



**ALUMIL ALUMINIUM EXTRUSION INDUSTRY S.A.
GROUP OF COMPANIES**

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2009

Contents

| | |
|--|-------|
| A. Statements of the Members of the Board of Directors | 5 |
| B. Independent Auditor's Report | 6-29 |
| C. Annual Board of Directors Management Report | 30-31 |
| D. Annual Financial Statements | |
| Consolidated Income and Revenue Statement | 32-33 |
| Company Income and Revenue Statement | 34-35 |
| Consolidated and Company Statement of Financial Position | 36 |
| Consolidated and Company Cash Flow Statements | 37 |
| Consolidated and Company Statements of Changes in Equity | 38-39 |
| E. Notes to the Consolidated and Company Financial Statements | |
| 1. General Information | 40 |
| 2. Basis for Preparation of the Financial Statements | 41 |
| 3. Significant Accounting Policies | 51 |
| 3.1. Basis for Consolidation | 51 |
| 3.2. Foreign currency translation | 52 |
| 3.3. Tangible Assets | 52 |
| 3.4. Cost of Debt | 53 |
| 3.5. Tangible Assets Classified | |
| as available for sale | 53 |
| 3.6. Impairment of Assets | 53 |
| 3.7. Intangible Assets | 54 |
| 3.8. Research and development expenses | 54 |
| 3.9. Financial instruments | 54 |
| 3.10. Investment in subsidiaries | 56 |
| 3.11. Inventories | 56 |
| 3.12. Trade and other receivables | 56 |
| 3.13. Cash and cash equivalents | 57 |
| 3.14. Share capital | 57 |
| 3.15. Provisions and contingent liabilities | 57 |
| 3.16. Provisions for staff leaving indemnities – Benefits to employees | 57 |

| | |
|---|----|
| 3.17. State insurance programs | 58 |
| 3.18. Government grants | 59 |
| 3.19. Interest - bearing loans and debt | 59 |
| 3.20. Trade and other payables | 59 |
| 3.21. Current and deferred income tax | 59 |
| 3.22. Revenue recognition | 60 |
| 3.23. Expenses | 60 |
| 3.24. Dividends | 60 |
| 3.25. Leases | 60 |
| 3.26. Earnings per share | 61 |
| 4. Segment information | 62 |
| 5. Revenues and expenses | 67 |
| 6. Income taxes (current and deferred) | 70 |
| 7. Earnings per share | 74 |
| 8. Tangible assets | 75 |
| 9. Intangible assets | 77 |
| 10. Investments in subsidiaries | 78 |
| 11. Available for sale financial assets | 82 |
| 12. Long-term receivables | 83 |
| 13. Inventories | 83 |
| 14. Trade receivables | 84 |
| 15. Other receivables and prepayments | 85 |
| 16. Cash and cash equivalents | 86 |
| 17. Share capital and share premium account | 87 |
| 18. Reserves | 87 |
| 19. Dividends | 89 |
| 20. Long-term debts | 90 |
| 21. Provisions for staff leaving indemnities | 95 |
| 22. Government grants | 97 |
| 23. Other long-term liabilities | 97 |
| 24. Trade payables | 97 |
| 25. Other short-term liabilities and accrued expenses | 98 |
| 26. Short-term debts | 98 |

| | |
|--|-----|
| 27. Income tax payable | 99 |
| 28. Related party transactions | 99 |
| 29. Targets and policies for financial risk management program | 102 |
| 30. Financial instruments | 108 |
| 31. Commitments and contingent liabilities | 108 |
| 32. Events after the Balance Sheet date | 111 |
| F. Summary Data and Information | 112 |
| G. Information of Article 10 Law 3401/2005 | 113 |

A. Statements of Members of the Board
(In accordance to article 4 par. 2 of the law 3556/2007)

The members of the Board of Directors of ALUMIL S.A.

1. George Milonas, Chairman of the Board of Directors and Chief Executive Officer
2. Evagelia Milona, Vice Chairman of the Board of Directors and Chief Executive officer
3. George Doukidis, Board Member, having been specifically assigned by the Board of Directors.

DECLARE THAT

According to our knowledge:

a. the enclosed financial statements of the Company “ALUMIL S.A.” for the period 1st January 2009 to 31/12/2009, prepared according to the International Financial Reporting Standards, present truly and fairly the assets and liabilities, the equity and the financial results of the Group and the Company, as well as of the consolidated companies, for the period then ended, according to par. 3 - 5 of article 5 of L. 3556/2007.

and

b. the enclosed report of the Board of Directors reflects in a true manner the development, performance and financial position of ALUMIL S.A. and of the businesses included in Group consolidation, taken as a whole, including the description of the principal risks and uncertainties.

Kilkis, March 26th 2010

The certifying persons,

Chairman of the Board of
Directors & Chief Executive
Officer

Vice- Chairman and Chief
Executive Officer

Member of the Board of
Directors

George A. Milonas

Evagelia A. Milona

George I. Doukidis

B. Annual Board of Directors Management Report

ANNUAL BOARD OF DIRECTORS MANAGEMENT REPORT of ALUMIL ALUMINIUM EXTRUSION INDUSTRY S.A. Company and Consolidated Accounts FOR THE PERIOD 01/01/2009 - 31/12/2009

This report summarizes financial information for the Group and the Company “ALUMIL-ALUMINIUM INDUSTRY S.A.- GROUP of COMPANIES” for the period ended 31 December 2009, significant events during that period and their effect on the Annual financial statements. It also presents the main risks and uncertainties that the Group companies may face till the end of the year and significant related party transactions.

I. GENERAL INFORMATION

Consolidated Balance Sheet and Consolidated Income Statement derived from the consolidation of the financial statements of the companies: “ALUMIL - ALUMINIUM INDUSTRY S.A.” and its subsidiaries: 1. ALUKOM S.A., 2. ALUNEF S.A., 3. ALUSYS S.A., 4. ALUFIL S.A., 5. G.A. PLASTICS S.A., 6. METRON AUTOMATIONS S.A., 7. ALUMIL SOLAR S.A. 8. ALUMIL EGYPT FOR ALUMINIUM S.A.E., 9. ALUMIL EGYPT FOR ACCESSORIES S.A.E., 10. ALUMIL ALBANIA Sh.P.K., 11. ALUMIL BULGARIA S.R.L., 12. ALUMIL VARNA S.R.L., 13. ALUMIL FRANCE S.A.S., 14. ALUMIL DEUTZ GMBH., 15. ALUMIL ITALY S.R.L., 16. ALUMIL MILONAS CYPRUS LTD, 17. ALUMIL CY LTD, 18. ALUMIL MOLDAVIA S.R.L., 19. ALUMIL HUNGARY K.F.T. 20. ALUMIL UKRANIA S.R.L., 21. ALUMIL POLSKA S.R.L., 22. ALUMIL ROM INDUSTRY S.A., 23. ALUMIL YU INDUSTRY S.A., 24. ALUMIL SRB D.O.O., 25. ALUMIL SKOPJE D.O.O. 26. ALUMIL GULF FZC, 27. ALUMIL GROUP LTD and 28. EGYPTIAN FOR ALUMINIUM TRADE. Consolidation method is defined on a Parent Company-subsidiaries method.

It is noted that Consolidated Financial Statements include also Consolidated Financial Statements of subsidiary ALUMIL ROM (drafts Consolidated Financial Statements including subsidiary ALUMIL EXTRUSION (holds 100%)), subsidiary ALUMIL YU (drafts Consolidated Financial Statements including ALPRO VLASENICA A.D. (holds 61.37%)), subsidiary ALUMIL SRB (drafts Consolidated Financial Statements including ALUMIL MONTENEGRO D.O.O. (holds 100%)), and subsidiary EGYPTIAN FOR ALUMINIUM TRADE (drafts Consolidated Financial Statements including ALUMINIUM MISR FOR TRADING (holds 99.5%)), and subsidiary ALUMIL GROUP LTD (drafts Consolidated Financial Statements including ALUMIL TECHNIC (holds 100%) and ALUMIL CEU (holds 100%)). There are no Company’s own shares owned by the Company, or by any other Company included in the consolidation.

II. ECONOMIC ENVIRONMENT

International economic environment

The world economy gained strength in the third quarter of 2009, although performances differed among the various countries and areas. In the advanced economies output returned to growth, albeit at a modest pace overall, while it accelerated in the emerging countries. International trade began to expand again, mainly thanks to demand from the emerging countries of Asia. The world economy continued to draw strength from highly expansionary policies, gaining new impetus from the anticipated slowdown in inventory reduction in some countries, as well as from favourable conditions on the financial markets. The increase in industrial production and improvement in business and consumer confidence indicate that the recovery continued during the fourth quarter. The contraction in employment was attenuated in some countries, including the United States, even though unemployment rates reached extremely high levels. The improvement in the short-term outlook and the abundant liquidity provided by central banks continued to boost demand for risky assets; share prices maintained or even increased the gains recorded between March and October, while risk premiums on corporate bonds declined further. Conditions on interbank markets were practically restored to normal. The rapid increase in the prices of financial assets since the spring was boosted by the decline in risk aversion and the low level of interest rates in the leading economies, encouraging carry trade. There remains the danger that a worsening of the economic situation or expectations of an earlier rise in official interest rates might prompt corrections in the value of financial assets. According to the Oecd's projections, the growth of output in the organization's member countries as a group should be around 2 per cent in 2010, with the United States showing a stronger performance and the euro area, Japan and the United Kingdom a weaker one. GDP growth is expected to accelerate in the main emerging countries. Inflation should remain moderate overall, despite the rise in the prices of energy raw materials under way since last spring. The future of the world economy remains shrouded in uncertainty, however; this is due to the transitory nature of the main sources of stimulus to date and to the continued dampening effect on consumer demand from the still wide margins of idle capacity, high unemployment, and the need in some economies for households to put their finances in order. The price of oil (average for the three main grades) rose by \$5 a barrel since mid-October to \$80. This trend can be put down to the upturn in demand, particularly on the part of China. The International Energy Agency revised its forecasts of world crude oil demand for 2010 upwards, from 85.7 million barrels a day estimated in September to 86.2 million in December. On the basis of futures contracts, the price of WTI grade oil is expected to rise to almost \$90 a barrel at the end of 2010. The prices of non-energy raw materials continued to rise in the fourth quarter of 2009, increasing by around 9 per cent.

Euro Zone

The GDP of the euro area registered a quarterly gain of 0.4 per cent in the third quarter of 2009, ending a series of five consecutive contractions. Among the main countries, in both Germany and France the growth (0.7 and 0.3 per cent respectively) continued from the second quarter, while Italy recorded its first quarterly expansion (0.6 per cent) since the spring of 2008 and Spain was still in recession (a contraction of 0.3 per cent). For the area as a whole, output growth was almost entirely accounted for by the increase in value added in industry excluding construction, while agriculture and services stagnated and construction activity declined. On the demand side, economic activity was sustained largely by exports, which returned to growth (3.1 per cent) for the first time since the second quarter of 2008, thanks to the gradual strengthening of the world economic cycle; export growth was especially strong in Germany (3.4 per cent). Domestic demand remained slack: household consumption continued to stagnate (diminishing by 0.1 per cent), while gross fixed investment again contracted (by nearly a full percentage point), reflecting the further slump in construction (by 1.5 per cent).

The cyclical indicators available show that euro-area GDP continued to grow in the fourth quarter but not at an increasing rate. Economic recovery, fostered by the livelier expansion of world trade, is still being impeded by the pronounced weakness of the domestic components of demand. During the autumn months retail sales continued to fall, reflecting prudent consumption behaviour in the face of a deteriorating labour market as the unemployment rate reached 10.0 per cent in November. New car purchases slowed, affected from September onwards by the end of scrapping incentives in Germany, which was only partially offset by the pick-up in sales elsewhere as the expiry date for similar incentives in other countries neared.

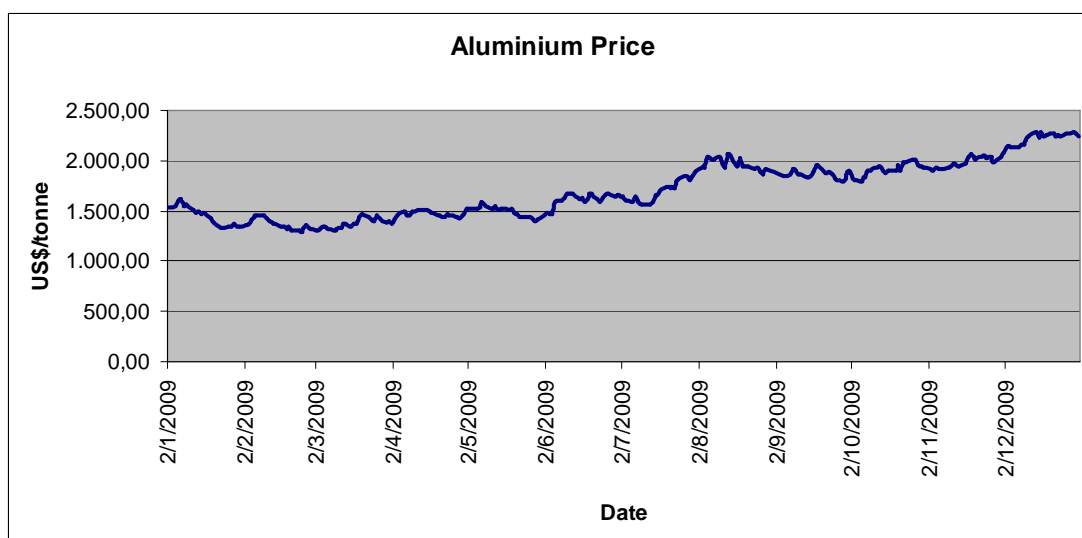
Greek economy

After a decade of positive performance, GDP in 2009 decreased by 2%, mainly affected by the large decrease in investment, private consumption and exports. In 2010 a negative rate of change is expected, the amount of which will critically affect the efficiency and speed of implementation of economic policy measures that have been announced by the Greek Government. Currently, however, it appears that the reduction in GDP is likely to be around 2%. It is also important that the recession in the Greek economy appears to lag, now that world economies have begun to show signs of recovery. In the euro area in particular, the recovery is evident in the third quarter of 2009. Nevertheless, recovery remains vulnerable, since it has relied heavily on expansionary fiscal policy, which should gradually be reversed, given that large public deficits and debts in most developed countries have already accumulated. Recession in the Greek economy has expanded in all productive sectors, negatively affecting employment and extending unemployment. According to provisional figures, total employment fell by 1.1% in 2009, estimated that the number of employed workers decreased by 1.5%.

During the period January - December 2009, the size of the total Building Activity (Private-Public), throughout the country, measured on the basis of building permits issued, rose to 56.205 building permits, equivalent to 12.826,1 square meters and 48,859,6 thousand cubic meters. There is, 14.2% reduction in the number of building permits, 24,1% reduction in surface and 25,9% reduction in volume compared with the corresponding period of 2008. During the period January - December 2009, the Private Building Activity, throughout the country, appears to be reduced by 14.3% in the number of issued building permits, by 25.4% at the surface and by 27.6% in volume compared with the corresponding period of 2008. The share of Public Building Activity in the total construction volume over the period of 2009 is 4.0%.

Aluminium Sector

Regarding the evolution of the price of the Company's raw material, aluminium billets (rods), it should be noted that during 2009, the aluminium price as it appears in the graph below, moved with high volatility –yet for another year- due to the exceptionally volatile conditions in international markets and speculative movements. From about \$ 1.500,00/ton in the beginning of 2009, it closed at about \$ 2.200/ton in the end of 2009, recording an annual increase of about 47%.



According to market analysts aluminium upward movement in price in 2009 is mainly due to speculation following the upward movement of financial markets worldwide. It should be noted that the statistics of the International Association of Aluminum on the key elements of demand / supply are those that do not confirm the price at current levels.

In terms of fundamental parameters, the excess of global aluminum market is expected to increase further in 2010 as demand continues to lag supply. Although demand is expected to improve, people from industry, conclude that it is difficult to balance the market. At the same time note that the physical market is more 'close' than the numbers suggest particular stocks in LME, which can run very high but part of them are locked into economic agreements. In conclusion, despite the strong growth in demand shows China and the moderate development of the economies of the developed world, the oversupply will remain a problem.

| Reported Global Primary Aluminium Production (Thousand of Metric Tons) | | | | | | | | |
|--|--------|------------|---------------|--------|-----------|---------------------|---------|---------------|
| Year | Africa | N. America | Latin America | Asia | W. Europe | East/Central Europe | Oceania | Total |
| 2005 | 1.753 | 5.382 | 2.391 | 3.139 | 4.352 | 4.194 | 2.252 | 23.463 |
| 2006 | 1.864 | 5.333 | 2.493 | 3.493 | 4.182 | 4.230 | 2.274 | 23.869 |
| % Μεταβ. | 6,33% | -0,91% | 4,27% | 11,28% | -3,91% | 0,86% | 0,98% | 1,73% |
| 2007 | 1.815 | 5.642 | 2.558 | 3.717 | 4.305 | 4.460 | 2.315 | 24.812 |
| % Μεταβ. | -2,63% | 5,79% | 2,61% | 6,41% | 2,94% | 5,44% | 1,80% | 3,95% |
| 2008 | 1.715 | 5.783 | 2.660 | 3.923 | 4.618 | 4.658 | 2.297 | 25.654 |
| % Μεταβ. | -5,51% | 2,50% | 3,99% | 5,54% | 7,27% | 4,44% | -0,78% | 3,39% |
| 2009 | 1.681 | 4.759 | 2.508 | 4.401 | 3.722 | 4.117 | 2.211 | 23.399 |

Source: www.world-aluminium.org

| Year | Reported Aluminium Inventories (Thousands of Metric Tons) |
|-------------|--|
| 2005 | 644 |
| 2006 | 698 |
| 2007 | 929 |
| 2008 | 2,338 |
| 2009 | 4,624 |

III. PERFORMANCE AND FINANCIAL POSITION

Turnover

The significant decrease is the result of reduced selling prices for the Group's products due to significant fluctuations in the price of Aluminium internationally in 2009, the very significant decline in building activity in Greece and abroad throughout 2009, the effort made by domestic and foreign customers to reduce their stocks, and the decrease in orders by automakers in Western Europe.

Gross profit amounted to € 15.2 million, i.e. 10.5% of sales, decreased by 46.6%, compared with that of the previous year. This is mainly due to increased production costs due to reduced production quantity and the expensive raw material used from the execution of contracts from 2008.

EBITDA – Earnings/Losses before taxes

Earnings Before Interest, Tax, Depreciation, Amortization (EBITDA), reached € 16.9 mil., from € 37 mil., in 2008, reduced by 54.4%. Losses before taxes reached € 5.8 mil. from € 8.7 mil. earnings, in 2008 while the Group's Net losses (losses after taxes and minorities) reached € 9.4 mil. from € 4.7 mil. earnings in 2008.

The reduction in financial expenses for the Group and Company with respect to the corresponding previous year is mainly due to reduction of total bank lending as well as to the decline in interest rates. Net bank lending is down by 6.7% from € 175 million to € 164 million.

The increase in income tax as shown in the Group and Company income statement, is mainly due to fact that the tax charge of the Group for 2008 was very low, because of the reduction in deferred tax for the Parent Company and its Greek subsidiaries as an outcome of the reduced tax rate for companies by one percentage point per year from 2010 to 2014.

Cash flow

Cash flow from operating activities is positive in 2009 for the Group and Company, mainly due to the significant decline in stock. Cash flow from investing activities for the Group has improved significantly due to reduced purchases of fixed assets. Improved operational investment flows for the Group led to less need for withdrawals from issued long-term loans, as well as to repayment of a significant proportion of long-term borrowing.

Assets– liabilities

Group assets on the 31st of December 2009 reached approximately € 386.1 mil reduced by approximately € 34.6 mil., that is 8.2%.

The most significant changes are as follows:

a) The significant decrease in inventories of the Group, in a period characterized by declining sales due to the economic crisis is the result of a concerted effort made by the Group's administration to adjust to the new economic conditions.

b) The decrease in trade receivables is the culmination of great efforts in this area at a very competitive environment and given the problems of liquidity that have been observed in the market.

c) The reduction of long-term debt is mainly due to the repayment of a significant part of long-term bonds amounting to € 22.8 million and has been offsetted with the receipt of a new long-term loan of approximately € 2.7 million.

d) The reduction of trade liabilities is mainly due to the reduction of purchases of raw materials during the last quarter of 2009.

The Group's policy is to evaluate its results and overall performance on a monthly basis, being able to timely and effectively detect and deal with any declinations from its initial goals.

Indicative financial ratios reflecting Group financial position are presented below. The "Change%" column expresses the percentage change from the previous economic year

| LIQUIDITY | 31.12.2008 | 31.12.2009 | % Change. |
|---|-------------------|-------------------|----------------------|
| Direct or Quick (times) | 1,02 | 1,01 | -1,0% |
| Current (times) | 1,79 | 1,58 | -11,7% |
| CAPITAL GEARING RATIOS | | | |
| Total bank debt/ Equity | 1,28 | 1,35 | 5,5% |
| Net debt / EBITDA | 4,72 | 9,68 | 105,1% |
| Interest coverage (EBITDA/Net Interest expenses) | 2,26 | 1,60 | -29,2% |
| ACTIVITY RATIOS | | | |
| Inventory Days (average) | 166 | 193 | 16,3% |
| Receivables Days (average) | 130 | 173 | 33,1% |
| Payables Days (average) | 82 | 78 | -4,9% |
| PROFITABILITY | | | |
| Net earnings / Equity % | 3,2% | -% | % |
| Net earnings / Sales % | 1,7% | -% | % |

Note: the "Change%" could appear slight deviations due to rounding's.

Liquidity ratios

The quick (1.01 in 2009, from 1.02 in 2008) and current (1.58 in 2009, from 1.79 in 2008) liquidity ratios present a reduction, by 11.5% and 10.8% respectively, compared to 2008.

Gearing ratios

The ratio of total bank liabilities to equity has increased to 1.35 from 1.28 in 2008. Net debt (total debt minus cash and cash equivalents) to operating (EBITDA) profit ratio, increased to 9.68 from 4.72 in 2008. The interest coverage ratio (net interest) to operating earnings (EBITDA), has decreased to 1.60 from 2.26 in 2008.

Activity ratios

Inventory days (average) (166 days in 2008, from 141 in 2007) increased by 18% compared to 2007.

Receivables days (130 days in 2008, from 127 days in 2007) increased by 2.2% compared to 2007.

Profitability ratios

Net earnings to equity ratio decreased to 3.2% from 6.4 % in 2007. The Net earnings to sales ratio has also declined to 1.7% from 3.3% in 2007.

Investments

The Group, in its effort for constant leadership in the aluminium sector and in the production of innovative products, has proceeded to investments aiming to the expansion of its activities, the extension of its facilities and the enhancement of its mechanical equipment.

The Group's additions in assets reached approximately € 6.9 mil. for the year ended 31st December 2009. The most significant additions concern:

Parent Company:

Additional building facilities, purchase of machinery and enhancement of mechanical equipment that is additional accessories, moulds and casts with a total value of approximately € 2.2 mil.

Greek subsidiaries:

Investments in subsidiary company METRON AUTOMATIONS, which concern building facilities and purchase of mechanical equipment, with a total value of approximately € 1 mil.

Investments in subsidiary company ALUFIL, with a total value of approximately € 0.6 mil., which mostly concern building facilities and mechanical equipment.

Investments in subsidiary company ALUNEF, which concerns the purchase of moulds and other mechanical equipment, with a total value of approximately € 0.3 mil.

Investments in subsidiary company ALUKOM, which mostly concerns the purchase of moulds, with a total value of approximately € 04 mil.

Foreign subsidiaries:

Investments in subsidiary company ALUMIL ROM INDUSTRY in Bucharest, which mostly concern construction of building facilities, with a total value of approximately € 0.6 mil.

Investments in subsidiary company ALUMIL UKRAINE, which mostly concern building facilities, with a total value of approximately € 04 mil.

Investments in subsidiary company ALUMIL YU INDUSTRY and in its subsidiary ALPRO AD, which mostly concern purchase and instalment of mechanical equipment, with a total value of approximately € 0.2 mil.

Investments in subsidiary company ALUMIL ALBANIA, which mostly concern purchase of mechanical equipment, with a total value of approximately € 0.4 mil.

Environment

ALUMIL Group, presenting a long experience and constant development in the aluminium extrusion sector, acknowledges that economic development could and should go along with a clean environment policy; therefore, it is one of management targets to combine the dynamic growth for the Company and the Group with the necessary respect towards the environment, its maintenance, protection and improvement.

With a continuous, systematic work by the Quality Management and Environment Department, the Company is certified since 2002 for the implementation of a complete system for environmental management, according to EN ISO 14001:1996 environmental standard, for the departments of extrusion, powder-coating and foundry. In this way, environmentally friendly production procedures are guaranteed along with pollution prevention and retention, saving energy, natural resources and various consumables, according to the Environmental Management Plan.

Incorporating environmentally-friendly actions in every day decisions, ALUMIL operates with clarity and increased sensitivity - above the standard law requirements - towards the achievement of specific objectives:

- Rational, sensible use of natural resources and energy.
- Adoption of a straightforward strategy to minimize environmental negative implications.
- Human health protection.
- Keeping track of the latest green technology developments in order to adopt new parameters.
- Promote Company's environmental sensitivity to all interested parties.
- Grow an environmental sensitive culture to all relative parties, i.e. personnel, clients, suppliers, various stakeholders.

In order to successfully apply all the above, the Company has set a specific action plan:

- Define specific and countable targets, where possible, to evaluate its performance.
- Proceed into frequent environmental inspections and publish the results.
- Provide appropriate training to all relevant personnel.
- Apply an *industrial-waste-minimization* strategy and constantly improve recycling policy.
- Proceed with frequent energy use inspection and operate under energy saving procedures.
- Follow, where feasible, suppliers' environmental performance.
- Hold to environmental criteria and ethics in all new expansion and growth activities.
- Report all environmental incidents to the appropriate authorities.
- Set necessary procedures to reject properly and eliminate danger from all industrial disposals.

- Fund appropriate operations to implement its environmental strategy.

As a result of the environmental plan, the below is reported:

- At the vertical powder coating facility of the Parent Company, the installation of new equipment took place, necessary for the collection of fines (non-processible powder fines), with significant financial results for the Company and also for limited environmental implications. Decrease in powder fines reached 60% (to 4% from 10%), saving annually more than 26 tons of powder.
- The installation of an automated supply and monitoring system at the vertical powder coating, for chemicals concentration at the stage of chemical process, has reduced the consumption in chemicals by 20% since 2003.
- The replacement of old tanks and piping systems in all sewage units, made from stainless steel.

Health and safety

Group complexes use green powder coating colors, having as an objective the ultimate respect and attention towards the environment and Group personnel. In 2000, ALUMIL replaced all powder coating colors with a surcharge that reached up to 100%; over the harmful powder coating colors contained the dangerous TGIC and other heavy metals (lead, chromium, etc.). During the five year period from 2003-2007, work accidents remained at very low levels, varied from light to very light accidents.

The assurance for healthy and safe environment for all Group employees – adopting practices beyond the corresponding Law standards - constitutes a constant target and daily pursuit for Parent Company and the Group. Group administration is committed towards its employees and the societies within which it operates, for the responsible and safe operation of its facilities, according to the rules of justice and morality.

Administration commitment towards environment is proven through a series of actions, already completed:

- certification since January 2005, with the Health & Safety Management Certificate, according to EL0T 1801 standard,
- updating research and studies for assessing workplace perils, with a clear target to implement new production operations,
- standardization for the statistical process of labor accidents data including indicators analysis, according to the specifications set by the European Aluminium Association,
- software implementation for the maintenance and electronic impression of the liquid gas network and the detection system for probable leakage. Staff training over liquid gas issues in cooperation with the constructor and supplier Company,

- implementation of the program for the compliance with the current legislation for the obtainment of optimality certificates and the replacement of worn-out equipment regarding skid units, derricks and air-guardrooms,
- regular inspections for the detection of unsafe work conditions,
- measurements of various parameters (temperature / humidity, noise, dust and light sufficiency) in all working areas, to implement corrective measures,
- bimonthly measurements for the quality of public network, potable water,
- staff training in safety, health and fire-safety issues.

IV. SIGNIFICANT CORPORATE EVENTS IN 2009

Long term debentures

On December 7, 2009, the Company's Extraordinary General Meeting approved the issuance of a new bond loan of € 120 million in order to refinance the total debt and to prudently plan the distribution of Group's available funds on terms that are consistent with the current economic conditions. Indeed, the new contract was signed in March 2010 with "PIRAEUS BANK" and "ALPHA BANK" as the issuance organizers, the other participant bondholders are, "BLACK SEA TRADE AND DEVELOPMENT BANK", "NATIONAL BANK OF GREECE", "HELLENIC BANK", "COMMERCIAL BANK", "EFG EUROBANK ERGASIAS BANK" and "HSBC BANK", with a five years maturity, with an optional extension for another 2 years, with Euribor + 2,70% (annually) for the first 24 months. Then the margin will be adjusted according to the ratio NET DEBT / EBITDA from 2.40 to 3.20. The bond is common, with no trading or conversion rights. The payout will be made into seven (7) instalments of € 7.2 million each, payable in the first eighteen (18) months from the signing of the contract (September 2011) and an instalment of € 69.6 million at maturity (March 2015). In order for the loan to be obtained, mortgages on fixed equipment will be introduced, totalling € 136.2 million. In addition shares of 5 subsidiaries owned by Parent Company will be pledged.

Other Long term debentures

In April 2009, a withdrawal of a long-term loan of € 2,677,045 from subsidiary company "METRON AUTOMATIONS SA" took place, by "MARFIN EGNATIA BANK" for financing the investment plan of Law. 3299/2004. With a six year maturity, with Euribor (six months) +2.5% (year) and the repayment of the loan will be in ten (10) equal semi-annual instalments amounting to € 267,704.50.

Decisions for the establishment of new companies

The Company's Board of Directors, decided on April 27, 2009 to create a new subsidiary under the name "ALUMIL SOLAR SA", which will be based in Kilkis. The purpose of the new company to research, plan, design and trade equipment for a) electricity production from renewable energy sources and particularly (but not restrictively) from solar power b) production of electric cooling or thermal energy from renewable energy sources, natural gas, classical fuels and recycle of non-toxic industrial waste, c) for saving energy and provision of integrated solutions through its network ALUMIL mainly abroad. The share capital of the new company amounts to EUR 60,000 and the Alumil SA participates with 90% covering the amount of € 54 thousand, while the remaining amount of € 6 thousand was covered by minority shareholders. The formation of the company was completed in July 2009.

Local authorities, on July 31, 2009, approved the merger by absorption of subsidiary “ALUMIL COATING SRB” by another subsidiary “ALUMIL YU INDUSTRY” with the transfer of all assets and liabilities. The merger was completed in the third quarter of 2009. This merger had no significant effect on the Group’s financial statements.

ALUMIL’s Board of Directors on November 13, 2009 decided the merger by absorption of its subsidiary company “ALOUNEF SA” according to Law 2166/93 and the purchase of the remaining 0 56% held by “ALUNEF’s” major shareholders. The Governing Council’s proposal was approved by the Extraordinary General Meeting held on December 7, 2009. As at December 31, 2009, the Parent Company owned 100% of the subsidiary’s shares while the outstanding amount of € 62.6 thousand to the subsidiary’s shareholders was paid in January 2010.

In May 2009 the establishment of a new subsidiary company called «ALUMIL KOSOVO SH.PK», which is based in Pristina (Kosovo), took place. The main activity of the company is trading (wholesale and retail) of aluminium profiles and components in and around Kosovo. The share capital of the new company amounted to €20,000 with “ALUMIL ALBANIA” as the sole shareholder of the subsidiary.

In May 2009 the establishment of a new subsidiary company called “ALUMIL TECHNIC LTD”, which is located in Serbia, took place. The main activity of the company is to trade (retail and wholesale) of aluminium profiles and components in Serbia. The share capital of the new company is YUN 9.474 thousand (€ 100,000), with “ALUMIL GROUP LTD” as the sole shareholder of the subsidiary.

In December 2009 the establishment of a new subsidiary company called “ALUMIL CEU SRO”, which is based in the Czech Republic, took place. The main activity of the company is trading of aluminium profiles and accessories. The share capital of the new company amounts to CZK 200 thousand (Euro 7.765) with “ALUMIL GROUP LTD” as the sole shareholder of the subsidiary.

V. DESCRIPTION OF THE PROSPECTS AND MOST SIGNIFICANT RISKS AND UNCERTAINTIES FOR 2010

Prospects for 2010

In most sectors of the economy is dominated by pessimism and gloomy forecasts as the new austerity measures announced by the Greek Government will certainly affect demand according to the Foundation for Economic and Industrial Research, deteriorating consumer confidence index in the following months that will in turn affect the construction industry since it is assumed that the significant deterioration of household projections for their financial condition will lead to savings, as consumers limit their spending, given the prevailing uncertainty.

The company is recognizing the seriousness of the current economic situation in its effort to withstand this harsh environment, and continues to act aiming at producing positive cash flow, reducing operating and production costs, lowering inventories and thus lowering debt burden, while it attempts to enter new markets with greater growth potential than those of the European Union.

In Greece, the demand for the building industry that directly affects the company is expected to fall further, which is mainly due to the slowing housing market.

Financial risk factors

The Group is exposed to several financial risks, such as market risk (currency exchange rate fluctuation, interest rates, and market prices), credit risk and liquidity risk. The Group's complete Risk Management program aims at minimizing the negative effects these risks may have on the Group's financial efficiency.

Risk management is carried out by a central Financial Management department (Group's Financial Management department) that provides financial advisory services to the Group's different companies, coordinates access to financial markets at home and abroad, and manages the financial risks the Groups gets exposed to. This includes recognition and evaluation of financial risk and, if needed, hedging against financial risk. The Financial Management department doesn't perform profit-oriented trading, nor does trading that is not related to the Group's commercial, investing or borrowing activities.

The financial assets and obligations in the balance sheet include cash and cash equivalents, receivables, investments, available for sale financial assets as well as short term and long term liabilities. There is no difference between the fair values and the respective accounting values of the financial elements in assets or liabilities.

