



SIDMA S.A.
S T E E L P R O D U C T S

Company's No 7946/06/B/86/2 in the register of Societes Anonymes
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**CONSOLIDATED FINANCIAL STATEMENTS AS OF
DECEMBER 31, 2005**

**ACCORDING TO
INTERNATIONAL FINANCIAL REPORTING STANDARDS
("IFRS")**



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1 Independent Auditors' Report

To:

The Shareholders of "SIDMA S.A STEEL PRODUCTS"

We have audited the accompanying financial statements as well as the consolidated financial statements of "SIDMA S.A STEEL PRODUCTS", as of and for the year ended 31 December 2005. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Greek Auditing Standards, which are based on the International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, evaluating the overall financial statement presentation as well as assessing the consistency of the Board of Directors' report with the aforementioned financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the aforementioned financial statements give a true and fair view of the financial position of the Company and that of the Group (of which this Company is the holding company), as of 31 December 2005, and of the results of its operations and those of the Group and their cash flows and changes in shareholders' equity for the year then ended in accordance with the International Financial Reporting Standards that have been adopted by the European Union and the Board of Directors' Report is consistent with the aforementioned financial statements.

Without qualifying our opinion, we draw your attention to the fact that some balances of the Interim Financial Statements were restated. These balances are shown at comment no 10 of the notes accompanying the Financial Statements.

Athens, March 29, 2006

The Certified Public Accountant

Sotiris Ger.Vardaramatos

SOEL Reg.No.12851

SOL S.A.

SOEL Reg.No.125

SIDMA S.A.
FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2005

The attached financial statements were approved by the Board of Directors of SIDMA S.A. on March 24, 2006 and they are posted on the internet at the company's site «www.sidma.gr». The attention of the reader is drawn to the fact that the extracts published in the press aim at providing the public with certain elements of financial information but do not present a comprehensive view of the financial position and the results of operations of the Company and the Group, in accordance with International Financial Reporting Standards.

MARCEL L. AMARIGLIO
CHAIRMAN OF THE BOARD
SIDMA S.A.

2 Consolidated Balance Sheet

SIDMA S.A.					
Balance Sheet					
for the period from 1st January to 31st December 2005					
<i>amounts in euros</i>					
		Group		Company	
		31.12.2005	31.12.2004	31.12.2005	31.12.2004
Assets	Notes				
Non Current Assets					
Tangible Assets	9.1	35.087.883,67	34.134.776,21	26.944.534,54	26.677.437,67
Intangible assets	9.2	634.302,97	30.520,87	606.261,94	30.520,87
Investments in subsidiaries	9.3	0,00	0,00	4.622.101,32	2.443.974,32
Investments in associates	9.4	149.441,50	0,00	0,00	0,00
Other non current assets		62.121,22	61.028,00	39.326,80	40.282,76
		35.933.749,36	34.226.325,08	32.212.224,60	29.192.215,62
Current Assets					
Inventories	9.5	21.904.309,23	27.370.870,40	19.649.683,88	23.867.800,55
Trade receivables	9.6	77.037.856,34	68.510.725,00	65.937.610,42	59.547.686,72
Other receivables	9.7	4.003.742,24	3.293.998,25	2.076.639,38	3.077.006,43
Cash and cash equivalents	9.8	9.898.658,99	814.161,98	9.592.838,46	793.670,99
		112.844.566,80	99.989.755,63	97.256.772,14	87.286.164,69
Total Assets		148.778.316,16	134.216.080,71	129.468.996,74	116.478.380,31
EQUITY					
Shareholders of the mother company:					
Share Capital	9.9	13.500.000,00	10.125.000,00	13.500.000,00	10.125.000,00
Share Premium	9.9	9.875.000,00	0,00	9.875.000,00	0,00
Reserves	9.10	11.710.537,88	11.551.643,48	11.668.380,57	11.542.183,33
Retaining Earnings	9.11	16.417.762,03	17.096.106,92	16.126.569,77	17.084.332,37
		51.503.299,91	38.772.750,40	51.169.950,34	38.751.515,70
Minority:	9.12	1.397.305,38	1.510.934,55		
		52.900.605,29	40.283.684,95	51.169.950,34	38.751.515,70
Liabilities					
Non Current Liabilities					
Bank Loans & obligations under finance leases	9.13	1.138.008,26	47.023.910,67	52.751,94	45.425.255,26
Grants for investments in fixed assets	9.14	1.257.607,41	494.371,68	0,00	0,00
Deferred Tax Liabilities	9.15	2.425.446,64	2.021.413,46	2.332.020,45	1.899.174,77
Provision for Retirement benefit obligation	9.16	912.314,00	851.760,00	896.736,00	844.050,00
		5.733.376,31	50.391.455,81	3.281.508,39	48.168.480,03
Current Liabilities					
Bank overdrafts & obligations under finance leases	9.13	61.617.214,52	10.428.861,71	50.991.073,63	453.474,40
Trade Payables	9.17	22.873.333,53	20.341.586,79	19.665.742,71	17.289.775,10
Other Payables	9.17	4.065.028,99	5.309.092,09	3.643.188,10	4.698.717,50
Income tax and duties	9.17	1.588.757,52	7.461.399,36	717.533,57	7.116.417,58
		90.144.334,56	43.540.939,95	75.017.538,01	29.558.384,58
Total Equity and Liabilities		148.778.316,16	134.216.080,71	129.468.996,74	116.478.380,31

