019.

Mortgages totalling Euro 3.7 million have also been registered on the properties of the subsidiary SOFIA MED.

The contingent liabilities and assets of the Group that arise in the course of ordinary activity are as follows:

(Amounts in euro)	GROUP		COMPANY	
Liabilities	**2010**	**2009**	**2010**	**2009**
Letters of guarantee for securing liabilities to suppliers	10.790.893	12.159.777	9.547.953	11.447.723
Letters of guarantee for securing the good performance of contracts with customers	14.477.946	16.786.545	400.000	2.938
Provided mortgages and prenotation of mortgages – Land & Buildings	3.728.755	3.937.828	-	-
Letters of guarantee for securing the good performance of contracts with suppliers	-	1.180.055	-	1.180.055
Other liabiities	11.903.985	13.421.155	8.246.700	9.160.000

	GROUP		COMPANY	
Receivables	**2010**	**2009**	**2010**	**2009**
Letters of guarantee for securing receivables from customers	3.040.092	497.729	-	-
Other Receivables	109.646	-	-	-
Total	**3.149.737**	**497.729**	**-**	**-**

The tax liabilities of the Company and its subsidiaries for certain financial years, as set out in Note 31, have not been audited by taxation authorities and thus are not finalized yet for such years.

Notes to the Financial Statements

29. Transactions with related parties

Affiliated parties shall mean all companies and natural persons with whom direct (subsidiaries, associated companies, joint ventures, collaborating companies, shareholders or management with executive tasks) or indirect relation (entities controlled by shareholders, employees performing administrative tasks or close relatives of the latter) is established.

	GROUP		COMPANY	
(Amounts in euro)	**2010**	**2009**	**2010**	**2009**
Sale of goods				
Subsidiaries	-	-	153.693.483	81.475.394
Associates	86.899.889	51.228.501	50.960.590	31.021.371
Other affliated parties	34.160.221	26.032.345	2.594.782	3.671.352
	121.060.110	**77.260.846**	**207.248.854**	**116.168.116**
Sale of services				
Subsidiaries	-	-	6.117.593	4.520.281
Associates	850.094	734.611	109.831	106.018
Other affliated parties	5.032.387	4.725.916	703.857	979.844
	5.882.481	**5.460.527**	**6.931.281**	**5.606.143**
Sale of fixed assets				
Subsidiaries	-	-	6.475.392	201.838
Other affliated parties	-	881.018	-	881.018
	-	**881.018**	**6.475.392**	**1.082.856**
Purchase of goods				
Subsidiaries	-	-	32.609.785	21.139.909
Associates	643.724	354.637	1.846	606
Other affliated parties	125.213.570	67.155.205	28.416.239	13.666.256
	125.857.294	**67.509.842**	**61.027.870**	**34.806.771**
Purchase of services				
Subsidiaries	-	-	3.079.046	3.202.002
Associates	1.557.051	1.515.272	1.192.566	1.223.558
Other affliated parties	4.058.087	3.882.389	3.182.497	3.125.815
	5.615.138	**5.397.661**	**7.454.109**	**7.551.375**
Purchase of fixed assets				
Subsidiaries	-	-	44.210	208.798
Associates	23.446	91.163	15.085	70.340
Other affliated parties	1.295.276	2.232.767	414.201	1.398.300
	1.318.722	**2.323.930**	**473.495**	**1.677.438**

Notes to the Financial Statements

29. Transactions with related parties (cont'd)

	GROUP		COMPANY	
(Amounts in euro)	2010	2009	2010	2009
Receivables from affiliated parties :				
Subsidiaries	-	-	46.550.701	40.307.883
Associates	17.061.743	16.892.005	10.019.903	10.409.423
Other affliated parties	11.136.807	15.003.181	1.159.364	4.981.789
	28.198.550	**31.895.186**	**57.729.967**	**55.699.095**
Liabilities to affiliated parties:				
Subsidiaries	-	-	1.705.381	797.797
Associates	911.898	412.326	503.784	301.622
Other affliated parties	11.694.355	10.719.181	1.975.176	2.813.124
	12.606.253	**11.131.507**	**4.184.341**	**3.912.543**

Benefits to Management

	GROUP		COMPANY	
(Amounts in euro)	2010	2009	2010	2009
Management Remunerations at employee expenses	3.727.795	3.425.312	2.128.470	2.432.574
Benefits from discontinued co-operation	218.203	272.984	218.203	-
	3.945.998	**3.698.296**	**2.346.673**	**2.432.574**

Services to and from affiliated parties as well as sales and purchases of goods are effectuated in accordance with the fee schedules which apply for non-affiliates.

