

HALCOR

**Interim Financial Statements
as at 30 September 2011
(1 January - 30 September 2011)**

Based on Law 3556/2007

THE CHAIRMAN OF THE BOARD OF DIRECTORS	A MEMBER OF THE BOARD OF DIRECTORS	THE GENERAL MANAGER	THE GROUP'S FINANCIAL SERVICES DIRECTOR
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

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Statement of Financial Position

		GROUP		COMPANY	
(Amounts in euro)	<u>note</u>	30/9/2011	31/12/2010	30/9/2011	31/12/2010
ASSETS					
Non-current assets					
Property, plant and equipment	7	358.545.542	316.958.739	101.477.041	107.305.309
Intangible assets	8	10.352.133	652.245	170.511	186.079
Investments properties		2.270.174	2.152.565	-	-
Participations	9	6.476.393	6.082.122	148.624.632	148.524.542
Financial assets available for sale	10	4.653.923	4.302.923	4.198.664	3.847.664
Other receivables		1.302.328	1.227.938	623.769	522.497
Deferred tax claims		6.564.426	6.259.224	-	-
		390.164.919	337.635.756	255.094.617	260.386.090
Current assets					
Inventories	11	265.048.775	222.506.376	81.317.358	77.259.197
Trade and other receivables		182.724.554	212.053.462	94.926.966	108.343.287
Derivatives		8.468.845	3.954.232	5.555.542	1.586.132
Financial assets at fair value through the profit and loss statement		8.231	8.231	-	-
Cash and cash equivalents		34.390.623	17.367.950	12.007.022	2.403.946
		490.641.028	455.890.252	193.806.888	189.592.561
Total assets		880.805.947	793.526.008	448.901.505	449.978.651
EQUITY					
Equity attributable to Shareholders of the Company					
Share capital		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		(317.755)	(6.745.005)	-	-
Other reserves		73.460.066	68.943.907	70.936.447	64.848.784
Profit carried forward		(37.453.551)	(24.255.348)	(37.641.517)	-26.867.756
Total		141.313.083	143.567.876	138.919.253	143.605.350
Minority interest		33.779.927	24.477.763	-	-
Total equity		175.093.010	168.045.640	138.919.253	143.605.350
LIABILITIES					
Long-term liabilities					
Loans	12	177.778.882	156.060.632	87.722.370	113.889.035
Derivatives		603.700	822.379	603.700	822.379
Deferred income tax liabilities		14.667.468	9.532.996	4.162.709	3.091.437
Personell retirement benefits payable		7.220.211	4.721.658	2.127.521	2.059.252
Government Grants		4.135.755	2.902.907	1.873.078	2.034.225
Provisions	13	7.051.026	7.135.819	6.551.077	6.327.610
		211.457.041	181.176.391	103.040.455	128.223.937
Short-term liabilities					
Suppliers and other liabilities		94.352.076	89.310.765	31.301.358	42.195.311
Current tax liabilities		7.355.905	5.189.059	495.897	299.193
Loans	12	388.247.739	338.157.544	172.759.372	128.584.417
Financial Leasing liabilities	12	1.223.604	-	-	-
Derivatives		3.076.572	11.556.609	2.385.170	6.980.443
Provisions	13	-	90.000	-	90.000
		494.255.896	444.303.977	206.941.797	178.149.364
Total liabilities		705.712.937	625.480.368	309.982.252	306.373.301
Total equity and liabilities		880.805.947	793.526.008	448.901.505	449.978.651

The attached notes on pages 8 to 19 constitute an integral part of these Interim Summary Financial Statements.

as at 30 September 2011

Income Statement

		GROUP			
(Amounts in euro)		1/1 - 30/9/2011	1/1 - 30/9/2010	1/7 - 30/9/2011	1/7 - 30/9/2010
	note				
Sales		957.677.840	771.443.970	307.756.522	250.086.984
Cost of goods sold		(917.161.139)	(740.268.311)	(309.942.972)	(237.949.123)
Gross profit		40.516.701	31.175.659	(2.186.450)	12.137.861
Other operating Income		11.545.783	7.505.046	6.016.008	3.294.213
Selling expenses		(10.205.003)	(12.048.654)	(2.909.401)	(3.774.825)
Administrative expenses		(15.914.514)	(16.198.366)	(5.520.975)	(5.777.342)
Other operating Expenses		(13.201.701)	(7.838.527)	(7.109.950)	(3.720.157)
Operating results		12.741.265	2.595.158	(11.710.768)	2.159.749
Financial Income		286.010	641.393	8.055	(728.847)
Financial Expenses		(25.525.526)	(15.177.683)	(9.317.910)	(5.258.877)
Dividends		5.226	5.383	-	-
Expenses & losses from holdings		(74.975)	-	-	-
Net Financial Result		(25.309.265)	(14.530.907)	(9.309.855)	(5.987.724)
Profits from associated companies		476.844	217.844	189.736	203.662
Profit before income tax		(12.091.155)	(11.717.904)	(20.830.887)	(3.624.312)
Income tax expenses	16	41.525	2.723.803	1.116.624	458.376
Net profit for the period from continued operations		(12.049.630)	(8.994.101)	(19.714.263)	(3.165.937)
Attributable to:					
Shareholders of the Parent		(12.862.309)	(9.243.543)	(19.813.193)	(3.134.644)
Minority interest		812.679	249.442	98.931	(31.293)
		(12.049.630)	(8.994.101)	(19.714.263)	(3.165.937)

