Annual Financial Report

as at 31st December 2012

Based on article 4 of L. 3556/2007

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

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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 2012, 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 2012 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, 27 February 2013

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 2012 (1 January – 31 December 2012). 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 2012, 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**

Despite the adverse conditions that prevailed during 2012, namely slowing growth in Europe and the continuing deterioration of the internal market, HALCOR Group managed to increase its sales volume. The industrial production displayed trends of decline in Europe, with the exception of Germany, while the U.S. showed signs of improvement, which the Group suitably took advantage increasing its presence. At the same time, construction activity remains weak, especially in southern Europe, while Greece saw further decline and we are now at the lowest level in at least forty years.

In this challenging environment, the Group managed to increase its sales volume by maintaining or increasing market share in most markets where it operates. The consolidated turnover in 2012 amounted to Euro 1,259.3 million versus Euro 1,249.3 million in 2011, an increase of approximately 1%. This increase was attributable to increased total sales volume by 5%, despite a decrease in the average metal prices compared with the previous year.

Metal prices fell slightly in 2012 after three consecutive years of growth, driven mainly by the difficult macroeconomic environment, especially in developed markets and the liquidity in international financial markets. Thus, the average price of copper was lower by 2.3% to Euro 6,181 per ton compared to Euro 6,327 per ton, while the average price of zinc was lower by 3.8% to Euro 1,513 per ton compared to Euro 1,573 per ton.

In terms of volumes in 2012, there were no significant changes in sales mix. So the sales of cables accounted for 43% of total sales, the sales of tubes for 24%, rolling products for 19%, copper bus bars for 9% and brass rods for 5%. However, there was a change in the product groups, with increasing industrial tubes and rolled copper products as installation products adversely affected by the contraction of the construction sector in most European markets.

Consolidated gross profit decreased by 29.7% and amounted to Euro 44.4 million versus Euro 63.2 million in 2011. Consolidated earnings before taxes, depreciation and amortization (EBITDA) amounted in 2012 to Euro 34.3 million versus Euro 49.2 million in the comparable prior year, a decrease by 30.3%, while earnings before interest and taxes (EBIT) amounted to Euro 8.7 million compared to Euro 23.2 million in the previous year. Consolidated results (profit / loss before taxes) amounted to losses of Euro 31 million in 2012 compared to a loss of Euro 11.4 million in 2011. Finally, the loss after tax and minority interests amounted to Euro 26 million or Euro -0.2565 per share compared to a loss of Euro 15.6 million or Euro -0.1539 per share in 2011.

The volatility and challenges in the macroeconomic environment maintained in the fourth quarter of 2012, where the economies of the Euro zone showed further deceleration and Greece remained in a deep recession. Industrial production in Europe recorded for the third consecutive quarter negative growth rate. The demand for installation products continued to move into negative territory as the construction industry has been affected more than anyone else. As for the cables, the general lack of liquidity has led to the postponement of several investment projects, mainly in the energy sector. Additionally, the cable industry was negatively affected by higher fixed costs due to the incorporation of FULGOR and because the reorganization and optimization expenses of its production processes.

On the contrary, despite the fact that the demand for industrial products declined in key European markets, the Group has increased the sales volume and gain greater market share. Specifically, the increase in sales and improved margins in copper tubes for industrial use (cooling, air conditioning and other industrial applications) and industrial rolling and extrusion (electrical and mechanical) mitigated the effects of the slowdown in the markets where the Group operates. Finally, profitability was negatively affected by the higher financing costs as a result of increased borrowings due to additional working capital needs, and as a result of increased funding costs.

Great importance had for HALCOR Group the further reduction in working capital mainly through the optimal inventory management, the moderate credit policy and the expansion of payment terms to suppliers. So we succeeded and achieved for the second consecutive year positive cash flows from operating activities (Euro 14.9 million) compared to positive operating cash flow of Euro 48.5 million in 2011. Also, the total Group net debt increased marginally to Euro 487 million from Euro 483 million the previous year as a result of additional funding working capital due to increased sales volume.

In 2012, the HALCOR Group carried out total investments of Euro 23.8 million, of which Euro 14.5 million related to the HELLENIC CABLES Group under the investment program starting with the main objective of producing high voltage submarine cables. Respectively, Euro 3.2 million spent in upgrading the production facilities of the parent company and its subsidiary in Inofyta FITCO SA, focusing mainly in the Tubes Plant. Finally, Euro 6.1 million related to the improvement of productivity, the production of high added value products and the increase in capacity of its subsidiary SOFIA MED SA in Bulgaria.

B. Financial standing

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

RATIOS	GROUP		COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Liquidity Current Assets / Current Liabilities	0,86	1,00	0,85	0,88
Leverage Equity / Bank Loans	0,27	0,33	0,54	0,58
Return on Invested Capital Profit Before Taxes and Financial Expences / Equity + Bank Loans	1,4%	3,5%	1,8%	1,2%
Return on Equity Net Profits / Equity	-23,8%	-11,4%	-8,9%	-10,2%

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 2012, 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; The guarantees provided by Group is of low value and does not pose a significant risk.

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 2012, the Group had an amount of Euro 27.9 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, GBP and other currencies of S/E Europe.

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 2013

The continuing economic uncertainty in Europe, coupled with the changing perspectives of the international economy, jointly prescribe a highly volatile business environment in 2013. Expectations vary by geographic region with demand in Central and Northern Europe that is expected to remain constant (except Germany and the Scandinavian countries that are expected to move upward), declining in Southern Europe and on the rise in the U.S. Construction activity is expected to continue in the next year to move into negative territory. In contrast, demand for industrial products shows signs of stabilization and will be the pillar of Group's growth for 2013. As for the cables, there is a restrained optimism based on existing contracts for high / ultra-high voltage cables and medium voltage submarine cables as well as the prospects opened for exports to countries within and outside the European Union because of the restart of activities in the energy sector.

More generally, in 2013, given the difficult conditions still prevailing in the domestic market and the apparent instability that continues to be displayed in most countries of the Euro zone, the Group will continue to have the primary strategic objective of increasing market share in industrial products and strengthening its business in new markets that have not been affected by the economic downturn. In addition, the optimal management of working capital and net debt reduction is the main priority in the current year as well.

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	24.942	18.752	935	2.113
STEELMET GROUP	1	1.733	0	243
SOFIA MED	71.605	335	42.288	-
FITCO	19.656	3.090	696	0
METAL AGENCIES	50.912	134	5.182	52
OTHER SUBSIDIARIES	266	426	875	100
TOTAL SUBSIDIARIES	**167.381**	**24.470**	**49.976**	**2.507**

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. HALCOR provides technical, administrative and commercial support services to SOFIA MED.

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	26.806	146	5.259	30
STEELMET ROMANIA SA	9.833	23	95	8
TEKA SYSTEMS SA	40	624	15	97
ANAMET SA	1.606	18.784	458	96
VIEXAL SA	0	373	-	15
CPW AMERICA SA	-	33	-	5
VIOHALCO SA	114	339	47	-
TEPRO METAL AG	-	139	-	73
ETEM SA	1	43	1	6
ELVAL SA	239	2.131	89	260
SIDENOR SA	50	4	55	7
CPW SA	-	2	-	1
SYMETAL	42	1	7	1
STOMANA	-	9	-	-
STEELMET BULGARIA	-	-	-	-
METALVALIUS SA	53.921	1.372	3.471	-
OTHER AFFILIATED	470	1.274	517	299
TOTAL AFFILIATED	**93.121**	**25.297**	**10.013**	**898**

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.

METALVALIUS 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	68.290	150	10.198	33
STEELMET ROMANIA SA	15.597	1.290	161	466
TEKA SYSTEMS SA	41	2.070	14	316
ANAMET SA	1.858	21.287	495	123
VIEXAL SA	6	1.450	-	65
CPW SA	858	33	479	5
VIOHALCO SA	154	622	49	
TEPRO METAL AG	3.546	584	273	153
ETEM SA	464	62	354	157
ELVAL SA	5.586	7.352	1.361	2.504
SIDENOR SA	2.346	1.463	162	876
CORINTH PIPEWORKS SA	824	791	221	507
SYMETAL SA	413	11.184	235	2.171
STOMANA SA	1.496	3.530	264	194
STEELMET BULGARIA SA	364	6	275	197
METALVALIUS SA	70.066	158.745	3.483	-
OTHER AFFILIATED	5.146	7.188	3.295	2.058
TOTAL AFFILIATED	**177.056**	**217.807**	**21.320**	**9.824**

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	4,006	1,706

G. Subsequent events

There are no events subsequent to December 31, 2012 that are required to place some reference.

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 2012 were as follows:

- VIOHALCO S.A. 60.10 % of voting rights of which it directly holds 53.55 % of 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.

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 24 of the Financial Statements.

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 22 of the Annual Financial Report (Group: Euro 239.9 million on a long-term basis and Euro 247.3 million on a short-term basis and Company: Euro 94.6 million long-term and Euro 136.9 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_SEV_InternetVersion_updatednew2132011.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.2 2.2, 2.3 & 2.5: 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. There was judged, at this juncture, that the enlargement of the number of independent members or the limitation of the service member would not improve the efficient operation of the company.
- **Part A.3 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. There was judged, at this juncture, that the status of an independent member in the person of Vice President beyond the aforementioned status as non-executive, would not provide more guarantees in the efficient operation of the company.
- **Part A.5 5.5: Nomination of Board members.** There was no committee to nominate members until the time this Statement was drafted for the same reasons as above.
- **Part A.7 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.1 1.6: Level and structure of remuneration.** Until the time this Statement was drafted, there was no Remuneration Committee. The matter will be reviewed shortly.

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 2012, i.e. "KPMG Certified Auditors A.E.", who have been elected by the Ordinary General Meeting of the Company's Shareholders on 29 June 2012, 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 29 June 2012 and its term of office shall expire on 14 June 2013.

The Board of Directors met 75 times during 2012 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 2012 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

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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 2012 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 information.

Management's Responsibility for the 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 misstatement, 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 financial statements are free from material misstatement.

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 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 stand-alone and consolidated the 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 stand-alone and consolidated financial statements give a true and fair view of the financial position of HALCOR METAL WORKS S.A. as of 31 December 2012 and of its financial performance and its 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 paragraph 3d of article 43a 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
3, Stratigou Tombra Str
153 42 Aghia Paraskevi
Greece
AM SOEL 114

KPMG Certified Auditors A.E.

Athens, 27 March 2012

Nick Tsiboukas, Certified Auditor Accountant
AM SOEL 17151

Notes to the Financial Statements

Statement of Financial Position

(Amounts in euro)	note	GROUP 2012	GROUP 2011	COMPANY 2012	COMPANY 2011
ASSETS					
Non-current assets					
Property, plant and equipment	10	359.491.380	361.033.315	96.289.629	101.764.822
Intangible assets	11	11.745.850	11.283.122	139.649	166.037
Investment property	12	383.271	2.270.174	-	-
Investments in subsidiaries	13	-	-	145.874.319	145.168.578
Investments in affiliates	13	6.658.870	6.532.458	4.264.104	4.264.104
Other investments	14	4.652.804	4.653.923	4.197.544	4.198.664
Other receivables	17	1.984.834	1.529.565	842.186	890.037
Deferred tax claims	15	6.494.711	6.156.760	-	-
		391.411.720	**393.459.318**	**251.607.430**	**256.452.242**
Current assets					
Inventories	16	229.064.818	234.740.290	56.896.133	67.694.501
Trade and other receivables	17	133.575.452	154.743.276	78.814.950	82.167.756
Derivatives	18	1.811.910	2.756.164	1.054.377	1.932.554
Cash and cash equivalents	19	27.859.388	37.207.780	5.924.534	14.359.870
		392.311.568	**429.447.510**	**142.689.993**	**166.154.681**
Total assets		**783.723.288**	**822.906.828**	**394.297.423**	**422.606.923**
EQUITY					
Equity attributable to Shareholders of the Company					
Share capital	20	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
Reserves	20	68.773.824	69.763.765	69.129.805	69.468.336
Losses carried forward		(65.217.527)	(39.162.326)	(51.593.062)	(40.595.287)
Total		**109.180.619**	**136.225.762**	**123.161.066**	**134.497.371**
Minority interests		30.535.607	33.921.928	-	-
Total equity		**139.716.226**	**170.147.690**	**123.161.066**	**134.497.371**
LIABILITIES					
Long-term liabilities					
Loans	22	157.547.406	190.911.864	91.889.173	88.722.370
Derivatives	18	-	472.708	-	472.708
Deferred income tax liabilities	15	16.993.933	19.333.458	7.357.595	6.969.440
Personell retirement benefits payable	23	5.191.434	6.009.292	1.855.091	2.083.096
Government Grants	25	5.950.461	4.243.993	1.702.632	1.925.184
Provisions	26	562.092	565.364	90.000	90.000
		186.245.326	**221.536.679**	**102.894.490**	**100.262.797**
Short-term liabilities					
Suppliers and other liabilities	27	90.157.991	94.701.903	29.591.845	41.930.890
Current tax liabilities		8.021.021	4.901.204	808.161	316.404
Loans	22	358.473.496	330.089.165	136.895.064	144.683.798
Derivatives	18	1.109.228	1.530.187	946.797	915.662
		457.761.736	**431.222.459**	**168.241.868**	**187.846.754**
Total liabilities		**644.007.062**	**652.759.138**	**271.136.357**	**288.109.552**
Total equity and liabilities		**783.723.288**	**822.906.828**	**394.297.423**	**422.606.923**

The notes on pages 5 to 49 constitute an integral part of these Financial Statements.