30. Basic and diluted earnings per share

	GROUP		COMPANY	
(Amounts in Euro and number of shares)	2010	2009	2010	2009
Profits corresponding to the parent company's shareholders	(13.097.239)	(19.375.369)	(7.770.775)	(11.187.860)
Weighted average numbers of shares	101.279.627	101.279.627	101.279.627	101.279.627
Basic profits per share	**(0,1293)**	**(0,1913)**	**(0,0767)**	**(0,1105)**

Basic earnings per share are calculated by dividing the net profits (losses) attributable to the parent company's shareholders by the weighted average number of common shares, save the average number of common shares acquired by the Group and held as own shares.

Notes to the Financial Statements

31. Open tax periods

The table below presents open tax periods of the companies consolidated by HALCOR SA by applying either full consolidation or equity method.

Company name:	Country	Percentage holding	Consolidation method	Unaudited Fin. Years
HALCOR S.A.	GREECE	PARENT	-	2009-2010
HELLENIC CABLES S.A.	GREECE	78,71%	Full consolidation	2009-2010
STEELMET S.A.	GREECE	52,83%	Full consolidation	2010
AKRO S.A.	GREECE	95,74%	Full consolidation	2007-2010
SOFIA MED S.A.	BULGARIA	100,00%	Full consolidation	2008-2010
METAL AGENCIES L.T.D.	UK	92,98%	Full consolidation	-
BELANTEL HOLDINGS L.T.D.	CYPRUS	100,00%	Full consolidation	1999-2010
METAL GLOBE D.O.O.	SERBIA	53,61%	Full consolidation	2007-2010
COPPERPROM LTD	GREECE	71,49%	Full consolidation	2003-2010
FITCO SA (former SYLLAN S.A.)	GREECE	100,00%	Full consolidation	2005-2010
TECHOR S.A.	GREECE	68,97%	Full consolidation	2008-2010
HABAKIS LTD - LICENSE & DISTRIBUTION	GREECE	100,00%	Full consolidation	2010
DIAPEM TRADING S.A.	GREECE	33,33%	Equity method	2007-2010
ELKEME S.A.	GREECE	30,90%	Equity method	2010
S.C. STEELMET ROMANIA S.A	ROMANIA	40,00%	Equity method	2002-2010
TEPRO METALL A.G.	GERMANY	36,99%	Equity method	2001-2010
ENERGY SOLUTIONS S.A.	BULGARIA	38,60%	Equity method	2005-2010
VIEXAL LTD	GREECE	26,67%	Equity method	2003-2010
HALCOR R&D S.A.	GREECE	70,00%	-	-

In the Management's opinion, the Group has raised adequate provisions for any tax differences that may arise for HELLENIC CABLES SA and STEELMET SA. It has not set up any provisions for the other companies believing that the differences that may arise are not significant.

32. Fees auditors

The fees of the Group’s and the Company’s auditors for the year 2010 amounted to Euro 203,000 and Euro 115,000 respectively.

33. Subsequent events

On January 24, 2011 HALCOR SA and its subsidiary HELLENIC CABLES SA signed a contract for a common bond of Euro 12,250,000 and Euro 4,700,000 respectively with the bank ALPHA BANK. Both loans are for 2 years and issued under the Laws 3156/2003 and 2190/1920, pursuant to the decision of the Annual General Meeting of 17/6/2010 and the decisions of the Boards of Directors of 09/12/2010.

Facts and Information on the year from 1 January to 31 December 2010

HALCOR

Company's No in the Reg. of SA: 2836/06/86/48
Address: Athens Tower, Building B, 2-4, Messoghion Avenue, 11527, Athens
FINANCIAL DATA AND INFORMATION for the fiscal year from January 1, 2010 to December 31, 2010
(According to article 135 of Law 2190/20 for companies publishing annual financial statements, individual and consolidated, in accordance with IAS/IFRS)

The figures illustrated below aim to give general information about the financial position and results of HALCOR, S.A. and the Group HALCOR. The reader, wishing to be familiar with the company's financial position and results, should have access to the Company's Financial Statements, as provided by the International Financial Reporting Standards, as well as to the audit report of the auditor-accountant whenever it is required. Indicatively, he can visit the company's web site, where the information and data in question are presented.