Earnings per share that attributed to the Shareholders of the Parent for the period (amounts in €per share)

Basic Earnings per share	(0,1270)	(0,0913)	(0,1956)	(0,0310)
Reluted Earnings per share	(0,1270)	(0,0913)	(0,1956)	(0,0310)

		COMPANY			
(Amounts in euro)		1/1 - 30/9/2011	1/1 - 30/9/2010	1/7 - 30/9/2011	1/7 - 30/9/2010
	note				
Sales		458.504.286	386.790.760	146.029.193	126.382.845
Cost of goods sold		(448.093.628)	(375.638.143)	(150.272.570)	(121.915.344)
Gross profit		10.410.658	11.152.616	(4.243.377)	4.467.501
Other operating Income		4.201.599	4.106.326	783.254	1.442.537
Selling expenses		(4.290.134)	(5.481.212)	(1.338.947)	(1.953.388)
Administrative expenses		(7.457.854)	(8.087.058)	(2.643.607)	(2.941.019)
Other operating Expenses		(2.786.893)	(2.360.317)	(520.694)	(893.045)
Operating results		77.375	(669.644)	(7.963.371)	122.586
Financial Income		168.624	44.961	31.043	17.013
Financial Expenses		(11.752.872)	(6.660.742)	(4.218.469)	(3.029.342)
Dividends		5.226	624.984	-	-
Net Financial Result		(11.579.023)	(5.990.798)	(4.187.426)	(3.012.329)
Profit before income tax		(11.501.648)	(6.660.442)	(12.150.796)	(2.889.743)
Income tax expenses	16	727.887	2.801.396	37.633	415.175
Net profit for the period from continued operations		(10.773.761)	(3.859.047)	(12.113.163)	(2.474.568)

Earnings per share that attributed to the Shareholders of the Parent for the period (amounts in €per share)

Basic Earnings per share	(0,1064)	(0,0381)	(0,1196)	(0,0244)
Reluted Earnings per share	(0,1064)	(0,0381)	(0,1196)	(0,0244)

The attached notes on pages 8 to 19 constitute an integral part of these Interim Summary Financial Statements.

Statement of Comprehensive Income

	GROUP			
	<u>1/1 - 30/9/2011</u>	<u>1/1 - 30/9/2010</u>	<u>1/7 - 30/9/2011</u>	<u>1/7 - 30/9/2010</u>
(Amounts in euro)				
Profit / (Loss) of the period from continuing operations	(12.049.630)	(8.994.101)	(19.714.263)	(3.165.937)
Foreign currency translation differences	6.403.769	(570.362)	4.994.096	825.149
Gain / (Loss) of changes in fair value of cash flow hedging	10.947.082	574.318	4.798.522	(9.357.816)
Income tax on income and expense recognised directly in equity	(2.189.416)	(137.836)	(959.704)	2.245.876
Other comprehensive income / (expense) after taxes	15.161.435	(133.880)	8.832.914	(6.286.791)
Total comprehensive income / (expense) after tax for the period	3.111.805	(9.127.981)	(10.881.349)	(9.452.728)
Attributable to:				
Equity holders of the parent company	3.022.214	(9.197.892)	(10.465.433)	(9.580.667)
Minority interests	89.591	69.910	(415.916)	127.938
Total comprehensive income / (expense) after tax for the period	3.111.805	(9.127.981)	(10.881.349)	(9.452.728)
	COMPANY			
	<u>1/1 - 30/9/2011</u>	<u>1/1 - 30/9/2010</u>	<u>1/7 - 30/9/2011</u>	<u>1/7 - 30/9/2010</u>
(Amounts in euro)				
Profit / (Loss) of the period from continuing operations	(10.773.761)	(3.859.047)	(12.113.163)	(2.474.568)
Foreign currency translation differences	-	-	-	-
Gain / (Loss) of changes in fair value of cash flow hedging	7.609.579	(903.138)	3.516.885	(6.322.743)
Income tax on income and expense recognised directly in equity	(1.521.916)	216.753	(703.377)	1.517.458
Other comprehensive income / (expense) after taxes	6.087.663	(686.385)	2.813.508	(4.805.285)
Total comprehensive income / (expense) after tax for the period	(4.686.098)	(4.545.431)	(9.299.655)	(7.279.853)
Attributable to:				
Equity holders of the parent company	(4.686.098)	(4.545.431)	(9.299.655)	(7.279.853)
Minority interests	-	-	-	-
Total comprehensive income / (expense) after tax for the period	(4.686.098)	(4.545.431)	(9.299.655)	(7.279.853)

The attached notes on pages 8 to 19 constitute an integral part of these Interim Summary Financial Statements.