3 Consolidated Income Statement

SIDMA S.A.					
Profit & Loss Statement					
for the period from 1st January to 31st December 2005					
<i>amounts in euros</i>					
		Group		Company	
	Notes	1.1-31.12.2005	1.1-31.12.2004	1.1-31.12.2005	1.1-31.12.2004
Turnover (sales)	9.18	124.213.521,16	133.597.326,77	107.119.506,56	119.144.475,08
Cost of Sales	9.19	-109.099.513,73	-108.691.621,07	-95.100.384,33	-96.291.664,74
Gross Profit		15.114.007,43	24.905.705,70	12.019.122,23	22.852.810,34
Other income	9.20	5.763.247,93	5.608.276,42	5.207.277,11	5.369.316,51
Administrative Expenses	9.21	-4.077.994,51	-2.286.829,97	-3.345.450,84	-2.013.579,41
Distribution/Selling Expenses	9.22	-7.998.484,22	-8.197.325,39	-7.268.160,37	-7.482.221,61
Other expenses	9.23	-1.466.791,50	-2.211.481,72	-1.075.216,27	-2.197.388,89
Operating Profit (EBIT)		7.333.985,13	17.818.345,04	5.537.571,86	16.528.936,94
Finance Costs (net)	9.24	-2.601.725,31	-2.403.861,13	-2.021.319,05	-1.881.260,44
Losses resulted from the consolidation of the associations with the equity method	9.25	-326.036,50	0,00	0,00	0,00
Profit before taxation		4.406.223,32	15.414.483,91	3.516.252,81	14.647.676,50
Less: Income Tax Expense	9.26	-1.660.940,71	-4.000.969,29	-1.270.256,67	-3.758.728,44
Profit after taxation		2.745.282,61	11.413.514,62	2.245.996,14	10.888.948,06
Attributable to:					
Shareholders of the mother Company		2.562.911,02	11.214.179,33		
Minority Rights		182.371,59	199.335,29		
		2.745.282,61	11.413.514,62	0,00	0,00
Profit after taxes per share - (€)	9.27	0,28	1,50	0,25	1,45
Depreciation & Amortization Expense		1.961.947,54	1.598.441,65	1.446.093,28	1.150.331,39
EBITDA		9.295.932,67	19.416.786,69	6.983.665,14	17.679.268,33
Proposed dividend per share		0,12	0,29	0,12	0,29

4 Consolidated Statement of Changes in Equity

SIDMA S.A. Consolidated Statement of changes in equity for the period from 1st January to 31st December 2005											
Group											
SHAREHOLDERS'S EQUITY								MINORITY	TOTAL EQUITY		
Share Capital	Share Premium	Difference from the revaluation of assets	Legal Reserve	Extraordinary Reserves	Tax free reserves	Retained Earnings	Equity of the shareholders	Minority	Total Equity		
amounts in euros											
Balance at 1.1.2004 (according to Greek GAAP)	10.125.000,00	0,00	1.403.658,42	1.019.456,27	239.720,36	4.038.935,34	3.123.529,54	19.950.299,93	1.311.599,26	21.261.899,19	
Adjustment to IFRS							9.505.977,66	9.505.977,66	0,00	9.505.977,66	
Balance at 1.1.2004 (according to IFRS)	10.125.000,00	0,00	1.403.658,42	1.019.456,27	239.720,36	4.038.935,34	12.629.507,20	29.456.277,59	1.311.599,26	30.767.876,85	
Adjustments charged directly to equity							-1.456,52	-1.456,52	0,00	-1.456,52	
Dividends distributed							-930.000,00	-930.000,00	0,00	-930.000,00	
Manager fees distributed							-400.000,00	-400.000,00	0,00	-400.000,00	
Profit/ (Loss) from valuation of SWAPS -adjustments charged directly to equity							-755.000,00	-755.000,00	0,00	-755.000,00	
Deferred tax adjustment for SWAP							188.750,00	188.750,00	0,00	188.750,00	
Total adjustments to the Equity	0,00	0,00	0,00	0,00	0,00	0,00	-1.897.706,52	-1.897.706,52	0,00	-1.897.706,52	
Profit after income tax				439.035,34			4.410.837,75	6.364.306,24	11.214.179,33	199.335,29	11.413.514,62
Balance at 31.12.2004	10.125.000,00	0,00	1.403.658,42	1.458.491,61	239.720,36	8.449.773,09	17.096.106,92	38.772.750,40	1.510.934,55	40.283.684,95	
Balance at 1.1.2005 (IFRS)	10.125.000,00		1.403.658,42	1.458.491,61	239.720,36	8.449.773,09	17.096.106,92	38.772.750,40	1.510.934,55	40.283.684,95	
Dividends distributed							-2.860.000,00	-2.860.000,00	0,00	-2.860.000,00	
Manager fees distributed							-496.675,03	-496.675,03	0,00	-496.675,03	
Profit/ (Loss) from valuation of SWAPS -adjustments charged directly to equity							372.151,37	372.151,37	0,00	372.151,37	
Deferred tax adjustment for SWAP							-93.037,85	-93.037,85	0,00	-93.037,85	
Purchase of extra % of subsidiary company's share capital							-4.800,00	-4.800,00	-636.182,97	-640.982,97	
Acquisition of new subsidiary (in Bulgaria)							0,00	0,00	340.182,21	340.182,21	
Share Capital Increase	3.375.000,00						0,00	3.375.000,00	0,00	3.375.000,00	
Share premium		9.875.000,00					0,00	9.875.000,00	0,00	9.875.000,00	
Total adjustments to the Equity	3.375.000,00	9.875.000,00	0,00	0,00	0,00	0,00	-3.082.361,51	10.167.638,49	-296.000,76	9.871.637,73	
Profit after income tax				158.894,40			2.404.016,62	2.562.911,02	182.371,59	2.745.282,61	
Balance at 31.12.2005	16.875.000,00		1.403.658,42	1.617.386,01	239.720,36	8.449.773,09	13.335.400,52	51.503.299,91	1.397.305,38	52.900.605,29	