Supervising Authority: Ministry of Development and Competitiveness, Department of limited companies
Website of the Company: www.halcor.gr
Board of Directors: T. Papageorgopoulos (Chairman, Executive member), N. Koudounis (Vice Chairman, Executive member), P. Sapountzis, E. Kotsambasakis, T. Kassapoglou (Executive members), G. Passas, K. Bakouris, C.A. Komninos, A. Katsanos (Non-executive members), A. Kiriazis and N. Galetas (Independent, non-executive members)
Date of approval of the financial statements: March 24, 2011
Certified Auditor : Harry Sirounis (Reg.No. SOEL 19071)
Audit firm : KPMG Certified Auditors, S.A.
Review type: Unqualified opinion

DATA FROM STATEMENT OF FINANCIAL POSITION (amounts in €)

	GROUP		COMPANY	
	31-Dec-10	31-Dec-09	31-Dec-10	31-Dec-09
ASSETS				
Own use Fixed assets	316.958.739	330.276.516	107.305.309	142.983.596
Investments in real estate	2.152.565	2.152.565	-	-
Intangible Assets	652.245	965.485	186.079	277.741
Other non current assets	17.872.207	17.322.827	152.894.702	116.784.907
Inventories	222.506.376	184.408.321	77.259.197	75.037.948
Trade receivables	167.327.914	129.450.574	89.941.029	74.922.194
Other current assets	40.600.012	19.901.010	19.900.390	7.307.472
Cash and cash equivalents	17.367.950	17.753.177	2.403.946	1.567.556
TOTAL ASSETS	793.526.008	702.310.482	449.978.651	418.961.413
EQUITY AND LIABILITIES				
Share capital (101,279,627 of € 0.38)	38.486.258	38.486.258	38.486.258	38.486.258
Other Company's shareholders equity	105.081.618	121.877.971	105.119.092	124.040.922
Company's shareholders equity (a)	143.567.076	160.364.229	143.605.350	162.527.180
Minority interests (b)	24.477.763	24.510.911	-	-
Total equity (c) = (a) + (b)	168.045.640	184.875.140	143.605.350	162.527.180
Long term borrowings liabilities	156.060.632	192.732.167	113.889.035	113.333.200
Provisions / Other long term liabilities	25.115.759	22.402.914	14.424.902	15.693.677
Short term borrowings liabilities	338.157.544	226.670.628	128.584.417	96.698.348
Other short term liabilities	106.146.433	75.629.633	49.474.946	30.709.009
Total liabilities (d)	625.480.368	517.435.342	306.373.301	256.434.234
TOTAL EQUITY AND LIABILITIES (c) + (d)	793.526.008	702.310.482	449.978.651	418.961.413

DATA FROM STATEMENT OF CHANGES IN EQUITY (Amounts in €)

	GROUP		COMPANY	
	31-Dec-10	31-Dec-09	31-Dec-10	31-Dec-09
Net equity at the beginning of the Period (1/1/2010 and 1/1/2009 respectively)	184.875.140	213.512.849	162.527.180	179.582.262
Total comprehensive income after taxes	(16.252.123)	(28.293.076)	(9.537.853)	(17.055.082)
	168.623.017	185.219.772	152.989.327	162.527.180
Transfer to subsidiary due to de-merger reasons	-	-	(9.383.977)	-
Dividends distributed	(994.440)	(1.055.990)	-	-
Capitalization of subsidiary losses	-	711.357	-	-
Acquisition of company	560.876	-	-	-
Increase / (decrease) of participation in subsidiaries	(143.805)	-	-	-
Net equity at the end of the period (31/12/2009 and 31/12/2008 respectively)	168.189.444	184.875.140	143.605.350	162.527.180

DATA FROM CASH FLOW STATEMENT (Amounts in €)