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, 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	-	-	-	-	(156.875)	(233.955)	(390.830)	(179.532)	(570.362)
Hedging result minus tax	-	-	436.481	-	-	-	436.481	-	436.481
Net profit for the period	-	-	-	-	(9.243.543)	-	(9.243.543)	249.442	(8.994.101)
Total recognised net profit for the period	-	-	436.481	-	(9.400.418)	(233.955)	(9.197.892)	69.910	(9.127.981)
Increase / (decrease) of participation in subsidiaries	-	-	-	-	(231.009)	-	(231.009)	1.021.427	790.419
Transfer to subsidiary due to de-merger reasons	-	-	-	(203.518)	203.518	-	-	-	-
Transfer of reserves	-	-	-	6.406	(12.125)	-	(5.719)	5.719	-
Dividends payment to minority interest	-	-	-	-	-	-	-	(994.448)	(994.448)
Total amounts from shareholders' actions	-	-	-	(197.112)	(39.615)	-	(236.728)	32.698	(204.029)
Balance as of September 30, 2010	38.486.258	67.138.064	(2.281.612)	73.896.155	(20.220.151)	(6.089.105)	150.929.610	24.613.519	175.543.129
Balance as of January 1, 2011									
Balance as of January 1, 2011	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
Foreign exchange differences	-	-	-	-	282.400	6.427.250	6.709.650	(305.881)	6.403.769
Hedging result minus tax	-	-	9.174.873	-	-	-	9.174.873	(417.207)	8.757.666
Net loss for the period	-	-	-	-	(12.862.309)	-	(12.862.309)	812.679	(12.049.630)
Total recognised net profit for the period	-	-	9.174.873	-	(12.579.909)	6.427.250	3.022.214	89.591	3.111.805
Acquisition of Company	-	-	-	(4.761.071)	(536.505)	-	(5.297.576)	9.343.484	4.045.908
Sale of Subsidiary	-	-	-	(21.409)	41.978	-	20.569	(130.912)	(110.343)
Transfer of reserves	-	-	-	123.766	(123.766)	-	-	-	-
Total amounts from shareholders' actions	-	-	-	(4.658.714)	(618.293)	-	(5.277.007)	9.212.572	3.935.565
Balance as of September 30, 2011	38.486.258	67.138.064	4.222.625	69.237.441	(37.453.551)	(317.755)	141.313.083	33.779.927	175.093.010

(Amounts in euro)

	Share capital	Share premium reserves	Fair value reserves	Other reserves	Results carried forward	Total Equity
COMPANY						
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	-	-	(686.385)	-	-	(686.385)
Net profit for the period	-	-	-	-	(3.859.047)	(3.859.047)
Total recognised net profit for the period	-	-	(686.385)	-	(3.859.047)	(4.545.431)
Transfer to subsidiary due to de-merger reasons	-	-	-	(202.150)	(9.181.826)	(9.383.977)
Balance as of September 30, 2010	38.486.258	67.138.064	(3.133.404)	69.062.881	(22.956.028)	148.597.772
Balance as of January 1, 2011						
Balance as of January 1, 2011	38.486.258	67.138.064	(4.214.097)	69.062.881	(26.867.756)	143.605.350
Hedging result minus tax	-	-	6.087.663	-	-	6.087.663
Net loss for the period	-	-	-	-	(10.773.761)	(10.773.761)
Total recognised net loss for the period	-	-	6.087.663	-	(10.773.761)	(4.686.098)
Balance as of September 30, 2011	38.486.258	67.138.064	1.873.566	69.062.881	(37.641.517)	138.919.253