SIDMA S.A. Statement of changes in equity for the period from 1st January to 31st December 2005										
Company										
Share Capital	Share Premium	Difference from the revaluation of assets	Legal Reserve	Extraordinary Reserves	Tax free reserves	Retained Earnings	Total Equity			
amounts in euros										
Balance at 1.1.2004 (according to Greek GAAP)	10.125.000,00	0,00	1.403.658,42	1.019.456,27	239.720,36	4.038.935,34	3.252.782,73	20.079.553,12		
Adjustment to IFRS							9.680.721,05	9.680.721,05		
Balance at 1.1.2004 (according to IFRS)	10.125.000,00	0,00	1.403.658,42	1.019.456,27	239.720,36	4.038.935,34	12.933.503,78	29.760.274,17		
Adjustments charged directly to equity							-1.456,53	-1.456,53		
Dividends distributed							-930.000,00	-930.000,00		
Manager fees distributed							-400.000,00	-400.000,00		
Profit/ (Loss) from valuation of SWAPS -adjustments charged directly to equity							-755.000,00	-755.000,00		
Deferred tax adjustment for SWAP							188.750,00	188.750,00		
Total adjustments to the Equity	0,00	0,00	0,00	0,00	0,00	0,00	-1.897.706,53	-1.897.706,53		
Profit after income tax				429.575,19			4.410.837,75	6.048.535,12	10.888.948,06	
Balance at 31.12.2004	10.125.000,00	0,00	1.403.658,42	1.449.031,46	239.720,36	8.449.773,09	17.084.332,37	38.751.515,70		
Balance at 1.1.2005 (IFRS)	10.125.000,00	0,00	1.403.658,42	1.449.031,46	239.720,36	8.449.773,09	17.084.332,37	38.751.515,70		
Dividends distributed							-2.860.000,00	-2.860.000,00		
Manager fees distributed							-496.675,03	-496.675,03		
Profit/ (Loss) from valuation of SWAPS -adjustments charged directly to equity							372.151,37	372.151,37		
Deferred tax adjustment for SWAP							-93.037,85	-93.037,85		
Share Capital Increase	3.375.000,00						0,00	3.375.000,00		
Share premium		9.875.000,00					0,00	9.875.000,00		
Total adjustments to the Equity	3.375.000,00	9.875.000,00	0,00	0,00	0,00	0,00	-3.077.561,51	10.172.438,49		
Profit after income tax				126.197,24			2.119.798,90	2.245.996,14		
Balance at 31.12.2005	13.500.000,00	9.875.000,00	1.403.658,42	1.575.228,70	239.720,36	8.449.773,09	16.126.569,76	51.169.950,33		