	GROUP		COMPANY	
	1.01 - 31.12.2010	1.01 - 31.12.2009	1.01 - 31.12.2010	1.01 - 31.12.2009
Operating activities				
Profits / (Losses) before taxes	(16.249.126)	(22.056.168)	(11.693.708)	(13.251.258)
Plus / less adjustments for:				
Depreciation of assets	28.773.204	26.603.035	10.654.807	11.883.247
Grants Amortization	(450.227)	(456.800)	(299.967)	(330.624)
Provisions	293.394	572.901	(207.465)	159.572
Results (income, expenses, profits, losses) from investing activities	(770.810)	(1.469.199)	(713.453)	(1.105.079)
Interest payable and related expenses	20.943.150	17.649.390	9.691.430	6.978.652
(Profit)/loss from the sale of fixed assets	(252.340)	(508.239)	(244.737)	(423.876)
(Profit)/loss from the sale of investments	-	33.951	-	33.951
(Profit)/loss from the sale of fixed assets in properties	-	-	-	-
(Profit)/loss from the fair value of derivatives	(1.019.071)	3.500.756	(971.392)	1.043.217
Loss from the destruction of fixed assets	232.115	101.997	137.272	-
Impairment of participations	-	-	299.985	94.324
Plus / Less adjustments for changes in working capital accounts or related to operating activities:				
Decrease / (increase) of inventories	(38.098.055)	27.852.259	(16.920.448)	21.296.869
Decrease / (increase) of receivables	(50.323.433)	37.388.374	(42.443.422)	(1.044.480)
(Decrease) / Increase of obligations (except banks)	15.031.996	(10.463.080)	7.525.175	(16.221.944)
Less:				-
Interest payable and related expenses paid	(19.837.372)	(20.943.315)	(8.400.923)	(9.504.878)
Taxes paid	(975.201)	(1.977.448)	-	-
Total cash (used in) generated from operating activities (a)	**(62.709.775)**	**47.836.413**	**(53.506.846)**	**127.695**
Investing activities				
Acquisition-sale of subsidiaries, affiliated com., consortiums and other investments	(6.319)	(2.656.217)	(2.263.142)	(2.696.331)
Purchase of tangible and intangible fixed assets	(13.346.399)	(28.845.043)	(2.550.587)	(10.002.593)
Receivables from sale of tangible and intangible fixed assets	420.167	3.081.360	6.623.427	2.470.592
Sales of investment properties	-	-	-	-
Interest received	524.078	2.196.760	88.469	202.476
Dividends received	5.383	64.754	624.984	982.603
Total cash (used in) generated from investing activities (b)	**(12.403.091)**	**(26.158.386)**	**2.523.151**	**(9.043.253)**
Financing activities				
Issue of common shares	-	-	-	-
Receivables from issued / assumed loans	172.461.016	32.192.485	110.023.974	13.083.200
Loans paid up	(97.645.635)	(95.354.430)	(59.030.596)	(44.710.153)
Repayments of financial leasing liabilities (capital installments)	-	(6.069)	-	-
Receivables from grants	907.500	1.348.900	907.500	1.348.900
Dividends paid	(995.242)	(1.076.957)	(794)	(6.020)
Total cash (used in) generated from financing activities (c)	**74.727.639**	**(62.896.071)**	**51.900.084**	**(30.284.073)**
Net increase / (decrease) in cash and cash equivalents for the year (a)+(b)+(c	**(385.226)**	**(41.218.044)**	**836.389**	**(39.199.632)**
Cash and cash equivalents at the beginning of the year	17.753.177	58.971.221	1.567.556	40.767.188
Cash and cash equivalents at the end of the year	**17.367.950**	**17.753.177**	**2.403.946**	**1.567.556**

DATA FROM STATEMENT OF COMPREHENSIVE INCOME (Amounts in €)