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Cash Flow Statement

	GROUP		COMPANY	
	1/1 - 30/9/2011	1/1 - 30/9/2010	1/1 - 30/9/2011	1/1 - 30/9/2010
(Amounts in euro)				
Cash flows from operating activities				
Profit / (loss) before taxes	(12.091.155)	(11.717.904)	(11.501.648)	(6.660.442)
Adjustments for:				
Depreciation of tangible assets	22.334.092	21.508.316	7.518.175	8.113.282
Depreciation of grants	(307.877)	(217.739)	(161.146)	(126.371)
Provisions	3.916.093	(94.887)	131.713	(925.531)
Investing activities result (income, expenses, profits and losses)	(768.080)	(864.620)	(173.849)	(44.961)
Interest charges & related expenses	25.525.526	15.177.683	11.752.872	6.660.742
(Profit) / loss from sale of tangible assets	(164.782)	(4.404)	(64.981)	(212.765)
(Profit) / loss from the fair value of derivatives	(970.885)	(2.483.238)	(896.540)	(1.469.093)
Loss from the destruction / Impairment of fixed assets	48.525	85.351	-	-
Decrease / (increase) in inventories	(40.341.714)	(42.296.418)	(4.058.161)	(17.604.548)
Decrease / (increase) in receivables	35.771.698	(52.234.593)	13.406.802	(45.260.452)
(Decrease) / Increase in liabilities (minus banks)	(16.454.019)	6.385.566	(11.777.433)	2.733.173
Interest charges & related expenses paid	(23.960.731)	(13.769.003)	(10.692.236)	(5.539.104)
Payed taxes	(481.922)	(463.553)	-	-
Net Cash flows from operating activities	(7.945.232)	(80.989.444)	(6.516.433)	(60.336.070)
Cash flows from investing activities				
Purchase of tangible assets	(8.117.235)	(9.819.985)	(1.658.929)	(2.063.763)
Purchase of intangible assets	(1.165.791)	(667.813)	(74.933)	(55.156)
Sales of tangible assets	199.490	122.083	124.504	6.131.186
Dividends received	5.226	5.383	5.226	-
Interest received	286.010	641.393	168.624	44.961
Increase of participation in subsidiaries	(3.092.020)	-	(100.090)	(2.171.723)
Increase of participation in other companies	(351.000)	-	(351.000)	-
Net Cash flows from investing activities	(12.352.930)	(9.718.940)	(1.886.599)	1.885.505
Cash flows from financing activities				
Dividends paid to shareholders of the parent	(2.182)	(794)	(2.182)	(794)
Loans received	85.379.754	179.931.164	47.091.622	129.351.310
Loans settlement	(49.053.700)	(86.116.851)	(29.083.332)	(68.666.666)
Dividends paid to minority interest	(23.000)	(988.729)	-	-
Grand proceeds	1.019.962	-	-	-
Net cash flows from financing activities	37.320.834	92.824.790	18.006.108	60.683.850
Net (decrease)/ increase in cash and cash equivalents	17.022.672	2.116.406	9.603.077	2.233.285
Cash and cash equivalents at the beginning of period	17.367.950	17.753.177	2.403.946	1.567.556
Cash and cash equivalents at the end of period	34.390.623	19.869.583	12.007.022	3.800.841

The attached notes on pages 8 to 19 constitute an integral part of these Interim Summary Financial Statements.

Notes to the Financial Statements as at 30 September 2011

1. Incorporation and Group Activities

HALCOR S.A. – METAL PROCESSING (former VECTOR S.A.-Metal processing) (“HALCOR” or the “Company”) was established in Athens in 1977.

The Interim Summary Consolidated Financial Statements (the “Financial Statements”) of the Company for the period ended on 30 September 2011 consist of the Company and its subsidiaries (the “Group”).

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

The individual and consolidated financial statements of the Company for the year ended on 31 December 2010 and on the interim periods are available at the Company's website www.halcor.gr.

The financial statements of the Group are included in the consolidated financial statements of VIOHALCO S.A.

2. Statement of compliance

The Financial Statements have been compiled in accordance with the IFRS as adopted by the European Union with respect to interim financial reporting (IAS 34).

The Financial Statements do not include all the information required for thorough annual financial statements. To this effect, they should be read in conjunction with the annual Financial Statements of the year ended on 31 December 2010.

The financial statements were approved by the Company’s Board of Directors on 21 November 2011.

The amounts indicated in the Financial Statements are denominated in Euro and are rounded up/down to the nearest unit.

3. Main accounting principles

The accounting principles applied by the Company to the preparation of the interim financial statements as at 30 September 2011 are the same with those described in the published financial statements of the year ended on 31 December 2010.

4. Estimates

Preparation of interim financial statements requires sound judgement when the Management uses assumptions and estimates which affect the application of the accounting policies and the stated sums of asset and liability items, revenues and expenses. The actual results may finally differ from such assumptions and estimates.

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

The important estimates and assumptions made by the Management when applying the Group's accounting policies and the sources of information used in the calculation and determination of any uncertainty and in the preparation of financial statements are the same with those applied to the preparation of the annual individual and consolidated financial statements as at 31 December 2010.

5. Financial risk

As a result of the economic crisis, there was a re-examination of the credit limits per customer and no significant changes were accrued according to their insurance limits. For the management of the volatility of copper price of its basic operating stock, the Group has gone through hedging of the metal price. The result of the evaluation in fair values of this specific hedging has been included in Income Statement

As for the rest, the Group's policy as regards issues related to hedging policy and, generally, risk management remains the same with that described in the annual financial statements.