5 Consolidated Statement of Cash Flows

SIDMA S.A.				
Cash Flow Statement				
for the period from 1st January to 31st December 2005				
<i>amounts in euros</i>				
	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Operating Activities				
Profit before taxation	4.406.223,32	15.414.483,91	3.516.252,81	14.647.676,50
Adjustments for:				
Depreciation & amortization	1.960.820,80	1.600.606,37	1.444.966,54	1.152.496,11
Provisions	351.125,70	897.335,64	68.049,00	893.101,64
Other non cash income	-711.601,88	26.884,38	-680.112,61	69.111,43
Finance Costs	3.155.903,98	2.832.522,41	2.566.126,48	2.304.490,29
Adjustments for changes in working capital				
Decrease/(increase) in inventories	5.466.561,17	-6.050.427,73	4.218.116,67	-4.682.471,74
Decrease/(increase) in receivables	-7.843.691,88	-17.930.177,30	-4.752.864,54	-13.862.039,10
(Decrease)/increase in payables(except bank loans and overdrafts)	1.660.655,85	7.447.616,03	1.353.228,21	6.160.921,25
Less:				
Financial Costs paid	-3.155.903,98	-2.832.522,41	-2.566.126,48	-2.304.490,29
Taxes paid	-7.222.587,21	1.505.459,56	-7.329.332,84	1.380.744,55
Total inflows / (outflows) from operating activities (a)	-1.932.494,13	2.911.780,86	-2.161.696,76	5.759.540,64
Investing activities				
Acquisition of subsidiaries	-1.057.489,72	-9.857,42	-2.178.127,00	-8.054,42
Purchase of tangible and intangible assets	-3.419.791,36	-3.759.307,12	-2.217.926,50	-2.897.588,97
Proceeds on disposal of tangible and intangible assets	10.455,95	99.949,25	10.455,95	99.949,25
Total inflows / (outflows) from investing activities (b)	-4.466.825,13	-3.669.215,29	-4.385.597,55	-2.805.694,14
Financing Activities				
Share Capital Increase	13.250.000,00	0,00	13.250.000,00	0,00
New bank loans raised	6.135.812,07	4.183.463,77	5.474.342,64	78.500,00
Repayments of loans	-545.698,29	-1.785.175,06	-21.583,35	-1.393.098,66
Dividends paid	-3.356.297,51	-1.330.000,00	-3.356.297,51	-1.330.000,00
Total inflows / (outflows) from financing activities (c)	15.483.816,27	1.068.288,71	15.346.461,78	-2.644.598,66
Net Increase/(Decrease) in cash and cash equivalents (a) + (b) + (c)	9.084.497,01	310.854,28	8.799.167,47	309.247,84
Cash and cash equivalents at the beginning of the period	814.161,98	503.307,70	793.670,99	484.423,15
Cash and cash equivalents at the end of the period	9.898.658,99	814.161,98	9.592.838,46	793.670,99

6 Reconciliation between Greek GAAP and IFRS

Adjustments to Profit and Loss

	Group 2004	Company 2004
Total Profit after Tax according to Greek GAAP	9.483.636	9.059.221
Adjustments of International Financing Reporting Standards (IFRS)		
Adjustment for write-off of formation and other capitalised expenses	205.171	3.199
Adjustment for the depreciation of Fixed Assets under IFRS	-104.539	-66.172
Impact from the consolidation of subsidiaries	10.623	
Impact from recognition of Leasing as Fixed Assets	4.165	4.165
Adjustment for the retirement benefit obligations under IAS 19	853.349	857.583
Provision for income tax for Non-audited Fiscal Years	-120.000	-90.000
Adjustment for provision for bad debts	425.789	425.789
Recognition of deferred tax	655.321	695.163
Profit according to IFRS	11.413.515	10.888.948

7 Notes on the Financial Statements of SIDMA S.A. as of December 31, 2005

7.1 General Information about the Company and the Group

The mother company, SIDMA S.A., is a Société Anonyme which operates in processing and trading steel products in Greece. The company's headquarters are located at 39 P. RALLI ST., 177 78 ATHENS, its site is www.sidma.gr. The company is listed on the Athens Stock Exchange under the category of Basic Metals.

In the Consolidated financial statements the following companies are included:

1. PANELCO S.A (78% subsidiary). The company "PANELCO Production of Overlay Materials and Drapes" is located in Athens (134 M. Alexandrou Str., Keramikos). Its area of activity is the industrial production and manufacturing of metal and thermo-insulating elements, used in covering buildings, industrial and refrigeration chambers, and generally in modern metal structures. The company also seeks to produce and build drapes of all forms, and any related products, while also pursuing the trading, application, import and export of such products.
2. "SIDMA WORLDWIDE LIMITED" (100% Subsidiary) whose sole purpose is to participate in SIDMA's subsidiaries in the Balkans Area.
3. "SID-PAC steel and construction products SRL" (50% subsidiary through "SIDMA WORLDWIDE LIMITED"). SID-PAC was founded in Romania in March 2005 as a joint venture with the Packer Plada group and is involved in trading steel products as well as the production and promotion of polyurethane steel sandwich panels.
4. "SID-PAC BULGARIA S.A.". (75% subsidiary through "SIDMA WORLDWIDE LIMITED"). SID-PAC was founded in Bulgaria in August 2005 in cooperation with the Packer Plada group and will serve as an autonomous Steel Service Center and distribution network for the local market.

All of the above companies are consolidated in full except from "SID-PAC steel and construction products SRL" which is equity consolidated.