	GROUP		COMPANY	
	1 Jan - 31 Dec 2010	1 Jan - 31 Dec 2009	1 Jan - 31 Dec 2010	1 Jan - 31 Dec 2009
Total turnover	**1.044.311.599**	**679.058.638**	**517.612.690**	**343.547.307**
Gross Profit / (loss)	**43.438.552**	**32.127.192**	**12.354.495**	**8.464.238**
Profit / (loss) before taxes, financing and investing results	**4.152.668**	**(5.781.653)**	**(2.415.746)**	**(7.363.361)**
Profit / (loss) before taxes	**(16.249.126)**	**(22.056.168)**	**(11.693.708)**	**(13.251.258)**
Less: Taxes	**3.190.978**	**2.790.767**	**3.922.933**	**2.063.398**
Profit / (loss) after taxes (A)	(13.058.148)	(19.265.401)	(7.770.775)	(11.187.860)
Distributed to :				
Company's shareholders	(13.097.239)	(19.375.369)	(7.770.775)	(11.187.860)
Minority shareholders	39.091	109.968	-	-
	(13.058.148)	(19.265.401)	(7.770.775)	(11.187.860)
Other comprehensive income / (expenses) after taxes (B)	**(3.193.975)**	**(9.027.675)**	**(1.767.078)**	**(5.867.222)**
Total comprehensive income / (expenses) after taxes (A) + (B)	**(16.252.123)**	**(28.293.076)**	**(9.537.853)**	**(17.055.082)**
Distributed to :				
Company's shareholders	(16.250.569)	(28.191.873)	(9.537.853)	(17.055.082)
Minority shareholders	(1.554)	(101.204)	-	-
Profit per share after taxes - basic (in €)	(0,1293)	(0,1913)	(0,0767)	(0,1105)
Proposed dividend per share (in €)	-	-	-	-
Profit / (loss) before taxes, financing and investing results & depreciation	32.475.645	20.364.501	7.939.094	4.109.263

Additional data and information :

1. The Group's companies and their locations, the percentage participation of their share capital that the Group owns as well as the consolidation method used to incorporate them in the consolidated financial statements of the fiscal year of 2010, are analytically presented in Note No. 31 of the financial statements.
2. On May 19, 2010 the General Court (Justice Court) issued its decision in the appeal brought by the company regarding the fine imposed by the European Competition Commission for breach of competition rules in 2004. The court found that the Commission infringed the principle of equal treatment in fines and reduced the fine of HALCOR by 10%, setting the amount to Euro 8.25 million. Having carefully examined the text of the decision of the appeal, HALCOR filed a new appeal asking the partial or total annulment of the decision of the Court to annul or greater reduction of the fine (see note 28 of the Financial Statements).
3. The financial statements of the Company are included in the consolidated financial statements prepared by the following company:

Company	Country of the Reg.Office	Percentage holding	Consolidation method
VIOHALCO S.A.	GREECE	59,98%	Full consolidation

4. There are no pending court decisions or claims under arbitration, which may have a significant effect on the financial position of the Company and the Group.
5. The number of the personnel at the end of the current year was: Company 493 (31/12/2009 : 716), Group 2.217 (31/12/2009: 2.270).
6. There are mortgages, amounting in total to Euro 3,7 mil on the real estate property of the subsidiary SOFIA MED S.A. in Bulgaria. There are no encumbranies of fixed assets of the parent Company.
7. There has been provision accounted for tax unaudited fiscal years of the Group: € 616 thous., of the Company: € - thous. The remaining provisions as of 31.12.2010 amount for the Group € 333 thous. and for the Company € 141 thous. Regarding the fine imposed on the Company by the European Competition Commission, the Company has accounted for provision amounting € 6,28 mil. (see notes 20 & 28 of the Financial Statements).
8. The cumulative amounts of sales and purchases at the beginning of the financial year and the balances of receivables and obligations of the company at the end of the current year, resulting from its transactions with related parties following the IAS 24 are as follows:

	GROUP	COMPANY
i) Sales	126.942.592	220.655.527
ii) Purchases	132.791.155	68.955.474
iii) Receivables	28.198.550	57.729.967
iv) Obligations	12.606.253	4.184.341
v) Transactions & fees of higher executives and managers	3.945.990	2.346.673
vi) Receivables from higher executives and managers	-	-
vii) Liabilities to higher executives and managers	-	-

9. The income tax in the income statement is analysed as follows (amounts in €):

	GROUP		COMPANY	
	1 Jan - 31 Dec 2010	1 Jan - 31 Dec 2009	1 Jan - 31 Dec 2010	1 Jan - 31 Dec 2009
Income tax for the period	(1.145.346)	(1.298.777)	218.898	(92.610)
Deferred tax for the period	4.336.324	4.089.544	3.704.034	2.156.000