Notes to the Financial Statements

Income Statement

Amounts in euro	Note	GROUP 2012	GROUP 2011	COMPANY 2012	COMPANY 2011
Sales	6	**1.259.305.775**	**1.249.316.534**	**545.522.376**	**585.704.872**
Cost of goods sold	8	(1.214.909.423)	(1.186.131.448)	(527.269.990)	(563.392.040)
Gross profit		**44.396.351**	**63.185.087**	**18.252.386**	**22.312.833**
Other operating income	7	12.305.311	14.792.055	5.275.105	5.177.084
Selling expenses	8	(14.663.840)	(14.881.853)	(5.637.672)	(5.774.131)
Administrative expenses	8	(22.524.983)	(21.839.255)	(9.606.468)	(9.561.055)
Other operating expenses	7	(10.808.482)	(18.107.740)	(2.371.629)	(7.602.983)
Operating results		**8.704.358**	**23.148.295**	**5.911.723**	**4.551.749**
Finance income	9	307.176	322.100	40.526	36.760
Finance expenses	9	(40.220.337)	(35.440.976)	(16.271.028)	(15.874.871)
Dividends	7	-	5.226	217.281	5.226
Financial result		**(39.913.161)**	**(35.113.651)**	**(16.013.220)**	**(15.832.885)**
Share of profit/loss of associates	7	168.169	614.403	-	-
Profit before income tax		**(31.040.635)**	**(11.350.953)**	**(10.101.498)**	**(11.281.136)**
Income tax expenes	15	1.594.391	(3.278.319)	(896.277)	(2.446.395)
Net profit for the period from continued operations		**(29.446.243)**	**(14.629.272)**	**(10.997.775)**	**(13.727.531)**
Attributable to:					
Shareholders of the Parent		(25.979.186)	(15.582.587)	(10.997.775)	(13.727.531)
Minority interest		(3.467.057)	953.315	-	-
		(29.446.243)	**(14.629.272)**	**(10.997.775)**	**(13.727.531)**
Earnings per share that attributed to the Shareholders of the Parent for the year (amounts in € per share)					
Basic and diluted profit/loss per share	21	(0,2565)	(0,1539)	(0,1086)	(0,1355)

Statement of Comprehensive Income

(Amounts in euro)	GROUP 2012	GROUP 2011	COMPANY 2012	COMPANY 2011
Profit / (Loss) of the year from continuing operations	**(29.446.243)**	**(14.629.272)**	**(10.997.775)**	**(13.727.531)**
Foreign currency translation differences	(880.615)	385.765	-	-
Gain / (Loss) of changes in fair value of cash flow hedging	(567.324)	8.568.982	(418.379)	6.051.683
Income tax on income and expense recognised directly in equity	110.482	(1.615.088)	79.848	(1.432.131)
Other comprehensive income / (expense) after taxes	**(1.337.457)**	**7.339.660**	**(338.531)**	**4.619.552**
Total comprehensive income / (expense) after tax	**(30.783.700)**	**(7.289.613)**	**(11.336.305)**	**(9.107.979)**
Attributable to:				
Equity holders of the parent company	(26.951.552)	(7.921.271)	(11.336.305)	(9.107.979)
Minority interests	(3.832.148)	631.658	-	-
Total comprehensive income / (expense) after tax	**(30.783.700)**	**(7.289.613)**	**(11.336.305)**	**(9.107.979)**

The notes on pages 5 to 49 constitute an integral part of these Financial Statements.

Notes to the 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, 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	-	-	-	-	(196.431)	779.407	582.976	(197.210)	**385.765**
Hedging result minus tax	-	-	7.078.341	-	-	-	7.078.341	(124.447)	**6.953.894**
Net profit/(loss) for the period	-	-	-	-	(15.582.587)	-	(15.582.587)	953.315	**(14.629.272)**
Total recognised net profit for the year	-	-	7.078.341	-	(15.779.019)	779.407	(7.921.271)	631.658	**(7.289.613)**
Capitalization	-	-	-	(19.276)	19.276	-	-	-	-
Absorption of subsidiary	-	-	-	-	976.531	-	976.531	-	**976.531**
Acquisition of company	-	-	-	-	-	-	-	18.000	**18.000**
Increase / (decrease) of participation in subsidiaries	-	-	-	(397.375)	-	-	(397.375)	8.794.506	**8.397.132**
Profit distribution	-	-	-	123.766	(123.766)	-	-	-	-
	-	-	-	(292.885)	872.041	-	579.157	8.812.506	**9.391.663**
Balance as of December 31, 2011	**38.486.258**	**67.138.064**	**2.126.093**	**73.603.270**	**(39.162.326)**	**(5.965.598)**	**136.225.762**	**33.921.928**	**170.147.690**
Balance as of January 1, 2012	**38.486.258**	**67.138.064**	**2.126.093**	**73.603.270**	**(39.162.326)**	**(5.965.598)**	**136.225.762**	**33.921.928**	**170.147.690**
Foreign exchange differences	-	-	-	-	17.995	(516.302)	(498.307)	(382.308)	**(880.615)**
Hedging result minus tax	-	-	(474.059)	-	-	-	(474.059)	17.217	**(456.842)**
Net loss for the period	-	-	-	-	(25.979.186)	-	(25.979.186)	(3.467.057)	**(29.446.243)**
Total recognised net profit for the year	-	-	(474.059)	-	(25.961.191)	(516.302)	(26.951.552)	(3.832.148)	**(30.783.700)**
Increase / (decrease) of participation in subsidiaries	-	-	-	-	(93.382)	-	(93.382)	805.848	**712.466**
Divindend distribution	-	-	-	-	-	-	-	(360.230)	**(360.230)**
Profit distribution	-	-	-	420	(629)	-	(209)	209	-
	-	-	-	420	(94.011)	-	(93.591)	445.827	**352.236**
Balance as of December 31, 2012	**38.486.258**	**67.138.064**	**1.652.034**	**73.603.690**	**(65.217.527)**	**(6.481.900)**	**109.180.619**	**30.535.607**	**139.716.226**

(Amounts in euro)	Share capital	Share premium reserves	Fair value reserves	Other reserves	Results carried forward	Total Equity
COMPANY						
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	-	-	4.619.552	-	-	**4.619.552**
Net profit for the period	-	-	-	-	(13.727.531)	**(13.727.531)**
Total recognised net profit for the year	-	-	4.619.552	-	(13.727.531)	**(9.107.979)**
Balance as of December 31, 2011	**38.486.258**	**67.138.064**	**405.454**	**69.062.881**	**(40.595.287)**	**134.497.371**
Balance as of January 1, 2012	**38.486.258**	**67.138.064**	**405.454**	**69.062.881**	**(40.595.287)**	**134.497.371**
Hedging result minus tax	-	-	(338.531)	-	-	**(338.531)**
Net loss for the period	-	-	-	-	(10.997.775)	**(10.997.775)**
Total recognised net loss for the year	-	-	(338.531)	-	(10.997.775)	**(11.336.305)**
Balance as of December 31, 2012	**38.486.258**	**67.138.064**	**66.924**	**69.062.881**	**(51.593.062)**	**123.161.066**

The notes on pages 5 to 49 constitute an integral part of these Financial Statements.

Notes to the Financial Statements

Statement of Cash Flow

	GROUP		COMPANY	
Amounts in euro	**2012**	**2011**	**2012**	**2011**
Cash flows from operating activities				
Profit / (loss) before taxes	(31.040.635)	(11.350.953)	(10.101.498)	(11.281.137)
Adjustments for:				
Depreciation of tangible assets	26.143.944	26.290.250	7.602.099	7.914.295
Depreciation of intangible assets	564.580	476.524	111.345	119.687
Depreciation of grants	(1.136.281)	(746.320)	(222.552)	(251.699)
Provisions	181.721	(217.948)	275.731	(6.368.363)
Investing activities result (income, expenses, profits and losses)	(475.345)	(941.728)	(257.807)	(41.986)
Interest charges & related expenses	40.220.337	35.440.976	16.271.028	15.874.871
(Profit) / loss from sale of tangible assets	(136.963)	(111.011)	(56.361)	(79.779)
(Profit) / loss from sale of investments	(1.583.953)	74.975	(1.583.953)	-
(Profit) / loss from the fair value of derivatives	(593.595)	(160.717)	18.225	(709.191)
Loss from the destruction of fixed assets	179.756	5.908	-	-
Decrease / (increase) in inventories	5.853.369	(14.866.816)	10.798.368	9.564.697
Decrease / (increase) in receivables	24.008.182	51.257.541	7.240.952	12.138.132
(Decrease) / Increase in liabilities (minus banks)	(6.587.064)	(594.177)	(16.014.309)	13.025.670
Interest charges & related expenses paid	(40.017.599)	(34.977.740)	(16.873.900)	(15.411.635)
Income tax paid	(712.731)	(1.048.999)	-	-
Net Cash flows from operating activities	**14.867.722**	**48.529.765**	**(2.792.634)**	**24.493.563**
Cash flows from investing activities				
Purchase of tangible assets	(23.754.457)	(14.324.435)	(2.379.931)	(2.438.345)
Purchase of intangible assets	(1.030.033)	(1.397.116)	(84.956)	(99.646)
Investment properties	-	(117.609)	-	-
Sales of tangible assets	515.582	92.154	309.387	144.315
Sales of investment properties	1.585.072	48.000	1.585.072	-
Dividends received	-	5.226	217.281	5.226
Interest received	307.176	322.100	40.526	36.760
Increase of participation in subsidiaries	-	(3.114.495)	(705.741)	(908.140)
Increase of participation in other investment properties	-	(351.000)	-	(351.000)
Net Cash flows from investing activities	**(22.376.659)**	**(18.837.176)**	**(1.018.361)**	**(3.610.830)**
Cash flows from financing activities				
Dividends paid to shareholders of the parent	(2.495)	(2.182)	(2.411)	(2.182)
Loans received	70.443.831	162.513.501	33.000.000	46.000.000
Loans settlement	(74.798.618)	(172.326.995)	(37.621.931)	(55.067.284)
Changes in financial leases	(625.340)	(1.419.470)	-	-
Dividends paid to minority interest	(352.083)	-	-	-
Grand proceeds	3.495.249	1.374.156	-	142.658
Net cash flows from financing activities	**(1.839.456)**	**(9.860.990)**	**(4.624.342)**	**(8.926.808)**
Net (decrease)/ increase in cash and cash equivalents	**(9.348.392)**	**19.831.599**	**(8.435.337)**	**11.955.925**
Cash and cash equivalents at the beginning of period	37.199.549	17.367.950	14.359.870	2.403.946
Cash and cash equivalents at the end of period	**27.851.157**	**37.199.549**	**5.924.534**	**14.359.870**

The notes on pages 5 to 49 constitute an integral part of these Financial Statements.

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.

These Financial Statements (the "Financial Statements") of the Company for the year ended on 31 December 2012 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 13 of the Financial Statements.

The Financial Statements of HALCOR are included in the consolidated financial statements of VIOHALCO SA.

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 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***.

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 2012 were approved for publication by the Company's Board of Directors on February 27, 2013.

(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

Notes to the Financial Statements

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 16)
- Measurement of defined-benefit liability (note 23)
- Valuation of other investments (Note 14)
- Contingent liabilities (Note 30)
- Basic assumptions for DCF calculation (Note 11)

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) Business combinations

The acquisitions of subsidiaries accounted under the purchase method on the date of acquisition, the date on which control is transferred to the Group. Control power is the power of operating and financial policies of an enterprise so as to benefit from the activity. In assessing control, the Group takes account of potential voting rights that presently may be exercisable.

The goodwill at the acquisition date is calculated as:

- The fair value of the purchase price, plus
- The value of minority interests in subsidiary acquired, minus
- The fair value of minority interests before the acquisition of subsidiary, in a gradual acquisition
- The fair value of identifiable assets and liabilities acquired.

If there is a negative goodwill, a profit is recognized immediately in the income statement. Any costs directly associated with the acquisition are recognized directly in the income statement. Any potential costs recognized in its fair value at the date of acquisition.

A financial asset is considered impaired through objective evidence because of something that happened after the initial recognition and this evidence will impact on future cash flows that can be measured. Objective evidence of impairment include the bankruptcy of a debtor or unenforceable to

Notes to the Financial Statements

characterize the recovery, when there are indications that goes bankrupt, change in payment method, change in economic conditions and sharp drop in economic data.

(b) Accounting for acquisitions of minority interests

Acquisitions of minority interests are accounted as transactions of shareholders and percentages and therefore no goodwill is recognized in such transactions.

(c) 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.

In its financial statements, the Company measures holdings in subsidiaries at their acquisition cost less any impairment of their value.

(d) 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.

(e) 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. In the consolidated financial statements the Group represents the ratio of the results and the total income after any changes in accounting principles to be comparable to those of the Group from the date of obtaining significant influence until the date we lose it. 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.

(f) 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

(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

Notes to the Financial Statements

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 the profit and loss statement.

(b) Transactions with Group companies in different currency

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 Financial assets

(a) Non-derivative financial instruments

Financial instruments excluding 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.

(c) Available-for-sale financial assets

These include non-derivative financial assets that are either designated in this subcategory, or do not fit into "detained until the end" or "as a fair value through profit and loss." Purchases and sales of investments are recognized on trade date that is the date the Group commits to buy or sell the asset.

Notes to the Financial Statements

Investments are initially recognized at fair value plus transaction costs. Then available for sale financial assets are measured at fair value and the resulted profit or loss is recognised in reserve 'fair value' of equity until these assets are sold or impaired. The fair value of those traded on a regulated market is the closing price. For other items the fair value can not reliably determine the fair value corresponds to the acquisition cost. The impairment loss is recognized upon transfer of the accumulated damage from the reserve to the income statement.

The accumulated losses carried forward is the difference between the acquisition value after depreciation over the effective rate and the current fair value minus the depreciation already charged to the profit from previous years. Impairment losses recognized in profit or loss statement are not reversed through the income statement for equity financial assets. The Group looks for evidence of impairment that for the shares are listed in Stock Exchange is a mandatory or prolonged decline in fair value below its cost, which in such case recorded in the results.

(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. The recognition stops when the contractual obligations cancelled, terminated or sold.

3.4 Derivatives and hedge accounting

The Group holds derivative instruments to offset the risk of interest rate and the foreign currency change. Derivatives are initially and subsequently recognized at fair value. The method of recognizing gains and losses depends on whether derivatives designated as hedging instruments or as held for trading.

The Group documents at the inception of the transaction the relationship between instruments of hedging and hedged items as well as the strategic management of risk. At the conclusion of the contract and on an ongoing basis later recorded assessment of the high efficiency of hedging for both fair value hedges and for cash flow hedges. To offset future transaction demonstrates the possibility of completing the transaction.

(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

(b) Cash flow hedging

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.

3.5 Share capital

The share capital consists of common shares. Direct expenses for the issuance of shares appear after deducting the relevant income tax, reducing the amount of growth.

3.6 Property, plant and equipment

(a) Recognition and measurement

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.

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.

Upon sale of tangible assets, the differences between the proceeds and the carrying value recorded as gains or losses on the results and the item 'Other operating income' or 'Other operating expenses "as appropriate. When the book value of tangible assets exceeds its recoverable amount, the difference (impairment loss) is recognized immediately as an expense in the income statement.

(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	20-50	years
Machinery & equipment	1-18	years
Transportation equipment	4-15	years
Furniture and fixtures	1-8	years

Notes to the Financial Statements

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

3.7 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.

3.8 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.

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 Impairment

(a) Non-derivative assets

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.

Notes to the Financial Statements

An impairment loss is recognized if the amount of accounting in the balance sheet asset or a cash flow unit is more than its recoverable amount. The result is recognized directly in profit or loss statement, depending on the nature of the lines on "Cost of goods sold" or "Other expenses". The recoverable value of assets or cash flow unit is the higher between the asset's fair value less any necessary costs to sell and the value of use.

In order to calculate the value of 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.

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.

(b) Non-financial assets

For non-financial assets other than investment property, inventories and deferred tax asset, the value of accounting examined each balance sheet date for impairment. Goodwill and intangible assets with indefinite life are examined annually for impairment in a mandatory basis.

3.11 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.

(c) Defined-Benefit Plans

Defined-benefit plans are any other retirement plans excluding 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

Notes to the Financial Statements

(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.

(f) Stock Options Plans

The Company and its subsidiary HELLENIC CABLES SA have granted stock options to acquire shares in some strains which are secured gradually from 2002 until 2013. Under the transitional provisions of IFRS 2 and since these options were granted before 7 November 2002 the Group did not apply the provisions of this standard except for disclosures of IFRS 2.

3.12 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.