Risk management is carried out by a central Financial Management department (Group's Financial Management department) that provides financial advisory services to the Group's different companies, coordinates access to financial markets at home and abroad, and manages the financial risks the Groups gets exposed to. This includes recognition and evaluation of financial risk and, if needed, hedging against financial risk. The Financial Management department doesn't perform profit-oriented trading, nor does trading that is not related to the Group's commercial, investing or borrowing activities.

Currency exchange rate risk

The Group is active on international level and realizes transactions in foreign currency. Hence, it is exposed to exchange rate fluctuations. This exposure mainly relates to commercial transactions in foreign currencies, regarding imports or exports of goods and services, and from investments in countries whose net position is exposed to currency risk during conversion of their financial statements for consolidation purposes. The risk of carrying out transactions in foreign currency is dealt with according to approved directions, by subsidizing the product sale in a foreign currency with the raw material purchase in the same currency, and by using a limited amount of currency forward contracts.

The following table shows the changes of Income before Taxation and Shareholders' Equity, as a result of possible changes in exchange rate of Romanian Lei (RON), Serbian Dinar (RSD), Egyptian Pound (EGP), Albanian Lek (LEK) and of remaining currencies which include the FYROM Denar (MKD), Hungarian Forint (HUF), Polish Zloty (PLN), Moldavian Lei (MDL), United Arab Emirates Dirhams (AED), Ukrainian Hryvna (UAN) and Czech Korona (CZK) keeping all other variables stable:

Sensitivity analysis to exchange rate fluctuation:

| (Amounts in thousand €) | Foreign Currency | Increase/Decrease against € | Effect on Income before Taxation | Effect on Shareholders' Equity | |
|---------------------------|---------------------------|-----------------------------|----------------------------------|--------------------------------|------|
| Amounts of FY 2009 | RON | 5% | 240 | 746 | |
| | | -5% | -240 | -746 | |
| | RSD | 5% | 192 | 941 | |
| | | -5% | -192 | -941 | |
| | EGP | 5% | -11 | 119 | |
| | | -5% | 11 | -119 | |
| | LEK | 5% | 31 | 617 | |
| | | -5% | -31 | -617 | |
| | OTHER | 5% | -52 | 54 | |
| | | -5% | 52 | -54 | |
| | Amounts of FY 2008 | RON | 5% | 229 | 822 |
| | | | -5% | -229 | -822 |
| RSD | | 5% | 188 | 913 | |
| | | -5% | -188 | -913 | |
| EGP | | 5% | 3 | 98 | |
| | | -5% | -3 | -98 | |
| LEK | | 5% | 31 | 195 | |
| | | -5% | -31 | -195 | |
| OTHER | | 5% | -4 | 93 | |
| | | -5% | 4 | -93 | |

Note: The calculation of “Effect on Income before Taxation” is based on the fluctuation of the year’s average exchange rate whereas the calculation of “Effects on Shareholders’ Equity” is based on the fluctuation of the exchange rates at the Balance Sheet date.

Interest rate risk

The Group’s operational profit and cash flow are not greatly influenced by the fluctuation of the interest rates. The interest rate risk exposure for liabilities and investments is reviewed on a budgetary basis. The Group’s policy is to closely review the interest rate trends and the Group’s financing needs.

The Group finances its investments and its working capital needs with bank loans and bonds, thus affecting its results with the respective interest. Increasing trends in interest rates

(Change of the borrowing basis rates (EURIBOR)) will have a negative effect on the results, since the Group will be charged a higher cost of debt.

All short-term loans have been agreed upon with a floating interest rate. The renewal of the short-term loan interest rates counts for periods of 1-3 months and that of the long-term loan counts for a period of 3-6 months. This gives the Group the possibility to partially avoid the risk of big interest rate fluctuation.

The following Table shows the changes in the Group's Income before taxation (through the effects that the balance of loans with floating rates has on Profits, at the end of the fiscal year) for potential changes of interest rates, holding all other variables stable:

Sensitivity analysis of the Group's loans to interest rate fluctuation

| (Amounts in thousand €) | Foreign Currency | Increase/Decrease against € | Effect on Income before Taxation |
|---------------------------|------------------|-----------------------------|----------------------------------|
| Amounts of FY 2009 | EUR | 1% | -2.253 |
| | | -1% | 2.253 |
| | BGN | 1% | -25 |
| | | -1% | 25 |
| | LEK | 1% | -9 |
| | | -1% | 9 |
| Amounts of FY 2008 | EUR | 1% | -1.922 |
| | | -1% | 1.922 |
| | BGN | 1% | -25 |
| | | -1% | 25 |
| | LEK | 1% | -16 |
| | | -1% | 16 |

Sensitivity analysis of the Company's loans to interest rate fluctuation

| (Amounts in thousand €) | Foreign Currency | Increase/Decrease against € | Effect on Income before Taxation |
|---------------------------|------------------|-----------------------------|----------------------------------|
| Amounts of FY 2009 | EUR | 1% | -1.900 |
| | | -1% | 1.900 |
| Amounts of FY 2008 | EUR | 1% | -1.538 |
| | | -1% | 1.538 |

Note: The Table above doesn't include the positive effect of the deposit rate because the amounts are considered to be of minor magnitude.

Credit risk

The Group doesn't have a significant concentration of credit risk against other parties because of the wide range of its clientele. The credit risk exposure is being reviewed and evaluated on a constant basis.

A special computer-based application checks the size of credit and the credit limits of the customers who are set out based on regular evaluations and always in accordance with the limits defined by the management. For special credit risks there are provisions for doubtful debts. At the end of the year, the management presumed that there is no substantial credit risk which is not already covered from any assurance or from a prediction for doubtful debt. An extensive analysis of the commercial and other receivables is quoted in notes 14 and 15 of the Financial Statements.

Furthermore as far as deposit products are concerned the Group only does business with recognized financial institutions of high credit-receiving grade. An extensive analysis is quoted in note 16 of the Financial Statements.

Liquidity risk

The prudent liquidity management is achieved through the appropriate combination of available cash and approved bank credit.

The Group manages potential risks that may occur from lack of sufficient liquidity by catering for the existence of guaranteed bank credits.

The current available unused approved bank credits to the Group are sufficient to successfully cope with any potential lack of cash.

The following table summarizes the dates of expiration for the financial liabilities of December 31st 2009 and 2008 respectively, based on the payments projected by the relevant contracts and agreements, at non-predetermined prices:

GROUP

| Amounts of FY 2009 (amounts in thousand €) | <u>Less than</u> <u>4 months</u> | <u>4 to 12</u> <u>months</u> | <u>1 to 2</u> <u>years</u> | <u>2 to 5</u> <u>years</u> | <u>> 5</u> <u>years</u> | <u>Total</u> |
|--|---|---|---|---|---|---------------------|
| Trade payables | 29.443 | 47 | - | - | - | 29.490 |
| Other short-term liabilities & accrued expenses | 9.972 | 24 | - | - | - | 9.996 |
| Debt | 9.705 | 79.330 | 24.574 | 70.412 | 2.807 | 186.828 |
| Other long-term liabilities | - | - | 65 | 70 | - | 135 |
| | 49.120 | 79.401 | 24.639 | 70.482 | 2.807 | 226.449 |

Amounts of FY 2008

| (amounts in thousand €) | <u>Less than</u> <u>4 months</u> | <u>4 to 12</u> <u>months</u> | <u>1 to 2</u> <u>years</u> | <u>2 to 5</u> <u>years</u> | <u>≥ 5</u> <u>years</u> | <u>Total</u> |
|---|---|---|---|---|--|---------------------|
| Trade payables | 39.661 | 134 | - | - | - | 39.795 |
| Other short-term liabilities & accrued expenses | 8.594 | 90 | - | - | - | 8.684 |
| Debt | 9.795 | 72.144 | 30.552 | 70.783 | 30.522 | 213.396 |
| Other long-term liabilities | - | - | 231 | - | - | 231 |
| | 58.050 | 72.368 | 30.783 | 70.783 | 30.552 | 262.106 |

COMPANY

Amounts of FY 2009

| (amounts in thousand €) | <u>Less than</u> <u>4 months</u> | <u>4 to 12</u> <u>months</u> | <u>1 to 2</u> <u>years</u> | <u>2 to 5</u> <u>years</u> | <u>> 5</u> <u>years</u> | <u>Total</u> |
|---|---|---|---|---|---|---------------------|
| Trade payables | 23.082 | 21 | - | - | - | 23.103 |
| Other short-term liabilities & accrued expenses | 5.355 | - | - | - | - | 5.355 |
| Other long term liabilities | - | - | - | - | - | - |
| Debt | 8.434 | 53.093 | 22.087 | 65.089 | 2.534 | 151.237 |
| | 36.871 | 53.114 | 22.087 | 65.089 | 2.534 | 179.606 |

Amounts of FY 2008

| (amounts in thousand €) | <u>Less than</u> <u>4 months</u> | <u>4 to 12</u> <u>months</u> | <u>1 to 2</u> <u>years</u> | <u>2 to 5</u> <u>years</u> | <u>≥ 5</u> <u>years</u> | <u>Total</u> |
|-------------------------|---|---|---|---|--|---------------------|
| Trade payables | 26.711 | 69 | - | - | - | 26.780 |

| | | | | | | | |
|------------------|---------------|---------------|--------------|------------|------------|---------------|--------------|
| ALUMIL GULF | 1.337 | - | - | - | 38 | 1.660 | - |
| ALUMIL GROUP LTD | - | - | - | - | - | 2 | - |
| Total | 84.959 | 38.607 | 1.654 | 300 | 857 | 74.469 | 2.799 |

For consolidation purposes as at 31st December 2009, transactions among subsidiaries have been eliminated amounting to approximately € 18.866 thousand (31.12.2008: € 24.522 thousand), receivables – payables of approximately € 14.664 thousand (31.12.2008: € 10.263 thousand) and income-expenses of approximately € 26 thousand (31.12.2008: € 248 thousand).

Open balances at the end of the year are not secured and settled in cash. No guarantees are signed for these receivables. For the year ended in 31st December 2009, Parent Company has recorded accumulated provision for doubtful debts of approximately € 7.236 thousand (31.12.2008: € 6.332 thousand), related to amounts due from subsidiaries with negative Shareholders' Equity.

It is noted that there are no special agreements between the Company and its subsidiaries and all related transactions are settled under the usual terms, within the framework and the particularities of each market.

Transactions with Other related parties

The Group has conducted from the beginning of the fiscal year, sales towards “INTERNO S.A.”, to which the Parent company participates with 6.34% and it is indirectly under common control with the Parent company, of approximately € 577 thousand (31.12.2008: approximately € 690 thousand), purchases of approximately € 243 thousand (31.12.2008: approximately € 360 thousand), while it has a net claim of approximately 3.3 mil. (31.12.2008: € 2.5 mil.).

Furthermore, the Group since the beginning of financial year has conducted sales to “ALOUFONT S.A.”, in which the parent company holds 19%, of approximately € 221 thousand, purchases - expenses of approximately € 45 million while it has a net claim of approximately 3.9 mil. (31.12.2008: € 4.3 mil.).

Finally, the Group since the beginning of the fiscal year has conducted, sales to “BH ALUMINIUM”, in which subsidiary “ALUMIL YU INDUSTRY” participates with 19%, of approximately € 5.4 million, purchases - expenses of approximately € 13 thousand and a net claim of approximately € 2.3 million.

There is no parent company - under a legal entity form – participating in ALUMIL S.A., as the majority of the share capital (69,93% of common ordinary shares as at 31st December 2009) belongs to Mr. George Milonas (48,37%) and Mrs. Evagelia Milona (21,56%) and there are no other major shareholders holding significant part of the Company's share capital.

Board of Directors remuneration

During the fiscal year ended in 31st December 2009, 2 executive Members of the Parent Company's Board of Directors received gross salaries of approximately € 70.3 thousand (31.12.2008: € 72.7 thousand) for services rendered due to salaried relationship with the Company.

The Group and the Company paid to managers salaries and bonus amounting to approximately € 1.676 thousand (31.12.2008: € 1.472 thousand) and approximately € 500 thousand (31.12.2008: € 513 thousand).

Finally, in the recorded provision for staff leaving indemnities for the Group and the Company, approximately € 89.6 thousand (31.12.2008: € 71.5 thousand) and approximately € 74.3 thousand (31.12.2008: € 65.1 thousand) correspondingly is included, related to ALUMIL's Executive Board Members and Group managers respectively.

VII. DIVIDEND POLICY

On June 1st 2009, the Annual General Shareholders' Assembly approved dividend payout from 2008 earnings equal to € 1.959.446, 25 namely € 0.089 per share. Dividends were paid during June 2008. 10% of the total amount of dividend was withheld by the Company according to Law 3697/2008 and therefore the net dividend paid to shareholders in July 2009 amounted to Euro 1.763.501,63.

The Company's Board of Directors did not propose a dividend for the financial year 2009, due to losses, and is awaiting approval by the General Assembly of Shareholders.

It should be noted that the Company's dividend policy is directly associated to the financial performance of the Group and Parent company, the strategic development and capital needs.

VIII. OTHER INFORMATION

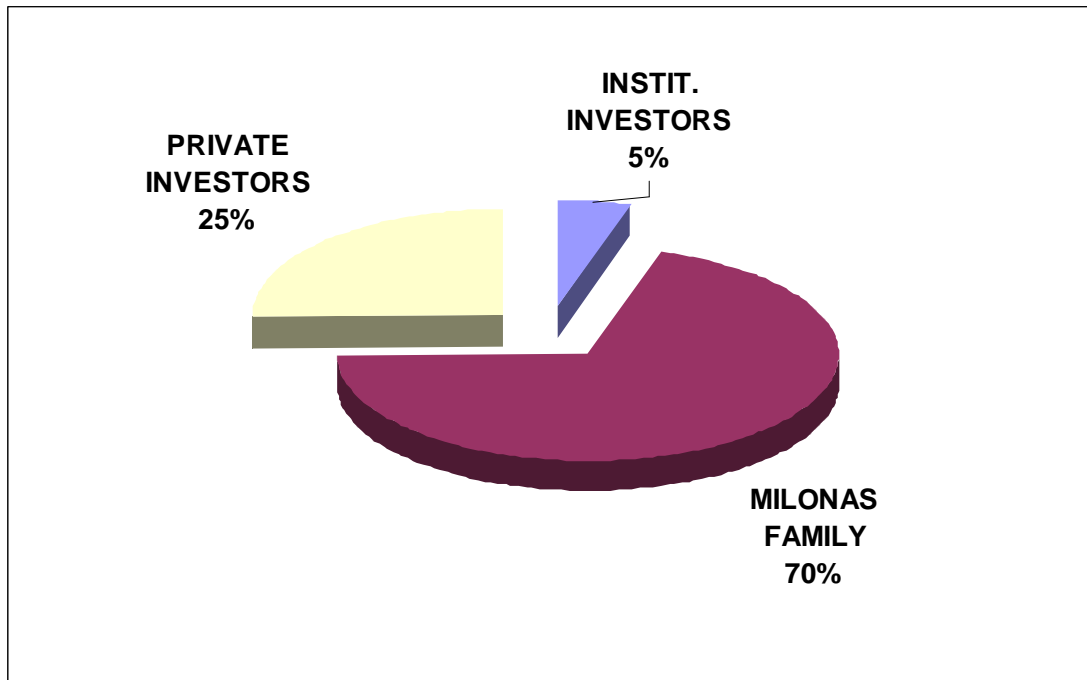
There have been no further events after the date of the Financial Statements of December 31st 2009 and until the time of their release, except for the issuance of the new debenture bond that is described in note 20, which are damaging and would require the need for adjustments of the Company's assets or liabilities figures of the Annual published financial statements or require their revelation at the financial statements of the closing period.

IX. STOCK MARKET DATA

The shares of the Company¹ started negotiating at the Athens Stock Exchange on the 26th of January 1998, a share capital increase of € 29.3 ml, was realized in May 2000. The share capital composition follows, as at 31.12.2009:

| Share capital composition | Number of Shares | Percentage% |
|---|------------------|-------------|
| George A. Milonas | 10.648.976 | 48,37% |
| Evagelia A. Milona | 4.746.887 | 21,56% |
| Institutional Investors & Legal Entities | 1.039.408 | 4,72% |
| Private Investors | 5.580.979 | 25,35% |
| Total | 22.016.250 | 100,0% |

¹ (Symbols: ASE.: ALMY, Reuters: ALMr.AT, Bloomberg: ALMY GA, Telerate (Bloomberg): GR;ALMY, ISIN Code: GRS289103004)

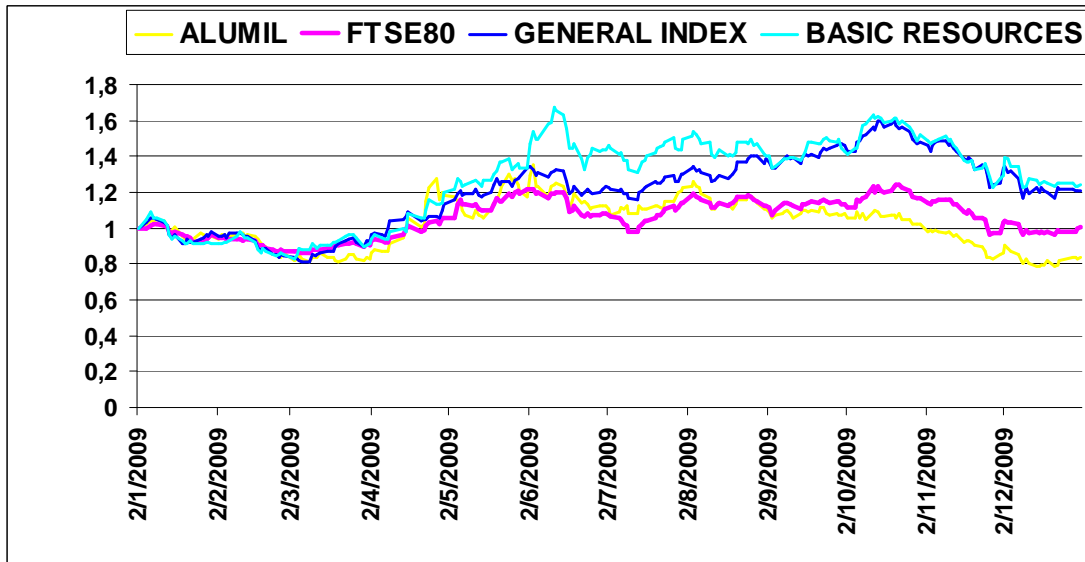


Share price progress – Charts of historical data

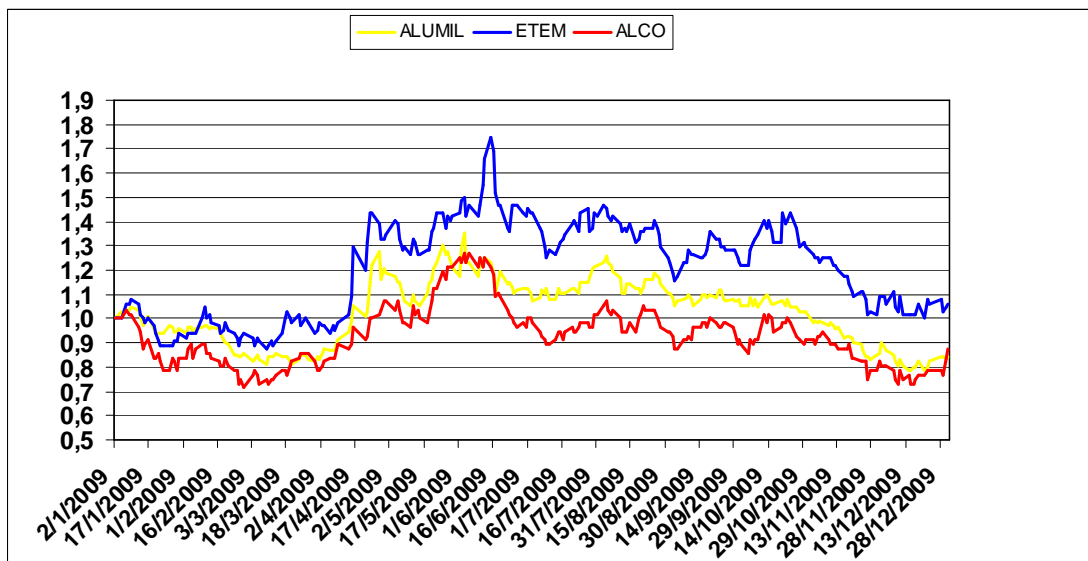
The share price at the end of 2009 stood at € 0.95 (31/12/2009) from € 1.14 at the end of 2008 (31/12/2008), decreased by approximately 14%.

The evolution of the Company's share price is influenced by the General Index, Raw Material Sector index, the Aluminium extrusion sub-sector, the Groups performance and the general financial conditions. ALUMIL S.A. participates in the ATHEX Mid - Small Cap Price Index, in the FTSE/ATHEX Small Cap 80, in the FTSE/ATHEX 140, FTSE/ATHEX Basic Resources and in the ATHEX All Share Index. Up to December 2008, ALUMIL participated in the Big Cap index, from which it came out on the 1.12.2008, to enter the Mid and Small Cap index, according to the decision of the Athens Stock Exchange Board of Directors on the 08.10.2008

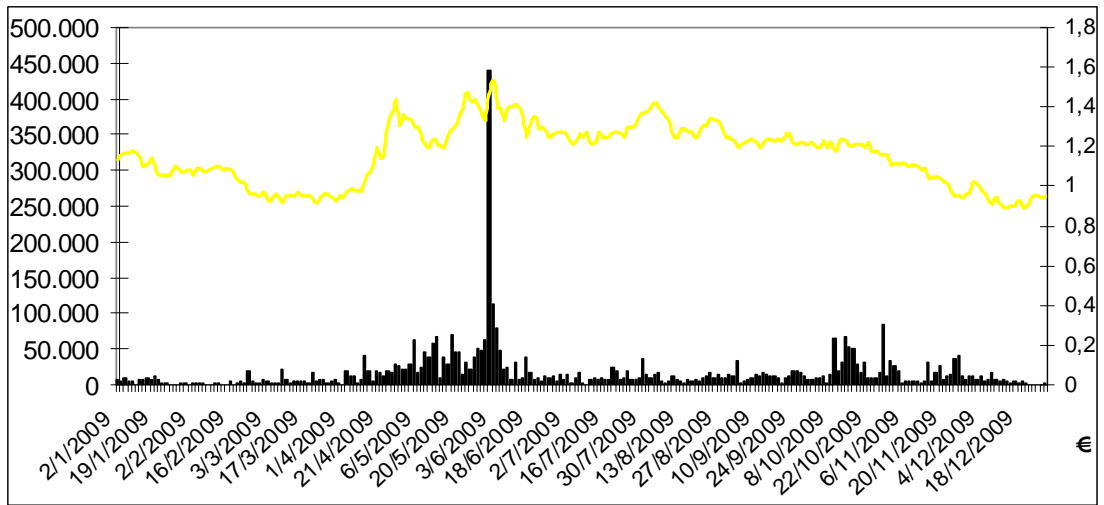
1. The evolution of the share price of the Company with the relative indexes to which the share participates (the Company does not participate in the General Index)



2. The evolution of the share price of the Company and its competitors



3. The evolution of the trading volume during 2009



The average daily volume for the share during 2009 was 16.259 shares.

EXPLANATORY REPORT OF THE BOARD OF DIRECTORS

(According to paragraphs 7 and 8, article 4 of the Law 3556/2007)

a) Share Capital

The Company's share capital amounts to € 8,146,01250; it is divided into 22,016,250 common nominal shares, with a par value of € 0.37 each. All Company shares are immaterial and traded in the cash market of Athens Stock Exchange, in the Mid and Small Capitalization segment. The Company's shares are common registered with a voting right. The responsibility of the shareholders is confined to the nominal value of the shares they possess. Purchase of own shares has not been made.

According to the Company's shareholders registry on 31.12.2009, share capital composition was as follows:

| Shareholder: | No. of Shares | Percentage % |
|------------------------------------|----------------------|---------------------|
| <u>George A. Milonas:</u> | 10.648.976 | 48,37% |
| <u>Evagelia A. Milona:</u> | 4.746.887 | 21,56% |
| Institutional & private investors: | <u>6.620.387</u> | <u>30,07%</u> |
| Total: | 22.016.250 | 100,00% |

b) Restriction on the transfer of shares of the Company

The transfer of shares of the Company is done in accordance with the Law and there are no restrictions on their transfer in the Articles of Association.

c) Important direct or indirect participations in accordance with the provisions of articles 9 to 11 of the Law 3556/2007.

On 31.12.2009, the below shareholders owned more than 5% of the total voting rights of the Company:

George Milonas: 48.37%

Evagelia Milona: 21.56%

No other physical or legal person possesses more than 5% of the share capital of the Company.

d) Shares that provide special control rights

No shares of the Company exist that confer on their holders special control privileges.

e) Voting right restrictions

No restrictions of voting rights are foreseen in the Articles of Association of the Company.

f) Agreements between the shareholders of the Company, including confinements to the transaction of shares, or confinements in voting rights

The Company is not aware of any agreements of its shareholders, and the Company's Article of Association does not provide the potentiality for agreements which entail confinements to the transaction of the shares or confinements in voting rights.

g) Rules for appointing and replacing members of the Board of Directors and modifying the Articles of Association

The provisions in the Articles of Association of the Company concerning the appointment and replacement of the members of the Board of Directors and the modification of the Articles of Association do not deviate from the provisions of Common Law 2190/1920.

h) Responsibility of the Board of Directors or specific BoD members regarding the issuance of new shares or the purchase of own shares

The provisions in the Articles of Association of the Company concerning the responsibility of the Board of Directors or specific BoD members regarding the issuance of new shares, or the purchase of own shares, do not deviate from the provisions of Common Law 2190/1920.

i) Important agreement concluded by the Company, coming into effect, modified or expiring, in case there is a change in the control of the Company following a public offer and the effects of any such agreement.

No such agreement exists.

j) Agreements that the Company has concluded with Board of Directors' members, or with employees, which foresee compensation, especially in case of resignation or termination without cause, or termination of their employment or professional contract, as a result of a public offer

No such agreement exists.

**THIS REPORT HAS BEEN TRANSLATED FROM THE GREEK ORIGINAL
VERSION**

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of **ALUMIL ALUMINIUM INDUSTRY S.A.**

Report on the on the company's and consolidated Financial Statements

We have audited the accompanying financial statements of ALUMIL ALUMINIUM INDUSTRY S.A., ("the Company") and the consolidated financial statements of the Company and its subsidiaries ("the Group"), which comprise the company's and consolidated statement of financial position as at December 31, 2009, the company's and consolidated income statement and statement of comprehensive income, statement of changes in equity and cash flow statement 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 financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal controls 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 financial statements based on our audit. We conducted our audit in accordance with International Standards of 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 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the 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 accompanying company's and consolidated financial statements present fairly, in all material respects, the financial position of ALUMIL ALUMINIUM INDUSTRY S.A. and the Group as at December 31, 2009, 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

We confirm that the information given in the Directors' Report is consistent with the accompanying company's and consolidated financial statements and complete in the context of the requirements of articles 43a, 107 and 37 of Codified Law 2190/1920.

Athens, 29 March 2010

THE CERTIFIED AUDITOR ACCOUNTANT

**LOIZOS KOLOKOTRONIS
S.O.E.L. R.N. 10931
ERNST & YOUNG (HELLAS) CERTIFIED AUDITORS ACCOUNTANTS S.A.
11TH KLM NATIONAL ROAD ATHENS – LAMIA,
14451 METAMORFOSI
COMPANY S.O.E.L. R.N. 107**

D. Financial Statements for the Group and Company

ALUMIL– ALUMINIUM EXTRUSION INDUSTRY S.A. CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2009

(All figures expressed in EURO, unless otherwise stated)

| THE GROUP | | | |
|-----------------------------------|----------------|-------------------------------|-------------------------------|
| | Note. | <u>01/01 - 31/12/2009</u> | <u>01/01 - 31/12/2008</u> |
| Sales | 5a | 209.889.993 | 285.109.472 |
| Cost of Sales | 5c | <u>(162.453.628)</u> | <u>(215.499.803)</u> |
| Gross Profit | | 47.436.365 | 69.609.669 |
| Other Operating Income | 5b | 4.807.883 | 5.343.568 |
| Selling and Distribution Expenses | 5d | (33.517.886) | (33.948.816) |
| Administrative Expenses | 5 ^e | (12.885.426) | (14.881.779) |
| Research & Development Expenses | 5f | (1.165.652) | (1.394.306) |
| Other Expenses | 5j | - | (467.340) |
| Currency Exchange Gains/(Losses) | | <u>(683.263)</u> | <u>55.969</u> |
| Operating Income | | 3.992.021 | 24.316.965 |
| Finance Expenses | 5g | (10.543.193) | (16.390.347) |
| Finance Income | 5g | <u>719.893</u> | <u>765.430</u> |
| INCOME BEFORE TAXES | | (5.831.279) | 8.692.048 |
| Income Tax Expense | 6 | <u>(2.001.371)</u> | <u>(92.987)</u> |
| INCOME AFTER TAXES | | <u>(7.832.650)</u> | <u>8.599.061</u> |
| Attributed to: | | | |
| Parent Company's Shareholders | | (9.372.935) | 4.717.440 |
| Minority Interests | | 1.540.285 | 3.881.621 |
| | | <u>(7.832.650)</u> | <u>8.599.061</u> |
| Earnings Per Share | | | |
| - Basic & Diluted | 7 | <u>(0,4257)</u> | <u>0,2143</u> |

**CONSOLIDATED REVENUE STATEMENT
FOR THE PERIOD ENDED
31 DECEMBER 2009**
(All figures expressed in EURO, unless otherwise stated)

| | THE GROUP | |
|---|-------------------------------|-------------------------------|
| | <u>01/01 - 31/12/2009</u> | <u>01/01 - 31/12/2008</u> |
| NET PROFIT / (LOSS) | (7.832.650) | 8.599.061 |
| Exchange differences from conversion of foreign subsidiaries | <u>(3.100.048)</u> | <u>(4.147.103)</u> |
| Comprehensive total income / (losses) after taxes | <u>(10.932.698)</u> | <u>4.451.958</u> |
| Attributed to: | | |
| Owners of the company | (11.919.143) | 2.243.368 |
| Minority interests | <u>986.445</u> | <u>2.208.590</u> |
| | <u>(10.932.698)</u> | <u>4.451.958</u> |

ALUMIL– ALUMINIUM EXTRUSION INDUSTRY S.A.
COMPANY'S INCOME STATEMENT
FOR THE PERIOD ENDED
31 DECEMBER 2009
(All figures expressed in EURO, unless otherwise stated)

THE COMPANY

| | Note. | <u>01/01 - 31/12/2009</u> | <u>01/01 - 31/12/2008</u> |
|-----------------------------------|-------|-------------------------------|-------------------------------|
| Sales | 5a | 145.045.575 | 204.065.455 |
| Cost of Sales | 5c | <u>(129.878.996)</u> | <u>(175.651.005)</u> |
| Gross Profit | | 15.166.579 | 28.414.450 |
| Other Operating Income | 5b | 1.332.702 | 3.095.857 |
| Selling and Distribution Expenses | 5d | (17.074.675) | (17.229.608) |
| Administrative Expenses | 5e | (6.200.117) | (7.299.420) |
| Research & Development Expenses | 5f | (677.935) | (915.535) |
| Currency Exchange Gains/(Losses) | | <u>15.841</u> | <u>(29.705)</u> |
| Operating Income | | (7.437.605) | 6.036.039 |
| Finance Expenses | 5g | (7.833.398) | (9.792.634) |
| Finance Income | 5g | <u>5.111.481</u> | <u>5.945.814</u> |
| INCOME BEFORE TAXES | | (10.159.522) | 2.189.219 |
| Income Tax Expense | 6 | <u>(75.866)</u> | <u>1.595.891</u> |
| INCOME AFTER TAXES | | <u>(10.235.388)</u> | <u>3.785.110</u> |
| Earnings Per Share | | | |
| - Basic & Diluted | 7 | <u>(0,4649)</u> | <u>0,1719</u> |

**COMPANY REVENUE STATEMENT
FOR THE PERIOD ENDED
31 DECEMBER 2009**
(All figures expressed in EURO, unless otherwise stated)

| | THE COMPANY | |
|--|-------------------------------|-------------------------------|
| | 01/01 - 31/12/2009 | 01/01 - 31/12/2008 |
| NET PROFIT / (LOSS) | (10.235.388) | 3.785.110 |
| Other comprehensive income after taxes | - | - |
| Comprehensive total income / (losses) after taxes | <u>(10.235.388)</u> | <u>3.785.110</u> |