6. Operating segments

Operating segments refer to the business and geographical segments of the Group. The primary type of reference (operating segments) 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

HALCOR S.A.**Interim Financial Statements****as at 30 September 2011**

Results per sector for the period ended on September 30, 2010

September 30, 2010 (Amounts in euro)	Copper products	Cable products	Other	Services	Total
Total gross sales by sector	606.835.441	249.046.619	84.324.950	940.207.010	
Intercompany sales from consolidated entities	(150.633.937)	(13.825.899)	(4.303.204)	(168.763.040)	
Net sales	456.201.503	235.220.720	80.021.746	771.443.970	
Operating profits	(1.380.665)	1.878.454	2.097.370	2.595.158	
Financial income	79.762	496.581	65.050	641.393	
Financial expenses	(10.958.603)	(3.743.599)	(475.481)	(15.177.683)	
Income from dividends	5.383	-	-	5.383	
Share at results of affiliated companies	-	343.802	(125.958)	217.844	
Profit before income tax	(12.254.124)	(1.024.762)	1.560.981	(11.717.904)	
Income tax	3.296.239	164.856	(737.292)	2.723.803	
Net profit of the period	(8.957.885)	(859.906)	823.689	(8.994.101)	

September 30, 2010	Copper products	Cable products	Other	Services	Total
Asset	540.125.499	219.545.823	29.011.819	788.683.141	
Total liabilities	432.095.956	154.424.850	26.619.206	613.140.012	
Investments in tangible, intangible assets and investments in real estate	7.831.439	2.599.970	56.390	10.487.799	

Other figures per sector that consists the Financial Results for the period ended on September 30, 2010

September 30, 2010 (Amounts in euro)	Copper products	Cable products	Other	Services	Total
Depreciation of tangible assets	15.230.677	5.639.520	209.463	21.079.660	
Amortization of intangible assets	116.068	306.318	6.270	428.656	
Total depreciation	15.346.745	5.945.838	215.733	21.508.316	
Impairment of claims	77.072	645.654	-	722.725	

Results per sector for the period ended on September 30, 2011

September 30, 2011 (Amounts in euro)	Copper products	Cable products	Other	Services	Total
Total gross sales by sector	771.650.499	304.841.717	87.918.307	1.164.410.523	
Intercompany sales from consolidated entities	(187.670.904)	(14.784.522)	(4.277.256)	(206.732.683)	
Net sales	583.979.595	290.057.195	83.641.051	957.677.840	
Operating profits	1.843.827	9.332.923	1.564.515	12.741.265	
Financial income	203.088	75.174	7.748	286.010	
Financial expenses	(18.567.163)	(6.237.370)	(795.968)	(25.600.501)	
Income from dividends	5.226	-	-	5.226	
Share at results of affiliated companies	-	-	476.844	476.844	
Profit before income tax	(16.515.022)	3.170.728	1.253.139	(12.091.155)	
Income tax	1.342.149	(763.594)	(537.030)	41.525	
Net profit of the period	(15.172.873)	2.407.134	716.109	(12.049.630)	

September 30, 2011	Copper products	Cable products	Other	Services	Total
Asset	545.822.718	315.605.180	19.378.048	880.805.947	
Total liabilities	449.973.199	237.929.665	17.810.073	705.712.937	
Investments in tangible, intangible assets and investments in real estate	3.929.302	5.348.893	4.832	9.283.026	

Other figures per sector that consists the Financial Results for the period ended on September 30, 2011

September 30, 2011 (Amounts in euro)	Copper products	Cable products	Other	Services	Total
Depreciation of tangible assets	15.490.529	6.460.740	58.113	22.009.382	
Amortization of intangible assets	135.114	184.023	5.572	324.709	
Total depreciation	15.625.643	6.644.763	63.686	22.334.092	
Impairment of claims	99.804	3.991.082	-	4.090.886	

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

(Amounts in euro)

	GROUP	
	30/9/2011	30/9/2010
Sales		
Greece	152.888.077	166.913.511
European Union	671.340.152	517.758.722
Other European countries	62.571.577	43.561.645
Asia	25.283.741	22.429.312
America	25.568.876	7.673.349
Africa	18.528.927	12.672.259
Oceania	1.496.491	435.171
Total	957.677.840	771.443.970

	GROUP	
	30/9/2011	31/12/2010
Total assets		
Greece	716.944.207	647.473.166
Foreign	163.861.740	146.052.842
Total	880.805.947	793.526.008

	30/9/2011	31/12/2010
Investments in tangible, intangible fixed assets & real estate		
Greece	4.981.138	7.644.849
Foreign	4.301.888	5.701.549
Total	9.283.026	13.346.399

7. Land, buildings and equipment

During the current period, additions in terms of land, buildings and equipment at Group level stood at €8,117,235 (9 months of 2010: €9,819,985) while sales came to €34,707 (9 months of 2010: €117,679) and the respective earnings from sales came to €164,782 (9 months of 2010: €4,404). The profit from the sale of fixed assets is presented in the account "Other income" in the Income Statement.