7.2 Principal Accounting Policies

The principal accounting policies used in the preparation of the accompanying financial statements, which are consistently applied by the Company, are as follows:

7.2.1 Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards. IFRS 1, First-time Adoption of International Financial Reporting Standards, has been applied in preparing the Company's and Group's financial statements with effect from 1st January 2004.

The policies set out below have been consistently applied to all the years presented. Reconciliation and description of the effect of the transition from Greek GAAP to IFRS on the Group's equity is presented in section 8.2.

The preparation of financial statements, in conformity with IFRS, requires the use of critical accounting estimates. It also requires management to exercise its judgement in applying the accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed throughout the notes.

7.2.2 Basis of consolidation

The accompanying consolidated financial statements include the accounts of the Company and its subsidiaries. Subsidiaries (companies in which SIDMA S.A. directly or indirectly has an interest of more than one half of the voting rights or otherwise has power to exercise control over their operations) have been consolidated. Subsidiaries are consolidated from the date on which effective control is transferred to the Company and cease to be consolidated from the date on which control is transferred out of the Company. All significant inter-company balances and transactions have been eliminated. Where necessary, accounting policies for subsidiaries have been revised to ensure consistency with the policies adopted by the Company. The Company's investment in its associate ("SID-PAC steel and construction products SRL") is accounted for under the equity method of accounting.

7.2.3 Segment reporting

Geographical segments provide products or services within a particular economic environment that is subject to risks and returns that are different from those of components operating in other economic environments. Business segments provide products or services that are subject to risks and returns that are different from those of other business segments.

Regarding business segments, the group is divided into the following activities:

Transformation activity: This includes the processing of steel coils of various qualities, to transform them into steel sheets or narrower coils (strips). In addition, following the installation of a new processing unit, the company can achieve the removal of external oxidation from steel

elements and add a protective coating. Moreover, the new equipment enables cutting of high thickness steel plates into custom sizes, as well as cutting long products at custom lengths.

Commercial activity: This activity includes trading of steel products.

Services: These include processing materials for third parties as well as commission revenues from the sale of third-party products.

Other activities: These mostly concern the sale of production scrap.

PANELCO's activity: industrial production and manufacturing of metal and thermo-insulating elements, for use in covering buildings, industrial and refrigeration chambers, and generally in modern metal structures.

Please refer to paragraph 9.18 for a breakdown of group revenues according to the above activities as dictated by the Greek statistical classification of economic activities (STAKOD).

Regarding geographic segment, the majority of group sales take place in Greece. Nevertheless the portion of sales outside Greece is growing rapidly.

Amounts in thousands €	1/1/-31/12/2005		
	Greece	Foreign counties	Grand Total
Group's Companies			
Parent company SIDMA S.A.	101.030	5.514	106.544
Subsidiary company PANELCO S.A.	15.258	2.373	17.631
SID-PAC Bulgaria	0	39	39
Group's turnover	116.288	7.926	124.214

7.2.4 Foreign currency translation

A. Functional and presentation currency

Items included in the financial statements of each entity in the Group are stated in the functional currency, which is the currency of the primary economic environment in which each Group entity operates. The financial statements are presented in Euros, which is the functional and presentation currency of the Company and of the Group.

B. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

7.2.5 Property, plant and equipment

Property, plant and equipment is stated at historical cost less subsequent depreciation and impairment, except for land, which is shown at cost less impairment. Cost includes expenditure that is directly attributable to the acquisition of the items.

The parent company elected to calculate its Land, Buildings, Plants and Equipment at the date of transition to IFRSs at their fair value and used that fair value as their deemed cost at that date. The fair values were estimated by independent property appraisers.

The mechanical equipment of PANELCO SA is stated at historical cost since it was recently acquired (2003-2004).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Subsequent costs are depreciated over the remaining useful life of the related asset or to the date of the net major subsequent cost, whichever is the sooner. Depreciation is calculated on the straight-line method to write off the assets to their residual values over their estimated useful lives as follows:

Buildings (Offices & Warehouses)	33 years
Plants	20 years
Production machinery	10 years
Other machinery	5 years
Motor vehicles	6,5 to 9 years
Computer equipment and software	4 years
Office equipment, furniture and fittings	6,5 years

Land is not depreciated.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. Wherever the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in operating profit.

The management is responsible to define the estimated useful life and the depreciation of the property, plant and equipment. The management does not expect significant changes to the useful life of the abovementioned. Nevertheless, it will increase the depreciation in case the useful life is smaller compared to the one arising from previous estimations, or decrease the book value of any fixed asset which have been technologically disregarded or abandoned.

7.2.6 Intangible assets

A. Goodwill

Goodwill represents the excess of the cost of acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary, joint venture and associate at the date of acquisition. Goodwill on acquisitions of subsidiaries and joint ventures are included in intangible assets. Goodwill on acquisitions of associates is included in investments in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. Each of those cash-generating units represents a separate Group investment.