3.13 Income

(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).

Notes to the Financial Statements

(d) Income from dividends

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

(e) Income from rents

Rents are recognized as revenue on a straight course in the lease.

3.14 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.

3.15 Leases

Leases of property, plant and equipment, 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.

Leases where substantially all the risks and rewards of ownership are retained by the lesser are classified as operating leases. Payments made under operating leases are recognized in a straight line basis over the lease term.

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

3.16 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 (a) 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

Notes to the Financial Statements

profits or losses, (b) for investments in subsidiaries to the extent that the temporary difference will not be reversed, (c) the initial recognition of goodwill. Deferred tax is determined using the tax rates that are expected to apply to the period in which the asset will be liquidated or the liability will be 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.

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

3.17 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.

3.18 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.

4. New Standards and Interpretations

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2012 and have not been applied in preparing these financial statements. The Group does not consider the impact on equity of the new standards when they are adopted by the European Union. The first consideration is that the most important impact comes from the implementation of:

(a) IFRS 9 "Financial Instruments"

This standard introduces a new way of classification and measurement of financial instruments and is effective from 1 January 2015.

(b) IFRS 10 "Consolidated Financial Statements"

This standard introduces a unique way of determining whether an investment is needed to be included in the consolidated financial statements. The application starts from January 1, 2013.

Notes to the Financial Statements

(c) IAS 19 "Employee Benefits"

The revision of this standard defines the distinction between short-and long-term liabilities to employees as well as changes to the recognition of actuarial gains and losses. The revised standard is effective from 1 January 2013.

(d) IFRS 13 "Fair Value Measurement",

This standard provides guidance for measuring fair value and required disclosures. The application starts from January 1, 2013.

5. 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, 2011

December 31, 2011 (amounts in euro)	**Copper products**	**Cable products**	**Other - Services**	**Total**
Total gross sales by sector	**987.704.161**	**414.593.446**	**115.387.587**	**1.517.685.194**
Intercompany sales from consolidated entities	(240.738.777)	(22.459.365)	(5.170.517)	**(268.368.660)**
Net sales	**746.965.384**	**392.134.081**	**110.217.069**	**1.249.316.534**
Operating profits	8.625.766	13.173.116	1.349.413	**23.148.295**
Financial income	98.204	116.563	112.558	**327.325**
Financial expenses	(24.739.765)	(9.692.986)	(1.008.226)	**(35.440.976)**
Share at results of affiliated companies	-	-	614.403	**614.403**
Profit before income tax	**(16.015.795)**	**3.596.694**	**1.068.148**	**(11.350.953)**
Income tax	(2.317.940)	(278.420)	(681.959)	**(3.278.319)**
Net profit	**(18.333.735)**	**3.318.274**	**386.189**	**(14.629.272)**

December 31, 2011	**Copper products**	**Cable products**	**Other - Services**	**Total**
Assets	497.931.570	306.083.247	18.892.011	**822.906.827**
Total liabilities	407.554.908	227.562.504	17.641.725	**652.759.138**
Investments in tangible, intangible assets and investments in real estate	7.427.851	8.263.290	148.020	**15.839.161**

Other figures per sector that consists the Financial Results for the year ended on December 31, 2011

December 31, 2011 (amounts in euro)	**Copper products**	**Cable products**	**Other - Services**	**Total**
Depreciation of tangible assets	(17.091.443)	(9.106.303)	(92.504)	**(26.290.250)**
Amortization of intangible assets	(204.881)	(263.170)	(8.473)	**(476.524)**
Total depreciation	**(17.296.324)**	**(9.369.472)**	**(100.977)**	**(26.766.774)**
Impairment of claims	(530.274)	(2.656.696)	-	**(3.186.970)**

Notes to the Financial Statements

Results per sector for the financial year ended on December 31, 2012

December 31, 2012 (amounts in euro)	Copper products	Cable products	Other Services	Total
Total gross sales by sector	**940.225.390**	**439.343.333**	**118.833.035**	**1.498.401.757**
Intercompany sales from consolidated entities	(207.286.293)	(26.554.979)	(5.254.710)	**(239.095.982)**
Net sales	**732.939.096**	**412.788.354**	**113.578.324**	**1.259.305.775**
Operating profits / (loss)	6.782.426	1.140.693	781.238	**8.704.358**
Financial income	56.306	222.587	28.283	**307.176**
Financial expenses	(24.600.601)	(14.580.985)	(1.038.751)	**(40.220.337)**
Share at results of affiliated companies	-	-	168.169	**168.169**
Profit before income tax	**(17.761.868)**	**(13.217.705)**	**(61.062)**	**(31.040.635)**
Income tax	(6.342)	2.101.220	(500.486)	**1.594.391**
Net profit	**(17.768.210)**	**(11.116.485)**	**(561.548)**	**(29.446.243)**

December 31, 2012	Copper products	Cable products	Other Services	Total
Assets	466.172.780	300.694.439	16.856.069	**783.723.288**
Total liabilities	393.578.279	233.973.745	16.455.038	**644.007.062**
Investments in tangible, intangible assets and investments in real estate	9.645.108	14.926.842	212.539	**24.784.489**

Other figures per sector that consists the Financial Results year ended December 31, 2012

December 31, 2012 (amounts in euro)	Copper products	Cable products	Other Services	Total
Depreciation of tangible assets	(16.899.256)	(9.098.875)	(145.813)	**(26.143.944)**
Amortization of intangible assets	(282.546)	(272.608)	(9.427)	**(564.580)**
Total depreciation	**(17.181.802)**	**(9.371.483)**	**(155.239)**	**(26.708.524)**
Impairment of claims	(167.898)	(420.696)	-	**(588.595)**

The operating segments are managed mostly centrally but the bulk of sales are overseas. Sales and non-current assets of the Group based on their geographical allocation are briefly presented as follows:

(Amounts in euro)	GROUP	
Sales	**2012**	**2011**
Greece	152.171.930	204.329.281
European Union	912.132.242	865.359.449
Other European countries	98.912.875	82.192.566
Asia	37.320.510	32.911.612
America	37.244.456	37.467.473
Africa	17.872.862	25.037.273
Oceania	3.650.900	2.018.881
Total	**1.259.305.775**	**1.249.316.534**

Notes to the Financial Statements

(Amounts in euro)	GROUP	
Total assets	**2012**	**2011**
Greece	654.343.835	682.339.823
Foreign	129.379.452	140.567.005
Total	**783.723.288**	**822.906.827**

Investments in tangible, intangible fixed assets & real estate	**2012**	**2011**
Greece	15.769.199	8.607.232
Foreign	9.015.291	7.231.929
Total	**24.784.489**	**15.839.161**

6. Income

(Amounts in euro)	GROUP		COMPANY	
Analysis of sales by category	**2012**	**2011**	**2012**	**2011**
Sales of merchandise & products	1.146.311.726	1.159.792.436	479.286.119	541.259.159
Income from services	20.950.506	19.195.226	1.479.419	1.452.958
Other	92.043.543	70.328.873	64.756.838	42.992.755
Total	**1.259.305.775**	**1.249.316.534**	**545.522.376**	**585.704.872**

7. Other operating income and expenses

Notes to the Financial Statements

	GROUP		COMPANY	
(Amounts in euro)	**2012**	**2011**	**2012**	**2011**
Other income				
Grants of the fiscal year	71.675	75.242	67.347	75.242
Income from other activities	1.724.434	1.575.644	1.680.265	1.530.142
Depreciation of subsidies received	1.136.281	746.320	222.552	251.699
Income from rents	1.030.153	1.003.267	-	-
Foreign exchange differences	3.456.271	8.275.221	1.178.914	2.838.574
Damage compensation	189.400	173.521	188.521	173.521
Gains from sales of tangible assets	136.963	111.011	56.361	79.779
Gains from sales of investments	1.583.953	-	1.583.953	-
Other income	2.976.181	2.831.830	297.191	228.126
Total other income	**12.305.311**	**14.792.055**	**5.275.105**	**5.177.084**
Other expenses				
Foreign exchange differences	4.560.822	7.322.073	1.712.822	2.890.301
Losses from the sale of investments	-	74.975	-	-
Provisions for bad debtors	1.964.528	1.107.626	355.731	39.247
EU Competition fine	-	3.977.423	-	3.977.423
Idle cost	-	1.926.585	-	-
Other expenses	4.283.132	3.699.058	303.076	696.012
Total	**10.808.482**	**18.107.740**	**2.371.629**	**7.602.983**
Other operating income - expenses (net)	**1.496.830**	**(3.315.684)**	**2.903.476**	**(2.425.898)**
Dividend Income	**-**	**5.226**	**217.281**	**5.226**
Profits / (losses) from afiliate companies				
Profit from affiliated companies	173.550	614.403	-	-
Loss from affiliated companies	(5.381)	-	-	-
Total	**168.169**	**614.403**	**-**	**-**

8. Expenses by nature

Notes to the Financial Statements

	GROUP		COMPANY	
(Amounts in euro)	**2012**	**2011**	**2012**	**2011**
Employee benefits	73.304.141	70.810.196	20.118.704	22.145.672
Cost of stocks recognised as an expense	1.063.029.046	1.040.677.079	492.909.779	527.671.500
Depreciation	26.681.346	26.127.790	7.713.444	8.033.983
Insurance cost	2.599.909	2.416.801	341.733	344.618
Rental Expense	3.292.803	3.416.865	944.159	1.259.973
Transportation cost	14.150.754	11.986.649	1.135.244	1.136.983
Expences of third parties	37.932.478	34.772.416	15.922.462	14.423.331
Other Expenses	31.107.770	32.644.758	3.428.605	3.711.164
Total	**1.252.098.247**	**1.222.852.555**	**542.514.130**	**578.727.224**

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

	GROUP		COMPANY	
(Amounts in euro)	**2012**	**2011**	**2012**	**2011**
Employee renumeration & expenses	57.420.394	56.161.363	15.184.630	17.049.492
Social security expenses	13.950.325	13.535.828	3.856.765	4.262.374
Retirement cost of fixed benefits schemes	1.400.620	1.820.374	798.641	537.363
Other Benefits	532.802	524.081	278.668	296.443
Total	**73.304.141**	**72.041.646**	**20.118.704**	**22.145.672**

The number of staff employed by the Company at the end of the current year was: 434 (2011: 467) and as for the Group: 2,477 (2011: 2,467).

9. Finance income and costs

	GROUP		COMPANY	
(Amounts in euro)	**2012**	**2011**	**2012**	**2011**
Income				
Interest income	307.176	322.100	40.526	36.760
Total income	**307.176**	**322.100**	**40.526**	**36.760**
Expenses				
Interest charges & related expenses	(40.220.337)	(35.440.976)	(16.271.028)	(15.874.871)
Total expenses	**(40.220.337)**	**(35.440.976)**	**(16.271.028)**	**(15.874.871)**
Financial cost (net)	**(39.913.161)**	**(35.118.877)**	**(16.230.501)**	**(15.838.112)**

Notes to the Financial Statements

10. 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 2011	**40.403.362**	**91.434.368**	**338.697.975**	**3.879.795**	**16.979.352**	**11.051.058**	**502.445.911**
Foreign exchange differences	(10.875)	(145.457)	(310.007)	2.536	(20.897)	(1.469)	**(486.170)**
Additions	201.685	1.502.681	11.121.104	104.742	801.500	592.724	**14.324.435**
Sales	-	-	(156.190)	(31.333)	(193.759)	(20.400)	**(401.683)**
Destructions / Disposals	-	-	(155.269)	(80.517)	(121.494)	-	**(357.280)**
Reallocations	-	-	(167.349)	(4.610)	(37.224)	(115.270)	**(324.453)**
Additions due to acquisition of company	6.171.965	22.968.003	34.965.535	1.224.829	344.931	-	**65.675.263**
Sales of subsidiaries	-	-	(18.759)	(43.734)	(75.069)	-	**(137.562)**
Balance as of 31 December 2011	**46.766.137**	**115.759.594**	**383.977.039**	**5.051.708**	**17.677.339**	**11.506.644**	**580.738.462**
Accumulated depreciation							
Balance as of 1 January 2011	**-**	**(34.511.560)**	**(134.335.202)**	**(3.222.724)**	**(13.417.687)**	**-**	**(185.487.172)**
Foreign exchange differences	-	148.031	198.921	(2.114)	19.193	-	**364.030**
Depreciation for the year	-	(4.301.303)	(20.678.279)	(205.469)	(1.105.199)	-	**(26.290.250)**
Sales	-	-	219.454	15.231	185.855	-	**420.540**
Destructions / Disposals	-	-	194.372	65.177	121.384	-	**380.933**
Reallocations	-	-	113.990	10.824	64.071	-	**188.886**
Additions due to acquisition of company	-	(3.244.679)	(5.684.715)	(317.475)	(142.122)	-	**(9.388.991)**
Sales of subsidiaries	-	-	17.518	17.200	72.161	-	**106.879**
Balance as of 31 December 2011	**-**	**(41.909.511)**	**(159.953.941)**	**(3.639.351)**	**(14.202.344)**	**-**	**(219.705.147)**
Undepreciated value as of 1 January 2011	**40.403.362**	**56.922.807**	**204.362.774**	**657.072**	**3.561.665**	**11.051.058**	**316.958.739**
Undepreciated value as of 31 December 2011	**46.766.137**	**73.850.083**	**224.023.099**	**1.412.357**	**3.474.995**	**11.506.644**	**361.033.315**
Cost							
Balance as of 1 January 2012	**46.766.137**	**115.759.594**	**383.977.039**	**5.051.708**	**17.677.339**	**11.506.644**	**580.738.462**
Foreign exchange differences	(32.862)	(413.240)	(792.898)	1.753	(66.105)	(63.344)	**(1.366.696)**
Additions	172.199	919.391	11.208.099	184.901	1.565.401	9.704.464	**23.754.457**
Sales	-	(416)	(812.842)	(120.791)	(25.455)	-	**(959.504)**
Destructions / Disposals	-	(132)	(131.383)	(13.525)	(32.981)	-	**(178.022)**
Reallocations	-	-	767	(11.648)	-	-	**(10.880)**
Transfer from investment property	1.706.903	-	-	-	-	-	**1.706.903**
Balance as of 31 December 2012	**48.612.376**	**116.265.197**	**393.448.783**	**5.092.399**	**19.118.199**	**21.147.764**	**603.684.718**
Accumulated depreciation							
Balance as of 1 January 2012	**-**	**(41.909.511)**	**(159.953.941)**	**(3.639.351)**	**(14.202.344)**	**-**	**(219.705.147)**
Foreign exchange differences	-	301.105	499.147	(1.597)	82.381	-	**881.036**
Depreciation for the year	-	(4.488.224)	(20.232.506)	(299.429)	(1.123.785)	-	**(26.143.944)**
Sales	-	416	447.851	109.425	23.194	-	**580.885**
Destructions / Disposals	-	67	130.042	13.525	32.573	-	**176.207**
Reallocations	-	-	160	14.087	3.376	-	**17.623**
Balance as of 31 December 2012	**-**	**(46.096.147)**	**(179.109.246)**	**(3.803.340)**	**(15.184.605)**	**-**	**(244.193.339)**
Undepreciated value as of 1 January 2012	**46.766.137**	**73.850.083**	**224.023.099**	**1.412.357**	**3.474.995**	**11.506.644**	**361.033.315**
Undepreciated value as of 31 December 2012	**48.612.376**	**70.169.050**	**214.339.536**	**1.289.059**	**3.933.594**	**21.147.764**	**359.491.380**