ALUMIL-ALUMINIUM EXTRUSION INDUSTRY S.A.
CONSOLIDATED AND COMPANY'S STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2008
(All figures expressed in EURO, unless otherwise stated)

| | Note. | THE GROUP | | THE COMPANY | |
|---|-------|--------------------|--------------------|--------------------|--------------------|
| | | 31/12/2009 | 31/12/2008 | 31/12/2009 | 31/12/2008 |
| ASSETS | | | | | |
| Non-Current Assets: | | | | | |
| Tangible assets | 8 | 179.691.671 | 189.527.927 | 62.650.449 | 66.673.874 |
| Intangible assets | 9 | 811.409 | 1.605.730 | 535.189 | 1.131.299 |
| Investments in subsidiaries | 10 | - | - | 51.605.980 | 42.181.244 |
| Available for sale financial assets | 11 | 550.466 | 550.539 | 549.636 | 549.636 |
| Long-term receivables | 12 | 1.380.931 | 793.399 | 4.442.098 | 3.710.439 |
| Deferred tax assets | 6 | 861.172 | 1.154.521 | - | - |
| Total Non-Current Assets | | 183.295.649 | 193.632.116 | 119.783.352 | 114.246.492 |
| Inventories | 13 | 73.518.790 | 98.227.357 | 34.200.305 | 51.687.728 |
| Trade receivables | 14 | 97.440.425 | 101.502.374 | 99.186.857 | 116.449.536 |
| Other receivables & prepayments | 15 | 18.472.238 | 15.121.009 | 15.599.530 | 10.873.346 |
| Cash & cash equivalents | 16 | 13.385.983 | 12.195.233 | 1.528.278 | 1.791.872 |
| Total Current Assets | | 202.817.436 | 227.045.973 | 150.514.970 | 180.802.482 |
| TOTAL ASSETS | | 386.113.085 | 420.678.089 | 270.298.322 | 295.048.974 |
| Share capital | 17 | 8.146.012 | 8.146.012 | 8.146.012 | 8.146.012 |
| Share premium account | 17 | 33.153.265 | 33.153.265 | 33.153.265 | 33.153.265 |
| Reserves | 18 | 50.657.954 | 52.901.189 | 49.856.336 | 49.786.808 |
| Retained earnings | | 22.583.028 | 34.151.597 | (707.171) | 11.557.191 |
| | | 114.540.259 | 128.352.063 | 90.448.442 | 102.643.276 |
| Minority interests | | 16.673.759 | 17.317.830 | - | - |
| Total Equity | | 131.214.018 | 145.669.893 | 90.448.442 | 102.643.276 |
| Long term debt | 20 | 81.764.442 | 110.923.030 | 74.156.743 | 103.016.483 |
| Provisions for staff leaving indemnities | 21 | 1.728.791 | 1.584.398 | 1.115.273 | 1.023.296 |
| Government grants | 22 | 28.838.917 | 29.635.405 | 3.946.703 | 4.278.365 |
| Other long-term liabilities | 23 | 134.904 | 231.204 | - | 58.997 |
| Deferred tax liabilities | 6 | 6.320.398 | 5.978.149 | 3.532.084 | 3.566.218 |
| Total long term liabilities | | 118.787.452 | 148.352.186 | 82.750.803 | 111.943.359 |
| Trade payables | 24 | 29.489.871 | 39.794.955 | 23.102.707 | 26.780.235 |
| Other short term liabilities and accrued expenses | 25 | 9.996.328 | 8.683.953 | 5.355.288 | 5.322.508 |
| Short term debts | 26 | 63.283.002 | 53.515.418 | 38.969.742 | 28.515.073 |
| Current portion of long term debts | 20 | 31.862.287 | 22.631.473 | 28.901.340 | 19.184.523 |
| Income tax payable | 27 | 1.480.127 | 2.030.211 | 770.000 | 660.000 |
| Total current liabilities | | 136.111.615 | 126.656.010 | 97.099.077 | 80.462.339 |
| Total liabilities | | 254.899.067 | 275.008.196 | 179.849.880 | 192.405.698 |
| TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY | | 386.113.085 | 420.678.089 | 270.298.322 | 295.048.974 |

ALUMIL -ALUMINIUM EXTRUSION INDUSTRY S.A.
CONSOLIDATED AND COMPANY'S CASH FLOW STATEMENT
FOR THE PERIOD 1/1/2008 – 31/12/2008
(All figures expressed in EURO, unless otherwise stated)

| | Note. | THE GROUP | | THE COMPANY | |
|---|----------|-----------------------|-----------------------|-----------------------|-----------------------|
| | | 01/01 - 31/12/2008 | 01/01 - 31/12/2007 | 01/01 - 31/12/2008 | 01/01 - 31/12/2007 |
| Cash Flows from Operating Activities | | | | | |
| (Losses) / Earnings before taxes | | (5.831.279) | 8.692.048 | (10.159.522) | 2.189.219 |
| Adjustments for: | | | | | |
| Tangible assets' depreciation | 5i, 8 | 13.674.744 | 13.812.218 | 5.921.590 | 6.000.738 |
| Intangible assets' amortization | 5i, 9 | 1.117.399 | 1.150.215 | 841.332 | 842.144 |
| Net profits from disposals of tangible assets | 5b,5e | (109.733) | (125.211) | (118.157) | (38.518) |
| Loss from impairment of assets | 5j, 8 | - | 467.340 | - | - |
| Unrealized exchange differences | | (211.432) | 3.775.728 | (36.437) | 73.651 |
| Interest and related income | 5g | (719.893) | (765.430) | (398.049) | (443.437) |
| Interest and related expenses | 5g | 10.543.193 | 12.767.101 | 7.833.398 | 9.792.634 |
| Income from investments | 5g | - | - | (4.713.432) | (5.502.377) |
| Net gain from impairment of investments | 5b, 5e | - | - | - | (1.067.970) |
| Government Grant depreciation | 5b, 22 | (1.899.154) | (2.258.238) | (331.662) | (448.810) |
| Net (gains)/losses from conversion exchange differences | | (465.867) | 685.853 | - | - |
| Income from unused provisions | 5b, 14 | (270.601) | (342.861) | - | - |
| Provision for doubtful debts | 5d,14,15 | 6.439.513 | 1.517.483 | 4.854.654 | 1.279.566 |
| Provision for obsolete inventories | 5c, 13 | 2.322.713 | 5.818.475 | 992.600 | 3.408.142 |
| Provision for staff leaving indemnities | 5h, 21 | 530.765 | 428.665 | 292.389 | 259.905 |
| | | 25.120.368 | 45.623.386 | 4.978.704 | 16.344.887 |
| (Increase) / Decrease in: | | | | | |
| Inventories | | 22.385.854 | (5.689.949) | 16.494.824 | (5.416.894) |
| Trade receivables | | (10.719.352) | (1.023.716) | 3.644.571 | 2.552.895 |
| Other receivables & prepayments | | 1.493.443 | (3.197.423) | (3.006.938) | (3.400.459) |
| Other long-term receivables | | (587.532) | (2.719) | (731.658) | (151.169) |
| Increase / (Decrease) in : | | | | | |
| Trade payables | | (1.816.455) | (20.158.085) | (3.688.347) | (16.226.551) |
| Other liabilities and accrued expenses | | (3.147.857) | (422.408) | (908.000) | 59.843 |
| Other long-term liabilities | | (96.300) | 261.536 | (58.997) | 58.997 |
| Personnel indemnities' payments | 21 | (379.801) | (267.950) | (200.412) | (104.511) |
| Minus: | | | | | |
| Interest and related expenses paid | | 8.692.493 | 11.152.930 | 6.955.230 | 8.425.186 |
| Income taxes paid | | 2.201.820 | 2.923.188 | - | 188.425 |
| Net Cash Flows from Operating Activities | | 21.358.055 | 1.046.554 | 9.568.517 | (14.896.573) |
| Cash Flows from Investing Activities | | | | | |
| Purchases of tangible assets | 8 | (6.916.067) | (16.261.620) | (2.152.303) | (3.404.743) |
| Proceeds from disposal of tangible assets | | 643.476 | 788.119 | 284.307 | 245.618 |
| Purchases of intangible assets | 9 | (253.342) | (442.921) | (157.234) | (300.802) |
| Interest and related income | | 655.698 | 765.430 | 398.049 | 443.437 |
| Income from investments | | - | - | 2.800.841 | 5.502.377 |
| Government grant collection | 22 | - | 5.009.067 | - | 671.300 |
| Investments in subsidiaries | 10 | - | - | (358.070) | (715.807) |
| Available-for-sale financial assets | 11 | - | (903) | - | - |
| Net Cash Flows from Investing Activities | | (5.870.235) | (10.142.828) | 815.590 | 2.441.380 |
| Cash Flows from Financing Activities | | | | | |
| Net change in short-term debts | | 9.767.583 | (1.131.520) | 10.454.669 | 887.453 |
| Long-term debt withdrawals | 20 | (22.823.557) | (17.830.204) | (19.142.924) | (12.896.625) |
| Long-term debt repayments | | - | (3.462.275) | - | (3.462.275) |
| Financing to related parties | | 108.000 | 357.540 | - | - |
| Proceeds from minorities' shareholders | 10 | (1.609.224) | (3.338.591) | - | - |
| Dividends paid to minority shareholders | | (1.959.446) | (3.082.275) | (1.959.446) | (3.082.275) |
| Dividends paid to Parent Company's shareholders | 19 | (13.839.599) | 6.512.675 | (10.647.701) | 11.446.278 |
| Net Cash Flows from Financing Activities | | 9.767.583 | (1.131.520) | 10.454.669 | 887.453 |
| Net change in cash and cash equivalents | | 1.648.221 | (2.583.599) | (263.594) | (1.008.915) |
| Cash and cash equivalents as at 1st January | 16 | 12.195.233 | 16.079.368 | 1.791.872 | 2.800.787 |
| Foreign Exchange Differences on cash and cash equivalents | | (457.471) | (1.300.536) | - | - |
| Cash and cash equivalents as at 31st December | 16 | 13.385.983 | 12.195.233 | 1.528.278 | 1.791.872 |

ALUMIL - ALUMINIUM EXTRUSION INDUSTRY S.A.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1/1/2009 – 31/12/2009
(All figures expressed in EURO, unless otherwise stated)

| | Share Capital (Note 17) | Share Premium Account (Note 17) | Reserves (Note 18) | Exchange Differences (Note 18) | Retained Earnings | Total | Minority Interests | Total |
|--|----------------------------|--|-----------------------|--------------------------------------|----------------------|--------------|-----------------------|--------------|
| Shareholders' Equity as at January 1st, 2009 | 8.146.012 | 33.153.265 | 55.097.580 | (2.196.391) | 34.151.597 | 128.352.063 | 17.317.830 | 145.669.893 |
| Net earnings for the period 01/01-31/12/2009 | - | - | - | - | (9.372.935) | (9.372.935) | 1.540.285 | (7.832.650) |
| Other comprehensive income/ (losses) | - | - | - | (2.546.208) | - | (2.546.208) | (553.840) | (3.100.048) |
| Total comprehensive income/ (losses) after taxes | - | - | - | (2.546.208) | (9.372.935) | (11.919.143) | 986.445 | (10.932.698) |
| Distribution to reserves (Note 18) | - | - | 186.398 | - | (186.398) | - | - | - |
| Changes in minority interests (Note 10) | - | - | 6.897 | 3.341 | 62.027 | 72.265 | (134.772) | (62.507) |
| Transfer of grants' depreciation, Law. 3299/04 (Note 18) | - | - | 106.337 | - | (111.817) | (5.480) | 5.480 | - |
| Dividends payable (Note 19) | - | - | - | - | (1.959.446) | (1.959.446) | (1.609.224) | (3.568.670) |
| Subsidiary's share capital increase – Establishment of Companies (Note 10) | - | - | - | - | - | - | 108.000 | 108.000 |
| Shareholders' Equity as at 31st December 2009 | 8.146.012 | 33.153.265 | 55.397.212 | (4.739.258) | 22.583.028 | 114.540.259 | 16.673.759 | 131.214.018 |
| Shareholders' Equity as at January 1st 2008 | 8.146.012 | 33.153.265 | 54.297.040 | (642.857) | 34.237.524 | 129.190.984 | 18.090.277 | 147.281.261 |
| Net earnings for the period 01/01-31/12/2008 | - | - | - | - | 4.717.440 | 4.717.440 | 3.881.621 | 8.599.061 |
| Other comprehensive income/ (losses) | - | - | - | (1.553.534) | (920.538) | (2.474.072) | (1.673.031) | (4.147.103) |
| Total comprehensive income/ (losses) after taxes | - | - | - | (1.553.534) | 3.796.902 | 2.243.368 | 2.208.590 | 4.451.958 |
| Distribution to reserves (Note 18) | - | - | 553.935 | - | (553.935) | - | - | - |
| Transfer of grants' depreciation, Law. 3299/04 (Note 18) | - | - | 246.605 | - | (246.619) | (14) | 14 | - |
| Dividends payable (Note 19) | - | - | - | - | (3.082.275) | (3.082.275) | (3.338.591) | (6.420.866) |
| Subsidiary's share capital increase – Establishment of Companies (Note 10) | - | - | - | - | - | - | 357.540 | 357.540 |
| Shareholders' Equity ending balance as at 31st December 2008 | 8.146.012 | 33.153.265 | 55.097.580 | (2.196.391) | 34.151.597 | 128.352.063 | 17.317.830 | 145.669.893 |

ALUMIL - ALUMINIUM EXTRUSION INDUSTRY S.A.
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1/1/2009 – 31/12/2009
(All figures expressed in EURO, unless otherwise stated)

| | Share Capital (Note 17) | Share Premium (Note 18) | Reserves (Note 18) | Retained Earnings | Total |
|---|----------------------------|-------------------------------|-----------------------|----------------------|--------------------|
| Shareholders' Equity as at January 1st, 2009 | 8.146.012 | 33.153.265 | 49.786.808 | 11.557.191 | 102.643.276 |
| Net earnings for the period 01/01-31/12/2009 | - | - | - | (10.235.388) | (10.235.388) |
| Other comprehensive income / (Losses) | - | - | - | - | - |
| Total comprehensive losses after taxes | - | - | - | (10.235.388) | (10.235.388) |
| Transfer of grants' depreciation, Law. 3299/04 (Note 18) | - | - | 69.528 | (69.528) | - |
| Dividends payable (Note 19) | - | - | - | (1.959.446) | (1.959.446) |
| Shareholders' Equity as at 31st December 2009 | 8.146.012 | 33.153.265 | 49.856.336 | (707.171) | 90.448.442 |
| Shareholders' Equity as at January 1st, 2008 | 8.146.012 | 33.153.265 | 49.525.625 | 11.115.539 | 101.940.441 |
| Net earnings for the period 01/01-31/12/2008 | - | - | - | 3.785.110 | 3.785.110 |
| Other comprehensive income / (Losses) | - | - | - | - | - |
| Total comprehensive earnings after taxes | - | - | - | 3.785.110 | 3.785.110 |
| Distribution to reserves (Note 18) | - | - | 82.096 | (82.096) | - |
| Transfer of grants' depreciation, Law. 3299/04 (Note 18) | - | - | 179.087 | (179.087) | - |
| Dividends payable (Note 19) | - | - | - | (3.082.275) | (3.082.275) |
| Shareholders' Equity as at 31st December 2008 | 8.146.012 | 33.153.265 | 49.786.808 | 11.557.191 | 102.643.276 |

ALUMIL MILONAS S.A.

Notes to the Financial Statements

As at 31st December 2008

(All figures expressed in EURO, unless otherwise stated)

E. NOTES TO THE FINANCIAL STATEMENTS OF THE GROUP AND COMPANY

1. GENERAL INFORMATION

“ALUMIL - ALUMINIUM INDUSTRY S.A.” with trade name ALUMIL S.A. (The Company), was incorporated in 1988; it is the Parent Company of ALUMIL Group. The Company is registered in the Hellenic S.A. (Société Anonymes) Trade Registry with registration number 17520/06/B/88/18. Alumil shares started trading in the Athens Stock Exchange (ASE) in 1998.

With the decision of the Annual General Shareholders Meeting the Company’s name changed from “ALUMIL MILONAS ALUMINIUM INDUSTRY S.A.” to “ALUMIL ALUMINIUM INDUSTRY S.A.” this decision was approved by the Ministry of Development (decision no. K2-6215/15/6/2009). The Board of Directors of the Athens Stock Exchange at its meeting on the 02.07.2009 was informed for the above mentioned decision.

The company established subsidiaries with headquarters in the following countries: Greece, Romania, Bulgaria, Hungary, Poland, Ukraine, Serbia, Montenegro, Cyprus, Egypt, Germany, Italy, Albania, Kosovo, Moldavia, Bosnia, Fyrom, France, UAE, and Czech Republic. Subsidiaries’ trade names and basic activity are described in Note 10, below.

ALUMIL produces aluminium profile systems, aluminium rods (billets), used as raw material for the profile systems and also processes part of the production. Furthermore, it produces, imports and trades spare parts for its branded aluminium systems, in order to optimally support sales technically. In addition, through its subsidiaries, ALUMIL produces specialized aluminium products for customized applications, accessories, automation systems (for doors, elevators), polycarbonate sheets, composite panels (J-Bond) and is capable of providing new surface processing methods, namely anodizing.

Annual Financial Statements include Parent Company’s (i.e. ALUMIL S.A or the Company) and Consolidated Financial Statements.

The Company’s and Consolidated Annual Financial Statements, for the period ended December 31st, 2009, were approved by the Board of Directors on March 26th, 2010. Their further approval pending by the Annual General Shareholder’s Assembly. The attached financial statements can be found in the company’s official website (<http://www.alumil.com/>)

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

2. BASIS OF PREPARATION

Basis of preparation: Financial Statements have been prepared, in all material respects, in accordance with International Financial Reporting Standards (IFRS), including International Accounting Standards and disclosures approved by the Disclosures Committee of the IASC as those are adopted by the EU, as at December 31st, 2009. There are no standards applied before their commencement date.

Financial statements are drafted under the historic cost principle (land plots and buildings excluded, their valuation based on the adjusted, market value, considered as deemed cost on the IFRS transition date).

Financial statements' preparation under the IFRS, prerequisites that Group administration proceeds into basic assumptions and accounting estimates affecting: assets and liabilities accounts' open balances, publishing contingent receivables and payables as of the Financial Statements' preparation date, as well as realized income and expenses during the reported period. Despite the fact that these estimates are based on the best available knowledge of the administration, related to the circumstances and the current conditions, final results may eventually differ from these estimates. Segments demanding higher degree of caution and also where assumptions and estimates are important for the Financial Statements, relate to Notes 6, 8, 9, 10, 13, 14, 15, 21 and 31e.

New standards, interpretations and modifications of existing standards

The accounting principles applied in the preparation and presentation of the accompanying financial statements are consistent with those used in the preparation of annual financial statements for the Company and Group for the year ended December 31st, 2008, except for the adoption of the following new standards and interpretations applicable for annual periods beginning on January 1, 2009.

The Group has adopted the following new and amended IFRS and IFRIC interpretations as of 1 January 2009:

- IFRIC 13 Customer Loyalty Programmes effective 1 July 2008
- IFRIC 15 Agreements for the Construction of Real Estate effective 1 January 2009
- IFRIC 16 Hedges of a Net Investment in a Foreign Operation effective 1 October 2008
- IFRIC 9 Remeasurement of Embedded Derivatives (Amended) and IAS 39 Financial Instruments: Recognition and Measurement (Amended) effective for periods ending on or after 30 June 2009
- IFRS 1 First-time Adoption of International Financial Reporting Standards (Amended) and IAS 27 Consolidated and Separate Financial Statements (Amended) effective 1 January 2009
- IFRS 2 Share-based Payment: Vesting Conditions and Cancellations (Amended) effective 1 January 2009
- IFRS 8 Operating Segments effective 1 January 2009
- IFRS 7 Financial Instruments: Disclosures (Amended) effective 1 January 2009
- IAS 1 Presentation of Financial Statements (Revised) effective 1 January 2009

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

- IAS 32 Financial Instruments: Presentation (Amended) and IAS 1 Puttable Financial Instruments and Obligations Arising on Liquidation (Amended) effective 1 January 2009
- IAS 23 Borrowing Costs (Revised) effective 1 January 2009
- Improvements to IFRSs (May 2008)
- IFRIC 18 Transfers of Assets from Customers effective 1 July 2009

The impact of the adoption of the above standards or interpretations on the financial statements or performance of the Group, is described below:

IFRIC 13, “Customer Loyalty Programmes”. This Interpretation requires customer loyalty award credits to be accounted for as a separate component of the sales transaction in which they are granted and therefore part of the fair value of the consideration received is allocated to the award credits and deferred over the period that the award credits are fulfilled. This interpretation will have no impact on the Group’s financial statements as no such schemes currently exist.

IFRIC 15, “Agreements for the Construction of Real Estate”, effective for financial years beginning on or after 1 January 2009 and is to be applied retrospectively. IFRIC 15 provides guidance on how to determine whether an agreement for the construction of real estate is within the scope of IAS 11 'Construction Contracts' or IAS 18 'Revenue' and, accordingly, when revenue from such construction should be recognised. This interpretation is retroactive. IFRIC 15 is not relevant to the group’s operations.

IFRIC 16 Hedges of a Net Investment in a foreign operation

This interpretation is to be applied prospectively. IFRIC 16 provides guidance on the accounting for a hedge of a net investment. As such it provides guidance on identifying the foreign currency risk that qualifies for hedge accounting in the hedge of a net investment, where within the group the hedging instruments can be held in the hedge of a net investment and how the entity should determine the amount of foreign currency gain or loss, relating to both the net investment and the hedging instrument, to be recycled on disposal of the net investment. IFRIC 16 had no impact on the financial statements.

IFRIC 18 Transfers of Assets from Customers

This interpretation provides guidance on how to account for items of property, plant and equipment received from customers or cash that is received and used to acquire or construct specific assets. It is only applicable to such assets that are used to connect the customer to a network or to provide ongoing access to a supply of goods or services or both. IFRIC 16 had no impact on the financial statements.

IAS 39 Financial Instruments: Recognition and Measurement and IFRIC 9 Reassessment of embedded derivatives (Amended)

The amendment to IFRIC 9 requires an entity to assess whether an embedded derivative must be separated from the host contract when the entity reclassifies a hybrid financial asset out of the 'fair value through profit or loss' category. This assessment is to be based on circumstances that existed on the later of the date the entity first came party to the contract and the date of any contract amendments that significantly change the cash flows of the contract. IAS 39 now states that if an embedded derivative cannot be reliably

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

measured the entire hybrid instrument can remain classified at fair value through profit and loss. This amendment had no impact on the Group's financial statements.

IFRS 2 Share-based Payments (Amended)

The amendment clarifies two issues. The definition of 'vesting condition', introduces the term 'non-vesting condition' for conditions other than service conditions and performance conditions. It also clarifies that the same accounting treatment applies to awards that are effectively cancelled by either the entity or the counterparty. This amendment did not have any impact on the financial statements.

IFRS 8, "Operating Segments".

IFRS 8 replaces IAS 14 'Segment reporting'. IFRS 8 adopts a management approach to segment reporting. The information reported would be that which management uses internally for evaluating the performance of operating segments and allocating resources to those segments. The Group decided that no changes are required in primary sectors displayed from the application of IFRS 8 and thus continues to generate reports for geographic areas, as outlined in Note 4, which includes additional disclosures and revised comparative information regarding the presentation of consolidated assets and liabilities by sector.

IFRS 7 Financial Instruments: Disclosures (Amended)

The amended standard requires additional disclosures about fair value measurement and liquidity risk. Fair value measurements related to items recorded at fair value are to be disclosed by the source of inputs, using a three-level hierarchy, by class, for all financial instruments recognized at fair value. In addition, reconciliation between the beginning and ending balance for level 3 fair value measurements is now required, as well as significant transfers between the levels in the fair value hierarchy. The amendments also clarify the requirements for liquidity risk disclosures with respect to derivative transactions and assets used for liquidity management. This amendment did not have any impact on the financial statements.

IAS 1 Presentation of Financial Statements (Revised)

The revised standard requires that the statement of changes in equity includes only transactions with shareholders; introduces a new statement of comprehensive income that combines all items of income and expense recognized in profit or loss together with "other comprehensive income" (either in one single statement or in two linked statements); and requires the inclusion of a third column on the balance sheet to present the effect of restatements of financial statements or retrospective application of a new accounting policy as at the beginning of the earliest comparative period. The Group made the necessary changes to the presentation of its financial statements in 2009 and has elected to present two linked statements for the statement of comprehensive income.

IAS 32 Financial Instruments: Presentation and IAS 1 Puttable Financial Instruments and obligations arising on liquidation (Amended)

The standards have been amended to allow a limited scope exception for puttable financial instruments to be classified as equity if certain criteria are met. This amendment did not have any material impact on the financial statements.

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

IAS 23 Borrowing Costs (Revised)

According to amendment of IAS 23, the option (which is included in the current standard) to recognize the cost of borrowing that can be attributed directly to an asset that meets the conditions in the period's expenses, is repealed. All borrowing costs that can be directly attributed to the acquisition, construction or production of an asset that meets requirements must be capitalized. An asset that meets requirements is an asset that necessarily takes a substantial period of preparation for the use for which it is intended, or for sale.

The Group's previous policy was to expense borrowing costs as they were incurred. In accordance with the transitional requirements of the Standard, the Group adopted the change on a prospective basis. Accordingly, borrowing costs were capitalized on qualifying assets with a commencement date on or after 1 January 2009.

In May 2008 the IASB issued its first omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording.

- **IFRS 5 Non-current Assets Held for Sale and Discontinued Operations**
The amendment clarifies that all of a subsidiary's assets and liabilities are classified as held for sale, under IFRS 5, even when the entity will retain a non-controlling interest in the subsidiary after the sale.
- **IFRS 7 Financial Instruments: Disclosures**
This amendment removes the reference to 'total interest income' as a component of finance costs.
- **IAS 1 Presentation of Financial Statements**
This amendment clarifies that assets and liabilities classified as held for trading in accordance with IAS 39 Financial Instruments: Recognition and Measurement are not automatically classified as current in the balance sheet.
- **IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors**
This amendment clarifies that only implementation guidance that is an integral part of an IFRS is mandatory when selecting accounting policies.
- **IAS 10 Events after the Reporting Period**
This amendment clarifies that dividends declared after the end of the reporting period are not obligations.
- **IAS 16 Property, Plant and Equipment**
This amendment clarifies that items of property, plant & equipment held for rental that are routinely sold in the ordinary course of business after rental, are transferred to inventory when rental ceases and they are held for sale. Proceeds on sale are subsequently shown as revenue. IAS 7 Statement of cash flows is also revised, to require cash payments to manufacture or acquire such items to be classified as cash flows from operating activities. The cash receipts from rents and subsequent sales of such assets are also shown as cash flows from operating activities.

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

- **IAS 18 Revenue**
This amendment replaces the term ‘direct costs’ with ‘transaction costs’ as defined in IAS 39.
- **IAS 19 Employee Benefits**
This amendment revises the definitions of ‘past service costs’, ‘return on plan assets’ and ‘short-term’ and ‘other long term’ employee benefits to focus on the point in time at which the liability is due to be settled.
- **IAS 20 Accounting for Government Grants and Disclosure of Government Assistance**
Loans granted with no or low interest rates are not exempt from the requirement to impute interest. Interest is to be imputed on loans granted with below-market interest rates, thereby being consistent with IAS 39. The difference between the amount received and the discounted amount is accounted for as a government grant. To be applied prospectively – to government loans received on or after 1 January 2009.
- **IAS 23 Borrowing Costs**
The amendment revises the definition of borrowing costs to consolidate the types of items that are considered components of ‘borrowing costs’ into one – the interest expense calculated using the effective interest rate method as described in IAS 39.
- **IAS 27 Consolidated and Separate Financial Statements**
When a parent entity accounts for a subsidiary at fair value in accordance with IAS 39 in its separate financial statements, this treatment continues when the subsidiary is subsequently classified as held for sale.
- **IAS 28 Investment in Associates**
This interpretation clarifies that (i) if an associate is accounted for at fair value in accordance with IAS 39 only the requirement of IAS 28 to disclose the nature and extent of any significant restrictions on the ability of the associate to transfer funds to the entity in the form of cash or repayment of loans applies and (ii) an investment in an associate is a single asset for the purpose of conducting the impairment test – including any reversal of impairment. Therefore, any impairment is not separately allocated to the goodwill included in the investment balance and any impairment is reversed if the recoverable amount of the associate increases.
- **IAS 29 Financial Reporting in Hyperinflationary Economies**
This amendment revises the reference to the exception to measure assets and liabilities at historical cost, such that it notes property, plant and equipment as being an example, rather than implying that it is a definitive list.
- **IAS 31 Interest in Joint ventures**
This amendment clarifies that if a joint venture is accounted for at fair value, in accordance with IAS 39 only the requirements of IAS 31 to disclose the commitments of the venturer and the joint venture, as well as summary financial information about the assets, liabilities, income and expenses will apply.

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

- **IAS 34 Interim Financial Reporting**

This amendment clarifies that earnings per share is disclosed in interim financial reports if an entity is within the scope of IAS 33.
- **IAS 36 Impairment of assets**

This amendment clarifies that when discounted cash flows are used to estimate 'fair value less costs to sell', the same disclosure is required as when discounted cash flows are used to estimate 'value in use'.
- **IAS 38 Intangible Assets**
 - Expenditure on advertising and promotional activities is recognized as an expense when the entity either has the right to access the goods or has received the services.
 - Deletes references to there being rarely, if ever, persuasive evidence to support an amortization method for finite life intangible assets that results in a lower amount of accumulated amortization than under the straight-line method, thereby effectively allowing the use of the unit of production method.
 - A prepayment may only be recognized in the event that payment has been made in advance to obtaining right of access to goods or receipt of services.
- **IAS 39 Financial instruments recognition and measurement**
 - Clarifies that changes in circumstances relating to derivatives – specifically derivatives designated or de-designated as hedging instruments after initial recognition – are not reclassifications. Thus, a derivative may be either removed from, or included in, the 'fair value through profit or loss' classification after initial recognition. Similarly, when financial assets are reclassified as a result of an insurance company changing its accounting policy in accordance with paragraph 45 of IFRS 4 Insurance Contracts, this is a change in circumstance, not a reclassification.
 - Requires use of the revised effective interest rate (rather than the original effective interest rate) when remeasuring a debt instrument on the cessation of fair value hedge accounting.
- **IAS 40 Investment property**
 - Revises the scope (and the scope of IAS 16) such that property that is being constructed or developed for future use as an investment property is classified as investment property. If an entity is unable to determine the fair value of an investment property under construction, but expects to be able to determine its fair value on completion, the investment under construction will be measured at cost until such time as fair value can be determined or construction is complete. Clarifies that the carrying amount of investment property held under lease is the valuation obtained increased by any recognized liability.

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

- **IAS 41 Agriculture**

- Replaces the term 'point-of-sale costs' with 'costs to sell'.
-
- Removes the reference to the use of a pre-tax discount rate to determine fair value, thereby allowing use of either a pre-tax or post-tax discount rate depending on the valuation methodology used.
-
- Removes the prohibition to take into account cash flows resulting from any additional transformations when estimating fair value. Rather, cash flows that are expected to be generated in the 'most relevant market' are taken into account.
-

Standards issued but not yet effective

- **IFRIC 17 Distributions of Non-cash Assets to Owners**

This interpretation is effective for annual periods beginning on or after 1 July 2009 with early application permitted. The interpretation provides guidance on how to account for non-cash distributions to owners. The interpretation clarifies when to recognize a liability, how to measure it and the associated assets, and when to derecognize the asset and liability. The Group does not expect IFRIC 17 to have an impact on the financial statements as the Group has not made any non-cash distributions to shareholders in the past.

- **IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments**

The interpretation is effective for annual periods beginning on or after 1 July 2010. This interpretation addresses the accounting treatment when there is a renegotiation between the entity and the creditor regarding the terms of a financial liability and the creditor agrees to accept the entity's equity instruments to settle the financial liability fully or partially. IFRIC 19 clarifies such equity instruments are "consideration paid" in accordance with paragraph 41 of IAS 39. As a result, the financial liability is derecognized and the equity instruments issued are treated as consideration paid to extinguish that financial liability. This interpretation has not yet been endorsed by the EU. The Group does not expect that the amendment will have any impact on the financial position or performance of the Group.

- **IFRIC 14 Prepayments of a Minimum Funding Requirement (Amended)**

The amendment is effective for annual periods beginning on or after 1 January 2011. The purpose of this amendment was to permit entities to recognize as an asset some voluntary prepayments for minimum funding contributions. This Earlier application permitted and must be applied retrospectively. This amendment has not yet been endorsed by the EU. The Group does not expect that the amendment will have any impact on the financial position or performance of the Group.

- **IFRS 3 Business Combinations (Revised) and IAS 27 Consolidated and Separate Financial Statements (Amended)**

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

The revision and amendment is effective for annual periods beginning on or after 1 July 2009. The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition-related costs and recognizing subsequent changes in fair value of contingent consideration in the profit or loss (rather than by adjusting goodwill). The amended IAS 27 requires that a change in ownership interest of a subsidiary is accounted for as an equity transaction. Therefore such a change will have no impact on goodwill, nor will it give rise to a gain or loss. Furthermore the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The changes introduced by IFRS 3 (Revised) and IAS 27 (Amendment) must be applied prospectively and will affect future acquisitions and transactions with minority interests.

- **IAS 39 Financial Instruments: Recognition and Measurement (Amended) – eligible hedged items**

The amendment is effective for annual periods beginning on or after 1 July 2009. The amendment clarifies that an entity is permitted to designate a portion of the fair value changes or cash flow variability of a financial instrument as hedged item. This also covers the designation of inflation as a hedged risk or portion in particular situations. The Group does not expect that the amendment will have any impact on the financial position or performance of the Group, as the Group has not entered into any such hedges.

- **IFRS 9 Financial Instruments – Phase 1 financial assets, classification and measurement**

The new standard is effective for annual periods beginning on or after 1 January 2013. Phase 1 of this new IFRS introduces new requirements for classifying and measuring financial assets. Early adoption is permitted. This standard has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the new standard on the financial position or performance of the Group.

- **IFRS 2 Group Cash-settled Share-based Payment Transactions (Amended)**

The amendment is effective for annual periods beginning on or after 1 January 2010. This amendment clarifies the accounting for group cash-settled share-based payment transactions and how such transactions should be arranged in the individual financial statements of the subsidiary. This interpretation has not yet been endorsed by the EU. The Group does not expect that this amendment will have an impact on the financial position or performance of the Group.

- **IAS 32 Classification on Rights Issues (Amended)**

The amendment is effective for annual periods beginning on or after 1 February 2010. This amendment relates to the rights issues offered for a fixed amount of foreign currency which were treated as derivative liabilities by the existing standard. The amendment states that if certain criteria are met, these should be classified as equity regardless of the currency in which the exercise price is denominated. The amendment is to be applied retrospectively. The Group does not expect that this amendment will have an impact on the financial position or performance of the Group.

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

- **IAS 24 Related Party Disclosures (Revised)**

The revision is effective for annual periods beginning on or after 1 January 2011. This revision relates to the judgment which is required so as to assess whether a government and entities known to the reporting entity to be under the control of that government are considered a single customer. In assessing this, the reporting entity shall consider the extent of economic integration between those entities. Early application is permitted and adoption shall be applied retrospectively. This interpretation has not yet been endorsed by the EU. The Group does not expect that this amendment will have an impact on the financial position or performance of the Group.

- **IFRS 1 Additional Exemptions for First-time Adopters (Amended)**

The amendment is effective for annual periods beginning on or after 1 January 2010. This interpretation has not yet been endorsed by the EU. The Group does not expect that this amendment will have an impact on the financial position or performance of the Group.

In April 2009 the IASB issued its second omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. The effective dates of the improvements are various and the earliest is for the financial year beginning 1 July 2009. This annual improvements project has not yet been endorsed by the EU.