Negative goodwill is recognised when the fair value of the Group's interest in the net assets of the acquired entity exceeds the cost of acquisition and is taken to income immediately.

B. Computer software

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Software licences are stated at historical cost less subsequent depreciation. Depreciation is calculated on the straight-line method over their estimated useful lives which are 4 years.

The SAP application, which was launched on July of 2005, is depreciated over its useful life which was set up by the Board of Directors to 8 years.

7.2.7 Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised, as an expense immediately, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

7.2.8 Investments

Equity investments in subsidiaries and associates are measured at cost less impairment. The mother company participates with 78% in the share capital of "PANELCO S.A." and 100% in the share capital of "SIDMA WORLDWIDE LIMITED". "SIDMA WORLDWIDE LIMITED" participates with 50% in the share capital of "SID-PAC steel and construction products SRL" located in Romania and with 75% in the share capital of "SID-PAC BULGARIA S.A." located in Bulgaria.

7.2.9 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

7.2.10 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the 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 recognised in the income statement.

7.2.11 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

7.2.12 Share capital

- I. Ordinary shares and non-redeemable non-voting preferred shares with minimum statutory nondiscretionary dividend features are classified as equity.
- II. Incremental external costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.
- III. Where the Company or its subsidiaries purchases the Company's own equity share capital, the consideration paid including any attributable incremental external costs net of income taxes is deducted from total shareholders' equity as treasury shares until they are cancelled. Where such shares are subsequently sold or re-issued, any consideration received is included in shareholders' equity.

7.2.13 Loans

Loans are recognised initially at fair value, net of transaction costs incurred. Loans are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the loans using the effective interest method. Loans are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

7.2.14 Government grants

Grants from the government are recognised 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 recognised in the income statement over the period necessary to match them with the costs they are intended to compensate. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities and are credited in the income statement on a straight-line basis over the expected lives of the related assets.

7.2.15 Deferred income taxes

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 that at the time of the transaction affects neither accounting nor taxable profit and loss, it is not taken into account.

The differed taxes are calculated with a tax rate of 25%, which is the rate expected to be valid during the year of recovery.

Deferred income tax assets are recognised only to the extent that is it probable that taxable profits will be available against which deductible temporary differences can be utilised.

7.2.16 Employee benefits

I. Current obligations

The current obligations of the Group towards its personnel, in monetary terms, are recognised directly as an expense as soon as they accrue.

II. Pension obligations

The Group has defined contribution plan. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense when they are due.

7.2.17 Revenue recognition

Revenue comprises the fair value of the sale of goods and services, net of value-added tax, rebates and discounts and after eliminating sales within the Group. Revenue is recognised as follows:

I. Sales of goods – wholesale

Sales of goods are recognised when a Group entity has delivered products to the customer; the customer has accepted the products; and collection of the related receivables is reasonably assured.

II. Sales of services

Sales of services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

III. Interest income

Interest income is recognised on a pro-rata basis using the effective interest method.

IV. Dividend income

Dividend income is recognised when the right to receive payment is established.

7.2.18 Leases

Leases for which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis. Leases of property, plant and equipment, where the Group has substantially all the risks

and rewards of ownership, are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in the liabilities. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Property, plant and equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset or the lease term.

7.2.19 Dividends

Dividends are recorded in the financial statements when declared.

7.3 Financial risk management

The Group is exposed to certain financial risks, i.e.: credit risk, liquidity risk and cash flow risk. The Group uses derivative financial instruments, such as futures, forwards, interest rate swaps and cross currency swaps to hedge certain risk exposures.

I. Credit risk

The company in order to eliminate the credit risk as much as possible insures all of its sales to two credit insurance companies in Greece. Moreover, a separate credit department ensures that sales of products are made to customers with an appropriate credit history. Sales have a high degree of diversification and no single customer participates by more than 2% in the annual sales turnover.

II. Liquidity risk

Liquidity risk is kept at low levels, as the Group maintains sufficient cash and credit lines available. The company's policy is to use up to 70% of the credit lines available from the various banks.

III. Cash flow and fair value interest rate risk

The Group does not have material interest bearing assets on its balance-sheet, so does not suffer from substantial changes in market interest rates.

The Group's cash flow interest rate risk arises from long-term loans. Loans issued at variable rates expose the Group to cash flow interest rate risk. Loans issued at fixed rates expose the Group to fair value interest rate risk. The Group's policy is to maintain part of the long term loans in fixed rate instruments and part in floating rate. At December 2005, 41% of the long term loans were at fixed rates and the rest at floating.

The Group manages its cash flow interest rate risk by using interest rate swaps and Quanto swaps. The above derivative items qualify for hedge accounting (cash flow hedges), according to paragraph 88 of IAS 39 so any fluctuations in market value do not impact

income for the period throughout the term of the derivative. Market value fluctuations are reported in the appropriate reserve account without affecting income (paragraph 95 of IAS 39). According to IAS 39, all derivative financial instruments are to be reported at market value at the reporting date. The valuation of the above derivative financial instruments for the year ending on 31/12/2005 revealed a gain of € 372.151,37. The total cumulative loss as of 31/12/2005 is € 382.848,63.