At company level, additions stood at €1,658,929 (9 months of 2010: €2,063,763) while sales came to €59,522 (9 months of 2010: €5,918,421) and the respective earnings from sales came to €64,981 (9 months of 2010: €212,765). The profit from the sale of fixed assets is presented in the account "Other income" in the Income Statement.

8. Intangible assets

During the current period, additions of intangible assets at Group level stood at € 1,165,791 (9 months of 2010: €667,813) while no sales were made.

At company level, additions stood at €74,933 (9 months of 2010: €55,156) while no sales were made.

9. Participations

- The limited liability company under the name HALCORAL Sh.PK based in Tirana, Albania was established by HALCOR SA. The new company is a 100% subsidiary of HALCOR with an initial share capital of Euro 100,000 divided into 1,000 shares of nominal value of Euro 100 each, and principally engaged in marketing of copper, copper alloys, zinc and cables. The company was not consolidated due to non-significance.
- The subsidiary HALCOR RESEARCH AND DEVELOPMENT SA consolidated using the full consolidation method for the first time the current period and it did not consolidate in the previous period because of non-activity.
- The subsidiary HELLENIC CABLES SA following its General Assembly decision absorbed 100% subsidiary TELECABLES SA based on the Balance Sheet of July 31, 2011. TELECABLES SA has owned facilities and mechanical equipment and is principally engaged in the manufacture of telecommunications cables.

Examples of some items of Transformation Balance Sheet of July 31, 2011 in Euro are following:

Total Assets: 12,990,092

Liabilities: 1,154,524

Equity: 11,835,568

The approval by the Prefecture of Athens for this merger was issued on August 1, 2011 while the operational merger will be completed by the end of 2011. The difference resulting from the merger of Euro 1,346,308 recorded directly to equity of HELLENIC CABLES SA

- The subsidiary HELLENIC CABLES SA on July 29, 2011 acquired 100% of shares of FULGOR SA, which also operates in the cables production. In particular, FULGOR is active in the production of cables, conductors and copper and aluminium wires since 1957 while it has considerable experience and expertise in producing value added products such as high voltage and submarine cables.

Its facilities of 82 acres are located in Corinth Soussaki. The annual production capacity is 50 thousand tons of cables and 45 thousand tons of copper and aluminium wires while it is certified in accordance with the management system ISO 9001 and ISO 14001.

The acquisition is expected to enhance the export orientation of the HELLENIC CABLES Group and will enrich its portfolio of products with high added value. It is also expected to have a positive impact on the Group's results from the synergies that will accrue in distribution network, supply chain, production and research & development of new products.

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By adding FULGOR, HELLENIC CABLES Group is formed in one of the largest cables group at European level.

The acquisition cost amounted to Euro 3,430,000 in cash of which Euro 1,000,000 will be paid until the end of 2012, according to the program performance of binding obligations of the previous owners of the company.

The Balance sheet of acquisition that was consolidated in the financial statements of 30.9.2011 is provisional and based on projections and estimates of HELLENIC CABLES management, since the process of valuation of all assets of the acquired company has not completed, which is predicted to have completed by the publication of annual financial statements for 2011.

Below are details of the provisional estimate of the assets of FULGOR SA, at the acquisition date:

<u>ASSETS</u>	
Own use Fixed assets	55.834.534
Intangible Assets	40.439
Other non current assets	6.996
Inventories	2.200.686
Trade and other receivables	416.063
Cash and cash equivalents	337.980
TOTAL ASSETS	58.836.698
<u>LIABILITIES</u>	
Borrowings liabilities	36.705.995
Deferred income tax liabilities	-4.317.058
Other short-term liabilities	23.207.777
TOTAL LIABILITIES	64.230.830
NET ASSETS	-5.394.132
Acquisition cost	3.430.000
Goodwill (*)	8.824.132

(*) Goodwill will be finalized after the final assessment of the above Balance Sheet.

On the day of acquisition, FULGOR participated in the HELLENIC CABLES Group's revenues by Euro 700,175, while net results after taxes amounted to losses Euro 314,481. If FULGOR was consolidated from the beginning of the year, the change in the HELLENIC CABLES Group's revenues would be inappreciable since the company before the acquisition was idle, while the results of the Group would incur losses of Euro 10 million.

- The Board of the subsidiary HELLENIC CABLES SA held an Extraordinary General Meeting of Shareholders on September 7, 2011, which decided to increase the share capital of HELLENIC CABLES SA by Euro 1,647,200 in cash, by issuing 2,320,000 new ordinary registered voting shares of nominal value €0.71 each and issue price of Euro 3.94 to Euro 6.38 each, with abolition of preferential right of existing shareholders. The total amount drawn from the capital increase will amount to Euro 9,593,921, of which an amount of Euro

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7,946,721 will be accounted for in the "Premium". All new shares will be borne by the creditor banks of FULGOR in settlement of debts of the latter.