- ***IFRS 2 Share-based Payment***, effective for annual periods beginning on or after 1 July 2009. Clarifies that the contribution of a business on formation of a joint venture and combinations under common control are not within the scope of IFRS 2 even though they are out of scope of IFRS 3 (revised). If an entity applies IFRS 3 (revised) for an earlier period, the amendment shall also be applied for that earlier period.
- ***IFRS 5 Non-current Assets Held for Sale and Discontinued Operations***, effective for annual periods beginning on or after 1 January 2010. Clarifies that the disclosures required in respect of non-current assets and disposal groups classified as held for sale or discontinued operations are only those set out in IFRS 5. The disclosure requirements of other IFRSs only apply if specifically required for such non-current assets or discontinued operations.
- ***IFRS 8 Operating Segment Information***, effective for annual periods beginning on or after 1 January 2010. Clarifies that segment assets and liabilities need only be reported when those assets and liabilities are included in measures that are used by the chief operating decision maker.
- ***IAS 1 Presentation of Financial Statements***, effective for annual periods beginning on or after 1 January 2010. The terms of a liability that could result, at any time, in its settlement by the issuance of equity instruments at the option of the counterparty do not affect its classification.
- ***IAS 7 Statement of Cash Flows***, effective for annual periods beginning on or after 1 January 2010. Explicitly states that only expenditure that results in recognizing an

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

asset can be classified as a cash flow from investing activities. This amendment will impact the presentation in the statement of cash flows of the contingent consideration on the business combination completed in 2009 upon cash settlement.

- **IAS 17 Leases**, effective for annual periods beginning on or after 1 January 2010. The amendment removes the specific guidance on classifying land as a lease so that only the general guidance remains.
- **IAS 18 Revenue**, The Board has added guidance (which accompanies the standard) to determine whether an entity is acting as a principal or as an agent. The features to consider are whether the entity:
 - Has primary responsibility for providing the goods or service
 - Has inventory risk
 - Has discretion in establishing prices
 - Bears the credit risk
- **IAS 36 Impairment of Assets**, effective for annual periods beginning on or after 1 January 2010. The amendment clarified that the largest unit permitted for allocating goodwill, acquired in a business combination, is the operating segment as defined in IFRS 8 before aggregation for reporting purposes.
- **IAS 38 Intangible Assets**, effective for annual periods beginning on or after 1 July 2009. Clarifies that if an intangible asset acquired in business combination is identifiable only with another intangible asset, the acquirer may recognize the group of intangible assets as a single asset provided the individual assets have similar useful lives. Also, clarifies that the valuation techniques presented for determining the fair value of intangible assets acquired in a business combination that are not traded in active markets are only examples and are not restrictive on the methods that can be used. If an entity applies IFRS 3 (revised) for an earlier period, the amendment shall also be applied for that earlier period.
- **IAS 39 Financial Instruments: Recognition and Measurement**, effective for annual periods beginning on or after 1 January 2010. The amendment clarifies that:
 - A prepayment option is considered closely related to the host contract when the exercise price of a prepayment option reimburses the lender up to the approximate present value of lost interest for the remaining term of the host contract.
 - The scope exemption for contracts between an acquirer and a vendor in a business combination to buy or sell an acquiree at a future date, applies only to binding forward contracts, and not derivative contracts where further actions by either party are still to be taken (Applicable to all unexpired contracts for annual periods beginning on or after 1 January 2010)
 - Gains and losses on cash flow hedges of a forecast transaction that subsequently results in the recognition of a financial instrument or on cash

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

flow hedges of recognized financial instruments should be reclassified in the period that the hedged forecast cash flows affect profit or loss (Applicable to all unexpired contracts for annual periods beginning on or after 1 January 2010)

- **IFRIC 9 Reassessment of Embedded Derivatives**, effective for annual periods beginning on or after 1 July 2009. The Board amended the scope paragraph of IFRIC 9 to clarify that it does not apply to possible reassessment, at the date of acquisition, to embedded derivatives in contracts acquired in a combination between entities or business under common control or the formation of a joint venture. If an entity applies IFRS 3 (revised) for an earlier period, the amendment shall also be applied for that earlier period.
- **IFRIC 16 Hedges of a Net Investment in a Foreign Operation**, effective for annual periods beginning on or after 1 July 2009. The amendment states that, in a hedge of a net investment in a foreign operation, qualifying hedging instruments may be held by any entity or entities within the group, including the foreign operation itself, as long as the designation, documentation and effectiveness requirements of IAS 39 that relate to a net investment hedge are satisfied.

3. SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies applied by the Group and the Company for the preparation and drafting of the attached Financial Statements are presented below.

- (1) **Basis for consolidation:** Consolidated Financial Statements of the Company include Financial Statements of Parent Company ALUMIL S.A. and all subsidiaries in which ALUMIL exercises significant control. Control is incurred when ALUMIL S.A. directly or indirectly, holds the majority of the voting rights, or exercises significant control in the subsidiaries' Board of Directors. Subsidiaries are consolidated under the full consolidation method from the date the control is transferred to the Group; they are excluded from the Consolidated Financial Statements the date when control is no longer exercised.

Consolidation is applied through the purchase method. All investments are initially recognized at cost, being the fair value of the consideration given and including acquisition charges associated with the investment. After initial recognition, investments are measured at fair value and are either categorized as 'financial assets at fair value through profit and loss' or as 'financial assets held for sale', in which case the difference from fair valuation is recorded in a separate component in equity. If the total cost of the acquisition is lower than the net fair value of the assets acquired, the difference is recorded directly in income statement.

All inter-company transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated, unless cost cannot be recovered. Where necessary, accounting policies for subsidiaries are modified, so as to ensure consistency with the accounting policies adopted by the Group. Financial Statements' drafting date for subsidiaries coincides with that followed for the Parent Company.

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

Minority interests reflect the portion of profit or loss and net assets attributable to equity interests that are not owned by the Group. Minority interests are reported separately in the Consolidated Income Statement as well as in the Consolidated Balance Sheet, separately from the Share Capital and Reserves. In case of purchase of minority interests, the difference between the value of acquisition and the book value of the share of net assets acquired is recognized as goodwill.

(2) Foreign currency translation

(i) **Functional and presentation currency:** Financial Statements' accounts for the Company and the Group are drafted with the currency of the operating financial environment. The Company's functional and presentation currency for the Financial Statements is Euro.

(ii) **Transactions and open balances:** Transactions denominated in currencies other than company's functional currency are recorded at the date of the transaction. Monetary assets and liabilities denominated in currencies other than the Company's functional currency are retranslated at the rate of exchange ruling at the balance sheet date. All differences are recognized to the Income Statement.

Financial Statements' conversion of Group's companies (none of which had an inflationary economy currency as at December 31st, 2009 and 2008) denominated in currencies other than the Company's functional currency, follow the below:

assets and liabilities of international, self-ruled subsidiaries, are converted to euro, using the exchange rate of the Balance Sheet date; Shareholders' Equity are converted using the exchange rate as of the formation date; income and expenses are converted using the average-of-the-year exchange rate. Currency conversion differences reported from the use of multiple currencies are recorded directly to the Shareholders' Equity; while disposing international subsidiaries, accumulated currency conversion differences are recorded in the Income Statement as part from the disposal's gain or loss.

(3) **Tangible assets:** Tangible assets are stated at cost less accumulated depreciation and any impairment in value. As stated in note 2, Group valued land and buildings at market values, used as deemed cost for the transition to the IFRS date.

Buildings, installations or equipment purchasing cost is comprised of the invoice price, duties included and non-refundable purchasing tax and all costs necessary to render the asset operational and ready for future use. Repairs and maintenance are charged to the income statement during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group, or when it is probable that the operational cost will be decreased.

Tangible assets constructed by Group's companies, are stated at cost of production, which includes expenses to contractors, materials and wages' expenses related to these constructions and a proportion of the general administrative expenses.

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

Assets under construction include tangible assets, stated at cost. No depreciation is provided on construction in progress, until it is ready for operational use.

No depreciation is provided on land. Property, plant and equipment are depreciated on a straight line basis over their estimated useful lives as follows:

| <u>Tangible Assets</u> | <u>Useful Lives</u> |
|--|---------------------|
| Buildings | 30-40 years |
| Machinery | 15-25 years |
| Technical installations – Mechanical equipment | 3-20 years |
| Motor vehicles | 5-8 years |
| Furniture & Fittings | 5 years |

Group administration reviews for impairment the net values of property, plant and equipment annually. If indications for impairment exist, the recoverable amount is estimated and where the net book value of assets exceeds the recoverable amount, the assets are written down to their recoverable amount.

Tangible assets are written down from the Balance Sheet when disposed, or when no financial benefits are expected from their use.

Gains and losses from withdrawals or disposals of Tangible assets are determined by the difference between the estimated net revenue from the disposal and the book value; gains and losses are recognized in the Income Statement.

- (4) **Borrowing costs:** The Group capitalizes all borrowing costs that can be directly attributed to acquisition, construction or production of an asset that meets requirements.
- (5) **Tangible assets held for sale:** Tangible assets held for sale include other long-term receivables, including goodwill and assets the Group intends to sell within one year from their classification as “held for sale”.

Tangible assets classified as “held for sale” are stated at the lower of book value just before their classification as “held for sale” and their carrying value minus the cost to sell. Assets classified as “held for sale” are not depreciated. Profits and losses arising from the sale and revaluation of assets classified as “held for sale” are recorded in the “Other income” and “Other expenses” accounts, in the Income Statement.

The Company and the Group have not classified tangible assets within this category.

- (6) **Assets’ impairment:** Under IAS 36, land and buildings, installations, equipment and intangibles should be reviewed for impairment annually. If indications for impairment exist, the recoverable amount is estimated and where the net book value of assets exceeds the recoverable amount, the impairment loss is recognized in the Income Statement. The recoverable amount is the higher between the carrying value minus the

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

expenses from the disposal and the “value in use”. Carrying value minus the expenses from the disposal is considered the feasible proceeds from the disposal of an asset in an arms’ length transaction, after subtracting all additional direct costs of disposal, while, “value in use” is the present value of the estimated future cash flows expected to arrive from the continuous use of the asset and its disposal value at the end of its useful life. If there is no ability to estimate the recoverable amount of an asset for which there is an impairment indication, then the recoverable amount of the separate unit of the asset class that generates cash flows is estimated.

Cross-entry of impairment loss of assets, recorded in previous years, can be accepted only when clear indications are presented that the assumptions used for the estimation of the recoverable amount have changed. In these cases, the cross-entry is recognized as income.

- (7) **Intangible assets:** Intangible assets are related to software purchases and to all costs realized to develop software to reach the operational level. Software depreciation is amortized using the straight-line method, not exceeding a period of 3- 5 years.

After initial recognition, Group reviews annually the carrying values of intangible assets for impairment, if events or changes in circumstances indicate that the carrying value may not be recoverable.

In events where the carrying value may not be recoverable, a provision for impairment is recorded so that the book value of the asset represents its recoverable value.

Costs associated with maintaining computer software programs are recognized as an expense as incurred.

- (8) **Research and development expenses:** Research costs are expensed as incurred. Costs incurred on development projects relate to the design and testing of new or improved products. Costs incurred on development projects are recognized as intangible assets only when IAS 38 «Intangible Assets» criteria are met. Group has not capitalized development expenses.

- (9) **Financial Instruments:** A financial instrument is a contract that results in a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. Financial instruments under IAS 39, are classified in four categories:

- Financial assets held for trading,
- Originated loans and receivables,
- Held-to-maturity investments, and
- Held-for-sale financial assets.

i. Financial assets measured at their fair value through the Income Statement

This involves financial assets that satisfy any of the following conditions:

- Financial assets held for commercial purposes (including derivatives, excluding those that are specified and effective as hedges, those that are acquired or

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

created with the intent of sale or re-purchase and finally those that are part of a portfolio of recognized financial instruments).

- Upon initial recognition, the Company records the item as an account at fair value, transferring the changes in the Income Statement.

Any realized on unrealized profits or losses arising from changes in the fair value of financial assets are recognized in the results in the period they were incurred.

ii. *Originated loans and receivables*

Includes non-derivatives financial assets and liabilities, with fixed or defined payments, non-negotiable to markets with no intention to dispose them.

Loans and receivables included in current assets, except those with maturity longer than 12 months from the Balance Sheet date; the latter included in tangible assets.

Loans and receivables are recognized in non-depreciated cost, using the effective interest rate method.

iii. *Held-to-maturity investments*

Includes non-derivatives financial assets and liabilities, with fixed or defined payments and maturity, with the intention and the ability to hold to maturity. At the Balance Sheet date, the Group had no such investments.

iv. *Financial assets available for sale*

Includes non-derivative financial assets which, are either determined in this category or they cannot be included in any of the above.

They are included in non current assets as long as the Management has no intention of converting them into cash within 12 months from the balance sheet date.

Subsequently, the financial assets available for sale are measured at fair value and the relevant profits or losses are recorded in the equity reserves until these assets are sold or designated as impaired. During the sale or when designated as impaired, the profits and losses are carried over to the results. Impairment losses that have been accounted for in the results are not reversed through results.

The purchase and sales of investments are recorded on the date of the transaction, which is the date that the Group commits itself to purchase or sell the asset. The investments are initially accounted for at their fair value plus the direct expenses ascribed to the transaction, with the exception of direct expenses ascribed to the transaction for those assets that are measured at their fair value with changes in the Income Statement. The investments are written off when the right to the cash flows from investments expires or is transferred and the Group has essentially transferred all of the risks and rewards of ownership.

The realized and unrealized profits or losses arising from the changes in the fair values of the financial assets measured at fair value with changes in the results are recorded in the results during the period that they arise.

The fair values of the financial assets that are traded in active markets are determined by the current demand prices. For the non-traded assets, the fair values are determined using evaluation techniques like the analysis of recent transactions, comparative assets

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

that are traded and discount of cash flows. The equity instruments, non-traded in an active market, that have been classified in the category Financial instruments available for sale and the fair value of which cannot be determined in a reliable way, are evaluated at their acquisition cost.

On every balance sheet date the Group estimates whether there is objective evidence leading to the conclusion that the financial assets have been subject to impairment. For shares of companies that have been classified as financial assets available for sale, such an indication would be the significant or extended drop of fair value in relation to the acquisition cost. If impairment is substantiated, the accumulated loss to equity, namely the difference between acquisition cost and fair value, is carried over to the results.

An investment is subject to impairment when the book value exceeds the recoverable amount and there are indications that the decrease in value reached a level where the invested capital cannot be recovered in the near future.

For financial assets at carrying value the impairment loss is estimated as the difference between the book value and the present value of the expected future cash flows, discounted with the effective interest rate of the financial asset.

(10) **Investments in subsidiaries (parent company accounts):** Investments in subsidiaries are stated at cost less provision, if necessary, for permanent decrease in value, which is recognized in the profit and loss account.

(11) **Inventories:** Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Purchase cost for raw materials, merchandise and consumables is calculated on a weighted average basis. Cost for final products include direct cost for materials, direct cost for production and the necessary distribution for fixed and variable general costs of production, under the ordinary production capacity conditions. Cost of inventory does not include financial expenses.

Consumables and spare parts for general use are included in inventories and they are expensed during usage.

Provisions are registered for obsolete, worthless and very low turnover inventories. These provisions are valued at the net realizable value and other losses from inventories are registered to the Income Statement in the relative period.

(12) **Trade and other receivables:** Receivables which are normally settled on 120-150 days terms are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received whether or not billed to the Company, while long-term receivables (balances extending beyond the normal credit period) are stated at net cost using the effective interest rate method.

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all of the amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognized in other expenses in the Income Statement. Group policy defines that no provision for receivables is recorded until all probable legal procedures are used for the collection of the debt.

Subsequent receipts of amounts for which a provision had been recorded are credited in the "Other operating income", in the Income Statement.

- (13) **Cash and cash equivalents:** Cash and cash equivalents comprise cash in hand and at banks and short-term deposits with an original maturity of three months or less. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Cash and cash equivalents incorporate non-significant price risk.
- (14) **Share Capital:** Share capital includes Company's ordinary shares' value, issued and outstanding. Price paid-up per share in excess of the nominal value is recorded in the «Share premium account» in Shareholders' Equity. Expenses related directly to the issuance of new shares are included in the Shareholders' Equity, deducted from the «Share premium account».
- (15) **Provisions and contingent liabilities:** Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects a provision to be covered with an indemnity, for example from an insurance contract, and there is absolute certainty for the collection of the indemnity, then it is recorded as a separate claim.

Provisions are re-estimated on every date of the balance sheet and adjusted so that they depict the current value of the expense that has to be made in order for the obligation to be settled. Should the effect of the time value of money is significant, provisions are calculated by discounting the expected future cash flows with a pre tax factor, which reflects the current estimations of the market for the time value of money, and whenever necessary, the risks specifically related to the obligation. The eventual obligations are not recorded to the financial statements but rather announced, unless the obligation for outflow of resources that embody financial benefits is minimum. The eventual claims are not recorded to the financial statements but rather announced should the inflow of financial benefits is likely

- (16) **Provisions for staff leaving indemnities – Benefits to employees:** According to Law 2112/20, the Company contributes to its employee's post retirement plans as prescribed by Greek social security legislation. Contributions, based on salaries, are made to the national organizations responsible for payment of pensions. These relate to defined contributions plans and there is no additional liability on behalf of the Company regarding these plans. The regular contributions constitute net periodic costs

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

for the year in which they are due and such are included in staff costs. The Company is also obliged by Greek Labour Law to provide retirement indemnities to employees. The amount to be received on retirement is covered from IKA pension fund; it is defined as a function of years of service, last salary, etc. This plan falls under defined benefit plan and is unfunded.

Pension plans on retirement (according to Law 2112/20), related to defined benefit plan, according to IAS 19 "Employee Benefits". The liability in respect of the above defined benefit pension plan is the present value of the defined benefit obligation at the balance sheet date together with adjustments for actuarial gains/losses and past service cost. The defined benefit obligation is calculated annually by independent actuaries, using the projected unit credit method. The present value of the defined benefit obligation is determined by the estimated future cash outflows using interest rates of government securities that have terms to maturity approximating the terms of the related liability.

Net pension costs for the period are included in payroll in the accompanying consolidated statement of income and consist of the present value of benefits earned in the year, interest cost on the benefit obligation, past service cost, actuarial gains or losses recognized in the fiscal year and any additional pension charges.

Actuarial gains and losses arising from experience adjustments, changes in actuarial assumptions and amendments to pension plans, which exceed 10% of the estimated benefit liability at the beginning of every period, are recognized in other income/expenses in the income statement over the average remaining service lives of the related employees.

Past service costs are recognized directly in the Income Statement, unless the right to change the program depends on additional working time. In this case, past service costs are recognized on a straight-line basis over the average period until the benefits under the plan become vested.

Short-term benefits to the employees (apart from the benefits for the termination of the labour relationship) in cash and in goods are recorded for as an expense when they become payable. Any outstanding amount is recorded as a liability, while in the case where the amount already paid exceeds the amount of the benefits, the company records the excess amount as its asset (prepaid expense) only to the extent that the prepayment will lead to the reduction of future payments or to a return.

Apart from the above, the Company and the Group have no long-term legal or other liabilities towards their employees.

- (17) **State insurance programs:** Company's and subsidiaries' employees are covered from the Main State Insurance Fund related to the private sector (IKA), for pension and medical services. Every employee is obliged to contribute a part of the monthly salary to the Fund, while a part of the total contribution is covered by the Company. During retirement, the pension State Fund is responsible for the pension payments.

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

Consequently, the Company has no legal or presumed obligation for the payment of future benefits based on this benefit plan.

(18) **Government grants relating to purchase of property, plant and equipment:** Government grants are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognized in the income statement over the period necessary to match the grants to the costs intended to compensate. Government grants relating to the purchase of property, plant and equipment are included in other tangible liabilities and are credited to depreciation and amortization related to cost of sales in the income statement on a straight-line basis over the expected lives of the related assets. Government grants relating to capital expenses are recognized as income, during the period necessary for the correlation between the grants and the related expenses. Grants' depreciation expenses are included in the «Other operating income» in the Income Statement.

(19) **Interest - bearing loans and debt:** All loans and debt are initially recognized at cost being the fair value of the consideration received net of issue costs associated with the borrowing. After initial recognition, interest bearing loans and debt, are subsequently measured at amortized cost, using the effective interest rate method. Amortized cost is calculated by taking into account any issue costs and any discount or premium on settlement. Gains and losses are recognized in the Income Statement when the liabilities are erased or impaired, and through depreciation.

Debt is classified as short-term liabilities, unless the Group has the option to postpone payments for related liabilities for at least 12 months from the Balance Sheet date.

(20) **Trade and other payables:** Liabilities for trade and other amounts payable which are normally settled on 30-120 days terms are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company; these accounts do not usually bear interest expenses.

(21) **Current and deferred income tax:** Taxes currently due for all companies included in the Consolidated Financial Statements are calculated and paid in accordance with the Tax Laws applicable for each company. Final tax on profit, based on the statutory rate applicable to the Company, is payable on taxable profits, which are based on the annual profit, shown in the statutory income statement adjusted for tax purposes, adding additional taxes for unaudited years and tax provisions.

Deferred income tax is provided in full using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination and at the time of the transaction affects neither accounting nor taxable profit and loss, it is not accounted for.

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

Deferred income tax assets are recognized only to the extent that it is probable that taxable profits and reversals of deferred tax liabilities will be available against which deductible temporary differences can be utilized.

Deferred income tax assets are re-estimated in every Balance Sheet date and they are decreased to the extent that it is probable that taxable profits will be available against which deductible deferred income tax assets can be utilized.

- (22) **Revenue recognition:** revenue includes sales of products and services, excluded from Value Added Tax (VAT), credit invoices, discounts and after subtracting all intragroup revenue-related transactions.

Sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and the amount of revenue can be measured reliably.

Revenue from services is recognized when it is probable that future economic benefits will flow to the enterprise and these benefits can be measured reliably at the Balance Sheet date. Revenue is based on the stage of completion determined by reference to services performed to date, as a percentage of total services to be performed.

Revenue from interests is recognised as the interest accrues.

Revenue from dividends is recognised when the shareholders' right to receive the payment is established.

Revenue from dividends and interest related to investments are recorded to accounts «Income from dividends» and «Income from investments» correspondingly.

- (23) **Expenses:** Expenses are recognized in the Income Statement on accrual basis. Payments related on operational leasing are expensed to the Income Statement, during the use of the lease.
- (24) **Dividends:** Dividends are recorded in the Financial Statements as a liability, when the Board of Directors' proposed dividend is approved by the Annual General Meeting.
- (25) **Leases:** Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income. Capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

Leases where the lesser retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as an expense in the income statement on a straight-line basis over the lease term.

The Company and the Group had no financial leasing as at December 31st 2009 and 2008 correspondingly.

- (26) **Earnings per share:** Basic earnings per share are computed by dividing net income attributable to parent company shareholders by the weighted average number of common shares outstanding during each year.

Diluted earnings per share are calculated by dividing the net profit attributable to equity holders of the parent (after deducting interest on convertible shares, net of tax), by the weighted average number of shares outstanding during the year (adjusted for the effect of dilutive convertible shares).

There were no convertible bonds to shares or other potentially diluted items convertible to shares and consequently diluted earnings per share were not calculated.

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

4. SEGMENT INFORMATION

Primary informational sector – geographical regions

Commencing fiscal year 2009, the Group applies IFRS 8 “Operating Segments” which replaces IAS 14 “Segment Reporting”. In accordance with IFRS 8, reportable operating segments are identified based on the “management approach”. This approach stipulates external segment reporting based on the Group’s internal organizational and management structure and on key figures of internal financial reporting to the operating decision makers.

For management purposes, the Group is organized into geographical sectors based on location of Group activity. The Group has an active presence in 19 countries and these companies are organized and administered independently. Geographical regions’ breakdown follows:

- Greece
- Balkans
- Rest of the World

Management monitors the operating results of the divisions separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating results. It is noted that the Group applies the same accounting policies as those in the financial statements in order to measure the operating segment’s results.

Transfer pricing between operating segments are on an arm’s length basis in a manner similar to transactions with third parties. Inter- segment sales are eliminated on consolidation.

The following table present sales and results regarding the Group’s geographical segments for the nine month period ended December 31st 2009 and 2008, respectively (amounts in thousand of Euros):

Group results per sector are analyzed as follows: (in thousand euros)

PERIOD 01/01 – 31/12/2009

| | Greece | Balkans | Other Countries | Elimination of Inter-segment Transactions | TOTAL GROUP |
|------------------------|----------------|---------------|-----------------|---|----------------|
| Sales to third parties | 125.703 | 66.870 | 17.317 | | 209.890 |
| Inter-segment sales | 39.376 | 3.061 | 879 | (43.316) | 0 |
| Total sales | 165.079 | 69.931 | 18.196 | (43.316) | 209.890 |
| Cost of sales | 100.980 | 49.515 | 11.959 | | 162.454 |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

| | | | | | |
|---|----------------|---------------|---------------|-----------------|----------------|
| Inter-segment cost of sales | 39.376 | 3.061 | 879 | (43.316) | 0 |
| Total cost of sales | 140.356 | 52.576 | 12.838 | (43.316) | 162.454 |
| Gross profit | 24.723 | 17.355 | 5.358 | | 47.436 |
| Other operating income | 3.381 | 1.092 | 335 | | 4.808 |
| Other operating Inter-segment income | 87 | 0 | 263 | (350) | 0 |
| Total other operating income | 3.468 | 1.092 | 598 | (350) | 4.808 |
| Selling and distribution expenses | 21.871 | 8.737 | 3.173 | (263) | 33.518 |
| Administrative expenses | 7.982 | 2.920 | 1.983 | | 12.885 |
| Research & development expenses | 1.166 | | | | 1.166 |
| Currency exchange differences & Other expenses | (51) | 458 | 276 | | 683 |
| Other expenses | (2.864) | 6.332 | 261 | 263 | 3.992 |
| Operating profit | 21.871 | 8.737 | 3.173 | (263) | 33.518 |
| Finance expenses (Net) | | | | | 9.823 |
| Income before taxes | | | | | (5.831) |
| Income tax expense | | | | | 2.001 |
| Income after taxes | | | | | (7.832) |
| Attributed to: | | | | | |
| Parent Company's shareholders | | | | | (9.372) |
| Minority interests | | | | | 1.540 |
| | | | | | (7.832) |
| EBITDA | 6.839 | 9.466 | 580 | | 16.885 |
| Additional Information | | | | | |
| Depreciation of tangible assets (Note 5i & 8) | 10.385 | 3.237 | 316 | (263) | 13.675 |
| Amortization of intangible assets (Note 5i & 9) | 886 | 228 | 3 | | 1.117 |
| Provisions for doubtful debt (Note 5d & 14-15) | 4.800 | 1.494 | 146 | | 6.440 |
| Provisions for obsolete and slow moving inventories (Note 5c & 13) | 2.212 | 96 | 15 | | 2.323 |
| Provisions for staff leaving indemnities (5h & 21) | 513 | 18 | | | 531 |
| Recognized income from government grants (Note 5b & 22) | (1.568) | (331) | | | (1.899) |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

PERIOD 01/01 – 31/12/2008

| | Greece | Balkans | Other Countries | Elimination of Inter- segment Transactions | TOTAL GROUP |
|--|----------------|---------------|--------------------|---|----------------|
| Sales to third parties | 169.432 | 92.475 | 23.203 | | 285.110 |
| Inter-segment sales | 67.441 | 3.963 | 480 | (71.884) | 0 |
| Total sales | 236.873 | 96.438 | 23.683 | (71.884) | 285.110 |
| Cost of sales | 128.362 | 68.733 | 18.405 | | 215.500 |
| Inter-segment cost of sales | 67.441 | 3.963 | 480 | (71.884) | 0 |
| Total cost of sales | 195.803 | 72.696 | 18.885 | (71.884) | 215.500 |
| Gross profit | 41.070 | 23.742 | 4.798 | | 69.610 |
| Other operating income | 3.993 | 1.131 | 219 | | 5.343 |
| Other operating Inter-segment income | 175 | | 191 | (366) | 0 |
| Total other operating income | 4.168 | 1.131 | 410 | (366) | 5.343 |
| Selling and distribution expenses | 22.035 | 8.908 | 3.274 | (268) | 33.949 |
| Administrative expenses | 9.438 | 3.759 | 1.685 | | 14.882 |
| Research & development expenses | 1.394 | | | | 1.394 |
| Currency exchange differences & Other expenses | 272 | (14) | (314) | | (56) |
| Other expenses | | | 467 | | 467 |
| Operating profit | 11.924 | 12.220 | (95) | 268 | 24.317 |
| Finance expenses (Net) | | | | | 15.625 |
| Income before taxes | | | | | 8.692 |
| Income tax expense | | | | | 93 |
| Income after taxes | | | | | 8.599 |
| Attributed to: | | | | | |
| Parent Company's shareholders | | | | | 4.717 |
| Minority interests | | | | | 3.882 |
| | | | | | 8.599 |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

| | | | | | |
|--|---------|--------|-----|-------|---------|
| EBITDA | 21.204 | 15.633 | 205 | (21) | 37.021 |
| Additional Information | | | | | |
| Depreciation tangible assets (Note 5i & 8) | 10.163 | 3.603 | 299 | (253) | 13.812 |
| Amortization of intangible assets (Note 5i & 9) | 923 | 262 | 1 | (36) | 1.150 |
| Provisions for doubtful debt (Note 5d & 14-15) | 820 | 570 | 127 | | 1.517 |
| Provisions for obsolete and slow moving inventories (Note 5c & 13) | 5.397 | 247 | 174 | | 5.818 |
| Provisions for staff leaving indemnities (Note 5h & 21) | 418 | 11 | | | 429 |
| Recognized income from government grants (5b & 22) | (1.806) | (452) | | | (2.258) |
| Losses from assets impairment (Note 5j) | | | 467 | | 467 |

Group assets and liabilities breakdown per geographical segment is analyzed as follows (in thousand euros):

DECEMBER 31st 2009

| | Greece | Balkans | Other Countries | Elimination of Inter-segment Transactions | TOTAL GROUP |
|------------------------------------|----------------|---------------|-----------------|---|----------------|
| Capital Expenditures | | | | | |
| Property, plant and equipment | 4.574 | 1.424 | 918 | | 6.916 |
| Intangible assets | 198 | 31 | 24 | | 253 |
| Property, plant and equipment | 139.983 | 35.296 | 4.933 | (520) | 179.692 |
| Intangible assets | 819 | 175 | 22 | (205) | 811 |
| Other non current assets | 5.343 | 245 | 545 | (3.341) | 2.793 |
| Inventories | 47.638 | 19.143 | 6.737 | 0 | 73.519 |
| Trade and other receivables | 152.113 | 26.285 | 8.499 | (70.985) | 115.913 |
| Cash and cash equivalents | 4.018 | 6.759 | 2.608 | 0 | 13.386 |
| Total assets | 349.914 | 87.904 | 23.345 | (75.050) | 386.113 |
| Debt liabilities | 172.480 | 4.430 | 0 | 0 | 176.910 |
| Long term liabilities – provisions | 34.357 | 2.626 | 3.491 | (3.451) | 37.023 |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

| | | | | | |
|--|----------------|---------------|---------------|-----------------|----------------|
| Trade and other short term liabilities | 61.114 | 33.029 | 24.768 | (77.945) | 40.966 |
| Total liabilities | 267.951 | 40.085 | 28.259 | (81.396) | 254.899 |

DECEMBER 31st 2008

| | Greece | Balkans | Other Countries | Elimination of Inter- segment Transactions | TOTAL GROUP |
|---|----------------|---------------|--------------------|---|----------------|
| Capital Expenditures | | | | | |
| Property, plant and equipment | 11.479 | 4.412 | 371 | | 16.262 |
| Intangible assets | 355 | 86 | 2 | | 443 |
| Property, plant and equipment | 146.174 | 39.601 | 4.535 | (782) | 189.528 |
| Intangible assets | 1.479 | 391 | 1 | (265) | 1.606 |
| Other non current assets | 4.503 | 161 | 553 | (2.719) | 2.498 |
| Inventories | 69.823 | 23.402 | 7.198 | (2.196) | 98.227 |
| Trade and other receivables | 161.904 | 26.071 | 6.602 | (77.954) | 116.623 |
| Cash and cash equivalents | 2.959 | 6.732 | 2.504 | 0 | 12.195 |
| Total assets | 386.842 | 96.359 | 21.393 | (83.915) | 420.678 |
| Debt liabilities | 181.041 | 6.028 | 0 | 0 | 187.070 |
| Long term liabilities – provisions | 34.082 | 3.330 | 3.284 | (3.267) | 37.429 |
| Trade and other short term liabilities | 66.284 | 46.230 | 22.287 | (84.292) | 50.509 |
| Total liabilities | 281.408 | 55.589 | 25.571 | (87.559) | 275.008 |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

5. Revenues and Expenses

a) Sales

| | THE GROUP | | THE COMPANY | |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Merchandise | 71.180.275 | 93.913.491 | 25.736.652 | 36.403.836 |
| Products | 128.786.280 | 184.121.105 | 105.372.698 | 149.255.055 |
| Raw materials & other inventories | 6.505.684 | 5.060.126 | 13.149.194 | 16.962.255 |
| Services provided | 3.417.754 | 2.014.749 | 787.031 | 1.444.309 |
| Total | 209.889.993 | 285.109.472 | 145.045.575 | 204.065.455 |

b) Other operating income

| | THE GROUP | | THE COMPANY | |
|--|------------------|------------------|------------------|------------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Ministries' subsidies | 58.361 | 62.040 | - | - |
| Subsidies from O.A.E.D. | 1.088.743 | 1.285.006 | 168.479 | 218.440 |
| Recognized income from subsidies (Note 22) | 1.899.154 | 2.258.238 | 331.662 | 448.810 |
| Income from related parties (Note 28) | - | - | 297.336 | 671.918 |
| Income from unrealized provisions (Note 14) | 270.601 | 342.861 | - | - |
| Income from services rendered to third parties | 124.405 | 251.726 | 102.018 | 222.120 |
| Recoverable transportation expenses | 326.288 | 410.026 | 162.735 | 264.017 |
| Income from provision reversal of investment devaluation (Note 10) | - | - | - | 1.107.700 |
| Profits from disposal of tangible assets (Note 8) | 242.407 | 168.164 | 120.546 | 45.897 |
| Various income | 797.924 | 565.507 | 149.926 | 116.955 |
| Total | 4.807.883 | 5.343.568 | 1.332.702 | 3.095.857 |

c) Cost of sales

| | THE GROUP | | THE COMPANY | |
|---|--------------------|--------------------|--------------------|--------------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Depreciation (Notes 8 & 9) | 10.812.121 | 10.924.986 | 4.483.991 | 4.468.424 |
| Cost of inventories recognized as expense | 116.336.374 | 168.379.806 | 108.418.842 | 153.507.534 |
| Payroll expenses (Note 5) | 19.390.362 | 20.960.671 | 7.464.294 | 9.005.795 |
| Third party fees and expenses | 6.030.856 | 2.247.261 | 4.918.677 | 1.800.873 |
| Expenses to related parties (Note 28) | - | - | 1.601.961 | 1.219.798 |
| Facilities | 6.456.924 | 9.017.487 | 2.575.116 | 5.065.931 |
| Various expenses | 3.426.991 | 3.969.592 | 416.115 | 582.650 |
| Total | 162.453.628 | 215.499.803 | 129.878.996 | 175.651.005 |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