7.4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Nevertheless there are not any estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

8 Transition to IFRS

8.1 Basis for the Transition to IFRS

8.1.1 Adoption of IFRS 1

Group financial statements as of 31/12/2005 are the first that were prepared according to IFRS. These financial statements are consistent with IFRS 1 "First time adoption of International Financial Reporting Standards" as they comprise the first financial statements to be prepared and published on this basis. The transition date of IFRS is January 1st of 2005. For the preparation of financial statements the Group has adopted some of the exemptions and exceptions to retrospective application of specific IFRSs according to IFRS 1.

8.1.2 Exemptions from other IFRSs

I. Business combinations

The Group will apply the Exemption of IFRS 1 regarding business combinations and will not determine the fair values of identifiable assets and liabilities acquired before the date of transition to IFRSs (01.01.2004).

II. Fair value or revaluation as deemed cost

The Group elected to measure its property, plant and equipment at the date of transition to IFRSs at its fair value and use that fair value as its deemed cost at that date (01.01.2004).

III. Employee benefits

The Group elected to recognize all cumulative actuarial gains and losses at the date of transition to IFRSs.

8.2 Reconciliation between Greek GAAP and IFRS

Amounts in thousands €	Group		Company	
	1/1/2005	1/1/2004	1/1/2005	1/1/2004
Total equity according to Greek G.A.A.P. (excluding minority interests)	26.369	19.950	26.162	20.080
Adjustments from revaluation of assets	13.018	13.018	12.298	12.298
Adjustments from write-off of formation and other capitalised expenses	-521	-521	-7	-7
Recognition of allowances for doubtful receivables	-426	-426	-426	-426
Accrued retirement benefit obligations under IAS 19	-733	-733	-731	-731
Recognition of deferred taxation	-2.835	-2.835	-2.784	-2.784
Reclassification of grants (from equity to non current liabilities)	-307	-333	0	0
Adjustments to Profit and Loss resulting from the transition from Greek GAAP to IFRS for FY 2004	1.930	0	1.830	0
Adjustments from write-off of the revaluation of assets according to the Greek G.A.A.P (law 2065/1992)	-541	0	-380	0
Losses from the valuation of swaps under IAS 39	-540	5	-568	0
Recognition of dividends at the period that are approved by the General Assembly of the Shareholders	3.357	1.330	3.357	1.330
Total equity according to IFRS's (excluding minority interests)	38.773	29.456	38.752	29.760

9 Additional information and explanations

9.1 Property Plant and Equipment

	Group				
	Land & buildings	Machinery	Other equipment	Assets under construction	Grand Total
31/12/2004					
Book value/deem cost	24.858.183	9.948.382	1.942.291	208.944	36.957.800
Accumulated depreciation & impairment	-478.559	-1.012.711	-1.320.764	-10.990	-2.823.024
Carrying amount 31.12.2004	24.379.624	8.935.671	621.527	197.954	34.134.776
31/12/2005					
Carrying amount 31.12.2004	24.379.624	8.935.671	621.527	197.954	34.134.776
Additions	1.115.897	1.372.739	237.316	3.621	2.729.573
Depreciation	-500.894	-1.105.030	-170.541		-1.776.465
Carrying amount 31.12.2005	24.994.626	9.203.380	688.302	201.575	35.087.884
	Company				
	Land & buildings	Machinery	Other equipment	Assets under construction	Grand Total
31/12/2004					
Book value/deem cost	20.919.558	6.059.950	1.693.892	197.955	28.871.355
Accumulated depreciation & impairment	-313.677	-612.930	-1.267.309	0	-2.193.917
Carrying amount 31.12.2004	20.605.880	5.447.020	426.583	197.955	26.677.438
31/12/2005					
Carrying amount 31.12.2004	20.605.880	5.447.020	426.583	197.955	26.677.438
Additions	180.208	1.165.026	216.687	-30.145	1.531.776
Depreciation	-335.783	-793.286	-135.610		-1.264.679
Carrying amount 31.12.2005	20.450.305	5.818.759	507.660	167.810	26.944.535

At the date of transition to IFRS, the Company has valued its land, buildings and machinery at their fair values. The valuation for land, buildings and machinery has been made by independent appraisers. The fair values have been considered as cost according to IFRS 1 as at 1st January 2004 and the difference that has occurred has been transferred to retained earnings.

The equipment of PANELCO SA is stated at historical cost since it has been recently acquired (2003-2004).

There are no pledges on the parent company's assets. There is a pledge of € 2.365.000 on PANELCO's assets referring to bank loans that on 31/12/2005 amounted to € 1.001.527,05.