Notes to the Financial Statements

COMPANY

(Amounts in euro)	Land	Buildings	Mechanical equipment	Transportation Vehicles	Furniture and Fixtures	Fixed assets under construction	Total
Cost							
Balance as of 1 January 2011	**22.219.386**	**32.063.546**	**103.425.275**	**1.556.654**	**5.774.845**	**5.058.029**	**170.097.735**
Foreign exchange differences							
Additions	-	249.493	2.334.949	248	111.999	(258.344)	**2.438.345**
Sales	-	-	(105.398)	(7.043)	(72.844)	(20.400)	**(205.686)**
Balance as of 31 December 2011	**22.219.386**	**32.313.038**	**105.654.826**	**1.549.859**	**5.814.000**	**4.779.285**	**172.330.394**
Accumulated depreciation							
Balance as of 1 January 2011	**-**	**(9.334.936)**	**(47.027.184)**	**(1.430.097)**	**(5.000.210)**	**-**	**(62.792.426)**
Depreciation for the year	-	(1.594.166)	(5.916.795)	(50.080)	(353.254)	-	**(7.914.295)**
Sales	-	-	63.986	7.043	70.120	-	**141.150**
Balance as of 31 December 2011	**-**	**(10.929.101)**	**(52.879.993)**	**(1.473.134)**	**(5.283.344)**	**-**	**(70.565.572)**
Undepreciated value as of 1 January 2011	**22.219.386**	**22.728.610**	**56.398.091**	**126.557**	**774.636**	**5.058.029**	**107.305.309**
Undepreciated value as of 31 December 2011	**22.219.386**	**21.383.937**	**52.774.834**	**76.725**	**530.656**	**4.779.285**	**101.764.822**
Cost							
Balance as of 1 January 2012	**22.219.386**	**32.313.038**	**105.654.826**	**1.549.859**	**5.814.000**	**4.779.285**	**172.330.394**
Additions	-	131.990	1.562.955	-	200.035	484.951	**2.379.931**
Sales	-	(416)	(501.671)	-	(6.440)	-	**(508.527)**
Balance as of 31 December 2012	**22.219.386**	**32.444.613**	**106.716.110**	**1.549.859**	**6.007.595**	**5.264.236**	**174.201.798**
Accumulated depreciation							
Balance as of 1 January 2012	**-**	**(10.929.101)**	**(52.879.993)**	**(1.473.134)**	**(5.283.344)**	**-**	**(70.565.572)**
Foreign exchange differences							
Depreciation for the year	-	(1.603.420)	(5.643.903)	(42.050)	(312.726)	-	**(7.602.099)**
Sales	-	416	248.646	-	6.440	-	**255.501**
Balance as of 31 December 2012	**-**	**(12.532.106)**	**(58.275.250)**	**(1.515.184)**	**(5.589.630)**	**-**	**(77.912.169)**
Undepreciated value as of 1 January 2012	**22.219.386**	**21.383.937**	**52.774.834**	**76.725**	**530.656**	**4.779.285**	**101.764.822**
Undepreciated value as of 31 December 2012	**22.219.386**	**19.912.507**	**48.440.860**	**34.675**	**417.965**	**5.264.236**	**96.289.629**

The account "assets under construction" refers mainly to machinery where the settlement was not completed by December 31, 2012.

From January 1, 2012 was a change in the useful life of mechanical equipment in HELLENIC CABLES and its subsidiary in Romania ICME ECAB, which affected the depreciation of Group by Euro 2.2 million. Also, an amount of Euro 1.7 million was transferred from "investment property" to land.

Notes to the Financial Statements

11. Intangible assets

Notes to the Financial Statements

GROUP

(Amounts in euro)	Business name / Port license	Development Expenses	Trade marks and Licenses	Software	Other	Total
Cost						
Balance as of 1 January 2011	**-**	**39.180**	**1.634.188**	**7.640.693**	**73.788**	**9.387.850**
Foreign exchange differences	-	(317)	-	(10.785)	(2)	**(11.103)**
Additions	-	-	17.777	1.379.340	-	**1.397.116**
Destructions / Disposals	-	-	-	(1.122)	-	**(1.122)**
Additions due to acquisition of company	9.675.449	-	-	-	47.132	**9.722.580**
Sales of subsidiaries	-	-	-	(93.887)	-	**(93.887)**
Balance as of 31 December 2011	**9.675.449**	**38.864**	**1.651.965**	**8.914.239**	**120.918**	**20.401.434**
Accumulated depreciation						
Balance as of 1 January 2011	**-**	**(15.672)**	**(1.483.799)**	**(7.173.801)**	**(62.333)**	**(8.735.605)**
Foreign exchange differences	-	-	-	9.678	(18)	**9.660**
Depreciation for the year	-	(7.646)	(102.982)	(358.707)	(7.189)	**(476.524)**
Destructions / Disposals	-	-	-	1.122	-	**1.122**
Depreciation due to acquisition of company	-	-	-	-	(10.516)	**(10.516)**
Sales of subsidiaries	-	-	-	93.551	-	**93.551**
Balance as of 31 December 2011	**-**	**(23.318)**	**(1.586.781)**	**(7.428.157)**	**(80.056)**	**(9.118.312)**
Undepreciated value as of 1 January 2011	**-**	**23.508**	**150.390**	**466.892**	**11.455**	**652.245**
Undepreciated value as of 31 December 2011	**9.675.449**	**15.545**	**65.184**	**1.486.083**	**40.861**	**11.283.122**
Cost						
Balance as of 1 January 2012	**9.675.449**	**38.864**	**1.651.965**	**8.914.239**	**120.918**	**20.401.434**
Foreign exchange differences	-	(957)	-	(28.280)	(6)	**(29.242)**
Additions	-	-	388.105	407.585	234.343	**1.030.033**
Destructions / Disposals	-	-	-	(2.059)	-	**(2.059)**
Balance as of 31 December 2012	**9.675.449**	**37.907**	**2.040.070**	**9.291.486**	**355.255**	**21.400.166**
Accumulated depreciation						
Balance as of 1 January 2012	**-**	**(23.318)**	**(1.586.781)**	**(7.428.157)**	**(80.056)**	**(9.118.312)**
Foreign exchange differences	-	-	-	26.511	6	**26.517**
Depreciation for the year	-	(7.008)	(77.159)	(456.350)	(24.063)	**(564.580)**
Destructions / Disposals	-	-	-	2.059	-	**2.059**
Balance as of 31 December 2012	**-**	**(30.326)**	**(1.663.940)**	**(7.855.937)**	**(104.114)**	**(9.654.316)**
Undepreciated value as of 1 January 2012	**9.675.449**	**15.545**	**65.184**	**1.486.083**	**40.861**	**11.283.122**
Undepreciated value as of 31 December 2012	**9.675.449**	**7.581**	**376.130**	**1.435.548**	**251.141**	**11.745.850**

Impairment of intangible assets

Intangible assets are initially recognized at acquisition cost and are amortized on a straight-line basis over their estimated useful lives. For intangible assets acquired in a business combination, as a cost of purchase is the fair value at the date of the transaction.

IAS 36 requires that the recoverable amount of an asset should be assessed whenever there is an indication that the asset may be impaired, with the exception of goodwill and intangible assets with indefinite useful lives, which are reviewed at least annually regardless whether or not there is an evidence. Recoverable amount is determined as the higher of an asset's fair value less costs to sell and value in use. Fair value less costs to sell is the amount obtainable from the sale of an asset or cash-generating unit in an arm's length transaction basis between two parties acting on their own will and with full knowledge of the conditions market. For assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the risks associated with the asset.

Notes to the Financial Statements

a) Trade Name "Fulgor"

To evaluate the trade name was used of the Relief from Royalty method. The valuation was based on the projected sales of medium voltage submarine cables and high voltage terrestrial cables for a period of five years from the management of HELLENIC CABLES, over which applied appropriate royalty rates for use based on comparable transactions. In particular, for medium voltage submarine cables use rights applied rate of 2.0%, while for ground high voltage cables applied a rate of 1.25%.

The rate used to discount cash flows arising from the implementation of this method was 17% (rounded) and based on the estimated weighted average cost of capital (WACC) of a company in the international cables market, plus the additional risk of this intangible asset. The growth rate in perpetuity used to calculate the terminal value determined at 0%.

Based on the estimates derived from the business plan of HELLENIC CABLES as well as the assumptions regarding the discount rate and the growth rate in perpetuity along with reasonable sensitivity analyzes conducted, the estimated recoverable value of Brand Fulgor exceeds the book value of 31.12.2012.

b) Licence of Port use in Soussaki, Corinth

To evaluate the License Port we used the method of Multi-period Excess Earnings. The valuation was based on the company's business plan regarding the activity of in high voltage submarine cables for the five years 2013 - 2017, weighted by the probability of success of the company in undertaking projects of domestic and international competitions for submarine cables in the same period. To implement the above method were calculated all capital charges of all contributed assets to the activity of submarine cables while it was taken into account the required new investment.

The rate used to discount cash flows arising from the implementation of this method is 18% (rounded) based on the estimated weighted average cost of capital (WACC) of a company in the international cables market, plus the additional risk of this intangible asset. The growth rate in perpetuity used to calculate the terminal value determined at 0%.

Based on the estimates derived from the business plan of HELLENIC CABLES as well as the assumptions regarding the discount rate and the growth rate in perpetuity along with reasonable sensitivity analyzes conducted, the estimated recoverable value of Licence of Port use in Soussaki, Corinth exceeds the book value of 31.12.2012.

Notes to the Financial Statements

COMPANY

(Amounts in euro)	**Software**
Cost	
Balance as of 1 January 2011	**3.473.774**
Additions	99.646
Balance as of 31 December 2011	**3.573.420**
Accumulated depreciation	
Balance as of 1 January 2011	**(3.287.695)**
Depreciation for the year	(119.687)
Balance as of 31 December 2011	**(3.407.382)**
Undepreciated value as of 1 January 2011	**186.079**
Undepreciated value as of 31 December 2011	**166.037**
Cost	
Balance as of 1 January 2012	**3.573.420**
Additions	84.956
Balance as of 31 December 2012	**3.658.376**
Accumulated depreciation	
Balance as of 1 January 2012	**(3.407.382)**
Depreciation for the year	(111.345)
Balance as of 31 December 2012	**(3.518.727)**
Undepreciated value as of 1 January 2012	**166.037**
Undepreciated value as of 31 December 2012	**139.649**

12. Investment Property

Investment property refers to lots of the subsidiary “HELLENIC CABLES S.A.”. In 2012 an amount of Euro 1.7 million was transferred from "investment property" to owner-occupied land.

The investment property concern in land, which at the date of transition to IFRS, were valued at fair value which was regarded as deemed cost. The Company shall periodically check the current value of the property.

Notes to the Financial Statements

13. Participations

	GROUP		COMPANY	
(Amounts in euro)	**2012**	**2011**	**2012**	**2011**
Investments to subsidiary Companies	-	-	145.874.319	145.168.578
Investments to affiliated Companies	6.658.870	6.532.458	4.264.104	4.264.104
	6.658.870	**6.532.458**	**150.138.422**	**149.432.682**

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
2011									
HELLENIC CABLES S.A.	Greece	37.759.402	-	-	-	37.759.402	72,53%	0,00%	72,53%
STEELMET S.A.	Greece	140.880	-	-	-	140.880	29,56%	21,44%	51,00%
AKRO S.A.	Greece	-	-	-	-	-	95,74%	0,00%	95,74%
SOFIA MED SA	Bulgaria	94.228.089	-	-	-	94.228.089	100,00%	0,00%	100,00%
METAL AGENCIES LTD	United Kingdom	140.931	-	-	-	140.931	67,00%	23,94%	90,94%
BELANTEL HOLDINGS LTD	Cyprus	95.437	-	-	-	95.437	100,00%	0,00%	100,00%
METAL GLOBE DOO	Serbia	-	-	-	-	-	30,00%	21,76%	51,76%
COPPERPROM LTD	Greece	7.200	-	-	-	7.200	40,00%	29,01%	69,01%
GENECOS SA	France	54.980	-	-	-	54.980	25,00%	43,52%	68,52%
FITCO SA (former SYLLAN S.A.)	Greece	9.576.720	808.050	-	-	10.384.770	100,00%	0,00%	100,00%
HALCOR R&D SA	Greece	42.000	-	-	-	42.000	70,00%	0,00%	70,00%
TECHOR S.A.	Greece	2.214.800	-	-	-	2.214.800	68,97%	0,00%	68,97%
HALCORAL S.h.p.k	Albania	-	100.090	-	-	100.090	100,00%	0,00%	100,00%
		144.260.438	**908.140**	**-**	**-**	**145.168.578**			
2012									
HELLENIC CABLES S.A.	Greece	37.759.402	-	-	-	37.759.402	72,53%	0,00%	72,53%
STEELMET S.A.	Greece	140.880	-	-	-	140.880	29,56%	21,44%	51,00%
AKRO S.A.	Greece	-	480.000	-	-	480.000	98,49%	0,00%	98,49%
SOFIA MED SA	Bulgaria	94.228.089	-	-	-	94.228.089	100,00%	0,00%	100,00%
METAL AGENCIES LTD	United Kingdom	140.931	225.741	-	-	366.672	35,00%	14,51%	49,51%
BELANTEL HOLDINGS LTD	Cyprus	95.437	-	-	-	95.437	100,00%	0,00%	100,00%
METAL GLOBE DOO	Serbia	-	-	-	-	-	30,00%	21,76%	51,76%
COPPERPROM LTD	Greece	7.200	-	-	-	7.200	40,00%	29,01%	69,01%
GENECOS SA	France	54.980	-	-	-	54.980	25,00%	43,52%	68,52%
FITCO SA (former SYLLAN S.A.)	Greece	10.384.770	-	-	-	10.384.770	100,00%	0,00%	100,00%
HALCOR R&D SA	Greece	42.000	-	-	-	42.000	70,00%	0,00%	70,00%
TECHOR S.A.	Greece	2.214.800	-	-	-	2.214.800	68,97%	0,00%	68,97%
HALCORAL S.h.p.k	Albania	100.090	-	-	-	100.090	100,00%	0,00%	100,00%
		145.168.578	**705.741**	**-**	**-**	**145.874.319**			

On February 7, 2012 it was certified the payment of the share capital increase of subsidiary HELLENIC CABLES SA, which was decided by the Extraordinary General Meeting on September 7, 2011. The funds that were raised amounted to Euro 9,593,921. The same day the 100% subsidiary of HELLENIC CABLES SA named FULGOR SA increased its share capital by Euro 9,600,000, which covered by HELLENIC CABLES, as a result of debts settlement with FULGOR’s banks.