Group's and Company's cost of inventories include in 31.12.2009, approximately € 2.3 mil. (31.12.2008: approximately €5.8 mil) and approximately € 993 thousand. (31.12.2008: approximately € 3.4 mil.) respectively, which refer to loss from the valuation of inventories to net realizable value.

d) Selling and distribution expenses

| | THE GROUP | | THE COMPANY | |
|---|-------------------|-------------------|--------------------|-------------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Depreciation (Notes 8 & 9) | 2.575.572 | 2.545.193 | 1.610.727 | 1.732.990 |
| Payroll expenses (Note 5) | 11.350.100 | 12.787.086 | 3.842.933 | 4.376.360 |
| Third party fees and expenses | 2.212.145 | 2.857.186 | 1.599.260 | 2.008.795 |
| Expenses to related parties (Note 28) | - | - | 263.299 | 275.436 |
| Packaging material consumption | 226.266 | 663.987 | 68.841 | 532.020 |
| Rent expenses | 1.591.271 | 1.733.889 | 276.309 | 285.363 |
| Insurance expenses | 240.699 | 258.133 | 99.102 | 148.229 |
| Advertising expenses | 1.770.374 | 3.787.656 | 1.204.318 | 3.122.104 |
| Facilities | 1.011.790 | 1.255.007 | 312.941 | 365.239 |
| Taxes and duties | 408.387 | 450.324 | 110.569 | 132.682 |
| Transportation expenses | 3.649.048 | 4.157.145 | 1.962.834 | 1.990.801 |
| Provisions for doubtful debts (Notes 14 & 15) | 6.439.513 | 1.517.483 | 4.854.654 | 1.279.566 |
| Various expenses | 2.042.721 | 1.935.727 | 868.888 | 980.023 |
| Total | 33.517.886 | 33.948.816 | 17.074.675 | 17.229.608 |

e) Administration expenses

| | THE GROUP | | THE COMPANY | |
|--|-------------------|-------------------|--------------------|------------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Depreciation (Notes 8 & 9) | 1.330.503 | 1.436.538 | 630.234 | 608.219 |
| Payroll expenses (Notes 5) | 6.056.770 | 6.482.698 | 2.888.175 | 3.275.417 |
| Losses from disposals of tangible sales (Note 8) | 132.674 | 42.953 | 2.389 | 7.379 |
| Loss from devaluation of investments (Note 10) | - | - | - | 39.730 |
| Third party fees and expenses | 1.872.850 | 2.895.282 | 972.928 | 1.588.449 |
| Expenses to related parties (Note 28) | - | - | 3.686 | 158.280 |
| Rent expenses | 344.447 | 379.237 | 201.485 | 253.686 |
| Insurance expenses | 203.418 | 210.714 | 63.731 | 64.044 |
| Facilities | 584.414 | 833.996 | 295.630 | 368.332 |
| Taxes and duties | 744.803 | 881.346 | 690.017 | 378.755 |
| Various expenses | 1.615.547 | 1.719.015 | 451.842 | 557.129 |
| Total | 12.885.426 | 14.881.779 | 6.200.117 | 7.299.420 |

f) Research & development expenses

| | THE GROUP | | THE COMPANY | |
|-------------------------------|------------------|-----------------|--------------------|-----------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Depreciation (Notes 8 & 9) | 73.947 | 55.716 | 37.970 | 33.249 |
| Payroll expenses (Note 5) | 780.269 | 897.827 | 408.870 | 528.577 |
| Third party fees and expenses | 25.282 | 33.497 | 3.837 | 15.093 |

The attached Notes are an Integral part of the Interim Financial Statements

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

| | | | | |
|------------------|------------------|------------------|----------------|----------------|
| Facilities | 16.893 | 37.479 | 7.908 | 22.286 |
| Various expenses | 269.261 | 369.787 | 219.350 | 316.330 |
| Total | 1.165.652 | 1.394.306 | 677.935 | 915.535 |

g) Finance expenses (net)

| | THE GROUP | | THE COMPANY | |
|---|-------------------|-------------------|--------------------|------------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Long-term debt's interests (Note 20) | 6.149.650 | 7.585.822 | 5.596.198 | 6.762.522 |
| Short-term debt's interests (Note 26) | 2.740.950 | 4.230.298 | 1.753.922 | 2.449.698 |
| Other finance expenses | 796.510 | 950.981 | 483.278 | 580.414 |
| Exchange differences | 856.083 | 3.623.246 | - | - |
| Total finance expenses | 10.543.193 | 16.390.347 | 7.833.398 | 9.792.634 |
| Interests from deposits (Note 16) | 319.879 | 496.002 | 10.202 | 13.673 |
| Finance income from related parties (Note 28) | - | - | 189.771 | 185.492 |
| Other finance income (Note 14) | 335.819 | 269.428 | 198.076 | 244.272 |
| Income from investments | - | - | 4.713.432 | 5.502.377 |
| Exchange differences | 64.195 | - | - | - |
| Total finance income | 719.893 | 765.430 | 5.111.481 | 5.945.814 |
| Net finance expenses | 9.823.300 | 15.624.917 | 2.721.917 | 3.846.820 |

h) Payroll expenses

| | THE GROUP | | THE COMPANY | |
|--|-------------------|-------------------|--------------------|-------------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Salaries and wages | 28.747.867 | 31.403.984 | 11.140.358 | 13.083.252 |
| Employer's contributions | 7.475.357 | 8.428.229 | 2.975.259 | 3.496.028 |
| Other personnel expenses | 823.512 | 867.404 | 196.266 | 346.964 |
| Provision for staff leaving indemnities (Note 21) | 530.765 | 428.665 | 292.389 | 259.905 |
| Total | 37.577.501 | 41.128.282 | 14.604.272 | 17.186.149 |

Group's and Company's number of personnel as at 31st December 2009 and 2008 is analyzed below:

| Employees | THE GROUP | | THE COMPANY | |
|----------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | 31 December 2009 | 31 December 2008 | 31 December 2009 | 31 December 2008 |
| Salaried personnel | 1.498 | 1.684 | 287 | 298 |
| Daily paid personnel | 681 | 651 | 226 | 233 |
| Total | 2.179 | 2.335 | 513 | 531 |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

i) Depreciation

Tangible and intangible assets' depreciation expense recorded in the Income Statement is analyzed below:

| | THE GROUP | | THE COMPANY | |
|--------------------------------|-------------------|-------------------|------------------|------------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Tangible Assets | 13.674.744 | 13.812.218 | 5.921.590 | 6.000.738 |
| Intangible Assets | 1.117.399 | 1.150.215 | 841.332 | 842.144 |
| Total (Notes 8 & 9) | 14.792.143 | 14.962.433 | 6.762.922 | 6.842.882 |

Depreciation expenses are analyzed as follows:

| | THE GROUP | | THE COMPANY | |
|---|-------------------|-------------------|------------------|------------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Cost of sales (Note 5c) | 10.812.121 | 10.924.986 | 4.483.991 | 4.468.424 |
| Selling and distribution expenses (Note 5d) | 2.575.572 | 2.545.193 | 1.610.727 | 1.732.990 |
| Administrative expenses (Note 5e) | 1.330.503 | 1.436.538 | 630.234 | 608.219 |
| Research & development expenses (Note 5f) | 73.947 | 55.716 | 37.970 | 33.249 |
| Total (Notes 8 & 9) | 14.792.143 | 14.962.433 | 6.762.922 | 6.842.882 |

j) Other expenses

Other expenses 2008 include the loss of approximately € 467.3 thousand from the impairment of land possessed by subsidiaries «ALUMIL EGYPT FOR ALUMINIUM» and «ALUMIL EGYPT ACCESSORIES», due to the decrease of its market price based on the management's estimations.

6. Income taxes (current and deferred)

Income tax recognized in the Group's and Company's Income Statement is analyzed as follows:

| | THE GROUP | | THE COMPANY | |
|---|------------------|---------------|---------------|--------------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Current income tax (Note 27) | 1.109.910 | 1.782.102 | - | 103.938 |
| Provision for tax unaudited years (Note 27) | 244.401 | 541.032 | 110.000 | 110.000 |
| Settlement tax for unaudited years | 13.786 | 38.911 | - | - |
| Deferred income tax | 633.274 | (2.269.058) | (34.134) | (1.809.829) |
| Total | 2.001.371 | 92.987 | 75.866 | (1.595.891) |

According to Greek taxation legislation, tax rate as at 31st December 2009 was 25%.

At September 2008 the new tax act was approved and the tax rate for earnings realized in fiscal years from 1st January 2009 until 31st December 2009 remains at (25%), whereas for earnings realized for fiscal years 2010-2014, the tax rate will be reduced by 1 percent for each year. The Group and Company bearing the new tax rates into consideration, and

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

according to IAS 12, have readjusted deferred tax. Recognizing the difference in their income statement, as revenue from income tax.

In the following table, a recalculation is provided between the nominal and the actual tax rate:

| | THE GROUP | |
|---|--------------------|------------------|
| | 31.12.09 | 31.12.08 |
| (Losses) / Earnings before tax | (5.831.279) | 8.692.048 |
| Income tax calculated with the current tax rate (2009: 25%, 2008: 25%) | (1.457.820) | 2.173.012 |
| Tax effect of non deductible expenses | 1.264.306 | 1.473.270 |
| Tax effect of non taxable income | (745.297) | (1.030.504) |
| Tax effect from non-taxable reserves | 996.866 | (36.952) |
| Tax effect from the change in the tax rate | 244.115 | (1.994.201) |
| Tax effect from assets tax adjustment | - | (1.085.087) |
| Tax effect from subsidiaries' losses for which no deferred tax asset was recognized | 2.090.050 | 1.561.157 |
| Tax effect from subsidiaries' tax-free earnings | (71.898) | (22.380) |
| Tax effect from subsidiaries' results taxed with a different tax rate | (577.138) | (1.203.302) |
| Tax effect from subsidiaries' losses for which a deferred tax asset was recognized | - | (321.969) |
| Provision for tax unaudited years | 244.401 | 541.032 |
| Settlement tax for unaudited years Law 3697/2008 | 13.786 | 38.911 |
| Income Tax appeared in the Consolidated Income Statement | 2.001.371 | 92.987 |

| | THE COMPANY | |
|--|---------------------|--------------------|
| | 31.12.09 | 31.12.08 |
| (Losses) / Earnings before tax | (10.159.522) | 2.189.219 |
| Income tax calculated with the current tax rate (2009: 25%, 2008: 25%) | (2.539.881) | 547.305 |
| Tax effect of non deductible expenses | 362.279 | 460.814 |
| Tax effect of non taxable income | (546.183) | (923.565) |
| Tax effect from non-taxable reserves | 996.866 | - |
| Tax effect from the change in the tax rate | 323.719 | (1.304.924) |
| Tax effect from assets tax adjustment | - | (485.521) |
| Tax effect from losses for which no deferred tax asset was recognized | 1.369.066 | - |
| Provision for tax unaudited years | 110.000 | 110.000 |
| Income Tax appeared in the Parent Company Income Statement | 75.866 | (1.595.891) |

According to Greek taxation legislation, tax rate as at 31st December 2008 and 2009 was 25%.

Income tax declarations are submitted annually, adjusting accounting profits with taxation differences, but profits or losses related to these differences are considered temporary, until tax audit from Tax Authorities takes place and the issuance of the relevant tax audit report,

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

finalizing the tax obligations. Tax losses carried from previous years, if accepted from Tax Authorities, can be offset, for the Hellenic subsidiaries, with earnings from the following five years.

The Company has not been audited from Tax Authorities for the years 2003 – 2009. Regarding ALUMIL's subsidiaries, books have not been audited from Tax Authorities for the years mentioned in Note 31e.

Deferred income taxation is calculated to all temporary tax differences using tax rates that have been enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the related deferred income tax liability is settled, bearing into consideration the tax rates set up to the balance sheet date.

Deferred income taxation movement is analyzed below:

| | GROUP | COMPANY |
|---|------------------|------------------|
| Opening balance, January 1st 2008 (net deferred tax liability) | 7.022.762 | 5.376.047 |
| Charge to income statement | (2.269.058) | (1.809.829) |
| Exchange differences | 69.924 | - |
| Ending balance, December 31st 2008 (net deferred tax liability) | 4.823.628 | 3.566.218 |
| Charge to income statement | 633.274 | (34.134) |
| Exchange differences | 2.324 | - |
| Ending balance, December 2009 (net deferred tax liability) | 5.459.226 | 3.532.084 |

Debit charge for deferred taxation (deferred tax liability) in the Income Statement, includes temporary tax differences from recorded income-gains that will be subject to taxation in the future. Credit charge for deferred taxation (deferred tax receivables) includes mainly temporary tax differences from particular provisions that will result in taxation when realized.

Debit and credit balances from deferred taxation are offset when there is a legal right to offset and when deferred tax assets and liabilities relate to income tax received from the same Tax Authorities.

Group's and Company's deferred tax assets and liabilities are sourced from the below items:

| | THE GROUP | | | |
|--|--|-----------|---|--------------|
| | Analysis of deferred tax assets | | Analysis of deferred tax liabilities | |
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Intangible assets | 289.551 | 325.610 | - | - |
| Tangible assets | - | - | (11.598.680) | (10.908.097) |
| Government grants | 1.939.027 | 1.854.365 | - | - |
| Provisions for staff leaving indemnities | 325.471 | 297.232 | - | - |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

| | | | | |
|-----------------------------------|-------------------------|-------------------------|----------------------------|----------------------------|
| Receivables | 1.043.723 | 219.015 | - | - |
| Inventories | 962.673 | 2.235.623 | - | - |
| Tax losses carried forward | 1.653.270 | 328.972 | - | - |
| Non-taxable reserves | - | 877.242 | - | - |
| Other | - | - | (74.261) | (53.590) |
| Total | <u>6.213.715</u> | <u>6.138.059</u> | <u>(11.672.941)</u> | <u>(10.961.687)</u> |
| Net deferred tax liability | | | <u>(6.320.398)</u> | <u>(5.978.149)</u> |
| Net deferred tax asset | <u>861.172</u> | <u>1.154.521</u> | | |

THE COMPANY

Analysis of deferred tax assets Analysis of deferred tax liabilities

| | <u>31.12.09</u> | <u>31.12.08</u> | <u>31.12.09</u> | <u>31.12.08</u> |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Intangible assets | 179.959 | 232.935 | - | - |
| Tangible assets | | - | (6.901.421) | (6.626.332) |
| Government grants | 487.504 | 536.212 | - | - |
| Provisions for staff leaving indemnities | 223.055 | 204.659 | - | - |
| Receivables | 793.141 | 147.213 | - | - |
| Inventories | 528.254 | 1.116.733 | - | - |
| Non-taxable reserves | - | 877.242 | - | - |
| Tax losses carried forward | 1.226.711 | - | - | - |
| Other | - | - | (69.287) | (54.880) |
| Total | <u>3.438.624</u> | <u>3.114.994</u> | <u>(6.970.708)</u> | <u>(6.681.212)</u> |
| Net deferred tax liability | | | <u>3.532.084</u> | <u>(3.566.218)</u> |

Group's and Company's deferred income tax arises from the items below:

| | THE GROUP | | THE COMPANY | |
|--|------------------|-----------------|--------------------|-----------------|
| | <u>31.12.09</u> | <u>31.12.08</u> | <u>31.12.09</u> | <u>31.12.08</u> |
| Tangible assets | 733.887 | (2.756.141) | 275.089 | (1.667.845) |
| Intangible assets | 35.666 | 118.656 | 52.976 | 179.072 |
| Government grants | (84.662) | 317.750 | 48.708 | 236.039 |
| Provisions for staff leaving indemnities | (29.433) | (21.243) | (18.396) | 12.317 |
| Receivables | (852.098) | 178.453 | (645.928) | (92.820) |
| Inventories | 1.266.608 | (489.389) | 588.479 | (594.281) |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

| | | | | |
|----------------------------|----------------|--------------------|-----------------|--------------------|
| Tax losses carried forward | (1.334.606) | 254.908 | (1.226.711) | - |
| Non-taxable reserves | 877.242 | 119.624 | 877.242 | 119.624 |
| Other | 20.670 | 8.324 | 14.407 | (1.935) |
| Total | 633.274 | (2.269.058) | (34.134) | (1.809.829) |

At December 31st, 2009, certain foreign subsidiaries and one domestic subsidiary had accumulated tax losses carried forward amounted to approximately € 15.2 mil. (31.12.2008: € 13.3 mil.), for which no deferred tax asset was recognized because management does not foresee sufficient future tax gains to retrieve the deferred tax asset. For tax losses of the Parent Company, a deferred tax claim of € 1.2 million was recognized, on the basis that the administration foresees that there will be sufficient tax profits, in the future.

During 2009, the settlement for unaudited fiscal years of three subsidiaries was completed. Taxes that resulted from this settlement reached approximately € 362 thousand, part of which was set off, with a provision of approximately € 348 thousand that was formed in previous fiscal years, while the remaining amount of approximately € 14 thousand was recorded as an expense in income tax.

In case that tax-free reserves of Parent Company and Greek subsidiaries are distributed to shareholders, those are subject to income tax according to the current tax rate at the distribution date. No deferred tax liability is calculated for those amounts.

7. Earnings per share

Basic earnings per share are computed by dividing net income attributable to parent company shareholders by the weighted average number of common shares outstanding during each year.

Diluted earnings per share are calculated by dividing the net profit attributable to equity holders of the Parent Company (after deducting interest on convertible shares, net of tax), by the weighted average number of shares outstanding during the year (adjusted for the effect of dilutive convertible shares or other potentially diluted items).

There were no convertible bonds to shares or other potentially diluted items convertible to shares and consequently diluted earnings per share were not calculated.

Basic earnings per share for the years ended in December 31st, 2007 and 2006, for the Group and the Company, are calculated as follows:

| | THE GROUP | | THE COMPANY | |
|---|------------------|-----------------|--------------------|-----------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Net earnings attributed to Company's shareholders | (9.372.935) | 4.717.440 | (10.235.388) | 3.785.110 |
| Weighted number of common shares outstanding | 22.016.250 | 22.016.250 | 22.016.250 | 22.016.250 |

The attached Notes are an Integral part of the Interim Financial Statements

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

Basic and diluted earnings per share
(In € per share)

(0,4257) 0,2143 (0,4649) 0,1719

8. Tangible assets

THE GROUP

| | Land | Buildings | Machinery | Motor Vehicles | Furniture and Fixtures | Assets under Construction & Advances | Total |
|--|-------------------|-------------------|--------------------|------------------|------------------------|--------------------------------------|--------------------|
| <u>COST</u> | | | | | | | |
| 1 January 2008 | 13.805.434 | 80.695.138 | 147.192.338 | 6.145.257 | 11.626.949 | 9.586.471 | 269.051.587 |
| Additions | 1.025.626 | 1.143.147 | 4.909.936 | 428.275 | 936.223 | 7.818.413 | 16.261.620 |
| Decreases | (45.280) | (17.797) | (1.174.256) | (413.812) | (236.586) | (184.299) | (2.072.030) |
| Exchange Differences | (915.112) | (1.892.691) | (1.322.224) | (148.505) | (95.514) | (82.083) | (4.456.129) |
| Transfers (Note 9) | - | 2.701.673 | 1.922.752 | - | (50.266) | (4.624.159) | (50.000) |
| Asset impairment | (467.340) | - | - | - | - | - | (467.340) |
| 31 December 2008 | 13.403.328 | 82.629.470 | 151.528.546 | 6.011.215 | 12.180.806 | 12.514.343 | 278.267.708 |
| Additions | 89.649 | 502.474 | 3.026.122 | 567.604 | 352.238 | 2.377.980 | 6.916.067 |
| Decreases | (8) | (7) | (531.923) | (434.380) | (120.205) | (33.627) | (1.120.150) |
| Exchange Differences | (244.102) | (1.277.104) | (1.509.704) | (102.416) | (73.253) | (81.353) | (3.287.932) |
| Transfers (Note 9) | (12.734) | 6.428.612 | 3.565.444 | 96.962 | 689.570 | (10.855.842) | (87.988) |
| 31 December 2009 | 13.236.133 | 88.283.445 | 156.078.485 | 6.138.985 | 13.029.156 | 3.921.501 | 280.687.705 |
| <u>ACCUMULATED DEPRECIATION</u> | | | | | | | |
| 1 January 2008 | - | 11.885.150 | 52.738.987 | 3.715.979 | 8.700.287 | - | 77.040.403 |
| Depreciation (Note 5i) | - | 2.924.380 | 9.116.204 | 615.253 | 1.156.381 | - | 13.812.218 |
| Exchange Differences | - | (124.713) | (457.059) | (70.071) | (51.875) | - | (703.718) |
| Decreases | - | (17.018) | (782.717) | (338.906) | (270.481) | - | (1.409.122) |
| 31 December 2008 | - | 14.667.799 | 60.615.415 | 3.922.255 | 9.534.312 | - | 88.739.781 |
| Depreciation (Note 5i) | - | 3.086.482 | 8.932.089 | 598.814 | 1.057.359 | - | 13.674.744 |
| Exchange Differences | - | (169.921) | (564.832) | (58.875) | (38.456) | - | (832.084) |
| Decreases | - | 9.933 | (239.177) | (239.486) | (117.677) | - | (586.407) |
| 31 December 2009 | - | 17.594.293 | 68.743.495 | 4.222.708 | 10.435.538 | - | 100.996.034 |
| <u>NET BOOK VALUE</u> | | | | | | | |
| 1 January 2008 | 13.805.434 | 68.809.988 | 94.453.351 | 2.429.278 | 2.926.662 | 9.586.471 | 192.011.184 |
| 31 December 2008 | 13.403.327 | 67.961.672 | 90.913.131 | 2.088.960 | 2.646.494 | 12.514.343 | 189.527.927 |
| 31 December 2009 | 13.236.133 | 70.689.152 | 87.334.990 | 1.916.277 | 2.593.618 | 3.921.501 | 179.691.671 |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

THE COMPANY

| | Land | Buildings | Machinery | Motor Vehicles | Furniture and Fixtures | Assets under Construction & Advances | Total |
|-------------------------|------------------|-------------------|-------------------|-------------------|---------------------------|--|--------------------|
| <u>COST</u> | | | | | | | |
| 1 January 2008 | 3.966.855 | 29.962.081 | 65.227.752 | 2.588.075 | 7.371.835 | 3.739.056 | 112.855.654 |
| Additions | - | 20.261 | 1.909.172 | 109.763 | 315.965 | 1.049.582 | 3.404.743 |
| Decreases | - | - | (232.100) | (257.492) | (853) | - | (490.445) |
| Transfers (Note 9) | - | - | 162.368 | - | - | (212.368) | (50.000) |
| 31 December 2008 | 3.966.855 | 29.982.342 | 67.067.192 | 2.440.346 | 7.686.947 | 4.576.270 | 115.719.952 |
| Additions | 89.650 | - | 1.105.767 | 31.002 | 84.945 | 840.939 | 2.152.303 |
| Decreases | - | - | (296.658) | (115.906) | (6.260) | - | (418.824) |
| Transfers (Note 9) | - | 3.821.499 | 126.841 | - | 628.777 | (4.665.105) | (87.988) |
| 31 December 2009 | 4.056.505 | 33.803.841 | 68.003.142 | 2.355.442 | 8.394.409 | 752.104 | 117.365.443 |

ACCUMULATED DEPRECIATION

| | | | | | | | |
|-------------------------|---|------------------|-------------------|------------------|------------------|---|-------------------|
| 1 January 2008 | - | 4.639.017 | 30.972.004 | 1.863.051 | 5.854.613 | - | 43.328.685 |
| Depreciation (Note 5i) | - | 1.225.879 | 3.897.930 | 174.437 | 702.492 | - | 6.000.738 |
| Decreases | - | - | (45.693) | (237.050) | (602) | - | (283.345) |
| 31 December 2008 | - | 5.864.896 | 34.824.241 | 1.800.438 | 6.556.503 | - | 49.046.078 |
| Depreciation (Note 5i) | - | 1.268.980 | 3.889.613 | 156.665 | 606.332 | - | 5.921.590 |
| Decreases | - | - | (132.267) | (115.750) | (4.657) | - | (252.674) |
| 31 December 2009 | - | 7.133.876 | 38.581.587 | 1.841.353 | 7.158.178 | - | 54.714.994 |

NET BOOK VALUES

| | | | | | | | |
|-------------------------|------------------|-------------------|-------------------|----------------|------------------|------------------|-------------------|
| 1 January 2008 | 3.966.855 | 25.323.064 | 34.255.747 | 725.025 | 1.517.222 | 3.739.056 | 69.526.969 |
| 31 December 2008 | 3.966.855 | 24.117.446 | 32.242.951 | 639.909 | 1.130.443 | 4.576.270 | 66.673.874 |
| 31 December 2009 | 4.056.505 | 26.669.965 | 29.421.555 | 514.089 | 1.236.231 | 752.104 | 62.650.449 |

There are no property pledges or mortgages over the Company's assets as at December 31st 2009. Over the Group's tangible assets (regarding a foreign subsidiary) a mortgage has been introduced of approximately € 1.3 mil. for the coverage of short term debt, with a credit limit of approximately € 409 thousand. The open balance as at 31st December 2009 reaches approximately € 41 thousand. There are no other pledges or mortgages over the Group's assets concerning short term debt.

The Group has insurance contracts covering all probable dangers (explosions, a large number of possible losses from strikes, earthquakes, fire, terrorist acts and other extreme cases), for all Group buildings and machinery.

Tangible assets that are not depreciated are annually audited for impairment. Assets that are depreciated are audited for impairment, when facts and conditions suggest that their net book value is no longer recoverable. Should the net book value of assets exceeds their recoverable value, the exceeding amount concerns impairment loss, which is directly recognized as an expense at the income statement. No impairment expense has been recorded for 2009. The

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

impairment expense for 2008 reached approximately € 467.3 thousand and has been recognized at other expenses at the attached consolidated income statement.

During the year ended December 31, 2009, tangible assets with a net book value of € 534 thousand and € 166 thousand for the Group and Company respectively, realizing a net gain from the sale of approximately € 110 thousand (31.12.2008: € 125 thousand) and € 118 thousand (31.12.2008: € 38 thousand) for the Group and Company respectively.

9. Intangible assets

Group's and Parent Company's intangible assets relate exclusively to software. Intangible assets' movement is analyzed as follows:

THE GROUP

| | |
|---|------------------|
| Cost | |
| Opening balance 01.01.2008 | 6.544.066 |
| Additions | 442.921 |
| Transfer from assets under construction (Note 8) | 50.000 |
| Exchange differences | (143.896) |
| Ending balance 31.12.2008 | 6.893.091 |
| Additions | 253.342 |
| Transfer from assets under construction (Note 8) | 87.988 |
| Exchange differences | (88.100) |
| Ending balance 31.12.2009 | 7.146.321 |
| Accumulated depreciation | |
| Opening balance 01.01.2008 | 4.231.229 |
| Depreciation expenses for the period (Note 5i) | 1.150.215 |
| Transfer from assets under construction (Note 8) | (94.083) |
| Exchange differences | 5.287.361 |
| Ending balance 31.12.2008 | 1.117.399 |
| Depreciation expenses for the period (Note 5i) | (69.848) |
| Exchange differences | 6.334.912 |
| Ending balance 31.12.2009 | 4.231.229 |
| Net book value as at 1st January 2008 | 2.312.837 |
| Net book value as at 31st December 2008 | 1.605.730 |
| Net book value as at 31st December 2009 | 811.409 |

THE COMPANY

| | |
|--|------------------|
| Cost | |
| Opening balance 01.01.2008 | 4.714.910 |
| Additions | 300.802 |
| Transfer from assets under construction (Note 8) | 50.000 |
| Ending balance 31.12.2008 | 5.065.712 |
| Additions | 157.234 |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

| | |
|---|-------------------------|
| Disposals | 87.988 |
| Ending balance 31.12.2009 | <u>5.310.934</u> |
| | |
| Accumulated depreciation | |
| Opening balance 01.01.2008 | 3.092.269 |
| Depreciation expenses for the period (Note 5i) | 842.144 |
| Ending balance 31.12.2008 | <u>3.934.413</u> |
| Depreciation expenses for the period (Note 5i) | 841.332 |
| Ending balance 31.12.2009 | <u>4.775.745</u> |
| | |
| Net book value as at 1st January 2008 | <u>1.622.641</u> |
| Net book value as at 31st December 2008 | <u>1.131.299</u> |
| Net book value as at 31st December 2009 | <u>535.189</u> |

10. Investments in subsidiaries

| Company Name | Acquisition Value 31.12.09 | Acquisition Value 31.12.08 |
|---------------------------------------|----------------------------------|----------------------------------|
| 1. ALUKOM S.A. | 4.232.823 | 4.232.823 |
| 2. ALUNEF S.A. | 10.655.445 | 10.592.938 |
| 3. ALUSYS S.A. | 79.560 | 79.560 |
| 4. ALUFIL S.A. | 8.711.151 | 8.711.151 |
| 5. G.A. PLASTICS S.A. | 675.000 | 675.000 |
| 6. METRON AUTOMATIONS S.A. (Note 10c) | 3.042.159 | 2.844.159 |
| 7. ALUMIL SOLAR S.A. | 54.000 | - |
| 8. ALUMIL EGYPT FOR ALUMINIUM | 2.554.582 | 2.554.582 |
| 9. ALUMIL EGYPT ACCESSORIES | 290.350 | 290.350 |
| 10. EGYPTIAN FOR ALUMINIUM TRADE | 14.198 | 14.198 |
| 11. ALUMIL ALBANIA | 11.671.301 | 2.665.759 |
| 12. ALUMIL BULGARIA | 764.956 | 764.956 |
| 13. ALUMIL VARNA S.R.L. | 1.849 | 1.849 |
| 14. ALUMIL FRANCE SAS | 35.890 | 35.890 |
| 15. ALUMIL DEUTZ | 1.650.000 | 1.650.000 |
| 16. ALUMIL ITALY SRL | 998.388 | 998.388 |
| 17. ALUMIL MILONAS CYPRUS | 261.337 | 261.337 |
| 18. ALUMIL CY LTD | 612.007 | 612.007 |
| 19. ALUMIL GROUP LTD | 107.070 | 1.000 |
| 20. ALUMIL MOLDAVIA | 34.890 | 34.890 |
| 21. ALUMIL HUNGARY K.F.T. | 102.838 | 102.838 |
| 22. ALUMIL UKRANIA | 12.536 | 12.536 |
| 23. ALUMIL POLSKA S.R.L. | 83.130 | 83.130 |
| 24. ALUMIL ROM INDUSTRY SA | 1.502.842 | 1.502.842 |
| 25. ALUMIL YU INDUSTRY | 6.949.149 | 4.546.032 |
| 26. ALUMIL SRB | 5.131 | 5.131 |
| 27. ALUMIL COATING S.R.B | - | 2.404.500 |

The attached Notes are an Integral part of the Interim Financial Statements

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

| | | |
|-------------------|-------------------|-------------------|
| 28. ALUMIL SKOPJE | 902.504 | 902.504 |
| 29. ALUMIL GULF | 81.376 | 81.376 |
| Subtotal | 56.086.462 | 46.661.726 |
| Impairment loss | (4.480.482) | (4.480.482) |
| Total | 51.605.980 | 42.181.244 |

Impairment loss recognized in Company's financial statements is analyzed per subsidiary as follows:

| Company name | 31.12.2009 | 31.12.2008 |
|-------------------------------|------------------|------------------|
| 1. ALUMIL POLSKA S.R.L. | 83.130 | 83.130 |
| 2. ALUMIL UKRANIA | 12.536 | 12.536 |
| 3. ALUMIL EGYPT FOR ALUMINIUM | 750.764 | 750.764 |
| 4. ALUMIL EGYPT ACCESSORIES | 159.886 | 159.886 |
| 5. ALUMIL DEUTZ | 1.650.000 | 1.650.000 |
| 6. ALUMIL ITALY SRL | 998.388 | 998.388 |
| 7. ALUMIL MILONAS CYPRUS | 213.825 | 213.825 |
| 8. ALUMIL CY LTD | 611.953 | 611.953 |
| Total | 4.480.482 | 4.480.482 |

The prediction movement for investment impairment was as follows:

| | |
|---|------------------|
| Opening balance as at 1st January 2008 | 5.548.452 |
| Additional provision (Note 5e) | 39.730 |
| Income from unused (Note 5b) | (1.107.700) |
| Ending balance as at 31st December 2008 | 4.480.482 |
| Change within fiscal year | - |
| Ending Balance as at 31st December 2009 | 4.480.482 |

Subsidiaries included in the Consolidated Financial Statements with the respective addresses and participation percentages of the Parent Company, on December 31st, 2009 and 2008 are analyzed as follows:

| Company Name | Country | Activity | Percentage | Percentage |
|-------------------------------|---------|---|------------|------------|
| | | | % | % |
| | | | 31.12.08 | 31.12.07 |
| 1. ALUKOM S.A. | GREECE | Production and trade of aluminium products | 85,86% | 85,86% |
| 2. ALUNEF S.A. | GREECE | Production and trade of aluminium products | 99,44% | 99,44% |
| 3. ALUSYS S.A. | GREECE | Trade of mechanisms & aluminium accessories | 51% | 51% |
| 4. ALUFIL S.A. | GREECE | Production & trade of aluminium products | 99,98% | 99,98% |
| 5. G.A. PLASTICS S.A. | GREECE | Production & trade of polycarbonate sheets & resembling materials | 50% | 50% |
| 6. METRON AUTOMATIONS S.A. | GREECE | Production & trade of automation systems | 66% | 66% |
| 7. ALUMIL SOLAR S.A. | GREECE | Trade of photovoltaic systems | 90% | - |
| 8. ALUMIL EGYPT FOR ALUMINIUM | EGYPT | Extrusion & painting of aluminium products | 98% | 98% |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

| | | | | | |
|-----|------------------------------|----------|--|--------|--------|
| 9. | ALUMIL EGYPT ACCESSORIES | EGYPT | Trade of profiles & aluminium accessories | 99% | 99% |
| 10. | EGYPTIAN FOR ALUMINIUM TRADE | EGYPT | Holding Company | 99% | 99% |
| 11. | ALUMIL ALBANIA | ALBANIA | Production & trade of aluminium profiles | 99,23% | 96,90% |
| 12. | ALUMIL BULGARIA | BULGARIA | Aluminium profile elaboration & trade | 99,87% | 99,87% |
| 13. | ALUMIL VARNA S.R.L. | BULGARIA | Trade of aluminium profile & accessories | 72% | 72% |
| 14. | ALUMIL FRANCE S.A.S. | FRANCE | Trade of aluminium profile & accessories | 97% | 97% |
| 15. | ALUMIL DEUTZ | GERMANY | Trade of aluminium profile | 100% | 100% |
| 16. | ALUMIL ITALY SRL | ITALY | Trade of aluminium profile & accessories | 100% | 100% |
| 17. | ALUMIL MILONAS CYPRUS | CYPRUS | Trade of aluminium profile & accessories | 100% | 100% |
| 18. | ALUMIL CY LTD | CYPRUS | Trade of aluminium profile & accessories | 97% | 97% |
| 19. | ALUMIL GROUP LTD | CYPRUS | Holding Company | 100% | 100% |
| 20. | ALUMIL MOLDAVIA | MOLDOVA | Trade of aluminium profile & accessories | 70% | 70% |
| 21. | ALUMIL HUNGARY K.F.T. | HUNGARY | Trade of aluminium profile & accessories | 100% | 100% |
| 22. | ALUMIL UKRANIA | UKRAINE | Trade of aluminium profile & accessories | 90% | 90% |
| 23. | ALUMIL POLSKA S.R.L. | POLAND | Trade of aluminium profile & accessories | 51% | 51% |
| 24. | ALUMIL ROM INDUSTRY S.A. | ROMANIA | Trade of aluminium profile & accessories | 55,90% | 55,90% |
| 25. | ALUMIL YU INDUSTRY | SERBIA | Production and trade of aluminium products | 99,95% | 99,96% |
| 26. | ALUMIL SRB | SERBIA | Trade of aluminium profile & accessories | 45% | 45% |
| 27. | ALUMIL SKOPJE | FYROM | Trade of aluminium profile & accessories | 99,89% | 99,89% |
| 28. | ALUMIL GULF | U.A.E. | Trade of aluminium profile & accessories | 99% | 99% |

Group's Consolidated Financial Statements include consolidated financial statements of subsidiary ALUMIL ROM INDUSTRY (drafts consolidated statements with ALUMIL EXTRUSION (participation percentage 100%)), subsidiary ALUMIL YU INDUSTRY (drafts consolidated statements with ALPRO VLASENICA AD (participation percentage 61,37%)), subsidiary ALUMIL SRB (drafts consolidated statements with ALUMIL MONTENEGRO (participation percentage 100%)), subsidiary EGYPTIAN FOR ALUMINIUM TRADE (drafts consolidated statements with ALUMIL MISR FOR TRADING (participation percentage 99,5%)), subsidiary ALUMIL GROUP LTD (drafts consolidated statements with ALUMIL TECHNIC (participation percentage 100%)) and subsidiary ALUMIL GROUP LTD (drafts consolidated statements with ALUMIL TECHNIC (participation percentage 100%) and with ALUMIL CEU (participation percentage 100%)).