After the share capital increase of HELLENIC CABLES amounted to Euro 20,977,915.60, divided into 29,546,360 common registered shares of nominal value Euro 0.71 each and remained outstanding in the amount of Euro 1,647,200. The premium share capital amounts to Euro 31,171,712, of which remained outstanding amount of Euro 7,946,721. The share of HALCOR stake in HELLENIC CABLES stood at 72.53% from 78.71% held before the increase.

10. Financial assets available for sale

HALCOR participated in the share capital increase of trading company, based in Milan, Italy, ALURAME SRL. The involvement of HALCOR was the amount of Euro 350,000 and the participation rate stood at 17.5%.

11. Inventory

For the period January 1 to September 30, 2011, conditions of impairment of inventories occurred to their net realizable value, amounting to Euro 12,673,295 for the Group and Euro 5,573,956 for the Company.

12. Loans - Financial Leases

	GROUP		COMPANY	
	30/9/2011	31/12/2010	30/9/2011	31/12/2010
(Amounts in euro)				
Long-term lending				
Bank borrowings	27.973.622	15.343.843	-	-
Bond loans	149.805.260	140.716.789	87.722.370	113.889.035
Total long-term loans	177.778.882	156.060.632	87.722.370	113.889.035
Short-term loans				
Bank borrowings	388.247.739	338.157.544	172.759.372	128.584.417
Total short-term loans	388.247.739	338.157.544	172.759.372	128.584.417
Total loans	566.026.621	494.218.176	260.481.742	242.473.452

The maturity dates of long-term loans are:

	GROUP		COMPANY	
(Amounts in euro)				
Between 1 and 2 years	137.027.643	93.171.502	78.333.200	66.416.665
Between 2 and 5 years	14.862.769	62.889.130	9.389.170	47.472.369
Beyond 5 years	25.888.470	-	-	-
	177.778.882	156.060.632	87.722.370	113.889.035

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(Amounts in euro)	GROUP	
	30/9/2011	31/12/2010
Finance Lease Obligations-minimum leases		
Up to 1 year	1.223.604	-
Between 1 and 5 years	-	-
Total	1.223.604	-

During the current period, the Company drawn bank loans of amount Euro 47,091,622, while repaid loans totalling €29,083,332. At Group level, during the current period the loans taken out amounted to €85,379,754 while the sum of €49,053,700 was repaid.

13. Provisions

During the current period, the Company raised additional provisions totalling € 133,467 as supplementary provision of proportionate interest for the fine imposed by the European Competition Commission (see note 15).

14. Commitments

The Group rents lifting, fork-lift trucks and passenger cars. The duration of such leases varies but none of them exceeds five years as of the leasing agreement. During the period ended 30 September 2011, expenses amounting to € 364,543 were posted to Company Results (31 December 2010: € 405,130) while the sum of €1,020,647 was posted to Group results (31 December 2010: 1,223,450).

15. 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 Euro 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 Euro 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

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the difference in interest. On 31 December 2010 the cumulative provision for the proportionate interest came to Euro 1,276,609 while an additional provision was raised for the current period that stands at Euro 133,467.

Mortgages totalling Euro 3,5 million have been registered on SOFIA MED's properties.

A provision has been raised for the financial years that have not been audited in tax terms: Group: Euro 285,000.

There is also a balance of other provisions referring to provisions for overheads: Group: Euro 356,000 and Company: Euro 141,000.

There are no other cases than those cited above that are pending against the Group.

16. Taxation

The current and deferred tax is broken down as follows:

(Amounts in euro)	GROUP		COMPANY	
	1/1 - 30/9/2011	1/1 - 30/9/2010	1/1 - 30/9/2011	1/1 - 30/9/2010
Income tax for the period	(1.559.861)	(795.757)	-	281.397
Deferred tax for the period	1.601.386	3.519.560	727.887	2.519.998

Income tax was calculated based on the best estimate of the Group' Management about the average annual tax rate that is expected to apply by the end of the year.

Under the new tax law 3943/2011, the rate of corporate income tax set at 20% from 1 January 2011 onwards.

According to a new tax law and relevant ministerial decision which is valid for accounts closed by June 30, 2011 onwards, tax audits of companies scrutinized by auditors or audit firms will be carried out by them. If the "Certificate of Tax Compliance" to be issued by statutory auditors or audit firms are not considered qualified, the fiscal year will be accounted as closed and there will be no need for forecasts for the unaudited fiscal years.

The unaudited tax years up to 2010 will be audited by tax authorities according to rules and procedures applicable to implementation of the new Act.

The effective tax rate for the Group during the current period was -0.3%% while the previous period was -23%. The change in the effective tax rate was due to the corporate profits of one of the key companies of Group during the current period as well as due to the decrease of the tax rate under the new law.