10. The unaudited tax years of the Company and the companies of the Group are analytically presented in note No 31 of the financial statements.
11. The "Other Comprehensive Expenses" that was accounted directly at the Shareholders Equity without affecting the result of the period , concernes foreign exchange differences from consolidation of foreign subsidiaries (Group: € -1.205 thous.) and derivatives valuation from cash flow hedging (Group: € -1.989 thous. - Company: € -1.767 thous., see Statement of Changes in Equity of the Financial Statements).
12. On June 30, 2010 with the inclusion of No. 17374/30-06-2010 approval decision of the Prefecture of Athens in the Register of incorporated companies, the de-merger of brass rods and tubes industry by the parent and its contribution to its 100% subsidiary FITCO SA (formerly SYLL AN. SA) in accordance with the provisions of Law 2166/93 was completed. A balance sheet date being fixed on March 31, 2010, while the de-merger was based on the decisions of HALCOR's & FITCO's Board of Directors at their meetings on March 30, 2010. The Parent Company holds all the shares (100%) of FITCO SA (see note 8 of the Financial Statements).
13. On April 21, 2010 HALCOR participated in the share capital increase of the company TECHOR SA and acquired 65.52% of share capital for an amount of EUR 2.17 million. For this reason TECHOR S.A. was consolidated using the method of full consolidation the current year, while had not been consolidated the previous year. In December 2010, HALCOR increased further its stake by acquiring 10,000 shares of worth € 43,100. After that the percentage holding came up to 68.97%. (see note 8 of the Financial Statements).
14. In October 2010, HALCOR RESEARCH AND DEVELOPMENT SA was established. Its major shareholder is HALCOR SA, which participates with 70% of the share capital. The value of HALCOR's participation in the new company amounted to € 42,000 (see note 8 of the Financial Statements).
15. At the end of the current year, there are no shares of the parent Company owned either by the same or any of the subsidiaries and affiliated companies.

Athens, March 28, 2011

THE CHAIRMAN OF THE BOARD OF DIRECTORS
THEODOSSIOS PAPAGEORGOPOULOS
Id.C.No. AE 135393

A MEMBER OF THE BOARD OF DIRECTORS
GEORGE PASSAS
Id.C.No. Φ 020251

THE MANAGING DIRECTOR
SAPOUNTZIS PERIKLIS
Id.C.No. K 473915

THE GROUP CHIEF FINANCIAL OFFICER
SPYRIDON KOKKOLIS
Id.C.No. X 701209
Reg. No. 20872 Class A'

Information under Article 10 of Law 3401/2005

No	DESCRIPTION	WEBSITE	WEBSITE MAP
1.	Facts & Information Q1 2010	http://www.halcor.gr/online/generic.aspx?mid=72&smid=74&smid2=251	Home Page > Investor relations > Financial Results > Group Financial Results > 2010
2.	Interim Financial Statements Q1 2010	http://www.halcor.gr/online/generic.aspx?mid=72&smid=74&smid2=251	Home Page > Investor relations > Financial Results > Group Financial Results > 2010
3.	Facts & Information H1 2010	http://www.halcor.gr/online/generic.aspx?mid=72&smid=74&smid2=251	Home Page > Investor relations > Financial Results > Group Financial Results > 2010
4.	Interim Financial Statements H1 2010	http://www.halcor.gr/online/generic.aspx?mid=72&smid=74&smid2=251	Home Page > Investor relations > Financial Results > Group Financial Results > 2010
5.	Facts & Information Q3 2010	http://www.halcor.gr/online/generic.aspx?mid=72&smid=74&smid2=251	Home Page > Investor relations > Financial Results > Group Financial Results > 2010
6.	Interim Financial Statements Q3 2010	http://www.halcor.gr/online/generic.aspx?mid=72&smid=74&smid2=251	Home Page > Investor relations > Financial Results > Group Financial Results > 2010
7	Facts & Information 2010	http://www.halcor.gr/online/generic.aspx?mid=72&smid=74&smid2=251	Home Page > Investor relations > Financial Results > Group Financial Results > 2010
.8	Annual Financial Report 2010	http://www.halcor.gr/online/generic.aspx?mid=72&smid=74&smid2=251	Home Page > Investor relations > Financial Results > Group Financial Results > 2010
9.	Press releases during 2010	http://www.halcor.gr/online/generic.aspx?mid=72&smid=77&smid2=246	Home Page > Investor relations > Announcements – Publications > Press releases > 2010
10.	Announcements to the Stock Exchange during 2010	http://www.halcor.gr/online/generic.aspx?mid=72&smid=77&smid2=246	Home Page > Investor relations > Announcements – Publications > Announcements > 2010