Additionally, ALUMIL SRB and G.A. PLASTICS were included in the Consolidated Financial Statements, despite the fact that ALUMIL holds 45% and 50% respectively of each company, due to the fact that the Parent Company exercises dominant control on these two companies.

Changes during the year

- a) In the second quarter of 2009, the increase of the share capital of subsidiary "ALUMIL ALBANIA" was decided, amounting to € 9.005 thousand with capitalization of liabilities to the parent company, thereby increasing the overall rate of participation of the Parent Company to 99.23%.
- b) In the second quarter of 2009, an increase of the share capital of subsidiary company "Metron AUTOMATION SA, which amounted to € 300 thousand was realised. The capital increase was covered by a cash payment from the shareholders of the subsidiary while Alumil paid a total amount of € 198 thousand based on its participation

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

- percentage, while the remaining amount of € 102 thousand was covered by the minority shareholders.
- c) In the second quarter of 2009, an increase of the share capital of subsidiary «ALUMIL GROUP LTD», which amounted to € 106 thousand, took place. It was entirely covered by the Parent Company.
 - d) According to the minutes of the Company's Board of Directors on the 27th of April 2009, the establishment of a new subsidiary "ALUMIL SOLAR S.A." was decided. The new company will be located in Kilkis. The company's main activity will be the research, planning and trade of equipment for a) the production of electric power from renewable energy sources and especially, but not restrictively from solar energy, b) co-production of electric and cooling or thermal energy from renewable sources, natural gas, classical combustibles and recycle of non toxic industrial wastage, c) energy saving, as well as provision of complete solutions through the well established network of ALUMIL mainly abroad. The share capital of the new company will reach € 60.000 and ALUMIL S.A. will hold 90% (€ 54 thousand), whereas the remaining amount of € 6 thousand was covered by the minority shareholder. The establishment of the company took place in July 2009.
 - e) On July 31st, 2009, local authorities approved the merger by absorption of the subsidiary ALUMIL COATING SRB from subsidiary ALUMIL YU INDUSTRY with the transfer of all assets and liabilities. The merger was completed in the third quarter of 2009. This change had not significant effect on the Group's financial statements.
 - f) By November 13th, 2009 Alumil's Board of Directors decided the merger by absorption of th subsidiary company "ALOUNEF SA" according to Law 2166/93 and the purchase from Alumil SA of the remaining 0 56% held by its major shareholders. The Board of Director's proposal was approved by the Extraordinary General Meeting held on December 7th, 2009. As at December 31st, 2009, the Parent Company hods 100% of the shares of the subsidiary and the outstanding amount of € 62.6 thousand shareholders of the subsidiary was paid by January 2010. The merger is expected to be completed in 2010.
 - g) On May 2009, a new subsidiary company, "ALUMIL KOSOVO SH.P.K.", located in Pristina (Kosovo), was established. The company's main activity is to trade (wholesale and retail) aluminum profile and accessories in the area of Kosovo. The company's share capital reaches the amount of € 20.000 and its sole shareholder is the Group's subsidiary company "ALUMIL ALBANIA".
 - h) On May 2009 a new subsidiary company, "ALUMIL TECHNIC LTD", located in Serbia, was established. the company's main activity is to trade aluminum profile and accessories in Serbia. The company's share capital reaches YUN 9.474 (€ 100.000) and its sole shareholder is the Group's subsidiary company "ALUMIL GROUP LTD".
 - i) On December 2009 a new subsidiary company called «ALUMIL CEU SRO» was established, the company is based in the Czech Republic. Its main activity is trading aluminum profiles and accessories. The equity of the new company amounts to CZK 200 thousand (EUR 7,765) and its sole shareholder is the subsidiary «ALUMIL GROUP LTD».

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

Changes of previous year

- a) In February 2008, an increase of the share capital of the subsidiary «ALUMIL HUNGARY KFT.» took place that amounted to € 3.850. The share capital increase was covered entirely by the Parent Company with cash payment.
- b) In May 2008, an increase of the share capital of subsidiaries «ALUMIL CYPRUS LTD» and «ALUMIL MILONAS CYPRUS LTD» took place due to rounding because of the transition from the Cyprus Pound to the Euro. The capital increase was covered in cash by the shareholders of the subsidiaries. The ALUMIL paid the amount of € 210 and € 54 respectively.
- c) In November 2008, an increase of the share capital of the subsidiary METRON AUTOMATIONS S.A. took place, which amounted to € 1050 thousand. The share capital increase was covered in cash by the shareholders of the subsidiary and Alumil paid an amount of € 693 thousand, based on the percentage of its participation.
- d) In December 2008, an increase of the share capital of the subsidiary ALUMIL GULF took place. The capital increase was covered in cash by the shareholders of the subsidiary and Alumil paid an amount of € 3.495.
- e) In December 2008 the establishment of a new subsidiary company called "ALUMIL GROUP LTD" which is based in Cyprus, took place. With the incorporation of the company, the Group aims to rationalise its structure of ownership, in tax terms. The share capital of the new company amounts to € 1.000 and ALUMIL's participation percentage is 100%.
- f) In December 2008 a new holding company was established in Egypt to join a newly established trading company in the region. The new company is formed as a limited company with the brand-name "EGYPTIAN FOR ALUMINIUM TRADE", in which ALUMIL participates with 99%. The company's initial capital was set at € 100 thousand EGP (€ 14 thousand). Furthermore, the commercial company «ALUMIL MISR FOR TRADING» was established, in which «EGYPTIAN FOR ALUMINIUM TRADE» participates with 99.5% in order to increase sales in the region. The company's initial capital was set at € 500 thousand EGP (approximately € 72 thousand).

11. Available for sale financial assets

Available for sale financial assets, recorded at cost are analyzed as follows:

| | Country | Percentage | THE GROUP | | THE COMPANY | |
|-------------------|---------|------------|----------------|----------------|----------------|----------------|
| | | | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| ALUFONT S.A. | Greece | 19% | 549.636 | 549.636 | 549.636 | 549.636 |
| BH ALUMINIJUM DOO | Bosnia | 19% | 830 | 903 | - | - |
| Total | | | 550.466 | 550.539 | 549.636 | 549.636 |

Available for sale financial assets have been appraised in cost of acquisition, as at December 31st 2009 there is no evidence of impairment.

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

12. Long term receivables

Group and Company's long-term receivables which are recorded at cost are analyzed as follows:

| | THE GROUP | | THE COMPANY | |
|---|------------------|----------------|------------------|------------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Guarantees for electricity | 493.207 | 493.207 | 339.531 | 339.531 |
| Guarantees for buildings' rentals | 3.641 | 40.015 | - | 34.979 |
| Guarantees for car rentals | 60.182 | 66.157 | 45.749 | 53.708 |
| Receivables from personnel | 57.448 | 95.314 | - | - |
| Bills receivables | 630.000 | - | 590.000 | - |
| Long-term receivables from subsidiaries (Note 28) | - | - | 3.451.325 | 3.267.142 |
| Other | 136.453 | 98.706 | 15.493 | 15.079 |
| Total | 1.380.931 | 793.399 | 4.442.098 | 3.710.439 |

13. Inventories

Group and Company Inventories are analyzed as follows:

| | THE GROUP | | THE COMPANY | |
|--|-------------------|-------------------|-------------------|-------------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Merchandise | | | | |
| At cost | 31.778.716 | 37.313.322 | 11.632.283 | 14.055.577 |
| At net realizable value | 29.253.550 | 34.611.291 | 10.322.954 | 12.694.954 |
| Finished goods | | | | |
| At cost | 26.181.498 | 39.494.596 | 14.986.952 | 26.303.964 |
| At net realizable value | 24.976.875 | 36.822.411 | 14.379.824 | 24.604.687 |
| Raw & auxiliary materials – Consumable materials | | | | |
| At cost | 14.504.194 | 18.216.736 | 5.695.189 | 7.011.192 |
| At net realizable value | 14.057.256 | 17.837.850 | 5.560.363 | 6.874.392 |
| By-products | | | | |
| At cost | 2.984.627 | 5.597.371 | 1.346.769 | 2.664.084 |
| At net realizable value | 2.118.149 | 2.830.281 | 955.301 | 1.393.852 |
| Purchases in transit | 3.112.960 | 6.125.524 | 2.981.863 | 6.119.843 |
| Total inventories in the lowest price between cost and net realizable value | 73.518.790 | 98.227.357 | 34.200.305 | 51.687.728 |

Every change to provision for inventories from valuation to net realisable value is included in the cost of inventories recognized as an expense in Cost of sales.

The movement of provision for the years ended as at 31st of December 2009 and 2008 was as follows:

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

| | THE GROUP | THE COMPANY |
|---|----------------------|------------------------|
| Balance at 1 January 2008 | 5.786.427 | 2.089.808 |
| Additional provision for the year (Note 5c) | 5.818.475 | 3.408.142 |
| Utilized provision | (2.962.268) | (1.031.019) |
| Exchange differences | (122.442) | - |
| Balance at 31 December 2008 | 8.520.192 | 4.466.931 |
| Additional provision for the year (Note 5c) | 2.322.713 | 992.600 |
| Utilized provision | (5.760.126) | (3.016.780) |
| Exchange differences | (39.573) | - |
| Balance at 31 December 2009 | 5.043.206 | 2.442.751 |

The are no pledges over the Group's and Company's inventories.

14. Trade receivables

Group's and Company's trade receivables are analyzed below:

| | THE GROUP | | THE COMPANY | |
|--|--------------------|--------------------|--------------------|--------------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Trade debtors | 66.151.264 | 63.103.380 | 31.806.406 | 29.400.152 |
| Receivables from related parties (Note 28) | - | - | 53.999.849 | 70.399.075 |
| Post dated cheques receivables | 37.472.905 | 42.212.075 | 23.303.474 | 24.412.614 |
| Bills receivables | 1.203.331 | 336.517 | 795.117 | 45.467 |
| Subtotal | 104.827.500 | 105.651.972 | 109.904.846 | 124.257.308 |
| Minus: Provision for doubtful debts | (7.387.075) | (4.149.598) | (10.717.989) | (7.807.772) |
| Total | 97.440.425 | 101.502.374 | 99.186.857 | 116.449.536 |

Provision for doubtful debts for the years ended in 31st December 2009 and 2008 are analyzed below:

| | THE GROUP | THE COMPANY |
|---|----------------------|------------------------|
| Balance at 1 January 2008 | 5.960.501 | 8.506.614 |
| Additional provision for the year (Note 5d) | 1.293.526 | 1.151.459 |
| Utilized provision | (2.640.098) | (1.850.301) |
| Unrealized provisions (Note 5b) | (342.861) | - |
| Exchange differences | (121.470) | - |
| Balance at 31 December 2008 | 4.149.598 | 7.807.772 |
| Additional provision for the year (Note 5d) | 6.203.714 | 4.661.978 |
| Utilized provision | (2.629.700) | (1.751.761) |
| Unrealized provisions (Note 5b) | (270.601) | - |
| Exchange differences | (65.936) | - |
| Balance at 31 December 2009 | 7.387.075 | 10.717.989 |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

Provision for doubtful debts is recorded for specific trade debtor's balances which exceeded Group credit policy; for the majority of those, the Group has prosecuted the debtors' to the relevant Courts.

There is by no means credit risk concentration regarding receivables from trade debtors, since the Group has a large number of clients, worldwide spread.

There are no pledges over the Group's and Company's receivables. Receivables generated from customers are usually settled in: Group 0-150 days, Company 0-150 days. In case of cheques replacement or payment delay, the Company and its subsidiaries have the right to charge 8% - 10% interest to their customers. Income from interest for the years ended 31st December 2008 and 2007, is EURO 249 thousand and EURO 37 thousand respectively for the Group and EURO 232 thousand and EURO 30 thousand respectively for the Company and they are included in "Other finance income" (Note 5g).

On December 31st, receivables ageing presented the following status:

| | THE GROUP | | THE COMPANY | |
|--------------------------------|-------------------|--------------------|--------------------|--------------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Neither past due, nor impaired | 73.909.288 | 79.956.984 | 54.026.616 | 65.315.693 |
| past due but not impaired: | | | | |
| < 30 days | 3.972.738 | 4.739.736 | 5.009.237 | 9.411.990 |
| 30 – 210 days | 11.845.712 | 13.672.714 | 12.812.739 | 25.192.386 |
| > 210 days | 7.712.687 | 3.132.940 | 27.338.265 | 16.529.467 |
| | 97.440.425 | 101.502.374 | 99.186.857 | 116.449.536 |

15. Other receivables and prepayments

Group's and Company's other receivables are analyzed below:

| | THE GROUP | | THE COMPANY | |
|--|-------------------|-------------------|--------------------|-------------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Pre-paid and withheld income | 946.736 | 828.457 | 525.956 | 776.569 |
| Other pre paid and withheld taxes | 399.115 | 211.007 | 218.224 | - |
| VAT. | 1.089.200 | 3.284.062 | 220.491 | 2.192.205 |
| Advances to personnel | 87.288 | 72.789 | 19.369 | 14.632 |
| Advances to suppliers | 12.073.957 | 8.077.121 | 11.016.389 | 6.934.042 |
| Advances to related parties (Note 28) | - | - | 141.407 | 38.648 |
| Advances on accounts | 247.491 | 44.418 | 16.225 | 30.039 |
| Advance for share capital increase (Note 28) | - | 20.767 | - | - |
| Prepaid expenses | 370.331 | 433.860 | 78.496 | 108.273 |
| Grants receivables (Note 22) | 1.338.523 | - | - | - |
| Receivables from OAED | 1.781.772 | 1.781.115 | 241.813 | 297.878 |
| Other receivables (related parties–Note 28) | - | - | 3.589.094 | 763.912 |
| Other debtors | 913.008 | 1.068.423 | 34.833 | 27.239 |
| Subtotal | 19.247.421 | 15.822.019 | 16.102.297 | 11.183.437 |
| Minus: provision for doubtful debts | (775.183) | (701.010) | (502.767) | (310.091) |
| Total | 18.472.238 | 15.121.009 | 15.599.530 | 10.873.346 |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

Provision for other doubtful debts, for the years ended on 31st December 2009 and 2008, are analyzed below:

| | THE GROUP | THE COMPANY |
|---|----------------------|------------------------|
| Balance at 1 January 2008 | 559.094 | 181.984 |
| Additional provision for the year (Note 5d) | 223.957 | 128.107 |
| Utilized provision | (71.388) | - |
| Exchange differences | (10.653) | - |
| Balance at 31 December 2008 | 701.010 | 310.091 |
| Additional provision for the year (Note 5d) | 235.799 | 192.676 |
| Utilized provision | (146.673) | - |
| Exchange differences | (14.953) | - |
| Balance at 31 December 2009 | 775.183 | 502.767 |

16. Cash and cash equivalents

Cash and Cash equivalents for the Group and Company are analysed as follows:

| | THE GROUP | | THE COMPANY | |
|---------------|-------------------|-------------------|--------------------|------------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Cash in hand | 163.613 | 510.611 | 25.890 | 23.470 |
| Cash at banks | 7.828.806 | 8.393.944 | 1.502.388 | 1.768.402 |
| Time deposits | 5.393.564 | 3.240.678 | - | - |
| Total | 13.385.983 | 12.195.233 | 1.528.278 | 1.791.872 |

Cash at banks are expressed in various currencies, subject to compounding with variable interest rates, depending on the size of the deposit and according to banks' offered interest rates. Deposits' market value reaches their accounting value due to variable interest rates and expiration dates. Average deposits' interest rate during 2009 and 2008 was 0.3% and 0.8% respectively. Income from interest for the periods ended at 31st December 2009 and 2008 amounted to approximately € 320 thousand and € 496 thousand for the Group and approximately € 10 thousand and € 14 thousand for the Company, included in "Finance income" in the accompanying Income Statements (Note 5g).

Cash per currency for the Group is analyzed as follows:

| Currency | 31.12.09 | 31.12.08 |
|-----------------|-----------------|-----------------|
| Euro | 7.001.253 | 6.833.932 |
| Romanian RON | 3.330.365 | 2.732.841 |
| Bulgarian Leva | 213.243 | 217.104 |
| Albanian Lek | 148.827 | 207.323 |
| Serbian Dinar | 381.892 | 344.646 |
| Egyptian Pound | 642.789 | 565.162 |
| UK Pound | 626.464 | 140.229 |
| Bosnian Mark | 58.005 | 68.777 |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

| | | |
|------------------|-------------------|-------------------|
| US Dollar | 146.190 | 297.222 |
| Ukranian Grivnia | 409.132 | 221.338 |
| Hungarian Fiorin | 40.299 | 320.104 |
| FYROM Dinar | 162.035 | 152.280 |
| Other | 225.489 | 94.275 |
| Total | 13.385.983 | 12.195.233 |

Cash per currency for the Company is analyzed as follows:

| | | |
|-----------------|------------------|------------------|
| Currency | 31.12.09 | 31.12.08 |
| Euro | 1.062.553 | 1.693.620 |
| UK Pound | 354.347 | 32.812 |
| US Dollar | 111.378 | 65.440 |
| Total | 1.528.278 | 1.791.872 |

17. Share capital & Share premium account

Company's paid-up capital is analyzed as follows:

| | | |
|--|------------------|------------------|
| | 31.12.08 | 31.12.07 |
| Paid-up share capital | | |
| 22.016.250 common, ordinary shares, nominal value €0,37 each | 8.146.012 | 8.146.012 |

Share premium account reaches € 33.153.265 and was realized in 1998, issuing shares for cash in a greater value from the nominal. Share premium account is calculated after subtracting all expenses directly related to the issuance of new shares and it cannot be distributed during the ordinary operation of the Company.

18. Reserves

The Group's and Company's reserves are analyzed as follows:

| | THE GROUP | |
|------------------------------------|-------------------|-------------------|
| | 31.12.09 | 31.12.08 |
| Statutory reserve | 3.669.204 | 3.551.467 |
| Non-taxable reserves | 48.779.474 | 48.668.028 |
| Reserve from non-taxable income | 8.207 | 8.207 |
| Special taxed reserve | 62.365 | 62.365 |
| Special reserve of L. 3299/2004 | 1.601.914 | 1.601.914 |
| Special reserve | 50.143 | 50.143 |
| Reserves from exchange differences | (4.739.258) | (2.196.391) |
| Other reserves | 1.225.905 | 1.155.456 |
| Total | 50.657.954 | 52.901.189 |

| | THE COMPANY | |
|-------------------|--------------------|-----------------|
| | 31.12.09 | 31.12.08 |
| Statutory reserve | 2.684.631 | 2.684.631 |

The attached Notes are an Integral part of the Interim Financial Statements

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

| | | |
|---------------------------------|-------------------|-------------------|
| Non-taxable reserves | 45.650.340 | 45.580.812 |
| Reserve from non-taxable income | 8.207 | 8.207 |
| Special taxed reserve | 58.967 | 58.967 |
| Special reserve of L. 3299/2004 | 1.404.048 | 1.404.048 |
| Special reserve | 50.143 | 50.143 |
| Total | 49.856.336 | 49.786.808 |

The movement of the reserves for the year ended in 31st December 2009 and 2008 is analyzed as follows (in thousand Euro):

GROUP

| | Statutory reserve | Non taxable reserves | Reserve from non-taxable income | Special taxed reserve | Special reserve of L.3299/04 | Special reserve | Reserve from exchange differences | Other reserves | Total |
|---|-------------------|----------------------|---------------------------------|-----------------------|------------------------------|-----------------|-----------------------------------|----------------|---------|
| (amounts in thousand €) | | | | | | | | | |
| Balance 1 January 2008 | 3.307 | 48.324 | 8 | 62 | 1.404 | 50 | (643) | 1.142 | 53.654 |
| Transfer from retained earnings | 245 | 97 | - | - | 198 | - | - | 14 | 554 |
| Exchange differences | - | - | - | - | - | - | (1.553) | - | (1.553) |
| Transfer of depreciation of grants L. 3299/04 | - | 247 | - | - | - | - | - | - | 247 |
| Balance 31 December 2008 | 3.551 | 48.668 | 8 | 62 | 1.602 | 50 | (2.196) | 1.156 | 52.901 |
| Transfer from retained earnings | 116 | - | - | - | - | - | - | 70 | 186 |
| Adjustment of minority interest | 2 | 5 | - | - | - | - | 3 | - | 10 |
| Exchange differences | - | - | - | - | - | - | (2.546) | - | (2.546) |
| Transfer of depreciation of grants L. 3299/04 | - | 106 | - | - | - | - | - | - | 106 |
| Balance 31 December 2009 | 3.669 | 48.779 | 8 | 62 | 1.602 | 50 | (4.739) | 1.226 | 50.658 |

COMPANY

| | Statutory reserve | Non taxable reserves | Reserve from non-taxable income | Special taxed reserve | Special reserve of L.3299/04 | Special reserve | Total |
|---|-------------------|----------------------|---------------------------------|-----------------------|------------------------------|-----------------|--------|
| (amounts in thousand €) | | | | | | | |
| Balance 1 January 2008 | 2.603 | 45.402 | 8 | 59 | 1.404 | 50 | 49.526 |
| Transfer from retained earnings | 82 | - | - | - | - | - | 82 |
| Transfer of depreciation of grants L. 3299/04 | - | 179 | - | - | - | - | 179 |
| Balance 31 December 2008 | 2.685 | 45.581 | 8 | 59 | 1.404 | 50 | 49.787 |
| Transfer of depreciation of grants L. 3299/04 | - | 69 | - | - | - | - | 69 |
| Balance 31 December 2009 | 2.685 | 45.650 | 8 | 59 | 1.404 | 50 | 49.856 |

Statutory reserve: According to the Greek commercial legislation, companies are obliged to hold 5% as a statutory reserve out of the year's earnings, until this reaches one third of

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

the paid share capital. During the company's life, the distribution of the statutory reserve is forbidden.

Non-taxable reserves: This concerns reserves of tax laws that were created based on the provisions of tax legislation which either give the possibility to defer taxation of certain income to the time of distribution to shareholders, or provide fiscal allowances as a motivation for investment. According to Greek tax legislation these reserves are exempted from tax, under the condition that they will not be distributed to the shareholders. The Group doesn't intend to distribute these reserves and therefore hasn't calculated the respective deferred tax liabilities for the income tax, payable at the time of distribution.

Reserves from non-taxable income or special taxed reserve: These concern interest income that was not taxed or had been taxed at source. According to Greek tax legislation these reserves are exempted from income tax, under the condition that they will not be distributed to shareholders. The Group doesn't intend to distribute these reserves and therefore has not recorded a provision of deferred tax liability for the income tax that will become payable at the time of distribution of these reserves.

Special reserve of L. 3299/2004: This special taxed reserve was formed during fiscal years 2005-2006 for covering the Company's own participation, while carrying out an investment plan following the provisions of L. 3299/2004. The special reserve of the Group includes the reserve formed the present year for a foreign subsidiary according to the provisions of law 3299/2004.

Special reserve: This special reserve that was formed during fiscal year 2000, has been fully taxed and is free for distribution according to relevant decision of the General Assembly

Reserve from exchange differences: This reserve is used to record exchange differences from the translation of the financial statements of foreign subsidiaries.

Other reserves: Other reserves concern foreign subsidiaries (Romania, Serbia, Albania, Egypt, Hungary and FYROM) and is formed according to local legislation. The above mentioned reserves cannot be distributed during operation of the respective subsidiaries.

19. Dividends

According to the Company Law, companies are obliged for a dividend payout each year, which is calculated as the 35% of profits after tax and statutory reserve deduction.

The Annual regular Shareholders Meeting on the 06.06.2008 approved the distribution of dividend payout from 2007 earnings equal to € 3.082275 (€ 0.14 per share). Dividends were paid during June 2008.

On 26th March 2009, the Company's Board of Directors proposed dividend payout from 2008 earnings equal to € 1,959,446.25 (€0,089 per share). According to IFRS, those dividends are included in the Consolidated Shareholders' Equity until their approval from the 2008 Annual General Shareholders' Assembly.

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

Due to losses occurred in 2009, the Company's Board of Directors did not propose any dividend payout for 2009.

20. Long-term debts

Company's and Group's long-term debt are raised by domestic and foreign institutions, expressed in euro. Debt payable one year after the balance sheet date is recorded as short-term liabilities, while debt payable in periods exceeding one fiscal year is recorded as long-term.

There are no pledges or mortgages serving for Group's long-term bank debt. The carrying value of overall debt approximates the one recorded in the books.

Company's and Group's long-term debts are analyzed according to their pay back terms, below:

| | THE GROUP | |
|---------------|--------------------|--------------------|
| | 31.12.09 | 31.12.08 |
| Within a year | 31.862.287 | 22.631.473 |
| 1-5 years | 78.996.738 | 82.279.780 |
| After 5 years | 2.767.704 | 28.643.250 |
| Total | 113.626.729 | 133.554.503 |

| | THE COMPANY | |
|---------------|--------------------|--------------------|
| | 31.12.09 | 31.12.08 |
| Within a year | 28.901.340 | 19.184.523 |
| 1-5 years | 71.656.743 | 74.373.233 |
| After 5 years | 2.500.000 | 28.643.250 |
| Total | 103.058.083 | 122.201.006 |

Group's long term Debt's on 31st December 2009 and 2008 is analyzed as follows:

| Bank | 31 December 2009 | | | | Expiration date |
|----------------------------|--------------------------------|-------------------------------|-----------------|----------------------------|------------------------|
| | Short-term installments | Long-term installments | | Loan unpaid portion | |
| | | 2-5 years | +5 years | | |
| PIRAEUS-ALPHA (DEB. BOND) | 9.714.750 | 55.000.000 | - | 64.714.750 | 10.2014 |
| EMPORIKI (DEB. BOND) | 4.000.000 | 4.000.000 | - | 8.000.000 | 01.2011 |
| MARFIN EGNATIA (DEB. BOND) | 9.484.800 | - | - | 9.484.800 | 01.2013 |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

| | | | | | |
|-------------------------------------|-------------------|-------------------|------------------|--------------------|---------|
| NATIONAL BANK of GREECE (DEB. BOND) | 1.250.000 | 5.000.000 | 2.500.000 | 8.750.000 | 05.2015 |
| HSBC (DEB. BOND) | 1.750.000 | 7.500.000 | - | 9.250.000 | 10.2013 |
| ALPHA (DEB. BOND) | 649.220 | 4.095.080 | - | 4.744.300 | 04.2013 |
| EUROBANK | 2.401.762 | - | - | 2.401.762 | 12.2010 |
| PIRAEUS | 662.821 | 63.815 | - | 726.636 | 10.2010 |
| ALPHA BANK | 300.028 | 156.742 | - | 456.770 | 05.2011 |
| MARFIN EGNATIA | 267.705 | 2.141.636 | 267.704 | 2.677.045 | 04.2015 |
| NATIONAL BANK | 834.671 | 417.336 | - | 1.252.007 | 02.2011 |
| GENIKI | 246.530 | 622.129 | - | 868.659 | 01.2013 |
| TIRANA BANK | 300.000 | - | - | 300.000 | 07.2010 |
| Total | 31.862.287 | 78.996.738 | 2.767.704 | 113.626.729 | |

| Bank | 31 December 2008 | | | Loan unpaid portion | Expiration Date |
|-------------------------------------|-------------------------|------------------------|-------------------|---------------------|-----------------|
| | Short-term installments | Long-term installments | | | |
| | | 2-5 years | +5 years | | |
| PIRAEUS-ALPHA (DEB. BOND) | 10.000.000 | 39.798.125 | 24.899.063 | 74.697.188 | 10.2014 |
| EMPORIKI (DEB. BOND) | 4.000.000 | 8.000.000 | - | 12.000.000 | 01.2011 |
| MARFIN EGNATIA (DEB. BOND) | 500.000 | 9.484.000 | - | 9.984.000 | 02.2013 |
| NATIONAL BANK of GREECE (DEB. BOND) | 1.250.000 | 4.990.313 | 3.744.187 | 9.984.500 | 05.2015 |
| HSBC (DEB. BOND) | 750.000 | 9.240.000 | - | 9.990.000 | 10.2013 |
| ALPHA BANK (DEB. BOND) | 250.000 | 4.744.000 | - | 4.994.000 | 04.2013 |
| EUROBANK | 2.439.022 | 2.403.521 | - | 4.842.543 | 12.2010 |
| PIRAEUS BANK | 1.376.725 | 726.871 | - | 2.103.596 | 06.2011 |
| ALPHA BANK | 684.521 | 457.273 | - | 1.141.794 | 05.2011 |
| NATIONAL BANK of GREECE | 834.675 | 1.252.006 | - | 2.086.681 | 02.2011 |
| GENIKI BANK | 246.530 | 883.671 | - | 1.130.201 | 01.2013 |
| TIRANA BANK | 300.000 | 300.000 | - | 600.000 | 07.2010 |
| Total | 22.631.473 | 82.279.780 | 28.643.250 | 133.554.503 | |

Company's long term debts on 31st December 2009 and 2008 are analyzed below:

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

31 December 2009

| Bank | Short-term installments | Long-term installments | | Loan unpaid portion | Expiration Date |
|-------------------------------|----------------------------|---------------------------|------------------|------------------------|--------------------|
| | | 2-5 years | +5 years | | |
| PIRAEUS-ALPHA (DEB. BOND) | 9.714.750 | 55.000.000 | - | 64.714.750 | 10.2014 |
| EMPORIKI (DEB. BOND) | 4.000.000 | 4.000.000 | - | 8.000.000 | 01.2011 |
| MARFIN EGNATIA (DEB. BOND) | 9.484.800 | - | - | 9.484.800 | 01.2013 |
| NATIONAL BANK (DEB. BOND) | 1.250.000 | 5.000.000 | 2.500.000 | 8.750.000 | 05.2015 |
| HSBC (DEB. BOND) | 1.750.000 | 7.500.000 | - | 9.250.000 | 10.2013 |
| EUROBANK | 2.401.762 | - | - | 2.401.762 | 12.2010 |
| ALPHA BANK | 300.028 | 156.743 | - | 456.771 | 05.2011 |
| Total | 28.901.340 | 71.656.743 | 2.500.000 | 103.058.083 | |

31 December 2008

| Bank | Short-term installments | Long-term installments | | Loan unpaid portion | Expiration Date |
|---|----------------------------|---------------------------|-------------------|------------------------|--------------------|
| | | 2-5 years | +5 years | | |
| PIRAEUS-ALPHA (DEB. BOND) | 10.000.000 | 39.798.125 | 24.899.063 | 74.697.188 | 10.2014 |
| EMPORIKI (DEB. BOND) | 4.000.000 | 8.000.000 | - | 12.000.000 | 01.2011 |
| MARFIN EGNATIA (DEB. BOND) | 500.000 | 9.484.000 | - | 9.984.000 | 02.2013 |
| NATIONAL BANK of GREECE (DEB. BOND) | 1.250.000 | 4.990.313 | 3.744.187 | 9.984.500 | 05.2015 |
| HSBC (DEB. BOND) | 750.000 | 9.240.000 | - | 9.990.000 | 10.2013 |
| EUROBANK | 2.400.002 | 2.403.521 | - | 4.803.523 | 12.2010 |
| ALPHA BANK | 284.521 | 457.274 | - | 741.795 | 05.2011 |
| Total | 19.184.523 | 74.373.233 | 28.643.250 | 122.201.006 | |

Long term loans (deb. Bonds) for the Group and Company are analyzed as follows:

Debenture Bond (PIRAEUS BANK and ALPHA BANK)

In October 2007, an €80 mil. debenture bond was signed; organizers were «PIRAEUS BANK» and «ALPHA BANK» and other participants were «BLACK SEA TRADE AND DEVELOPMENT BANK», «EFG EUROBANK ERGASIAS» and «EMPORIKI BANK»; the bond has a seven year period, used to refinance Company's total debt and to optimize working capital management. The debenture bond is ordinary, without trading or conversion

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

rights by the bondholders. It is payable until October 2014. (See reference to a new long-term bond).