The Group companies may be liable for income taxes due to financial years that have not been audited by tax authorities. The provisions for such open financial years are set out in note 15. These un-audited years are broken down as follows:

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COMPANY NAME	COUNTRY	HOLDING %	CONSOLIDATION METHOD	TAX UNAUDITED FINANCIAL YEARS
HALCOR SA	GREECE	Parent Company	-	2009-2010
HELLENIC CABLES SA	GREECE	72,53%	Full Consolidation	2009-2010
STEELMET SA	GREECE	51,00%	Full Consolidation	2010
AKRO SA	GREECE	95,74%	Full Consolidation	2007-2010
SOFIA MED S.A.	BOULGARIA	100,00%	Full Consolidation	2009-2010
METAL AGENCIES L.T.D.	UK	90,94%	Full Consolidation	-
BELANTEL HOLDINGS L.T.D.	CYPRUS	100,00%	Full Consolidation	1999-2010
METAL GLOBE D.O.O.	SERBIA	51,76%	Full Consolidation	-
COPPERPROM LTD	GREECE	69,01%	Full Consolidation	2003-2010
FITCO SA	GREECE	100,00%	Full Consolidation	2005-2010
HAMBAKIS LTD LISENCE & DISTRIBUTION	GREECE	100,00%	Full Consolidation	2010
DIAPEM TRADING SA	GREECE	33,33%	Equity Method	2007-2010
ELKEME SA	GREECE	30,44%	Equity Method	2010
VIEXAL SA	GREECE	26,67%	Equity Method	2003-2010
S.C. STEELMET ROMANIA S.A	ROMANIA	40,00%	Equity Method	2002-2010
TEPRO METALL AG	GERMANY	36,21%	Equity Method	2001-2010
HALCOR R&D SA	GREECE	70,00%	Full Consolidation	-
HALCORAL SH. P.K.	ALBANIA	100,00%	-	-

17. Transactions with affiliated parties

The transactions with affiliated parties are analyzed below:

(Amounts in euro)	GROUP		COMPANY	
	30/9/2011	30/9/2010	30/9/2011	30/9/2010
Sale of goods				
Subsidiary companies	-	-	142.887.357	116.359.718
Associates	77.308.330	63.534.879	33.646.557	36.990.535
Other related parties	36.829.612	21.688.558	12.165.217	1.966.260
	114.137.942	85.223.437	188.699.132	155.316.512
Sale of services				
Subsidiary companies	-	-	5.229.500	4.425.934
Associates	296.517	706.632	41.401	27.300
Other related parties	2.483.894	3.313.014	368.388	359.055
	2.780.411	4.019.646	5.639.288	4.812.289
Sale of fixed assets				
Subsidiary companies	-	-	88.164	6.131.186
Other related parties	15.587	-	15.587	-
	15.587	-	103.751	6.131.186
Purchase of goods				
Subsidiary companies	-	-	16.992.715	24.557.643
Associates	736.505	326.347	268.892	-
Other related parties	112.090.731	78.724.060	10.493.241	19.130.536
	112.827.236	79.050.406	27.754.848	43.688.179
Purchase of services				
Subsidiary companies	-	-	1.836.803	2.569.663
Associates	932.517	1.152.984	479.920	917.749
Other related parties	1.714.858	2.853.580	1.168.895	2.224.132
	2.647.375	4.006.564	3.485.618	5.711.544
Purchase of fixed assets				
Subsidiary companies	-	-	25.966	43.974
Associates	645	23.306	645	15.085
Other related parties	576.394	781.181	219.949	374.745
	577.039	804.487	246.560	433.804

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

Benefits to Key Management Personnel

	GROUP		COMPANY	
	30/9/2011	30/9/2010	30/9/2011	30/9/2010
(Amounts in euro)				
Fees - benefits to the members of the Board of Directors and Executives	2.576.731	2.834.136	1.364.156	1.780.170
	2.576.731	3.007.021	1.364.156	1.953.055

Balances at period end that arise from the sale-purchase of goods, services, fixed assets, etc.

	GROUP		COMPANY	
	30/9/2011	31/12/2010	30/9/2011	31/12/2010
(Amounts in euro)				
Receivables from related parties:				
Subsidiary companies	-	-	59.529.240	46.550.701
Associates	19.422.731	17.061.743	10.417.373	10.019.903
Other related parties	10.597.235	11.136.807	3.225.412	1.159.364
	30.019.966	28.198.550	73.172.025	57.729.967
Payables from related parties:				
Subsidiary companies	-	-	1.792.557	1.705.381
Associates	916.904	911.898	487.357	503.784
Other related parties	13.089.412	11.694.355	538.437	1.975.176
	14.006.316	12.606.253	2.818.352	4.184.341

18. Events that took place after the balance sheet date

No other events following the Balance Sheet date occurred, that affects the financial statement and financial position of the Company.