On March 3, 2012 completed the capital increase of HELLENIC CABLES with approval from the Board of Directors of the ATHEX on import of 2,320,000 shares. The share capital of HELLENIC CABLES amounts to Euro 20,977,915.60 and the total voting rights amounted to 29,546,360, resulting from an equal number of common registered shares of nominal value Euro 0.71 each.

On June 29, 2012 HALCOR participated in the capital increase of subsidiary METAL AGENCIES LTD, based in London, at Euro 225,741. Following this increase, the participation rate stood at 35% while the former was 67%. Similarly, the same increase participated subsidiary HELLENIC CABLES SA by Euro 147,086 and its share reached 20% from 33% stake before the share capital increase.

Notes to the Financial Statements

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

			GROUP		COMPANY	
Corporate Name	Country	Direct & Indirect Holding Percentage	2012	2011	2012	2011
DIAPEM TRADING S.A.	Greece	33,33%	208.579	211.678	266.627	266.627
ELKEME S.A.	Greece	30,44%	640.618	636.854	381.604	381.604
S.C. STEELMET ROMANIA S.A	Romania	40,00%	2.041.750	2.021.454	729.237	729.237
TEPRO METALL AG	Germany	36,21%	3.638.668	3.526.364	2.873.392	2.873.392
VIEXAL SA (former LTD)	Greece	26,67%	23.054	29.906	13.244	13.244
E.D.E. S.A.	Greece	72,54%	106.201	106.201	-	-
			6.658.870	**6.532.458**	**4.264.104**	**4.264.104**

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
2011						
DIAPEM TRADING S.A.	Greece	657.510	22.469	-	3.178	33,3%
ELKEME S.A.	Greece	2.332.025	239.862	1.757.703	60.857	30,4%
S.C. STEELMET ROMANIA S.A	Romania	7.877.419	2.823.157	23.606.903	331.614	40,0%
TEPRO METALL AG	Germany	27.811.882	18.073.235	117.572.215	1.219.779	36,2%
VIEXAL LTD	Greece	798.521	703.521	5.260.617	76.894	26,7%
		39.477.356	**21.862.244**	**148.197.438**	**1.692.323**	

Corporate Name	Country	Assets	Liabilities	Income (Turnover)	Profit / (losses) after tax	Participation percentage
2012						
DIAPEM TRADING S.A.	Greece	662.035	36.292	-	(9.298)	33,3%
ELKEME S.A.	Greece	2.367.466	262.938	1.887.334	12.366	30,4%
S.C. STEELMET ROMANIA S.A	Romania	7.205.244	2.100.228	19.383.903	188.582	40,0%
TEPRO METALL AG	Germany	27.838.604	17.723.694	109.921.117	260.599	36,2%
VIEXAL LTD	Greece	769.343	682.900	5.916.359	(8.557)	26,7%
		38.842.693	**20.806.051**	**137.108.713**	**443.692**	

14. Other investments

Financial assets available for sale include the following:

	GROUP		COMPANY	
(Amounts in euro)	**2012**	**2011**	**2012**	**2011**
Unlisted titles				
Domestic Participating Titles	4.200.408	4.200.408	3.841.675	3.841.675
International Participating Titles	443.592	444.711	350.000	351.119
Others	8.804	8.804	5.869	5.869
	4.652.804	**4.653.923**	**4.197.544**	**4.198.663**

Financial assets available for sale concern holdings in unlisted domestic and foreign companies with participation lower than 20% and are measured at acquisition cost.

Notes to the Financial Statements

15. Income tax

Income tax that is charged or has reduced the results is as follows:

(Amounts in euro)	GROUP		COMPANY	
	2012	2011	2012	2011
Tax of the fiscal year	(555.972)	(1.499.135)	-	-
Other taxes	(428.274)	(1.690)	(428.274)	(523)
Deferred Taxes	2.578.637	(1.777.494)	(468.003)	(2.445.872)
	1.594.391	**(3.278.319)**	**(896.277)**	**(2.446.395)**

Effective tax rate reconciliation

	GROUP		COMPANY	
	2012	2011	2012	2011
Earnings/(losses) before taxes	(31.040.635)	(11.350.953)	(10.101.498)	(11.281.137)
Tax rate	20%	20%	20%	20%
	6.208.127	**2.270.191**	**2.020.300**	**2.256.227**
Tax rate effects from foreign subsidiaries	(492.352)	(193.831)	-	-
Non-deducted expenses	(478.247)	(2.190.973)	(428.274)	(2.190.627)
Exempt income	8.671	13	-	-
Tax loss for which a deferred tax was not recognised	(2.527.450)	(1.766.682)	(2.527.450)	(1.769.870)
Crearing tax losses	(152.190)	(1.021.871)	-	(742.125)
Other changes	(335.724)	(535.486)	-	-
Tax differences from tax audits	(143.403)	(150.034)	-	-
Permanent tax differences	(455.559)	(129.019)	39.147	-
Future profits from revaluation of properties	(37.483)	73.844	-	-
Offsetting tax loss of subsidiary	-	326.263	-	-
Tax rate change	-	39.266	-	-
Total	**1.594.391**	**(3.278.319)**	**(896.277)**	**(2.446.395)**
Effective tax rate	**(5,1%)**	**28,9%**	**8,9%**	**21,7%**

Under the new tax law 3943/2011, the rate of corporate income tax set at 20%. From 1 January 2013 onwards, the income tax is set at 26%.

In 2012, the Company audited by the statutory auditors for the fiscal year 2011 obligations under the law on the tax certificate. The audit report was issued without prejudice resulting as tax audited for the tax year 2011.

For the fiscal year 2012 the Company is audited by the auditing firm KPMG in the issuance of the tax certificate, in accordance with the provisions of Article 82, paragraph 5 of Law 2238/1994 as amended by No 1159/22-7-2111 decision of the Minister of finance. Audit has also started in certain subsidiaries of the Group. The audit will be completed in the coming months.

The un-audited fiscal years up to 2010 will be audited by the tax authorities under the rules and procedures pertaining to implementation of the new Act.

Notes to the Financial Statements

Deferred tax

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)	2012	2011	2012	2011
Deferred tax claims	**6.494.711**	**6.156.760**	-	-
Deferred tax liabilities	**(16.993.933)**	**(19.333.458)**	**(7.357.595)**	**(6.969.440)**
Net amount	**(10.499.222)**	**(13.176.698)**	**(7.357.595)**	**(6.969.440)**

The total change in the deferred income tax is:

	GROUP		COMPANY	
(Amounts in euro)	2012	2011	2012	2011
Opening balance	**(13.176.697)**	**(3.273.772)**	**(6.969.440)**	**(3.091.437)**
Foreign exchange differences	(11.644)	(5.454)	-	-
Acquisition of company	-	(6.504.890)	-	-
(Debit)/credit recorded in the profit and loss statement	2.578.637	(1.777.494)	(468.003)	(2.445.872)
Tax that was (debited)/credited in equity	110.482	(1.615.088)	79.848	(1.432.131)
Closing balance	**(10.499.222)**	**(13.176.697)**	**(7.357.595)**	**(6.969.440)**

Use of temporary tax differences is as follows:

Notes to the Financial Statements

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	Total
Balance as of 1/1/2011	**(29.332.858)**	**2.211.861**	**(602.473)**	**4.320.618**	**-**	**10.092.480**	**3.777.375**	**(9.532.996)**
(Debit) / Credit recorded in the profit and loss statement	700.187	(568.844)	(74.641)	-	-	(2.006.149)	(161.329)	**(2.110.776)**
(Debit) / Credit in equity	-	-	-	-	-	-	(1.184.796)	**(1.184.796)**
Acquisition of company	-	-	-	-	-	-	(6.504.890)	**(6.504.890)**
Balance as of 31/12/2011	**(28.632.672)**	**1.643.018**	**(677.114)**	**4.320.618**	**-**	**8.086.331**	**(4.073.639)**	**(19.333.458)**
(Debit) / Credit recorded in the profit and loss statement	523.327	94.334	(147.533)	-	-	(975.245)	2.729.476	**2.224.358**
(Debit) / Credit in equity	-	-	-	-	-	-	115.167	**115.167**
Balance as of 31/12/2012	**(28.109.345)**	**1.737.351**	**(824.647)**	**4.320.618**	**-**	**7.111.086**	**(1.228.996)**	**(16.993.933)**

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 recognition	Other	Total
Balance as of 1/1/2011	**3.167.719**	**358.480**	**783**	**(78.553)**	**(64.342)**	**2.397.898**	**477.240**	**6.259.224**
Foreign exchange differences	(5.454)	-	-	-	-	-	-	**(5.454)**
(Debit) / Credit recorded in the profit and loss statement	951.810	93.071	-	-	-	(426.839)	(284.760)	**333.282**
(Debit) / Credit in equity	-	-	-	-	-	-	(430.292)	**(430.292)**
Balance as of 31/12/2011	**4.114.075**	**451.551**	**783**	**(78.553)**	**(64.342)**	**1.971.059**	**(237.811)**	**6.156.760**
Foreign exchange differences	(11.627)	-	-	-	-	-	(17)	**(11.644)**
(Debit) / Credit recorded in the profit and loss statement	566.923	(100.072)	-	-	-	(122.007)	9.436	**354.279**
(Debit) / Credit in equity	-	-	-	-	-	-	(4.685)	**(4.685)**
Balance as of 31/12/2012	**4.669.372**	**351.478**	**783**	**(78.553)**	**(64.342)**	**1.849.051**	**(233.078)**	**6.494.711**

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 recognition	Other	Total
Balance as of 1/1/2011	**(20.533.873)**	**1.304.533**	**(591.207)**	**9.746.630**	**-**	**9.224.319**	**(2.241.839)**	**(3.091.437)**
(Debit) / Credit recorded in the profit and loss statement	472.540	(134.619)	(21.258)	-	-	(2.752.656)	(9.879)	**(2.445.872)**
(Debit) / Credit in equity	-	-	-	-	-	-	(1.432.131)	**(1.432.131)**
Balance as of 31/12/2011	**(20.061.333)**	**1.169.913**	**(612.465)**	**9.746.630**	**-**	**6.471.663**	**(3.683.849)**	**(6.969.440)**
(Debit) / Credit recorded in the profit and loss statement	429.773	20.690	(19.563)	-	-	(879.867)	(19.037)	**(468.003)**
(Debit) / Credit in equity	-	-	-	-	-	-	79.848	**79.848**
Balance as of 31/12/2012	**(19.631.560)**	**1.190.603**	**(632.027)**	**9.746.630**	**-**	**5.591.796**	**(3.623.038)**	**(7.357.595)**

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

The Company decided to delete the amount of Euro 879,867 that was recognized as a tax loss in 2009 due to non-profit appearance.

16. Inventories

(Amounts in euro)	GROUP		COMPANY	
	2012	**2011**	**2012**	**2011**
Merchandise	10.593.773	13.688.023	1.596.226	1.573.107
Finished products	68.858.925	69.767.322	15.794.397	19.787.859
Semi-finished	38.760.972	45.723.242	17.166.878	18.741.989
By-products and scrap	2.188.561	1.637.205	152.505	149.220
Work in progress	31.332.473	20.901.365	3.387.960	3.399.922
Raw and indirect materials - consumables - spare parts & packaging materials	74.215.867	83.985.276	18.798.166	24.042.403
Down payments for the purchase of stocks	4.522.063	951.223	-	-
Total	**230.472.633**	**236.653.656**	**56.896.133**	**67.694.501**
Less: Inventories devaluation	**(1.407.815)**	**(1.913.366)**	**-**	**-**
Total net liquid value	**229.064.818**	**234.740.290**	**56.896.133**	**67.694.501**

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

Notes to the Financial Statements

12. Trade and other receivables

Current assets	**GROUP**		**COMPANY**	
(Amounts in euro)	**2012**	**2011**	**2012**	**2011**
Customers	98.924.329	96.861.628	10.868.393	13.123.865
Less: Impairment provisions	(7.567.043)	(6.978.448)	(1.448.575)	(1.172.845)
Net customer receivables	**91.357.286**	**89.883.180**	**9.419.817**	**11.951.020**
Other down payments	749.236	843.504	192.176	147.680
Notes-cheques receivable & sealed	3.265.257	7.649.968	184.280	466.456
Receivables from affiliated entities	21.210.357	22.869.635	59.974.086	65.258.230
Receivables from other holdings	109.508	116.227	14.500	51.000
Current tax receivables	3.518.185	9.253.542	686.177	688.814
Other debtors	13.416.623	24.178.220	8.394.914	3.655.556
Total	**42.218.166**	**64.860.096**	**69.395.133**	**70.216.736**
Non-current assets				
(Amounts in euro)				
Long-term receivables against affiliated companies	431.893	431.893	431.893	431.893
Long-term claims against other holdings	1.580	1.580	1.580	1.580
Other long-term claims	1.551.361	1.096.091	408.713	456.563
Total	**1.984.834**	**1.529.565**	**842.186**	**890.037**
Total receivables	**135.560.286**	**156.272.841**	**79.657.136**	**83.057.793**

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 year 2012, provisions for impairment equal to Euro 355,731 were raised for the Company while for the Group the amount was Euro 1,064,600. The respective amounts for year 2011 came to Euro 39,247 for the Company and Euro 4,119,566 for the Group of which Euro 2,721,883 came from FULGOR, a subsidiary of HELLENIC CABLES.

The account "Other debtors" includes mainly VAT return claims by certain Group companies.

13. Derivatives

Notes to the Financial Statements

	GROUP		COMPANY	
(Amounts in euro)	**2012**	**2011**	**2012**	**2011**
Current assets				
Forward contracts	573.570	961.064	416.570	942.729
Future contracts	1.238.340	1.795.100	637.807	989.825
Total	**1.811.910**	**2.756.164**	**1.054.377**	**1.932.554**
Long-term liabilities				
Interest rate swaps	-	472.708	-	472.708
Total	**-**	**472.708**	**-**	**472.708**
Short-term liabilities				
Interest rate swaps	185.064	84.615	166.559	12.125
Foreign exchange swaps	2.250	460.230	-	-
Foreign exchange forwards	714.108	247.130	709.658	244.155
Future contracts	207.806	738.212	70.580	659.381
Total	**1.109.228**	**1.530.187**	**946.797**	**915.662**
Amounts that were recorded in the results as earnings or (expenses)	**5.630.199**	**(1.949.704)**	**1.992.256**	**(552.184)**
Interest rate swaps				
Nominal Value	**12.500.000**	**38.750.000**	**11.250.000**	**32.500.000**

For the Group and the Company results from settled financial risk management operations that recorded in the Income Statement during years 2012 and 2011 are included a) the results from metal derivatives and exchange rate derivatives in Sales and Cost of Goods Sold and b) the results derived from swaps and forwards contracts in other income-expenses. Part of the results of options has recorded in Cost of Goods Sold and the remainder in other income-expenses.