Debenture Bond (EMPORIKI BANK)

In 2005 a € 20 mil. debenture bond was received by Emporiki Bank (issuance organizer). The Bond was issued to initially refinance a subordinate bank loan of the Company on behalf of Emporiki Bank, in the form of more permanent working capital, as well as to finance the investment plan of the Company and its participation to the share capital increase of its subsidiaries. (See reference to a new long-term bond).

Debenture Bond (MARFIN EGNATIA BANK)

In February 2008 a € 10 m. debenture bond was received by the Parent Company from «Marfin Egnatia Bank» (issuance organizer). The bond is common, non-tradable and non-convertible. The remaining unpaid balance as at December 31st, 2009 of € 9.5 mil. will be paid off will be made in six (6) six-month instalments totaling € 6.5 mil., and an installment of € 3 mil. on maturity date (February 2013).

Debenture Bond (NATIONAL BANK)

In May 2008 a € 10 mil. debenture bond was received by the Parent Company from «National Bank of Greece». The bond is common, non-tradable, non-convertible. (See reference to a new long-term bond).

Debenture Bond (HSBC)

In October 2008 a € 10 mil. Debenture bond was received by the Parent Company from "HSBC". The bond is common, non-tradable, non-convertible with a 5 year maturity (See reference to a new long-term bond).

Debenture Bond (ALFA BANK)

In April 2008 a € 5 mil. debenture bond was received from «Alpha Bank S.A.». The bond has a 5-year maturity. The unpaid balance as at December 31st, 2009 of € 4.75 mil., will be paid off made in six (6) six-month instalments of €2.85 mil. each, and an instalment of € 1.9 mil. on maturity date (April 2013).

General information on Debenture bonds

The conditions of the loans mentioned above predict denunciation cases which include, among others, overdue payments, non compliance with the general and financial assurances provided, provision of information that includes significant errors and omissions, particular insolvency incidents, termination of business activity, reduction in the share capital of the issuer, state of ownership of the issuer and existence of incidents which substantially affect the financial position of the Company and the Group.

Additionally, the loan conditions include debt covenants, which embody conditions of certain financial ratios maintenance, like working capital ratio, net debt to EBITDA, total debt to equity, EBITDA to total net financial expenditure, EBITDA to total debit interest in addition to the amount of equity capital in certain levels. Moreover, the Parent Company has provided certain assurances which mostly regard its compliance with laws and regulations, asset disposal or sale and lease back agreements, the sufficient insurance of its tangible assets, no pledges clauses, no trading clauses, or the advertisement or by any other means

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

promotion of the bond disposal at the public and the maintenance of the nature of business activity.

On December 7th, 2009, the Extraordinary General Meeting of Shareholders approved a new Debenture bond of € 120 million to refinance the Group's total debt obligations and to rationalize the distribution of available funds of the Group on terms that are consistent with current economic conditions. In March 2010 a new contract was signed with PIRAEUS BANK and ALPHA BANK as the issuance organisers, and BLACK SEA TRADE AND DEVELOPMENT BANK, NATIONAL BANK of GREECE, HELLENIC BANK, EMPORIKI BANK, EFG EUROBANK ERGASIAS and HSBC BANK, as participating bond holders, for a debenture bond with a five year maturity and an option to extend it for another 2 years, with Euribor + 2.70% (annually) for the first 24 months. Then the margin will be adjusted depending on the progress of the NET DEBT / EBITDA ratio (from 2.40 until 3.20). The bond issue is common, with no trading or conversion rights. The payout will be made in seven (7) semi-annual installments of €7.2 million each, with the first instalment due eighteen (18) months from the signing of the contract (September 2011) and an instalment equal to € 69.6 million at maturity (March 2015). In order for the bond to be obtained there will be mortgages on fixed asset equipment of € 136.2 million. Additionally, shares of 5 subsidiaries held by the Parent Company will be pledged.

In April 2009 a long-term loan of € 2,677,045 was received from subsidiary METRON AUTOMATIONS S.A., from MARFIN EGNATIA BANK SA in order to finance the investment project of Law 3299/2004. The loan has a six year maturity, the rate of Euribor (six months) is 2.5% (annually) and the repayment of the loan will be made in ten (10) equal semi-annual instalments, equal to € 267,704.50.

The average interest rate on the bonds of the Group as at 31st of December, 2009 was 3.7% (31.12.2008: 5.90%) while for other long-term loans was 4.1% (31.12.2008: 5.90%). The Group and Company as at 31.12.2009, have unused credit limits available for long-term loans.

The total interest expense of long-term loans for the year ended at December 31st, 2009 and 2008 amounts to € 6.1 million and € 7.6 million respectively for the Group and approximately € 5.6 million and € 6.8 million for the Company correspondingly. These amounts are included in net financial expenses in the accompanying income statements (Note 5g).

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

21. Provisions for staff leaving indemnities

Provision for staff leaving indemnities is analyzed as follows:

| | THE GROUP | | THE COMPANY | |
|---|------------------|------------------|--------------------|------------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Provisions for staff leaving indemnities (Parent Company and the domestic subsidiaries) | 1.604.718 | 1.407.586 | 1.115.273 | 1.023.296 |
| Provision for staff leaving indemnities (Foreign subsidiaries) | 124.073 | 176.812 | - | - |
| Total | 1.728.791 | 1.584.398 | 1.115.273 | 1.023.296 |

Greek labor legislation requires that the payment of retirement and termination indemnities be based on the number of years of service to the Company by the employees and taking into consideration their final remuneration. In cases where the employee works in the Company until retirement, indemnity is calculated to 40% of the amount he/she would receive in case of termination/dismissal without notice.

Liabilities for personnel indemnities were based on an actuarial valuation by an independent firm of actuaries for Parent Company and the domestic subsidiaries.

Following tables show relative movements of the provisions accounts for personnel indemnities as appeared in the Balance Sheet for the fiscal year ended 31st December 2009 and 2008 and the net expense for the relative provision recorded in the Income Statement.

The movement of provisions for the Group (Parent Company & and the domestic subsidiaries) and the Company is analyzed as follows:

| | THE GROUP | | THE COMPANY | |
|---|------------------|------------------|--------------------|------------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Net liability in the Balance Sheet at the beginning of the year | 1.407.586 | 1.139.297 | 1.023.296 | 867.902 |
| Total expenses recognized in the Income Statement (Note 5h) | 512.400 | 417.853 | 292.389 | 259.905 |
| Benefits paid during the year | (315.268) | (149.564) | (200.412) | (104.511) |
| Net liability at the end of the year | 1.604.718 | 1.407.586 | 1.115.273 | 1.023.296 |
| | THE GROUP | | THE COMPANY | |
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Present value of debt obligations | 1.819.467 | 1.497.669 | 1.150.895 | 967.179 |
| Unrecognized actuarial (losses) / gains | (214.749) | (90.083) | (35.622) | 56.117 |
| Net liability in the balance sheet | 1.604.718 | 1.407.586 | 1.115.273 | 1.023.296 |

Amounts recognized in the Group's and Company's Income Statement for personnel indemnities are analyzed as follows:

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

| | THE GROUP | | THE COMPANY | |
|-----------------------------|------------------|-----------------|--------------------|-----------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Service cost | 216.186 | 235.536 | 130.048 | 140.538 |
| Interest cost | 84.842 | 65.757 | 54.605 | 45.605 |
| Extra payments | 204.305 | 108.746 | 105.900 | 72.105 |
| Actuarial loss (recognized) | 7.067 | 7.814 | 1.836 | 1.837 |
| Total | 512.400 | 417.853 | 292.389 | 259.905 |

Extra payments recognized are related to benefits paid to dismiss employees. Most of the amounts paid were not expected under the benefits plan and as a consequence, the additional payments in excess of the relative reserves were treated as additional retirement charge.

The main actuarial assumptions used to calculate the relative personnel indemnities provisions due to retirement for Parent Company & and the domestic subsidiaries are analyzed as follows:

| | THE GROUP | |
|-------------------------------|------------------|-------------|
| | 2009 | 2008 |
| Discount rate | 5.18% | 5.70% |
| Rate of compensation increase | 4% | 4% |
| Inflation cost | 2.5% | 2.5% |
| Average future working life | 18.27 | 18.27 |

| | THE COMPANY | |
|-------------------------------|--------------------|-------------|
| | 2008 | 2007 |
| Discount rate | 5.18% | 5.70% |
| Rate of compensation increase | 4% | 4% |
| Inflation cost | 2.5% | 2.5% |
| Average future working life | 17.86 | 18.08 |

For foreign subsidiaries, where local Labor Law provides payments for retirement and termination indemnities, provision was not actuarially calculated, but according to local Labor Law of each country (Bulgaria, Serbia, Bosnia), after the discount of the relative amounts in current values.

The movement of provisions is analyzed as follows:

| | 31.12.09 | 31.12.08 |
|--|-----------------|-----------------|
| Net obligation at the beginning of the year | 176.812 | 298.710 |
| Expense recognized in the Income Statement (Note 5h) | 18.365 | 10.812 |
| Exchange differences | (6.571) | (14.324) |
| Benefits paid during the year | (64.533) | (118.386) |
| Net obligation at the end of the year | 124.073 | 176.812 |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

22. Government grants

Parent company and its subsidiaries in Greece receive subsidies for tangible assets' investments. Long-term liabilities include the government grants related to tangible assets' purchases/investments, treated as a deferred income; the later is recognized as income in the Income Statement, depreciated further under the fixed method, applying rates similar to those for tangible assets.

The movement of grants is analyzed as follows:

| | THE GROUP | THE COMPANY |
|--|----------------------|------------------------|
| Balance at 1 January 2008 | 27.297.791 | 4.189.301 |
| Grants received | 4.875.641 | 537.874 |
| Sale of granted tangible assets | (279.789) | - |
| Exchange differences | (2.258.238) | (448.810) |
| Income recognized in the Income Statement (Note 5) | 29.635.405 | 4.278.365 |
| Balance at 31 December 2008 | 1.338.523 | - |
| Grants received (Note 15) | (235.857) | - |
| Exchange differences | (1.899.154) | (331.662) |
| Income recognized in the Income Statement (Note 5) | 28.838.917 | 3.946.703 |
| Balance at 31 December 2009 | 27.297.791 | 4.189.301 |

23. Other long term liabilities

Group's and Company's other long-term liabilities are analyzed as follows:

| | THE GROUP | | THE COMPANY | |
|---|------------------|-----------------|--------------------|-----------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Long-term liabilities from purchase of vehicles | 106.749 | 90.707 | - | - |
| Tax installments from surplus value of readjusted landed property | - | 140.497 | - | 58.997 |
| Other long term liabilities | 28.155 | - | - | - |
| Total | 134.904 | 231.204 | - | 58.997 |

24. Trade payables

Group's and Company's trade payables are analyzed as follows:

| | THE GROUP | | THE COMPANY | |
|---------------------------------------|-------------------|-------------------|--------------------|-------------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Trade creditors | 23.473.511 | 31.004.661 | 13.939.758 | 20.551.498 |
| Post dated cheques payable | 6.016.360 | 8.790.294 | 3.314.758 | 4.835.968 |
| Liabilities to subsidiaries (Note 28) | - | - | 5.848.191 | 1.392.769 |
| Total | 29.489.871 | 39.794.955 | 23.102.707 | 26.780.235 |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

Trade payables are not interest bearing accounts and they are usually settled within 30-120 days for the Group and Company.

25. Other short-term liabilities and accrued expenses

Group's and Company's other short-term liabilities and accrued expenses are analyzed as follows:

| | THE GROUP | | THE COMPANY | |
|---|------------------|------------------|------------------|------------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Social securities payables | 1.666.725 | 1.752.719 | 729.422 | 821.527 |
| Withheld taxes payable | 1.121.481 | 1.529.501 | 195.624 | 224.614 |
| Trade receivables' advances | 2.963.107 | 1.076.143 | 2.448.742 | 509.453 |
| Trade receivables' advances (related parties – Note 28) | - | - | - | 1.406.707 |
| Accrued payroll expenses | 1.404.850 | 1.405.377 | 609.577 | 667.189 |
| Accrued expenses | 1.680.785 | 2.248.987 | 1.213.435 | 1.624.987 |
| Purchases not invoiced yet | - | 7.229 | - | - |
| Other creditors | 1.159.380 | 663.997 | 158.488 | 68.031 |
| Total | 9.996.328 | 8.683.953 | 5.355.288 | 5.322.508 |

26. Short-term debts

Short-term debt is used exclusively for working capital needs. Carrying values approximate open balances due to floating interest rates and short-term expiration. Group and Company as at 31.12.2009, have not used available credit limits of approximately € 16.7 mil. (31.12.2008: € 43.4 mil.) and approximately € 10.2mil. (31.12.2008: € 36 mil.) respectively.

The average interest rate on short-term debts on 31st December 2009 was 4.1 % (31.12.2008: 6.25%). Total interest expenses for short-term debts on 31st December 2009 and 2008, amounted to approximately € 2.7 mil. and € 4.2 mil for the Group and approximately € 1.8 mil. and € 2.5 mil. for the Company and they are included in the finance expenses in the accompanying Income Statement (Note 5g).

Group's short-term debts per currency are analyzed as follows:

| Currency | 31.12.09 | 31.12.08 |
|----------------|-------------------|-------------------|
| Euro | 63.242.099 | 51.877.322 |
| Bulgarian Leva | - | 1.638.096 |
| Bosnia Mark | 40.903 | - |
| Total | 63.283.002 | 53.515.418 |

Parent Company's short-term debt is expressed in euro.

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

27. Income tax payable

Group's and Company's income tax payable is analyzed as follows:

| | THE GROUP | | THE COMPANY | |
|---------------------------------------|------------------|------------------|----------------|----------------|
| | 31.12.09 | 31.12.08 | 31.12.09 | 31.12.08 |
| Income tax (Note 6) | 1.109.910 | 1.782.102 | - | 103.938 |
| Settlement tax Law 3697/2008 | 10.364 | 78.911 | - | - |
| Tax advances / payments | (995.147) | (1.289.834) | - | (103.938) |
| Provisions for unaudited fiscal years | 1.355.000 | 1.459.032 | 770.000 | 660.000 |
| Total | 1.480.127 | 2.030.211 | 770.000 | 660.000 |

The movement of provisions for unaudited fiscal years is analyzed as follows:

| | THE GROUP | THE COMPANY |
|---|------------------|----------------|
| Open balance 1st January 2008 | 958.000 | 550.000 |
| Additional provision in year (Note 6) | 541.032 | 110.000 |
| Utilized provision | (40.000) | - |
| Ending balance 31st December 2008 | 1.459.032 | 660.000 |
| Additional provision in year (Note 6) | 244.401 | 110.000 |
| Utilized provision (Note 6) | (348.433) | - |
| Ending balance 31st December 2009 | 1.355.000 | 770.000 |

28. Related party transactions

From the consolidated Income Statement, income, costs and expenses from transactions between Company and its subsidiaries have been eliminated. Those transactions relate to sales and purchases of products, services and tangible assets during the normal activity of the companies. Total purchases and sales between Company and its subsidiaries, open balances due and other transactions eliminated as at 31st December 2009 and 2008 are analyzed as follows (in thousand euros):

| 31 st December 2009 | <i>Sales to related parties</i> | <i>Purchases from related parties</i> | <i>Expenses to related parties</i> | <i>Sales – (Purchases) tangibles & intangibles with related parties</i> | <i>Income from related parties</i> | <i>Receivables from related parties</i> | <i>Payables to related parties</i> |
|--------------------------------|---------------------------------|---------------------------------------|------------------------------------|---|------------------------------------|---|------------------------------------|
| Subsidiary | | | | | | | |
| ALUKOM S.A. | 7.094 | 3.750 | - | - | 7 | 806 | 3.901 |
| ALUNEF S.A.. | 10.838 | 17.042 | - | - | 81 | 1.320 | - |
| ALUSYS S.A. | 1.871 | 10 | - | - | 46 | 1.948 | - |
| ALUFYL S.A. | 2.607 | 5.443 | 1.359 | - | 25 | 12.892 | - |
| G.A. PLASTICS S.A. | 65 | 248 | 187 | - | 5 | 308 | 1.342 |
| METRON AUTOMATIONS S.A. | 274 | 471 | 41 | - | 46 | 821 | - |
| ALUMIL SOLAR S.A | 11 | - | - | - | 9 | 65 | - |
| ALUMIL EGYPT ALUMINIUM | 95 | - | - | - | - | - | - |
| ALUMIL MISR FOR TRADING | 66 | - | - | - | 2 | 69 | - |
| ALUMIL ALBANIA | 6.787 | 79 | - | - | - | 1.312 | - |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

| | | | | | | | |
|------------------------|---------------|---------------|--------------|----------|------------|---------------|--------------|
| ALUMIL BULGARIA | 4.156 | 49 | - | - | - | 4.421 | - |
| ALUMIL VARNA | 503 | - | - | - | - | 1.815 | - |
| ALUMIL FRANCE SAS | - | - | 203 | - | - | - | 46 |
| ALUMIL DEUTZ | 206 | 672 | 61 | - | 184 | 7.630 | - |
| ALUMIL ITALY SRL | - | - | - | - | - | 1.994 | - |
| ALUMIL CY LTD | 3.896 | 61 | - | - | - | 5.296 | - |
| ALUMIL HUNGARY K.F.T. | 353 | 48 | - | - | - | 686 | - |
| ALUMIL UKRANIA | 669 | 55 | - | - | - | 3.846 | - |
| ALUMIL POLSKA S.R.L. | 1.486 | 37 | - | - | 63 | 1.549 | 37 |
| ALUMIL EXTRUSION | - | - | - | - | - | - | 128 |
| ALUMIL ROM INDUSTRY SA | 5.795 | 356 | - | - | - | 2.941 | 356 |
| ALUMIL YU INDUSTRY | 3.909 | - | 18 | - | 2 | 4.113 | - |
| ALPRO VLASENICA | 792 | 150 | - | - | - | 1.859 | - |
| ALUMIL SRB | 2.165 | - | - | - | 3 | 2.459 | - |
| ALUMIL MONTENEGRO | 510 | - | - | - | - | 54 | - |
| ALUMIL SKOPJE | 1.047 | 16 | - | - | - | 861 | 38 |
| ALUMIL GULF | 351 | - | - | - | 14 | 1.601 | - |
| ALUMIL GROUP LTD | - | - | - | - | - | 2 | - |
| ALUMIL TECHNIC | 738 | - | - | - | - | 513 | - |
| Total | 56.284 | 28.487 | 1.869 | - | 487 | 61.181 | 5.848 |

31st December 2008

| Subsidiary | <i>Sales to related parties</i> | <i>Purchases from related parties</i> | <i>Expenses to related parties</i> | <i>Sales of tangibles to related parties</i> | <i>Purchases from related parties</i> | <i>Receivables from related parties</i> | <i>Payables to related parties</i> |
|-------------------------|---|---|--|--|---|---|--|
| ALUKOM S.A. | 6.915 | 3.557 | - | 150 | 154 | - | 829 |
| ALUNEF S.A.. | 11.819 | 22.758 | - | 150 | 199 | 4.448 | - |
| ALUSYS S.A. | 2.184 | 4 | - | - | 41 | 1.402 | - |
| ALUFIL S.A. | 3.393 | 6.837 | 1.159 | - | 3 | 11.339 | - |
| G.A. PLASTICS S.A. | 96 | 315 | 159 | - | 36 | - | 578 |
| METRON AUTOMATIONS S.A. | 832 | 1.274 | 7 | - | 75 | 753 | 458 |
| ALUMIL EGYPT ALUMINIUM | 124 | - | - | - | 3 | 130 | - |
| ALUMIL ALBANIA | 10.307 | 910 | - | - | - | 10.661 | - |
| ALUMIL BULGARIA | 6.471 | 231 | - | - | - | 5.800 | - |
| ALUMIL VARNA | 1.434 | - | - | - | - | 2.007 | - |
| ALUMIL FRANCE SAS | - | - | 191 | - | - | - | 24 |
| ALUMIL DEUTZ | 1.331 | 231 | 77 | - | 186 | 7.826 | - |
| ALUMIL ITALY SRL | - | - | - | - | - | 1.993 | - |
| ALUMIL CY LTD | 4.955 | 101 | - | - | 5 | 5.164 | 101 |
| ALUMIL HUNGARY K.F.T. | 704 | - | - | - | - | 844 | - |
| ALUMIL UKRANIA | 2.888 | 70 | - | - | - | 3.600 | 70 |
| ALUMIL POLSKA | 3.399 | - | - | - | 117 | 1.599 | - |
| ALUMIL EXTRUSION | - | 513 | - | - | - | - | 128 |
| ALUMIL ROM INDUSTRY SA | 9.216 | 947 | - | - | - | 4.150 | 579 |
| ALUMIL YU INDUSTRY | 9.074 | - | 17 | - | - | 4.880 | 10 |
| ALPRO VLASENICA | 3.038 | 837 | - | - | - | 3.194 | - |
| ALUMIL SRB | 3.049 | - | 44 | - | - | 1.915 | - |

The attached Notes are an Integral part of the Interim Financial Statements

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

| | | | | | | | |
|----------------------|---------------|---------------|--------------|------------|------------|---------------|--------------|
| ALUMIL MONTENEGRO | 888 | - | - | - | - | 106 | - |
| ALUMIL COATING S.R.B | 451 | - | - | - | - | 329 | - |
| ALUMIL SKOPJE | 1.054 | 22 | - | - | - | 666 | 22 |
| ALUMIL GULF | 1.337 | - | - | - | 38 | 1.660 | - |
| ALUMIL GROUP LTD | - | - | - | - | - | 2 | - |
| Total | 84.959 | 38.607 | 1.654 | 300 | 857 | 74.469 | 2.799 |

For consolidation purposes as at 31st December 2009, transactions among subsidiaries have been eliminated amounting to approximately € 18.866 thousand (31.12.2008: € 24.522 thousand), receivables – payables of approximately € 14.664 thousand (31.12.2008: € 10.263 thousand) and income-expenses of approximately € 26 thousand (31.12.2008: € 248 thousand).

Open balances at the end of the year are not secured and settled in cash. No guarantees are signed for these receivables. For the year ended in 31st December 2009, Parent Company has recorded accumulated provision for doubtful debts of approximately € 7.236 thousand (31.12.2008: € 6.332 thousand), related to amounts due from subsidiaries with negative Shareholders' Equity.

It is noted that there are no special agreements between the Company and its subsidiaries and all related transactions are settled under the usual terms, within the framework and the particularities of each market.

The Group has conducted from the beginning of the fiscal year, sales towards "INTERNO S.A.", to which the Parent company participates with 6.34% and it is indirectly under common control with the Parent company, of approximately € 577 thousand (31.12.2008: approximately € 690 thousand), purchases of approximately € 243 thousand (31.12.2008: approximately € 360 thousand), while it has a net claim of approximately 3.3 mil. (31.12.2008: € 2.5 mil.).

The Group has conducted from the beginning of the fiscal year, sales towards "ALUFOND S.A.", to which the Parent company participates with 19%, of approximately € 221 thousand, purchases-expenses of approximately € 4.5 mil., while it has a net claim of approximately 3.9 mil. (31.12.2008: € 4.3 mil.).

Finally, The Group has conducted from the beginning of the fiscal year, sales towards "BH ALUMINIUM", to which subsidiary company "ALUMIL YU INDUSTRY" participates with 19%, of approximately € 5.4 mil., purchases-expenses of approximately € 13 thousand, while it has a net claim of approximately 2.3 mil.

There is no parent company - under a legal entity form – participating in ALUMIL S.A., as the majority of the share capital (69,93% of common ordinary shares as at 31st December 2009) belongs to Mr. George Milonas (48,37%) and Mrs. Evagelia Milona (21,56%) and there are no other major shareholders holding significant part of the Company's share capital.

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

Board of Director Remuneration

During the fiscal year ended in 31st December 2009, 2 executive Members of the Parent Company's Board of Directors received gross salaries of approximately € 70.3 thousand (31.12.2008: € 72.7 thousand) for services rendered due to salaried relationship with the Company.

The Group and the Company paid to managers salaries and bonus amounting to approximately € 1.676 thousand (31.12.2008: € 1.472 thousand) and approximately € 500 thousand (31.12.2007: € 513 thousand) respectively.

Finally, in the recorded provision for staff leaving indemnities for the Group and the Company, approximately € 78.5 thousand (31.12.2008: € 71.5 thousand) and approximately € 74.3 thousand (31.12.2008: € 65.1 thousand) correspondingly is included, related to ALUMIL's Executive Board Members and Group managers respectively.

29. Targets and policies for financial risk management program

Financial risk factors

The Group is exposed to several financial risks, such as market risk (currency exchange rate fluctuation, interest rates, and market prices), credit risk and liquidity risk. The Group's complete Risk Management program aims at minimizing the negative effects these risks may have on the Group's financial efficiency.

Risk management is carried out by a central Financial Management department (Group's Financial Management department) that provides financial advisory services to the Group's different companies, coordinates access to financial markets at home and abroad, and manages the financial risks the Groups gets exposed to. This includes recognition and evaluation of financial risk and, if needed, hedging against financial risk. The Financial Management department doesn't perform profit-oriented trading, nor does trading that is not related to the Group's commercial, investing or borrowing activities.

The financial assets and obligations in the balance sheet include cash and cash equivalents, receivables, investments, available for sale financial assets as well as short term and long term liabilities. There is no difference between the fair values and the respective accounting values of the financial elements in assets or liabilities.

Risk management is carried out by a central Financial Management department (Group's Financial Management department) that provides financial advisory services to the Group's different companies, coordinates access to financial markets at home and abroad, and manages the financial risks the Groups gets exposed to. This includes recognition and evaluation of financial risk and, if needed, hedging against financial risk. The Financial Management department doesn't perform profit-oriented trading, nor does trading that is not related to the Group's commercial, investing or borrowing activities.

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

Currency exchange rate risk

The Group is active on international level and realizes transactions in foreign currency. Hence, it is exposed to exchange rate fluctuations. This exposure mainly relates to commercial transactions in foreign currencies, regarding imports or exports of goods and services, and from investments in countries whose net position is exposed to currency risk during conversion of their financial statements for consolidation purposes. The risk of carrying out transactions in foreign currency is dealt with according to approved directions, by subsidizing the product sale in a foreign currency with the raw material purchase in the same currency.

The following table shows the changes of Income before Taxation and Shareholders' Equity, as a result of possible changes in exchange rate of Romanian Lei (RON), Serbian Dinar (RSD), Egyptian Pound (EGP), Albanian Lek (LEK) and of remaining currencies which include the Bulgarian Lev (BGN), FYROM Denar (MKD), Turkish Pound (TRY), Hungarian Forint (HUF), Polish Zloty (PLN), Moldavian Lei (MDL), United Arab Emirates Dirhams (AED), Ukrainian Hryvna (UAN) and Czech Koruna keeping all other variables stable:

Sensitivity analysis to exchange rate fluctuation:

| (Amounts in thousand €) | Foreign Currency | Increase/Decrease against € | Effect on Income before Taxation | Effect on Shareholders' Equity | |
|---------------------------|---------------------------|-----------------------------|----------------------------------|--------------------------------|------|
| Amounts of FY 2009 | RON | 5% | 97 | 746 | |
| | | -5% | -97 | -746 | |
| | RSD | 5% | 108 | 941 | |
| | | -5% | -108 | -941 | |
| | EGP | 5% | 27 | 119 | |
| | | -5% | -27 | -119 | |
| | LEK | 5% | 37 | 617 | |
| | | -5% | -37 | -617 | |
| | OTHER | 5% | -49 | 54 | |
| | | -5% | 49 | -54 | |
| | Amounts of FY 2008 | RON | 5% | 240 | 822 |
| | | | -5% | -240 | -822 |
| RSD | | 5% | 192 | 913 | |
| | | -5% | -192 | -913 | |
| EGP | | 5% | -11 | 98 | |
| | | -5% | 11 | -98 | |
| LEK | | 5% | 31 | 195 | |
| | | -5% | -31 | -195 | |
| OTHER | | 5% | -52 | 93 | |
| | | -5% | 52 | -93 | |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

Note: The calculation of “Effect on Income before Taxation” is based on the fluctuation of the year’s average exchange rate whereas the calculation of “Effects on Shareholders’ Equity” is based on the fluctuation of the exchange rates at the Balance Sheet date.

Interest rate risk

The Group’s operational profit and cash flow are not greatly influenced by the fluctuation of the interest rates. The interest rate risk exposure for liabilities and investments is reviewed on a budgetary basis. The Group’s policy is to closely review the interest rate trends and the Group’s financing needs.

The Group finances its investments and its working capital needs with bank loans and bonds, thus affecting its results with the respective interest. Increasing trends in interest rates

(Change of the borrowing basis rates (EURIBOR) will have a negative effect on the results, since the Group will be charged a higher cost of debt.

All short-term loans have been agreed upon with a floating interest rate. The renewal of the short-term loan interest rates counts for periods of 1-3 months and that of the long-term loan counts for a period of 3-6 months. This gives the Group the possibility to partially avoid the risk of big interest rate fluctuation.

The following Table shows the changes in the Group’s Income before taxation (through the effects that the balance of loans with floating rates has on Profits, at the end of the fiscal year) for potential changes of interest rates, holding all other variables stable:

Sensitivity analysis of the Group’s loans to interest rate fluctuation

| (Amounts in thousand €) | Foreign Currency | Increase/Decrease against € | Effect on Income before Taxation |
|---------------------------|------------------|-----------------------------|----------------------------------|
| Amounts of FY 2009 | EUR | 1% | -2.253 |
| | | -1% | 2.253 |
| | BGN | 1% | -25 |
| | | -1% | 25 |
| | LEK | 1% | -9 |
| | | -1% | 9 |
| Amounts of FY 2008 | EUR | 1% | -1.922 |
| | | -1% | 1.922 |
| | BGN | 1% | -25 |
| | | -1% | 25 |
| | LEK | 1% | -16 |
| | | -1% | 16 |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

Sensitivity analysis of the Company's loans to interest rate fluctuation

| (Amounts in thousand €) | Foreign Currency | Increase/Decrease against € | Effect on Income before Taxation |
|-------------------------|------------------|-----------------------------|----------------------------------|
| Amounts of FY 2009 | EUR | 1% | -1.900 |
| | | -1% | 1.900 |
| Amounts of FY 2008 | EUR | 1% | -1.538 |
| | | -1% | 1.538 |

Note: The Table above doesn't include the positive effect of the deposit rate because the amounts are considered to be of minor magnitude.

Credit risk

The Group doesn't have a significant concentration of credit risk against other parties because of the wide range of its clientele. The credit risk exposure is being reviewed and evaluated on a constant basis.

A special computer-based application checks the size of credit and the credit limits of the customers who are set out based on regular evaluations and always in accordance with the limits defined by the management. For special credit risks there are provisions for doubtful debts. At the end of the year, the management presumed that there is no substantial credit risk which is not already covered from any assurance or from a prediction for doubtful debt. An extensive analysis of the commercial and other receivables is quoted in notes 14 and 15 of the Financial Statements.

Furthermore as far as deposit products are concerned the Group only does business with recognized financial institutions of high credit-receiving grade. An extensive analysis is quoted in note 16 of the Financial Statements.

Liquidity risk

The prudent liquidity management is achieved through the appropriate combination of available cash and approved credit limits.

The Group manages potential risks that may occur from lack of sufficient liquidity by catering for the existence of guaranteed credit limits.

The current available unused approved credit limits to the Group are sufficient to successfully cope with any potential lack of cash.