	COMPANY	
	2012	**2011**
Gains from future contracts	2.704.484	8.898.886
Losses from future contracts	(1.572.888)	(8.075.656)
Gains from option contracts	-	53.426
Losses from option contracts	-	(177.699)
Gains from foreign exchange forwards	2.140.475	1.781.374
Losses from foreign exchange forwards	(1.279.816)	(3.032.515)
Total	**1.992.256**	**(552.184)**

14. Cash and cash equivalents

	GROUP		COMPANY	
(Amounts in euro)	**2012**	**2011**	**2012**	**2011**
Cash on hand and in banks	88.079	84.447	7.483	15.947
Short-term bank deposits	27.763.078	37.115.102	5.917.051	14.343.924
Securities	8.231	8.231	-	-
Total	**27.859.388**	**37.207.780**	**5.924.534**	**14.359.870**

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

Notes to the Financial Statements

In Note 28c referred to currency risk of the company presented an analysis of cash per foreign currency.

15. Share capital and reserves

(a) Share capital and premium

Company share capital stands at Euro 38,486,258 (2010: 38,486,258) divided into 101,279,627 (2010: 101,279,627) common unregistered shares with a nominal value of Euro 0.38 each which are traded in Athens Stock Exchange.

The share premium of Euro 67,138,064 is considered as a complement of the share capital resulting from the issuance of shares for cash at a value higher than their nominal value.

(b) Reserves

	GROUP		COMPANY	
(Amounts in euro)	**2012**	**2011**	**2012**	**2011**
Regular reserve	9.090.822	9.090.402	8.556.630	8.556.630
Reserves at fair value	1.652.034	2.126.093	66.924	405.454
Special reserve	5.307.326	5.307.326	4.009.668	4.009.668
Non taxable reserves	63.055.081	63.055.081	60.371.440	60.371.440
Other reserves	(3.849.539)	(3.849.539)	(3.874.856)	(3.874.856)
Foreign exchange differences of subsidiaries	(6.481.900)	(5.965.598)	-	-
Σύνολο	**68.773.824**	**69.763.765**	**69.129.805**	**69.468.336**

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.

On December 31, 2012, the subsidiary HELLENIC CABLES had made investments of approximately Euro 8.2 million, pursuant to developmental law 2601/1998. On this basis, HELLENIC CABLES has the right to form from the accounting profits of the following years a tax-free reserve equal to 70% of these investments. This right will expire between the years 2013 and 2014. Also the company on 31 December 2012 had made investments of approximately Euro 1.8 million, pursuant to the developmental law 3299/2004. Under this law, the HELLENIC CABLES entitled to form from the accounting profits of the following years a tax-free reserve equal to 100% of these investments. This right expires on the use of 2018.

Exchange rate differences on consolidation

Notes to the Financial Statements

Exchange rate differences on consolidation arise from translating the financial statements of subsidiaries which are denominated in foreign currency, to the currency of the Parent Company which is in Euro.

21. Earnings per share

	GROUP		COMPANY	
(Amounts in Euro and number of shares)	2012	2011	2012	2011
Profits corresponding to the parent company's shareholders	(25.979.186)	(15.582.587)	(10.997.775)	(13.727.531)
Weighted average numbers of shares	101.279.627	101.279.627	101.279.627	101.279.627
Basic & diluted profits per share	**(0,2565)**	**(0,1539)**	**(0,1086)**	**(0,1355)**

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.

22. Loans and obligations from Financial Leasing

	GROUP		COMPANY	
(Amounts in euro)	2012	2011	2012	2011
Long-term borrowings				
Bank loans	6.041.852	24.500.104	-	-
Liabilities from leasing activities	166.641	438.273	-	-
Bond loans	151.338.913	165.973.487	91.889.173	88.722.370
Total long-term borrowings	**157.547.406**	**190.911.864**	**91.889.173**	**88.722.370**
Short-term borrowings				
Bank loans	358.151.521	329.413.482	136.895.064	144.683.798
Liabilities from leasing activities	321.975	675.683	-	-
Total short-term borrowings	**358.473.496**	**330.089.165**	**136.895.064**	**144.683.798**
Total loans	**516.020.902**	**521.001.029**	**228.784.237**	**233.406.168**

The maturity dates of long-term debt are:

(Amounts in euro)				
Between 1 and 2 years	123.718.357	135.987.900	88.555.832	69.833.200
Between 2 and 5 years	6.117.794	28.597.221	3.333.341	18.889.170
Beyond 5 years	27.544.615	25.888.470	-	-
	157.380.765	**190.473.591**	**91.889.173**	**88.722.370**

Notes to the Financial Statements

Obligations under financial leasing are as follows:

	GROUP	
(Amounts in euro)	**2012**	**2011**
Financial leasing liabilities - minimum leases		
Up to 1 year	321.975	675.683
From 1 - 5 years	166.641	438.273
Total	**488.616**	**1.113.956**

During 2012, the Company raised debt capital from a group of banks which amounted to Euro 33,000,000 mainly in order to meet its needs for working capital. During the same period, the Company repaid loans totalling Euro 37,621,931 (both short and long-term).

At Group level, during 2012 the loans taken out amounted to Euro 70,443,831 while the sum of Euro 74,798,618 was repaid.

For the bank loans of the company FULGOR SA, a subsidiary of HELLENIC CABLES, mortgages on properties totalling Euro 49 million were set up.

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	
	2012	**2011**	**2012**	**2011**
Average borrowing interest rate	5,71%	4,81%	5,45%	4,92%

The bank loans of both the Company and HALCOR Group, taken out fully by Banks (Group: Euro 239.9 million on a long-term basis and Euro 247.3 million on a short-term basis and Company: Euro 94.6 million long-term and Euro 136.9 million short-term) include clauses of change in control granting lenders the right to early terminate them.

There was no fact in 2011 which has led to a breach of the terms of the loans of the Group.

Notes to the Financial Statements

23. Liabilities for staff retirement benefits

The Group has fulfilled all its obligations to defined contribution plans required by law. The law provides for the employer a corresponding obligation to pay compensation for those who leave during the year for retirement. This program has not set an asset to finance. 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). Employees resigning are not entitled to compensation.

	GROUP		COMPANY	
(Amounts in euro)	2012	2011	2012	2011
Balance sheet liabilities for:				
Non-funded retirement benefits	**5.191.434**	**6.009.292**	**1.855.091**	**2.083.096**
Present value of non-funded liabilities	5.383.255	5.240.575	1.860.563	1.795.794
Non-recorded actuarial (profits)/losses	(191.821)	768.717	(5.472)	287.302
Liability recorded in the Balance Sheet	**5.191.434**	**6.009.292**	**1.855.091**	**2.083.096**
Variations in net liability recognised in the Balance Sheet				
Net liability at the beginning of the year	6.009.292	4.721.658	2.083.096	2.059.252
Acquisition of company	-	1.514.891	-	-
Benefits that have been paid	(2.054.789)	(2.024.326)	(883.413)	(510.313)
Total expenditure that was recognised in the profit and loss accounts	1.243.809	1.820.374	662.287	537.363
Net liability at the end of the year	**5.198.313**	**6.032.597**	**1.861.970**	**2.086.302**
Additional expenses or (income)	-	(20.098)	-	-
Actuarial loss or (profit)	(6.879)	(3.206)	(6.879)	(3.206)
Present value of the liability at the end of the period	**5.191.434**	**6.009.292**	**1.855.091**	**2.083.096**
Analysis of expenditures that were recognised in the profit and loss accounts				
Cost of current employment	363.395	386.097	119.652	129.796
Interest on the liability	224.513	210.762	79.555	82.786
Cost of additional benefits	671.693	1.245.494	463.080	324.781
Profit from cut-back from employee transfers	-	(5.883)	-	-
Expenses & amortization of actual loss	(15.792)	(16.096)	-	-
Total expenditure that was recognised in the profit and loss accounts	**1.243.809**	**1.820.374**	**662.287**	**537.363**

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

	GROUP		COMPANY	
	2012	2011	2012	2011
Discount interest rate	2,7%	4,6%	2,7%	4,6%
Future salary increases	2,0%	2,5%	2,0%	2,5%

Notes to the Financial Statements

24. Share based payments

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.

Of the above options, by December 31, 2012 were exercised 283,300.

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:

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.

Of the above options, by December 31, 2012 were exercised 318,360.

25. Grants

	GROUP		COMPANY	
(Amounts in euro)	2012	2011	2012	2011
Opening balance of the fiscal year	**4.243.993**	**2.902.907**	**1.925.184**	**2.034.225**
Proceeds from investement grants	3.495.249	1.374.156	-	142.658
Transfer of grants to receivables	(652.500)	652.500	-	-
Depreciation of grants	(1.136.281)	(746.320)	(222.552)	(251.699)
Acquisition of company	-	60.750	-	-
Closing balance of the fiscal year	**5.950.461**	**4.243.993**	**1.702.632**	**1.925.184**

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.

Notes to the Financial Statements

26. Provisions

Until fiscal year 2012, the Group has raised provision for un-audited fiscal years which amounts to Euro 243,256.

Also, there are other provisions for Group Euro 322,108 and Company Euro 90,000.

27. Suppliers and other liabilities

	GROUP		COMPANY	
(Amounts in euro)	**2012**	**2011**	**2012**	**2011**
Suppliers	35.985.589	42.490.163	7.095.408	12.960.653
Bills payable	23.354.183	10.026.337	10.860.358	10.026.337
Cheques payable	4.501	24.117	-	-
Customer down payments	3.708.653	3.639.769	1.125.985	1.731.153
Insurance organisations	3.857.712	4.285.962	792.327	909.749
Amounts due to affiliated entities	9.824.365	12.620.382	3.404.486	3.291.890
Dividends payable	17.748	20.243	8.928	11.339
Proportion of third parties to dividents payable	18.659	10.564	-	-
Sundry creditors	7.742.210	15.846.958	4.432.982	10.674.514
Deferred income	8.276	8.223	-	-
Accrued expenses	4.092.368	4.364.740	1.742.871	2.132.781
Other transitory accounts	1.543.725	1.364.445	128.502	192.474
Total	**90.157.991**	**94.701.903**	**29.591.845**	**41.930.890**

26. Financial Instruments

The Board of Directors of the Group in conjunction with the parent Group has set rules and procedures for measuring the following risks:

- Credit risk
- Liquidity risk
- Exchange rate risk
- Interest rate risk

Below there were presented analytically the evidence of the size of each risk.

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

Notes to the Financial Statements

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 2012, the Group had an amount of Euro 27.9 million as cash and the necessary credit lines that are approved but are not used so as to meet its short-term 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.

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 other currencies of S/E Europe.

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.

Notes to the Financial Statements

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).

(a) Credit Risk

The Financial assets subject to credit risk are as follows:

	Balance sheet values			
	GROUP		**COMPANY**	
(Amounts in euro)	**2012**	**2011**	**2012**	**2011**
Financial assets available for sale	4.652.804	4.653.923	4.197.544	4.198.664
Financial assets at fair value through results	8.231	8.231	-	-
Trade and other recievables	112.677.151	112.869.042	69.408.403	77.260.250
Cash on hand and equivalent cash accounts	27.851.157	37.199.549	5.924.534	14.359.870
Derivatives	1.811.910	2.756.164	1.054.377	1.932.554
Total	**147.001.254**	**157.486.909**	**80.584.858**	**97.751.338**

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

Clients	**GROUP**		**COMPANY**	
(Amounts in euro)	**2012**	**2011**	**2012**	**2011**
Current	98.630.013	101.435.518	68.398.130	74.475.582
Pastdue till 6 months	10.210.958	5.632.741	43.607	65.601
Beyond 6 months	3.836.181	5.800.784	966.666	2.719.067
Total	**112.677.151**	**112.869.042**	**69.408.403**	**77.260.250**

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

	GROUP		**COMPANY**	
(Amounts in euro)	**2012**	**2011**	**2012**	**2011**
Balance as of January 1	**6.978.448**	**3.791.478**	**1.172.845**	**1.264.598**
Transfer due to demerger	-	-	-	-
Loss for the period	1.064.600	1.397.683	355.731	39.247
Erasure	(458.769)	(905.830)	(80.000)	(131.000)
Acquisition of company	-	2.721.883	-	-
Reversal	(2.104)	(22.054)	-	-
Foreign exchange differences	(15.131)	(4.712)	-	-
Balance as of December 31	**7.567.043**	**6.978.448**	**1.448.575**	**1.172.845**

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

(b) Liquidity risk

GROUP
31 December 2011
(Amounts in euro)

Liabilities	**Value of Balance Sheet**	**<1 year**	**1-2 years**	**2-5 years**	**> 5 years**	**Total**
Bank lending	**175.112.475**	169.070.623	5.260.463	781.389	-	**175.112.475**
Bond loans	**267.955.285**	116.616.372	118.457.894	5.336.405	27.544.615	**267.955.285**
Open bank accounts	**72.464.526**	72.464.526	-	-	-	**72.464.526**
Suppliers and other liabilities	**90.157.991**	90.157.991	-	-	-	**90.157.991**
	605.690.277	**448.309.512**	**123.718.357**	**6.117.794**	**27.544.615**	**605.690.277**

Derivatives	**Nominal Value**	**<1 year**	**1- 2 years**	**2-5 years**	**> 5 years**	**Total**
Nominal value of interest rate swaps	**12.500.000**	11.250.000	1.250.000	-	-	**12.500.000**
Nominal value of fx forward (in USD)	**19.303.416**	19.303.416	-	-	-	**19.303.416**
Nominal value of fx forward (in GBP)	**11.613.915**	11.613.915	-	-	-	**11.613.915**
Nominal value of fx forward (in CHF)	**(65.535)**	(65.535)	-	-	-	**(65.535)**
Nominal value of Cu derivatives	**21.842.502**	21.842.502	-	-	-	**21.842.502**
Nominal value of Zn derivatives	**(1.383.745)**	(1.383.745)	-	-	-	**(1.383.745)**
Nominal value of Pb derivatives	**468.064**	468.064	-	-	-	**468.064**
Nominal value of Al derivatives	**(1.277.357)**	(1.277.357)	-	-	-	**(1.277.357)**

COMPANY
31 December 2011

Liabilities	**Value of Balance Sheet**	**<1 year**	**1- 2 years**	**2-5 years**	**> 5 years**	**Total**
Bank lending	**67.061.866**	67.061.866	-	-	-	**67.061.866**
Bond loans	**161.722.371**	69.833.199	88.555.832	3.333.341	-	**161.722.371**
Suppliers and other liabilities	**29.591.845**	29.591.845	-	-	-	**29.591.845**
	258.376.082	**166.486.910**	**88.555.832**	**3.333.341**	**-**	**258.376.082**

Derivatives	**Nominal Value**	**<1 year**	**1- 2 years**	**2-5 years**	**> 5 years**	**Total**
Nominal value of interest rate swaps	**11.250.000**	11.250.000	-	-	-	**11.250.000**
Nominal value of fx forward (in USD)	**17.359.242**	17.359.242	-	-	-	**17.359.242**
Nominal value of fx forward (in GBP)	**17.359.242**	(36.326)	-	-	-	**(36.326)**
Nominal value of Cu derivatives	**5.788.887**	5.788.887	-	-	-	**5.788.887**
Nominal value of Zn derivatives	**(351.846)**	(351.846)	-	-	-	**(351.846)**

The Group has approved credit lines with partner banks and it is unlikely to face any liquidity problem to meet short-term obligations.

Notes to the Financial Statements

GROUP

31 December 2010

Liabilities	Value of Balance Sheet	<1 year	1- 2 years	2-5 years	> 5 years	Total
Bank lending	**167.740.388**	143.240.284	19.500.104	5.000.000	-	**167.740.388**
Bond loans	**281.099.181**	115.125.694	116.487.796	23.597.221	25.888.470	**281.099.181**
Suppliers and other liabilities	**94.701.903**	94.701.903	-	-	-	**94.701.903**
	614.588.976	**424.115.385**	**135.987.900**	**28.597.221**	**25.888.470**	**614.588.976**

Derivatives	Nominal Value	<1 year	1- 2 years	2-5 years	> 5 years	Total
Nominal value of interest rate swaps	**38.750.000**	15.000.000	23.750.000	-	-	**38.750.000**
Nominal value of fx forward (in USD)	**9.245.792**	9.245.792	-	-	-	**9.245.792**
Nominal value of fx forward (in GBP)	**7.537.045**	7.537.045	-	-	-	**7.537.045**
Nominal value of Cu derivatives	**16.486.025**	16.486.025	-	-	-	**16.486.025**
Nominal value of Zn derivatives	**(928.998)**	(928.998)	-	-	-	**(928.998)**
Nominal value of Pb derivatives	**220.048**	220.048				**220.048**
Nominal value of Al derivatives	**1.921.383**	1.921.383	-	-	-	**1.921.383**

COMPANY

31 December 2010

Liabilities	Value of Balance Sheet	<1 year	1- 2 years	2-5 years	> 5 years	Total
Bank lending	**61.267.132**	61.267.132	-	-	-	**61.267.132**
Bond loans	**172.139.035**	83.416.665	69.833.200	18.889.170	-	**172.139.035**
Suppliers and other liabilities	**41.930.890**	41.930.890	-	-	-	**41.930.890**
	275.337.058	**186.614.688**	**69.833.200**	**18.889.170**	**-**	**275.337.058**

Derivatives	Nominal Value	<1 year	1- 2 years	2-5 years	> 5 years	Total
Nominal value of interest rate swaps	**32.500.000**	10.000.000	22.500.000	-	-	**32.500.000**
Nominal value of fx forward (in USD)	**8.239.657**	8.239.657	-	-	-	**8.239.657**
Nominal value of fx forward (in GBP)	**(1.983.871)**	(1.983.871)	-	-	-	**(1.983.871)**
Nominal value of Cu derivatives	**10.316.663**	10.316.663	-	-	-	**10.316.663**
Nominal value of Zn derivatives	**(141.625)**	(141.625)	-	-	-	**(141.625)**

Notes to the Financial Statements

(c) Exchange rate risk

GROUP	2012								
(Amounts in euro)	EURO	USD	GBP	LEVA	RSD	RON	YEN	OTHER	TOTAL
Clients and other receivables	93.448.265	5.754.183	24.188.943	3.620.732	55.364	6.138.362	-	369.603	**133.575.452**
Borrowing	(492.893.713)	(10.069.145)	(10.531.428)	-	-	(2.037.999)	-	-	**(515.532.286)**
Suppliers and other liabilities	(55.386.672)	(1.530.463)	(19.451.093)	(2.562.036)	(261.298)	(10.593.380)	(4.235)	(368.813)	**(90.157.991)**
Cash on hand and equivalent cash accounts	24.746.889	137.015	2.581.888	131.907	4.323	159.357	-	89.779	**27.851.157**
	(430.085.232)	**(5.708.410)**	**(3.211.690)**	**1.190.602**	**(201.612)**	**(6.333.661)**	**(4.235)**	**90.570**	**(444.263.668)**
Forwards (Nominal Value)	426.661	19.303.416	11.613.915	-	-	-	-	(65.535)	**31.278.457**
Total	**(429.658.572)**	**13.595.006**	**8.402.225**	**1.190.602**	**(201.612)**	**(6.333.661)**	**(4.235)**	**25.036**	**(412.985.211)**

COMPANY	2012								
(Amounts in euro)	EURO	USD	GBP	LEVA	RSD	RON	YEN	OTHER	TOTAL
Clients and other receivables	71.948.471	2.080.426	4.787.366	-	-	-	-	(1.314)	**78.814.950**
Borrowing	(222.410.185)	(4.573.465)	(1.800.587)	-	-	-	-	-	**(228.784.237)**
Suppliers and other liabilities	(28.736.448)	(749.093)	(102.069)	-	-	-	(4.235)	-	**(29.591.845)**
Cash on hand and equivalent cash accounts	4.330.079	751	1.593.704	-	-	-	-	-	**5.924.534**
	(174.868.083)	**(3.241.382)**	**4.478.415**	**-**	**-**	**-**	**(4.235)**	**(1.314)**	**(173.636.599)**
Forwards (Nominal Value)	-	17.359.242	(36.326)	-	-	-	-	-	**17.322.916**
Total	**(174.868.083)**	**14.117.860**	**4.442.088**	**-**	**-**	**-**	**(4.235)**	**(1.314)**	**(156.313.684)**

GROUP	2011								
(Amounts in euro)	EURO	USD	GBP	LEVA	RSD	RON	YEN	OTHER	TOTAL
Clients and other receivables	112.585.002	5.540.286	21.147.314	8.584.717	286.008	6.294.011	-	305.938	**154.743.276**
Borrowing	(488.463.930)	(13.255.363)	(14.156.435)	-	-	(3.688.140)	-	(323.204)	**(519.887.073)**
Suppliers and other liabilities	(59.769.958)	(7.243.985)	(17.115.953)	(2.132.815)	(979.459)	(6.546.977)	-	(912.756)	**(94.701.903)**
Cash on hand and equivalent cash accounts	29.467.093	80.250	544.687	61.132	87.804	1.062.446	5.800.000	96.137	**37.199.549**
	(406.181.793)	**(14.878.812)**	**(9.580.387)**	**6.513.034**	**(605.647)**	**(2.878.660)**	**5.800.000**	**(833.885)**	**(422.646.150)**
Forwards (Nominal Value)	432.167	9.245.793	(12.341.407)	-	-	-	-	-	**(2.663.448)**
Total	**(405.749.626)**	**(5.633.019)**	**(21.921.794)**	**6.513.034**	**(605.647)**	**(2.878.660)**	**5.800.000**	**(833.885)**	**(425.309.598)**

COMPANY	2011								
(Amounts in euro)	EURO	USD	GBP	LEVA	RSD	RON	YEN	OTHER	TOTAL
Clients and other receivables	74.851.443	1.421.049	5.892.688	-	-	-	-	2.576	**82.167.756**
Borrowing	(221.919.625)	(5.145.545)	(6.340.998)	-	-	-	-	-	**(233.406.168)**
Suppliers and other liabilities	(35.117.631)	(6.666.364)	(134.518)	-	-	-	-	(12.378)	**(41.930.890)**
Cash on hand and equivalent cash accounts	8.547.131	762	11.977	-	-	-	5.800.000	-	**14.359.870**
	(173.638.681)	**(10.390.098)**	**(570.851)**	**-**	**-**	**-**	**5.800.000**	**(9.802)**	**(178.809.432)**
Forwards (Nominal Value)	-	8.239.657	(1.983.871)	-	-	-	-	-	**6.255.786**
Total	**(173.638.681)**	**(2.150.441)**	**(2.554.722)**	**-**	**-**	**-**	**5.800.000**	**(9.802)**	**(172.553.645)**

The exchange rates applied are as follows:

	Average rate		Rate as at	
	1.1 - 31.12.2012	**1.1 - 31.12.2011**	**31.12.2012**	**31.12.2011**
USD	1,2848	1,3919	1,3194	1,2939
GBP	0,8109	0,8679	0,8161	0,8353
LEVA	-	-	1,9558	1,9558
RON	4,4450	4,2399	4,4445	4,2848
RSD	-	-	112,36	104,64
YEN	102,49	110,96	113,61	100,20

Notes to the Financial Statements

Sensitivity analysis

A change in the price of Euro (10% reduction) against other currencies that the Group trades would have corresponding impact on the income statement and in equity as follows:

GROUP	**P & L**		**EQUITY**	
(Amounts in euro)	**2012**	**2011**	**2012**	**2011**
USD	(634.268)	(2.203.698)	2.144.824	1.577.807
GBP	2.387.307	(942.421)	(1.453.727)	(1.493.334)
LEVA	-	-	132.289	723.670
RON	-	-	(703.740)	(319.851)
RSD	-	-	(22.401)	(67.294)
YEN	(471)	644.444	-	-
OTHER	2.782	(92.654)	-	-

COMPANY	**P & L**		**EQUITY**	
(Amounts in euro)	**2012**	**2011**	**2012**	**2011**
USD	(360.154)	(1.704.952)	1.928.805	1.466.014
GBP	493.565	(283.858)	-	-
YEN	(471)	644.444	-	-
OTHER	(146)	(1.089)	-	-

Reverse effect would exist in the results and equity if there was an increase in the price of the Euro against other currencies.

(d) Interest rate risk

	GROUP		**COMPANY**	
(Amounts in euro)	**2012**	**2011**	**2012**	**2011**
Fixed rate				
Financial Liabilities	1.250.000	7.093.750	-	-
	1.250.000	**7.093.750**	**-**	**-**
Floating rate				
Financial Liabilities	514.282.286	512.793.323	228.784.237	233.406.168
	514.282.286	**512.793.323**	**228.784.237**	**233.406.168**

Sensitivity analysis

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

GROUP	**P & L**		**EQUITY**	
	2012	**2011**	**2012**	**2011**
Floating rate	(1.747.825)	(1.826.919)	-	-
Interest rate swaps	30.698	122.243	24.468	93.124

COMPANY	**P & L**		**EQUITY**	
	2012	**2011**	**2012**	**2011**
Floating rate	(744.518)	(804.782)	-	-
Interest rate swaps	27.573	106.618	22.058	85.294

Notes to the Financial Statements

	GROUP		COMPANY	
	2012	2011	2012	2011
Interest income	307.176	322.100	40.526	36.760
Interest expense	(40.220.337)	(35.440.976)	(16.271.028)	(15.874.871)
Net interest	**(39.913.161)**	**(35.118.877)**	**(16.230.501)**	**(15.838.112)**
2012 interest rate	5,71%	4,81%	5,45%	4,92%
Interest rate change for sensitivity analysis	0,25%	0,25%	0,25%	0,25%
New interest rate	5,96%	5,06%	5,70%	5,17%
New interest expense	(41.660.986)	(36.945.796)	(16.975.020)	(16.642.894)
Minus interest rate swaps	30.698	122.243	27.573	106.618
Difference of interest expense	**(1.717.127)**	**(1.704.676)**	**(716.946)**	**(698.165)**

(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: financial instruments measured at fair value using prices of an active market
- Type 2 data: financial instruments measured at fair value using other indisputable objective values except active market
- Type 3 data: financial instruments that are valued based on estimates of the Company as there are no observable market data.

GROUP	2012			2011		
(Amounts in euro)	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Available for sale financial assets	-	1.811.910	-	-	2.756.164	-
Derivative financial assets	-	-	4.652.804	-	-	4.653.923
	-	**1.811.910**	**4.652.804**	**-**	**2.756.164**	**4.653.923**
Derivative financial liabilities	-	(1.109.228)	-	-	(2.002.895)	-
Total	**-**	**702.683**	**4.652.804**	**-**	**753.269**	**4.653.923**

COMPANY	2012			2011		
(Amounts in euro)	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Available for sale financial assets	-	1.054.377	-	-	1.932.554	-
Derivative financial assets	-	-	4.197.544	-	-	4.198.664
	-	**1.054.377**	**4.197.544**	**-**	**1.932.554**	**4.198.664**
Derivative financial liabilities	-	(946.797)	-	-	(1.388.369)	-
Total	**-**	**107.580**	**4.197.544**	**-**	**544.184**	**4.198.664**

The financial information concerning Level 3 refers to holdings in domestic and foreign companies with a stake of less than 20%. These holdings which are not quoted and the fair value can not be reliably measured, they are valued at cost and are subject to impairment testing (see Note 14).

Notes to the Financial Statements

29. Commitments

The contractual obligations amounting to Euro 20,320,847 concern commitments of Euro 19,337,434 of the subsidiary SOFIA MED S.A. and Euro 983,413 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 2012, expenses amounting to Euro 276,113 were posted to Company Results (2011: Euro 333,156) while expenses equal to Euro 1,190,097 were posted to Group Results (2011: 1,152,600).

(Amounts in euro)	GROUP		COMPANY	
	2012	**2011**	**2012**	**2011**
Up to 1 year	1.404.820	1.520.313	240.556	245.813
From 1-5 year	2.312.271	2.276.160	501.903	609.506
More than 5 year	39.824	38.908	-	-
	3.756.915	**3.835.382**	**742.459**	**855.319**
Total charge on results	**1.190.097**	**1.152.600**	**276.113**	**333.156**

30. Contingent liabilities / assets

The tax liabilities of the Company and its subsidiaries for certain financial years have not been audited by taxation authorities and thus are not finalized yet for such years.

The table below presents unaudited tax years 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	72,53%	Full consolidation	2009-2010
STEELMET S.A.	GREECE	51,00%	Full consolidation	2010
AKRO S.A.	GREECE	98,49%	Full consolidation	2007-2012
SOFIA MED S.A.	BULGARIA	100,00%	Full consolidation	2011-2012
METAL AGENCIES L.T.D.	UK	49,51%	Full consolidation	-
BELANTEL HOLDINGS L.T.D.	CYPRUS	100,00%	Full consolidation	-
METAL GLOBE D.O.O.	SERBIA	51,76%	Full consolidation	-
COPPERPROM LTD	GREECE	69,01%	Full consolidation	2010-2012
FITCO SA (former SYLLAN S.A.)	GREECE	100,00%	Full consolidation	2005-2010
TECHOR S.A.	GREECE	68,97%	Full consolidation	2009-2012
HABAKIS LTD - LICENSE & DISTRIBUTION	GREECE	100,00%	Full consolidation	2010-2011
DIAPEM TRADING S.A.	GREECE	33,33%	Equity method	2010-2012
ELKEME S.A.	GREECE	30,44%	Equity method	2010
VIEXAL SA (former LTD)	GREECE	26,67%	Equity method	2010-2012
S.C. STEELMET ROMANIA S.A	ROMANIA	40,00%	Equity method	-
TEPRO METALL A.G.	GERMANY	36,21%	Equity method	2011-2012
HALCOR R&D S.A.	GREECE	70,00%	Full consolidation	2011-2012
HALCORAL SH. PK	ALBANIA	100,00%	Full consolidation	2011-2012

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.