The following table summarizes the dates of expiration for the financial liabilities of December 31st 2009 and 2008 respectively, based on the payments projected by the relevant contracts and agreements, at non-predetermined prices:

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

GROUP

| Amounts of FY 2009 (amounts in thousand €) | <u>Less than 4 months</u> | <u>4 to 12 months</u> | <u>1 to 2 years</u> | <u>2 to 5 years</u> | <u>≥ 5 years</u> | <u>Total</u> |
|---|-------------------------------|---------------------------|-------------------------|-------------------------|----------------------|----------------|
| Trade payables | 29.443 | 47 | - | - | - | 29.490 |
| Other short-term liabilities & accrued expenses | 9.972 | 24 | - | - | - | 9.996 |
| Debt | 9.705 | 79.330 | 24.574 | 70.412 | 2.807 | 186.828 |
| Other long-term liabilities | - | - | 65 | 70 | - | 135 |
| | 49.120 | 79.401 | 24.639 | 70.482 | 2.807 | 226.449 |

Amounts of FY 2008

| (amounts in thousand €) | <u>Less than 4 months</u> | <u>4 to 12 months</u> | <u>1 to 2 years</u> | <u>2 to 5 years</u> | <u>≥ 5 years</u> | <u>Total</u> |
|---|-------------------------------|---------------------------|-------------------------|-------------------------|----------------------|----------------|
| Trade payables | 39.661 | 134 | - | - | - | 39.795 |
| Other short-term liabilities & accrued expenses | 8.594 | 90 | - | - | - | 8.684 |
| Debt | 9.795 | 72.144 | 30.552 | 70.383 | 30.522 | 213.396 |
| Other long-term liabilities | - | - | 231 | - | - | 231 |
| | 58.050 | 72.368 | 30.783 | 70.383 | 30.522 | 262.106 |

COMPANY

Amounts of FY 2009

| (amounts in thousand €) | <u>Less than 4 months</u> | <u>4 to 12 months</u> | <u>1 to 2 years</u> | <u>2 to 5 years</u> | <u>≥ 5 years</u> | <u>Total</u> |
|---|-------------------------------|---------------------------|-------------------------|-------------------------|----------------------|----------------|
| Trade payables | 23.082 | 21 | - | - | - | 23.103 |
| Other short-term liabilities & accrued expenses | 5.355 | - | - | - | - | 5.355 |
| Other long term liabilities | - | - | - | - | - | - |
| Debt | 8.434 | 53.093 | 22.087 | 65.089 | 2.534 | 151.237 |
| | 36.871 | 53.114 | 22.087 | 65.089 | 2.534 | 179.695 |

Amounts of FY 2008

| (amounts in thousand €) | <u>Less than 4 months</u> | <u>4 to 12 months</u> | <u>1 to 2 years</u> | <u>2 to 5 years</u> | <u>≥ 5 years</u> | <u>Total</u> |
|---|-------------------------------|---------------------------|-------------------------|-------------------------|----------------------|----------------|
| Trade payables | 26.711 | 69 | - | - | - | 26.780 |
| Other short-term liabilities & accrued expenses | 5.293 | 30 | - | - | - | 5.323 |
| Other long term liabilities | - | - | 59 | - | - | 59 |
| Debt | 8.317 | 44.738 | 27.419 | 64.610 | 30.522 | 175.606 |
| | 40.321 | 44.837 | 27.478 | 64.610 | 30.522 | 207.768 |

Risk of raw material price fluctuation (aluminium)

The Group is exposed to the fluctuations of raw material (aluminum) and merchandise (industrial aluminium profile) market prices. For all contracts with clients on a yearly basis there is always a corresponding contract of raw material purchase. For sales made on

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

demand and not on specific contracts, the protection is provided by the increase of selling price.

Capital management

The Group's basic target of capital management is to maintain its high credit-receiving grade and its healthy capital ratios, so that the Group's activities are supported and extended, and its share value is maximized.

The Board of Directors is trying to maintain a balance between higher returns, achievable with higher levels of loans, and the advantages and security a powerful and healthy capital position can guarantee.

The Group doesn't have a specific plan for own shares purchase.

There have been no changes in the approach adopted by the Group for capital management during current fiscal year.

The Group and Company control the sufficiency of equity by using the net debt to operating profit ratio and the total debt to equity ratio. Operating profit (EBITDA) is the earnings before interest, tax and total depreciation. Net debt includes interest bearing loans minus cash and cash equivalents.

| | THE GROUP | | THE COMPANY | |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|
| | 2009 | 2008 | 2009 | 2008 |
| Long-term debt | 89.751.642 | 110.923.030 | 82.143.943 | 103.016.483 |
| Short-term debt | 87.158.089 | 76.146.891 | 59.883.882 | 47.699.596 |
| Loans | 176.909.731 | 187.069.921 | 142.027.825 | 150.716.079 |
| Minus: Cash and cash equivalent | (13.385.983) | (12.195.233) | (1.528.278) | (1.791.872) |
| Net debt | 163.523.748 | 174.874.688 | 140.499.547 | 148.924.207 |
| EBITDA | 16.885.010 | 37.021.160 | (1.006.345) | 12.430.110 |
| Net Debt/EBITDA | 9,68 | 4,72 | (139,61) | 11,98 |
| | | | | |
| | THE GROUP | | THE COMPANY | |
| | 2009 | 2008 | 2009 | 2008 |
| Long-term debt | 89.751.642 | 110.923.030 | 82.143.943 | 103.016.483 |
| Short-term debt | 87.158.089 | 76.146.891 | 59.883.882 | 47.699.596 |
| Loans | 176.909.731 | 187.069.921 | 142.027.825 | 150.716.079 |
| Shareholders' Equity | 131.214.018 | 145.669.893 | 90.448.442 | 102.643.276 |
| Debt/ Shareholders' Equity | 1,35 | 1,28 | 1,57 | 1,46 |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

30. Financial instruments

Below a comparison of the accounting and market values of the Group's and the Company's financial products is presented by category, as they appear on the financial statements:

| | Group | | | | Company | | | |
|---|------------------|---------|--------------|---------|------------------|---------|--------------|---------|
| | Accounting Value | | Market Value | | Accounting Value | | Market Value | |
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| (Amounts in thousand €) | | | | | | | | |
| <i>Financial Assets</i> | | | | | | | | |
| Investments in subsidiaries | - | - | - | - | 51.606 | 42.181 | 51.606 | 42.181 |
| Available for sale financial assets | 550 | 551 | 550 | 551 | 550 | 550 | 550 | 550 |
| Long-term receivables | 1.381 | 793 | 1.381 | 793 | 4.442 | 3.710 | 4.442 | 3.710 |
| Trade receivables | 97.440 | 101.502 | 97.440 | 101.502 | 99.187 | 116.450 | 99.187 | 116.450 |
| Other receivables & prepayments | 18.472 | 15.121 | 18.472 | 15.121 | 15.600 | 10.873 | 15.600 | 10.873 |
| Cash and cash equivalent | 13.386 | 12.195 | 13.386 | 12.195 | 1.528 | 1.792 | 1.528 | 1.792 |
| <i>Financial Liabilities</i> | | | | | | | | |
| Long-term debt | 89.752 | 110.923 | 89.752 | 110.923 | 82.144 | 103.016 | 82.144 | 103.016 |
| Short-term bank debt | 87.158 | 76.147 | 87.158 | 76.147 | 59.884 | 47.700 | 59.884 | 47.700 |
| Other long-term liabilities | 135 | 231 | 135 | 231 | - | 59 | - | 59 |
| Trade payables | 29.490 | 39.795 | 29.490 | 39.795 | 23.103 | 26.780 | 23.103 | 26.780 |
| Other short-term liabilities and accrued expenses | 9.996 | 8.684 | 9.996 | 8.684 | 5.355 | 5.323 | 5.355 | 5.323 |

There are no differences between fair values and their respective book values of financial assets and liabilities.

31. Commitments and contingent liabilities

a. Pending trials – Judiciary Cases

The Group is involved in several judiciary cases (as both the defendant and the accused party) and mediation procedures as part of its regular operation. The Management along with their legal advisors, estimates that there are no significant pending trials or differences under mediation with judicial or administrative bodies, that will significantly affect the Group's or the Company's financial position or results.

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

b. Letter of warranty – Other guarantees

The Group and the Company have issued letters of warranty for third parties, which amounted to approximately € 11 mil. (31.12.2008: approximately € 9.5 mil.) and approximately € 4.9 mil. (31.12.2008: approximately 3.8 mil.) respectively.

Furthermore the Parent Company has issued letters of warranty of fulfillment for several subsidiaries' obligations to third parties for the amount of 2,4 million Euros (31.12.2008: 2.1 million Euros) and has provided guarantees to banks for subsidiaries and other affiliated companies towards bank liabilities totaling approximately € 49.7 mil Euros (31.12.2008: approximately € 54.5 mil.) for the assurance of debt liabilities, which concern an unsettled amount due as at 31.12.2009, of approximately € 46,2 mil. (31.12.2008: approximately € 46.3 mil.).

c. Liabilities from Operating Leases

On December 31st 2009, the Group and the Company had several operating leases effective regarding the lease of motor vehicles, which expire on several dates until April 2013 and November 2012 respectively.

Those lease expenses are included in the attached Income Statement for fiscal year ended on December 31st 2009, and amounted to 490.268 Euros for the Group (31.12.2008: 637.837 Euros) and to 385.019 Euros for the Company (31.12.2008: 417.412 Euros).

The minimum future payable leases, based on non-cancelable operational lease contracts on December 31st 2009 and 2008 for the Group and the Company, are as follows:

THE GROUP

| | <u>31.12.09</u> | <u>31.12.08</u> |
|-----------------------|-----------------------|-----------------------|
| <u>Payable</u> | | |
| Within 1 year | 299.931 | 358.697 |
| Between 1 and 5 years | 253.775 | 405.736 |
| | <u>553.706</u> | <u>764.433</u> |

THE COMPANY

| | <u>31.12.09</u> | <u>31.12.08</u> |
|-----------------------|-----------------------|-----------------------|
| <u>Payable</u> | | |
| Within 1 year | 220.372 | 250.970 |
| Between 1 and 5 years | 190.057 | 285.479 |
| | <u>410.429</u> | <u>536.449</u> |

d. Commitments

On December 31st 2009 the Parent Company had no commitments for capital expenditure.

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

By December 31st 2009, the Group has made a commitment to purchase 625 tons of raw material (aluminium), that will be delivered within 2010. the total cost equals to approximately € 905 thousand (31.12.2008: 1.600 tons with a total cost of approximately € 2.9 mil.)

e. Unaudited fiscal years

Alumil S.A has been audited by Tax Authorities until fiscal year ending on December 31st 2002 and hence its tax liabilities for unaudited fiscal years have not been considered finalized.

With regard to subsidiaries, their books have not been audited by Tax Authorities for the fiscal years analyzed as follows:

| Company Name | Unaudited fiscal years |
|-------------------------------|----------------------------|
| 1. ALUKOM S.A. | 2005 – 2009 |
| 2. ALUNEF S.A. | 2005 – 2009 |
| 3. ALUSYS S.A. | 2007 – 2009 |
| 4. ALUFIL S.A. | 2007 – 2009 |
| 5. METRON AUTOMATICS S.A. | 2007 – 2008 |
| 6. G.A. PLASTICS S.A. | 2007 – 2008 |
| 7. ALUMIL SOLAR | Since incorporation (2009) |
| 8. ALUMIL EGYPT FOR ALUMINIUM | Since incorporation (2002) |
| 9. ALUMIL EGYPT ACCESSORIES | Since incorporation (2000) |
| 10. ALUMIL ALBANIA | 2008-2009 |
| 11. ALUMIL KOSOVO | Since incorporation (2009) |
| 12. ALUMIL BULGARIA | 2003 – 2009 |
| 13. ALUMIL VARNA | 2004 – 2009 |
| 14. ALUMIL FRANCE S.A.S. | Since incorporation (2005) |
| 15. ALUMIL DEUTZ | 2008 – 2009 |
| 16. ALUMIL ITALY SRL | Since incorporation (2001) |
| 17. ALUMIL MILONAS CYPRUS | 2006 – 2009 |
| 18. ALUMIL CY | 2006 – 2009 |
| 19. ALUMIL MOLDAVIA | 2007 – 2009 |
| 20. ALUMIL HUNGARY K.F.T. | 2004 – 2009 |
| 21. ALUMIL UKRANIA | 2006 – 2009 |
| 22. ALUMIL POLSKA S.R.L. | 2004 – 2009 |
| 23. ALUMIL ROM INDUSTRY SA | 2004 – 2009 |
| 24. ALUMIL EXTRUSION | 2005-2009 |
| 25. ALUMIL YU INDUSTRY | Since incorporation (2001) |
| 26. ALPRO AD | 2008-2009 |
| 27. ALUMIL SRB | 2005 – 2009 |
| 28. ALUMIL MONTENEGRO | Since incorporation (2005) |
| 29. ALUMIL SKOPJE | Since incorporation (2000) |
| 30. ALUMIL GULF | Since incorporation (2007) |
| 31. ALUMIL GROUP | Since incorporation (2008) |
| 32. ALUMIL TECHNIC | Since incorporation (2009) |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

- | | |
|----------------------------------|----------------------------|
| 33. EGYPTIAN FOR ALUMINIUM TRADE | Since incorporation (2008) |
| 34. ALUMIL MISR FOR TRADING | Since incorporation (2009) |

The Group's companies are subjects to different income tax legislations. During regular flow of operations, there are many transactions and calculations taking place, for which the exact tax calculation is uncertain.

The Group has recorded a provision for possible future tax liabilities that will come from future audits by the Tax Authorities, which amounts to approximately € 1.355 thousand (31.12.08: € 1.459 thousand) and 770 thousand (31.12.08: € 660 thousand) for the fiscal years for which the Parent Company and some consolidated subsidiaries remain unaudited, although at present it is not possible to determine the exact amount of additional taxes and fines that may be imposed as these depend on the findings of the tax audit. At the event that the final taxes arising after tax audits are different from the amounts that were originally provided, these differences will influence the income tax at the fiscal year when these differences were taken place.

32. Events after the Balance Sheet date

There have been no events after the date of the Financial Statements of December 31st 2009, concerning the Company or the Group, with the exception of the issuance of the new debenture bond referenced in note 20., that significantly influence the understanding of these Financial Statements, and that should be publicized or would differentiate the items of the published Financial Statements.

Chairman and CEO

George Milonas
ID# AB 717392

Vice-Chairman

Evagelia Milona
ID# AB 689463

Chief Financial Officer

Spiridon Mavrikakis
ID# AA 273119
Reg. # 7528 A'GRADE

Head of Accounting

Dimitrios Plakidis
ID# AE 873647
A.M. 23809 A' GRADE

F. Data and Information

ALUMIL ALUMINIUM INDUSTRY S.A.

Company's No 17520/06/B/88/18 in the register of Societes Anonymes - Ind. Area of Kilkis, 611 00
SUMMARY FINANCIAL DATA AND INFORMATION FROM 01.01.2009 TO 31.12.2009

(Published according to L. 2190, article 135 for companies preparing annual financial statements, company and consolidated, according to IFRS)

The purpose of the below data and information is to provide users with general financial information about the financial position and the results of operations of ALLUMIL ALUMINIUM INDUSTRY S.A. and the Group of companies of ALLUMIL ALUMINIUM INDUSTRY S.A. We advise the readers that, before proceeding to any kind of investing activity or other transaction with the Company, to access the company's web site www.alumil.com where the financial statements are published together with the auditor's review report, whenever is required.

| | |
|---|---|
| Responsible Supervisory Body: Corporate Website Address: Composition of Board of Directors: Date of approval of the financial statements from which the summary information is derived: Auditor: Type of Audit Report: | Ministry of Development http://www.alumil.com George Milonas, Evagelia Milona, Efthimia Milona, George Doukidis, Hristos Sidiras Anastasio Alexandridis March 26th 2010 Loizos Kolokotronis (SOEL Reg. No 10931) Ernst & Young Certified Auditors Unqualified audit report |
|---|---|

| STATEMENT OF FINANCIAL POSITION | | | |
|---|--------------------|--------------------|--------------------|
| Amounts in euro | | | |
| CONSOLIDATED ACCOUNTS | | COMPANY ACCOUNTS | |
| 31.12.2009 | 31.12.2008 | 31.12.2009 | 31.12.2008 |
| ASSETS | | | |
| Tangible assets | 179,691,671 | 189,527,927 | 62,650,449 |
| Other non-current assets | 811,469 | 1,605,730 | 535,189 |
| Inventories | 2,792,569 | 2,498,459 | 56,597,714 |
| Trade receivables | 73,518,790 | 98,227,257 | 34,200,305 |
| Other current assets | 97,440,425 | 101,502,374 | 99,186,857 |
| TOTAL ASSETS | 386,113,085 | 420,678,089 | 270,298,322 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | |
| Share capital (22,250,016 shares at € 0,37 each) | 8,146,012 | 8,146,012 | 8,146,012 |
| Other Shareholders' Equity accounts | 106,294,247 | 120,206,051 | 92,302,430 |
| Shareholders' Equity (a) | 114,440,259 | 128,352,063 | 100,448,442 |
| Minority interests (b) | 16,673,759 | 17,317,830 | 0 |
| Total Shareholders' Equity (c) = (a) + (b) | 131,214,018 | 145,669,893 | 100,448,442 |
| Long-term bank liabilities | 81,764,442 | 110,923,030 | 74,156,743 |
| Provisions/Other long-term liabilities | 37,023,010 | 37,423,156 | 8,594,060 |
| Short-term bank liabilities | 95,146,209 | 76,146,891 | 67,871,082 |
| Other short-term liabilities | 40,966,336 | 90,598,119 | 29,227,955 |
| Total liabilities (d) | 254,899,067 | 275,008,196 | 179,849,880 |
| TOTAL LIABILITIES & SHAREHOLDERS' EQUITY (c) + (d) | 386,113,085 | 420,678,089 | 270,298,322 |

| SHAREHOLDERS' EQUITY DATA FOR THE PERIOD | | | |
|--|--------------------|--------------------|--------------------|
| Amounts in euro | | | |
| CONSOLIDATED ACCOUNTS | | COMPANY ACCOUNTS | |
| 31.12.2009 | 31.12.2008 | 31.12.2009 | 31.12.2008 |
| Shareholders' Equity as at (01.01.2009 and 01.01.2008 respectively) | | | |
| Earnings / (Losses) after taxes | 145,669,893 | 147,201,261 | 102,640,276 |
| Dividends paid to parent company and minorities | (10,323,698) | (4,451,958) | (10,235,388) |
| Changes in minority interests | (3,568,670) | (6,420,866) | (1,959,446) |
| Subsidiaries' share capital increase | (62,507) | 0 | 0 |
| Shareholders' Equity as at (31.12.2009 and 31.12.2008 respectively) | 131,214,018 | 145,669,893 | 100,448,442 |

| ADDITIONAL DATA AND INFORMATION : | | | |
|--|--|--|--|
| 1) The Accounting Principles have been applied as those applied on the Financial Statements on 31.12.2008 with the exception for the new or revised accounting standards and interpretations that became effective in 2009. | | | |
| 2) Group companies - with the corresponding names, addresses and holding percentages - which are included in the consolidated Financial Statements for 4Q 2009 with the full consolidation method, are quoted in note 10 of the interim Financial Statements. | | | |
| 3) The unaudited fiscal years for the Parent Company and Group Companies are analytically quoted in note 31a of the Financial Statements. | | | |
| 4) There are no pledges on non-current assets of the Parent company to serve as guarantees for bank liabilities. On a building owned by a subsidiary company (Bosnia), a mortgage has been introduced, of amount € 1,3 thousand approximately, for the receipt of a short term bank loan, with a credit limit of € 409 thousand approximately. The open balance as at December 31st 2009, reaches approximately € 41 thousand. | | | |
| 5) As at 31.12.2009 and at 31.12.2008 respectively, ALLUMIL Group occupied 2,179 and 2,335 employees respectively and Parent Company 513 and 531 employees respectively. | | | |
| 6) Investments on non-current assets of the parent Company and the Group for the period reached € 2,2 m. and € 6,9 m. respectively. | | | |
| 7) Other total income after taxes for the Group, includes exchange differences from the transformation of subsidiary's balances in foreign exchange. | | | |
| 8) There are no legal disputes, pending litigations, unresolved claims, court or other law institution decisions that may cause severe financial or otherwise implications or consequences to Alumil and the Group performance, or its business operations. The provision for unaudited periods as at December 31st 2009 reached € 1,335 m. for the Group and € 770 thousand approximately for the Company. No other additional provisions are recorded. | | | |

| Transactions with related parties (amounts in € thousands): | Current period | |
|---|----------------|---------|
| | Group | Company |
| a) Sales - Revenues | 6,169 | 58,213 |
| b) Purchases - Expenses | 4,793 | 34,159 |
| c) Receivables | 10,156 | 69,563 |
| d) Payables | 663 | 5,848 |
| e) Managers and Board Members transactions and payments | 1,746 | 570 |
| f) Receivables from Managers and Board Members | - | - |
| g) Payables to Managers and Board Members | - | - |

All sales, purchases, receivables and payables end balances towards related parties have been eliminated for consolidation purposes, as at 31st December 2009.

10) According to the minutes of the Company's Board of Directors on the 27th of April 2009, the establishment of a new subsidiary "ALLUMIL SOLAR S.A." was decided. The new company will be located in Kilkis. The share capital of the new company will reach € 60,000 and ALLUMIL S.A. will hold 90%. The establishment of ALLUMIL SOLAR was completed during June 2009.

11) On May 2009, a new subsidiary company, "ALLUMIL KOSOVO SHIP.K.", was established. The company's share capital reaches the amount of € 20,000 and its sole shareholder is the Group's subsidiary company "ALLUMIL ALBANIA".

12) On May 2009 a new subsidiary company, "ALLUMIL TECHNIK LTD", was established. The company's share capital reaches € 100,000 and its sole shareholder is the Group's subsidiary company "ALLUMIL GROUP LTD".

13) On June 3rd 2009, local authorities approved the merge via absorption of the subsidiary company "ALLUMIL COATING SRB" from the subsidiary "ALLUMIL YU INDUSTRY", with the transfer of all its assets and liabilities. The merge will be concluded within the 2nd semester of 2009. The merger was concluded during the 3rd semester of 2009. This change will not have a substantial effect on the Group's Financial Statements.

14) On December 2009 a new subsidiary company, "ALLUMIL CDU SRB", was established. The company's share capital reaches € 7,765 and its sole shareholder is the Group's subsidiary company "ALLUMIL GROUP LTD".

15) With the November 13th, 2009 minutes of the Company's Board of Directors decided the merge via absorption of the subsidiary "ALUNEF S.A." according to the provisions of Law 2166/03. "ALLUMIL S.A." will obtain the remaining 0.96%, now possessed by its basic shareholders. (See Note 10 of Financial Statements).

16) The extraordinary General Shareholder Assembly approved the issuance of a new debenture bond, that will be used to refinance total debt obligations and rationalize the distribution of available funds of the Group on terms that are consistent with current economic conditions.

STATEMENT OF COMPREHENSIVE INCOME

| Amounts in euro | | | |
|---|--------------------|--------------------|--------------------|
| CONSOLIDATED ACCOUNTS | | COMPANY ACCOUNTS | |
| 01.01 - 31.12.2009 | 01.01 - 31.12.2008 | 01.01 - 31.12.2009 | 01.01 - 31.12.2008 |
| Turnover | 209,889,993 | 285,109,472 | 209,889,993 |
| Gross Profit | 47,436,365 | 69,809,669 | 47,436,365 |
| Earnings / (Losses) before Taxes, Financial and Investing Operations | 3,992,021 | 24,316,965 | 3,992,021 |
| Earnings / (Losses) before Taxes | (5,331,279) | 8,692,048 | (5,331,279) |
| Earnings / (Losses) after taxes (A) | (7,832,650) | 8,599,061 | (7,832,650) |
| Owners of the company | (9,372,935) | 4,717,440 | (9,372,935) |
| Minority Interests | 1,540,285 | 3,881,621 | 1,540,285 |
| Other total income / (losses) after taxes (B) | (3,100,048) | (4,147,103) | (3,100,048) |
| Total comprehensive income / (losses) after taxes (A+B) | (10,932,698) | 4,451,958 | (10,932,698) |
| Owners of the company | (11,919,143) | 2,245,368 | (11,919,143) |
| Minority Interests | 886,445 | 2,206,590 | 886,445 |
| Earnings / (Losses) after Taxes per share-basic (in €) | (0,4257) | 0,2149 | (0,4257) |
| Earnings before tax, financial and investment results depreciation and amortization | 16,885,010 | 37,021,160 | 16,885,010 |
| COMPANY ACCOUNTS | | | |
| Turnover | 145,045,575 | 204,065,455 | 145,045,575 |
| Gross Profit | 15,166,579 | 29,414,859 | 15,166,579 |
| Earnings / (Losses) before Taxes, Financial and Investing Operations | (7,437,605) | 6,036,039 | (7,437,605) |
| Earnings / (Losses) after taxes (A) | (10,159,522) | 2,189,219 | (10,159,522) |
| Owners of the company | (10,235,388) | 3,785,110 | (10,235,388) |
| Minority Interests | - | - | - |
| Other total income / (losses) after taxes (B) | - | - | - |
| Total comprehensive income / (losses) after taxes (A+B) | (10,235,388) | 3,785,110 | (10,235,388) |
| Owners of the company | (10,235,388) | 3,785,110 | (10,235,388) |
| Minority Interests | - | - | - |
| Earnings / (Losses) after Taxes per share-basic (in €) | (0,4649) | 0,1719 | (0,4649) |
| Earnings before tax, financial and investment results depreciation and amortization | (1,006,345) | 12,430,110 | (1,006,345) |

CASH FLOW STATEMENT

| Amounts in euro | | | |
|---|---------------------|---------------------|---------------------|
| CONSOLIDATED ACCOUNTS | | COMPANY ACCOUNTS | |
| 01.01 - 31.12.2009 | 01.01 - 31.12.2008 | 01.01 - 31.12.2009 | 01.01 - 31.12.2008 |
| Cash Flow from operating activities | | | |
| Profit before taxes | (5,331,279) | 8,692,048 | (10,159,522) |
| Adjustments for: | | | |
| Non-current assets depreciation | 13,674,744 | 13,812,218 | 5,921,590 |
| Tangible assets depreciation | 1,117,299 | 1,150,215 | 6,000,738 |
| (Earnings)/Losses from non-current assets' sales | (109,733) | (125,211) | (118,157) |
| Loss from asset impairment | - | 467,340 | - |
| Non realized currency exchange differences | (211,432) | 3,775,728 | (36,437) |
| Interest and related income | (719,593) | (765,430) | (399,949) |
| Interest and related expenses | 10,543,193 | 12,767,101 | 7,833,398 |
| Holdings income | - | - | (4,713,432) |
| Depreciation from impairment of investment | (1,899,154) | (2,258,238) | (1,067,920) |
| (Earnings)/Losses from currency exchange differences | (465,867) | 685,853 | - |
| Income from unused provisions | (270,601) | (342,861) | - |
| Doubtful debts provisions | 6,459,515 | 1,517,463 | 4,854,654 |
| Personal inventory provisions | 2,342,132 | 5,418,476 | 962,600 |
| Residual inventory provisions | 530,765 | 426,665 | 292,389 |
| Employee indemnities provisions | 25,120,968 | 45,623,376 | 25,120,968 |
| Decrease / (Increase) in inventories | 22,398,854 | (5,689,943) | 16,494,824 |
| Decrease / (Increase) in trade receivables | (10,119,352) | (1,023,716) | 3,644,571 |
| Decrease / (Increase) in other receivables & payments in advance | 1,493,443 | (3,197,423) | (3,006,938) |
| Decrease / (Increase) in other long-term receivables | (587,532) | (2,719) | (731,658) |
| Decrease / (Increase) in trade payables | (1,816,455) | (20,158,065) | (3,688,347) |
| Decrease / (Increase) in other liabilities and accrued expenses | (3,147,857) | (422,408) | (908,000) |
| Decrease / (Increase) in other long-term liabilities | (96,300) | 261,536 | (58,997) |
| Pension indemnities' payments | (379,801) | (267,950) | (200,412) |
| Interest and related expenses paid | 8,692,493 | 11,152,930 | 6,995,230 |
| Income Taxes Paid | 2,201,820 | 2,323,188 | 189,425 |
| Net Cash Flows from Operating Activities (a) | 21,358,055 | 1,046,554 | 9,568,517 |
| Cash flows from investing activities | | | |
| Purchase of non-current assets | (6,916,067) | (16,261,620) | (2,152,203) |
| Proceeds from disposal of non-current assets | 643,476 | 788,119 | 284,307 |
| Purchase of intangible assets | (253,342) | (442,921) | (157,234) |
| Proceeds from interest and related income | 695,696 | 705,450 | 388,099 |
| Income from dividends | - | - | 2,800,841 |
| Purchase of holdings & other companies | - | - | (358,070) |
| Available-for-sale financial assets | - | (903) | (5,107,877) |
| Proceeds from government grants | 5,009,967 | 5,009,967 | 671,300 |
| Net Cash Flows from Investing Activities (b) | (5,870,235) | (10,149,528) | 815,590 |
| Cash flows from financing activities | | | |
| Net change in short-term borrowings | 9,767,583 | (1,131,520) | 10,454,669 |
| Long-term borrowings overdraft | 2,677,045 | 30,000,000 | 887,453 |
| Proceeds from related parties | (22,823,557) | (17,630,204) | (30,000,000) |
| France to Related Party | - | (3,462,275) | (19,142,924) |
| Proceeds from minority shareholders | 100,000 | 257,540 | (3,462,275) |
| Dividends paid to minority shareholders | (1,609,244) | (2,338,591) | - |
| Dividends paid to Parent Company's shareholders | (1,959,446) | (3,082,275) | (1,959,446) |
| Net cash flows from financing activities (c) | (13,839,599) | 6,512,675 | (10,647,701) |
| Net increase in cash and cash equivalents for the period (a) + (b) + (c) | 1,648,221 | (2,583,599) | (263,594) |
| Cash and cash equivalents at the beginning of the period | 12,195,233 | 16,079,368 | 1,791,872 |
| Foreign exchange differences on cash and cash equivalents | (457,471) | (1,300,536) | - |
| Cash and cash equivalents as at 31st December | 13,385,983 | 12,195,233 | 1,528,278 |

Kilkis, March 26th, 2010

| PRESIDENT & C.E.O. | VICE-PRESIDENT | CORPORATE FINANCE DIRECTOR | ACCOUNTING DEPARTMENT HEAD |
|---|---|--|---------------------------------------|
| GEORGE ALEX. MILONAS ID No AB 717392 | EVANGELIA ALEX. MILONA ID No AB 689463 | MAURIKAKIS SPIRIDON ID No AA 273119 | DIMITRIOS PLAKIDIS ID No AE 873647 |

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

G. Information regarding article 10, Law 3401/2005

The information regarding article 10, Law 3401/2005, concerns the Company, its shares and the market in which these shares are trading; this information have been released by the Company during the 2008 fiscal year, to which this Annual report refers to, as it is dictated by Greek legislation.

It should be noted that the entirety of announcements and financial data released at the Daily Price Bulletin of the Athens Stock Exchange (www.ase.gr) during 2008 –as it appears from the following links- can be also found at the website of the Company: www.alumil.com

Relative links:

<http://www.alumil.com/page/default.asp?la=1&id=682> (Greek version)

<http://www.alumil.com/page/default.asp?id=682&la=2> (English version)

| | CODE | TYPE OF ANNOUNCEMENT | PROTOCOL NUMBER | DATE & TIME OF RELEASE |
|----|-----------|----------------------|-----------------|------------------------|
| 1 | K4-01-006 | Announcement | 37586 | 7/12/2009 2:31:04 |
| 2 | K4-01-038 | Announcement | 37265 | 3/12/2009 10:12:49 |
| 3 | K4-02-021 | Announcement | 36017 | 27/11/2009 10:28:47 |
| 4 | K4-02-005 | Announcement | 35934 | 27/11/2009 8:50:02 |
| 5 | K4-02-005 | Announcement | 35930 | 27/11/2009 8:50:00 |
| 6 | K4-01-063 | Announcement | 35218 | 24/11/2009 11:45:52 |
| 7 | K4-01-063 | Announcement | 34354 | 17/11/2009 11:23:28 |
| 8 | K4-01-003 | Announcement | 34181 | 16/11/2009 9:46:48 |
| 9 | K4-01-003 | Announcement | 33793 | 11/11/2009 10:22:49 |
| 10 | K4-02-005 | Announcement | 33533 | 9/11/2009 11:19:38 |
| 11 | K4-02-005 | Announcement | 33531 | 9/11/2009 11:18:35 |
| 12 | E0-00-006 | Announcement | 28667 | 16/9/2009 9:22:53 |
| 13 | K4-02-021 | Announcement | 26538 | 28/8/2009 1:33:37 |
| 14 | K4-02-005 | Announcement | 26363 | 28/8/2009 9:13:06 |
| 15 | K4-02-005 | Announcement | 26361 | 28/8/2009 9:12:04 |
| 16 | K4-01-063 | Announcement | 22492 | 17/7/2009 1:27:59 |
| 17 | K4-01-063 | Announcement | 22490 | 17/7/2009 1:21:34 |
| 18 | K4-01-027 | Announcement | 21127 | 6/7/2009 9:55:46 |
| 19 | K1-03-371 | Announcement | 21092 | 6/7/2009 8:59:46 |

The attached Notes are an Integral part of the Interim Financial Statements

ALUMIL S.A.

Notes to the Financial Statements

As at 31st December 2009

(All figures expressed in EURO, unless otherwise stated)

| | | | | |
|-----------|-----------|--------------|-------|-----------------------|
| 20 | K4-01-017 | Announcement | 21090 | 6/7/2009 8:42:33 |
| 21 | K4-01-025 | Announcement | 20040 | 26/6/2009 9:07:12 |
| 22 | K4-01-063 | Announcement | 17740 | 4/6/2009 10:26:44 |
| 23 | K4-01-015 | Announcement | 17528 | 3/6/2009 8:53:44 |
| 24 | K4-01-006 | Announcement | 17449 | 2/6/2009 11:16:41 |
| 25 | K4-01-006 | Announcement | 17377 | 2/6/2009 9:07:52 |
| 26 | K4-02-021 | Announcement | 16068 | 28/5/2009 12:10:51 |
| 27 | K4-02-005 | Announcement | 16005 | 28/5/2009 9:43:49 |
| 28 | K4-02-005 | Announcement | 16002 | 28/5/2009 9:42:47 |
| 29 | E0-00-006 | Announcement | 15928 | 28/5/2009 8:09:01 |
| 30 | K4-01-062 | Announcement | 15493 | 26/5/2009 9:11:43 |
| 31 | K4-01-003 | Announcement | 13326 | 6/5/2009 8:59:23 |
| 32 | K4-02-021 | Announcement | 9267 | 30/3/2009 1:16:58 |
| 33 | K4-02-005 | Announcement | 9216 | 30/3/2009 11:31:00 |
| 34 | K4-02-005 | Announcement | 9213 | 30/3/2009 11:25:49 |
| 35 | K4-01-025 | Announcement | 5253 | 24/2/2009 3:55:27 |