Notes to the Financial Statements

31. 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)	2012	2011	2012	2011
Sale of goods				
Subsidiaries	-	-	161.231.211	185.091.507
Associates	86.919.642	95.439.840	36.628.197	43.340.276
Other affliated parties	86.132.319	48.937.482	55.574.470	17.281.646
	173.051.961	**144.377.322**	**253.433.878**	**245.713.429**
Sale of services				
Subsidiaries	-	-	5.865.897	7.042.922
Associates	663.977	628.016	155.522	103.084
Other affliated parties	3.312.785	3.940.992	737.584	654.047
	3.976.762	**4.569.008**	**6.759.004**	**7.800.053**
Sale of fixed assets				
Subsidiaries	-	-	284.001	107.287
Associates	30	20.110	30	20.110
Other affliated parties	27.210	20.472	25.200	15.837
	27.240	**40.582**	**309.231**	**143.234**
Purchase of goods				
Subsidiaries	-	-	21.472.474	23.480.677
Associates	2.285.931	1.025.758	-	332.931
Other affliated parties	207.674.133	141.980.423	20.572.491	13.931.185
	209.960.064	**143.006.181**	**42.044.965**	**37.744.793**
Purchase of services				
Subsidiaries	-	-	2.976.014	2.526.916
Associates	1.590.130	1.507.931	1.012.289	751.836
Other affliated parties	4.188.057	3.038.789	3.302.257	2.144.519
	5.778.187	**4.546.720**	**7.290.560**	**5.423.271**
Purchase of fixed assets				
Subsidiaries	-	-	21.559	26.262
Associates	8.651	645	-	645
Other affliated parties	2.059.915	1.624.438	409.644	399.316
	2.068.566	**1.625.083**	**431.203**	**426.223**

End-of-year balances from sale / purchase of goods, services, fixed assets, etc.

	GROUP		COMPANY	
(Amounts in euro)	2012	2011	2012	2011
Receivables from affiliated parties :				
Subsidiaries	-	-	49.975.775	54.109.753
Associates	10.705.755	13.918.324	5.426.514	8.197.749
Other affliated parties	10.614.110	9.067.538	4.586.297	3.001.728
	21.319.865	**22.985.862**	**59.988.586**	**65.309.230**
Liabilities to affiliated parties:				
Subsidiaries	-	-	2.506.837	2.345.107
Associates	796.377	639.528	194.251	384.866
Other affliated parties	9.027.988	11.980.853	703.397	561.916
	9.824.365	**12.620.382**	**3.404.486**	**3.291.890**

Notes to the Financial Statements

Benefits to Management

	GROUP		COMPANY	
(Amounts in euro)	**2012**	**2011**	**2012**	**2011**
Management Remunerations at employee expenses	4.005.601	3.719.712	1.705.995	1.757.697
	4.005.601	**3.719.712**	**1.705.995**	**1.757.697**

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

32. Fees auditors

The fees of the Group's and the Company's auditors (KPMG SA) for the year 2012 amounted to Euro 168,000 and Euro 150,000 respectively.

33. Subsequent events

There are no events subsequent to December 31, 2012 that are required to place some reference.

Facts and Information on the year from 1 January to 31 December 2012

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, 2012 to December 31, 2012
(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: February 27, 2013
Certified Auditor : Nick Tsiboukas (Reg.No. SOEL 17151)
Audit firm : KPMG Certified Auditors, S.A.
Review type: Unqualified opinion

DATA FROM STATEMENT OF FINANCIAL POSITION (amounts in €)

	GROUP		COMPANY	
	31-Dec-12	**31-Dec-11**	**31-Dec-12**	**31-Dec-11**
ASSETS				
Own use Fixed assets	359.491.380	361.033.315	96.289.629	101.764.822
Investments in real estate	383.271	2.270.174	-	-
Intangible Assets	11.745.850	11.283.122	139.649	166.037
Other non current assets	19.791.219	18.872.707	155.170.153	154.521.382
Inventories	229.064.818	234.740.289	56.896.133	67.694.501
Trade receivables	115.942.408	120.519.010	69.592.682	77.726.706
Other current assets	19.453.185	36.988.662	10.276.644	6.373.603
Cash and cash equivalents	27.851.157	37.199.549	5.924.534	14.359.870
TOTAL ASSETS	783.723.288	822.906.827	394.297.423	422.606.923
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	70.694.361	97.739.504	84.674.807	96.011.113
Company's shareholders equity (a)	109.180.619	136.225.762	123.161.066	134.497.371
Minority interests (b)	30.535.607	33.921.928	-	-
Total equity (c) = (a) + (b)	139.716.226	170.147.690	123.161.066	134.497.371
Long term borrowings liabilities	157.380.765	190.473.591	91.889.173	88.722.370
Provisions / Other long term liabilities	28.864.561	31.063.008	11.005.317	11.540.427
Short term borrowings liabilities	358.151.521	329.413.482	136.895.064	144.683.798
Other short term liabilities	99.610.215	101.808.977	31.346.803	43.162.956
Total liabilities (d)	644.007.062	652.759.138	271.136.357	288.109.552
TOTAL EQUITY AND LIABILITIES (c) + (d)	783.723.288	822.906.827	394.297.423	422.606.923

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

	GROUP		COMPANY	
	31-Dec-12	**31-Dec-11**	**31-Dec-12**	**31-Dec-11**
Net equity at the beginning of the Period (1/1/2012 and 1/1/2011 respectively)	170.147.690	168.045.640	134.497.371	143.605.350
Total comprehensive income after taxes	(30.783.700)	(7.289.613)	(11.336.305)	(9.107.979)
	139.363.990	160.756.027	123.161.066	134.497.371
Dividends distributed	(360.230)	-	-	-
Acquisition of company	-	18.000	-	-
Subsidiary absorption	-	976.531	-	-
Increase / (decrease) of participation in subsidiaries	712.466	8.397.132	-	-
Net equity at the end of the period (31/12/2012 and 31/12/2011 respectively)	139.716.226	170.147.690	123.161.066	134.497.371

DATA FROM CASH FLOW STATEMENT (Amounts in €)

	GROUP		COMPANY	
	1.01 - 31.12.2012	**1.01 - 31.12.2011**	**1.01 - 31.12.2012**	**1.01 - 31.12.2011**
Operating activities				
Profits / (Losses) before taxes	(31.040.635)	(11.350.953)	(10.101.498)	(11.281.137)
Plus / less adjustments for:				
Depreciation of tangible assets	26.143.944	26.290.250	7.602.099	7.914.295
Depreciation of intangible assets	564.580	476.524	111.345	119.687
Grants Amortization	(1.136.281)	(746.320)	(222.552)	(251.699)
Provisions	181.721	(217.948)	275.731	(6.368.363)
Results (income, expenses, profits, losses) from investing activities	(475.345)	(941.728)	(257.807)	(41.986)
Interest payable and related expenses	40.220.337	35.440.976	16.271.028	15.874.871
(Profit)/loss from the sale of fixed assets	(136.963)	(111.011)	(56.361)	(79.779)
(Profit)/loss from the sale of investments	(1.583.953)	74.975	(1.583.953)	-
(Profit)/loss from the fair value of derivatives	(593.595)	(160.717)	18.225	(708.191)
Loss from the destruction of fixed assets	179.756	5.908	-	-
Plus / Less adjustments for changes in working capital accounts or related to operating activities:				
Decrease / (increase) of inventories	5.853.369	(14.866.816)	10.798.368	9.564.697
Decrease / (increase) of receivables	24.008.182	51.257.541	7.240.952	12.138.132
(Decrease) / Increase of obligations (except banks)	(6.587.064)	(594.177)	(16.014.309)	13.025.670
Less:				
Interest payable and related expenses paid	(40.017.599)	(34.977.740)	(16.873.900)	(15.411.635)
Taxes paid	(712.731)	(1.040.999)	-	-
Total cash (used in) generated from operating activities (a)	**14.867.722**	**48.529.765**	**(2.792.634)**	**24.493.563**
Investing activities				
Acquisition-sale of subsidiaries, affiliated com., consortiums and other investments	1.585.072	(3.417.495)	879.332	(1.259.140)
Purchase of tangible and intangible fixed assets	(24.704.489)	(15.839.160)	(2.464.887)	(2.537.991)
Receivables from sale of tangible and intangible fixed assets	515.582	92.154	309.387	144.315
Interest received	307.176	322.100	40.526	36.760
Dividends received	-	5.226	217.281	5.226
Total cash (used in) generated from investing activities (b)	**(22.376.659)**	**(18.837.176)**	**(1.018.361)**	**(3.610.830)**
Financing activities				
Receivables from issued / assumed loans	70.443.831	182.513.501	33.000.000	46.000.000
Loans paid up	(74.798.618)	(172.326.995)	(37.621.931)	(55.067.284)
Repayments of financial leasing liabilities (capital installments)	(625.340)	(1.419.470)	-	-
Receivables from grants	3.495.249	1.374.156	-	142.858
Dividends paid	(354.578)	(2.182)	(2.411)	(2.182)
Total cash (used in) generated from financing activities (c)	**(1.839.456)**	**(9.860.990)**	**(4.624.342)**	**(8.926.808)**
Net increase / (decrease) in cash and cash equivalents for the year (a)+(b)+(c)	**(9.348.392)**	**19.831.599**	**(8.435.337)**	**11.955.925**
Cash and cash equivalents at the beginning of the year	37.199.549	17.367.950	14.359.870	2.403.946
Cash and cash equivalents at the end of the year	**27.851.157**	**37.199.549**	**5.924.534**	**14.359.870**

DATA FROM STATEMENT OF COMPREHENSIVE INCOME (Amounts in €)

	GROUP		COMPANY	
	1 Jan - 31 Dec 2012	**1 Jan - 31 Dec 2011**	**1 Jan - 31 Dec 2012**	**1 Jan - 31 Dec 2011**
Total turnover	**1.259.305.775**	**1.249.316.534**	**545.522.376**	**585.704.872**
Gross Profit / (loss)	**44.396.351**	**63.105.087**	**18.252.386**	**22.312.833**
Profit / (loss) before taxes, financing and investing results	**8.704.358**	**23.148.295**	**5.911.723**	**4.551.749**
Profit / (loss) before taxes	**(31.040.635)**	**(11.350.953)**	**(10.101.498)**	**(11.281.137)**
Less: Taxes	**1.594.391**	**(3.278.319)**	**(896.277)**	**(2.446.395)**
Profit / (loss) after taxes (A)	(29.446.243)	(14.629.272)	(10.997.775)	(13.727.531)
Distributed to :				
Company's shareholders	(25.979.186)	(15.582.587)	(10.997.775)	(13.727.531)
Minority shareholders	(3.467.057)	953.315	-	-
Other comprehensive income / (expenses) after taxes (B)	**(1.337.457)**	**7.339.660**	**(338.531)**	**4.619.552**
Total comprehensive income / (expenses) after taxes (A) + (B)	**(30.783.700)**	**(7.289.613)**	**(11.336.305)**	**(9.107.980)**
Distributed to :				
Company's shareholders	(26.951.552)	(7.921.271)	(11.336.305)	(9.107.980)
Minority shareholders	(3.832.148)	631.658	-	-
Profit per share after taxes - basic (in €)	(0,2565)	(0,1539)	(0,1086)	(0,1355)
Proposed dividend per share (in €)	-	-	-	-
Profit / (loss) before taxes, financing and investing results & depreciation	34.276.600	49.168.749	13.402.614	12.334.032

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 2012, are analytically presented in Note No. 30 of the financial statements.
2. 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	60,04%	Full consolidation

3. 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.
4. The number of the personnel at the end of the current year was: Company 434 (31/12/2011 : 467), Group 2.477 (31/12/2011: 2.467).
5. There are no encumbrances of fixed assets of the parent Company. For the bank loans of the company FULGOR SA, a subsidiary of HELLENIC CABLES, there are mortgages to secure long-term loans totaling Euro 49 million (see note 22 of the Financial Statements).
6. There has been provision accounted for tax unaudited fiscal years of the Group: € 240 thous , of the Company: € - thous. The remaining provisions as of 31.12.2012 amount for the Group € 322 thous. and for the Company € 90 thous. (see note 26 of the Financial Statements).
7. The cumulative amounts of sales and purchases at the beginnimg 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	177.055.963	260.502.112
ii) Purchases	217.806.818	49.768.728
iii) Receivables	21.319.865	59.988.586
iv) Obligations	9.824.365	3.404.486
v) Transactions & fees of higher executives and managers	4.005.601	1.705.995
vi) Receivables from higher executives and managers	-	-
vii) Liabilities to higher executives and managers	-	-

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

	GROUP		COMPANY	
	1 Jan - 31 Dec 2012	**1 Jan - 31 Dec 2011**	**1 Jan - 31 Dec 2012**	**1 Jan - 31 Dec 2011**
Income tax for the period	(984.246)	(1.500.825)	(428.274)	(523)
Deferred tax for the period	2.578.637	(1.777.494)	(468.003)	(2.445.872)

9. The unaudited tax years of the Company and the companies of the Group are analytically presented in note No 30 of the financial statements.
10. 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: € -881 thous.) and derivatives valuation from cash flow hedging (Group: € -474 thous. - Company: € -339 thous., see Statement of Changes in Equity of the Financial Statements).
11. 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, February 27, 2013

THE CHAIRMAN OF THE BOARD OF DIRECTORS	A MEMBER OF THE BOARD OF DIRECTORS	THE MANAGING DIRECTOR	THE GROUP CHIEF FINANCIAL OFFICER
THEODOSSIOS PAPAGEORGOPOULOS	GEORGE PASSAS	SAPOUNTZIS PERIKLIS	SPYRIDON KOKKOLIS
Id.C.No. AE 135393	Id.C.No. Φ 020251	Id.C.No. AH 582570	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 2012	http://www.halcor.gr/en/investment-relations/financial-results/group/	Home Page > Investor relations > Financial Results > Group Financial Results > 2012
2.	Interim Financial Statements Q1 2012	http://www.halcor.gr/en/investment-relations/financial-results/group/	Home Page > Investor relations > Financial Results > Group Financial Results > 2012
3.	Facts & Information H1 2012	http://www.halcor.gr/en/investment-relations/financial-results/group/	Home Page > Investor relations > Financial Results > Group Financial Results > 2012
4.	Interim Financial Statements H1 2012	http://www.halcor.gr/en/investment-relations/financial-results/group/	Home Page > Investor relations > Financial Results > Group Financial Results > 2012
5.	Facts & Information Q3 2012	http://www.halcor.gr/en/investment-relations/financial-results/group/	Home Page > Investor relations > Financial Results > Group Financial Results > 2012
6.	Interim Financial Statements Q3 2012	http://www.halcor.gr/en/investment-relations/financial-results/group/	Home Page > Investor relations > Financial Results > Group Financial Results > 2012
7	Facts & Information 2012	http://www.halcor.gr/en/investment-relations/financial-results/group/	Home Page > Investor relations > Financial Results > Group Financial Results > 2012
.8	Annual Financial Report 2012	http://www.halcor.gr/en/investment-relations/financial-results/group/	Home Page > Investor relations > Financial Results > Group Financial Results > 2012
9.	Press releases during 2012	http://www.halcor.gr/en/investment-relations/announcements/press-release/	Home Page > Investor relations > Announcements – Publications > Press releases > 2012
10.	Announcements to the Stock Exchange during 2012	http://www.halcor.gr/en/investment-relations/announcements/announcements/	Home Page > Investor relations > Announcements – Publications > Announcements > 2012