9.2 Intangible Assets

	Group		
	Consolidation differences as goodwill	Software programmes	Grant Total
31/12/2004			
Book value	0	89.610	89.610
Accumulated depreciation & impairment	0	59.089	59.089
Carrying amount 31.12.2004	0	30.521	30.521
31/12/2005			
Carrying amount 31.12.2004	0	30.521	30.521
Additions	28.041	676.735	704.776
Depreciation	0	-100.994	-100.994
Carrying amount 31.12.2005	28.041	606.262	634.303

The Goodwill of amount € 28.041 resulted from the increase of SIDMA's shareholding to Panelco from 62% to 78%.

	Company		
	Consolidation differences as goodwill	Software programmes	Grant Total
31/12/2004			
Book value	0	89.610	89.610
Accumulated depreciation & impairment	0	59.089	59.089
Carrying amount 31.12.2004	0	30.521	30.521
31/12/2005			
Carrying amount 31.12.2004	0	30.521	30.521
Additions	0	672.667	672.667
Depreciation	0	-96.926	-96.926
Carrying amount 31.12.2005	0	606.262	606.262

9.3 Investments in Subsidiaries

The Company's subsidiaries that were consolidated in the accompanying financial statements are shown at the following table:

Consolidated Subsidiary	Ownership Interest	Country of Incorporation	Principal Activities
PANELCO S.A.	78%	Greece	Panel Production
SIDMA WORLDWIDE LIMITED	100%	Cyprus	Holding
SID-PAC steel and construction products SRL	50%	Romania	Steel Trading
SID-PAC BULGARIA S.A	75%	Bulgaria	Steel Trading

All of the above companies are fully consolidated apart from SID-PAC steel and construction products SRL which is equity consolidated.

9.4 Investments in Associates

This amount has to do with the 50% shareholding of SIDMA in SID-PAC steel and construction products SRL. The shareholding is through SIDMA WORLDWIDE LIMITED in Cyprus.

9.5 Inventories

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Inventories				
Merchandise	6.009.543	7.807.667	5.968.373	7.747.654
Finished & Semifinished Products	6.277.619	6.350.040	5.745.401	5.969.564
Raw Material & Perishable & Spare Parts	9.617.148	13.203.201	7.935.910	10.142.452
Advance-payments for Stock purchases	0	9.963	0	8.130
Grand Total	21.904.309	27.370.870	19.649.684	23.867.801

9.6 Trade Receivables

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Trade receivables				
Trade debtors	33.927.939	33.240.265	30.555.779	29.936.598
less: allowances for doubtful receivables	0	0	0	0
Notes receivables	861.540	542.015	861.540	542.015
Cheques receivables (postdated)	42.248.377	34.728.445	34.520.292	29.069.074
Grand Total	77.037.856	68.510.725	65.937.610	59.547.687

The fair values of the above receivables are approximately the same with their book values.

9.7 Other Receivables

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Other receivables				
Doubtful - Disputed customers & other debtors	2.443.000	2.673.477	2.080.125	2.528.295
less: allowances for doubtful & disputed receivables	-1.881.956	-2.528.295	-1.694.956	-2.528.295
Other debtors-Tax receivables	2.919.573	3.031.625	1.602.692	2.984.093
Other receivables	143.883	24.963	13.401	24.732
Prepayments	290.750			
Accrued income	88.492	92.228	75.377	68.182
Grand Total	4.003.742	3.293.998	2.076.639	3.077.006

9.8 Cash and Cash Equivalents

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Cash & cash equivalents				
Cash in hand and at banks	9.898.659	814.162	9.592.838	793.671

The effective interest rate of short term investments is 2.18 %. They have a maturity of 15 days and are eligible for immediate cancellation without receiving any interest for the last deposit period.

9.9 Share Capital

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Share Capital				
Share Capital (10.000.000 shares * 1,35 €)	13.500.000	10.125.000	13.500.000	10.125.000
Share premium	9.875.000	0	9.875.000	0
Grand Total	23.375.000	10.125.000	23.375.000	10.125.000

The share capital of SIDMA SA consists of (10.000.000) ordinary shares with a par value of € 1,35. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting of the company. The company increased its Share Capital during 2005 through a Public Offering via book building (from 12 to 15 of April 2005), based on the 12/16/2004 decision of the EGM and No 2/315/ 10/26/2004 decision of the Capital Market Committee, by issuing 2,500,000 shares, at par value of € 1,35. The issued shares are listed at the Athens Stock Exchange.

The share premium amount shown above resulted from the difference between the value received for each new share (€ 5,3) and the par value of the share, that is 2,500,000 shares x (€ 5,3 – € 1,35).

9.10 Reserves

Reserves	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Revaluation surplus from merger of companies in the year 1992	1.403.658	1.403.658	1.403.658	1.403.658
Legal Reserves	1.617.386	1.458.492	1.575.229	1.449.031
Extraordinary Reserves	239.720	239.720	239.720	239.720
Tax Free Reserves Under Special Laws	8.449.773	8.449.773	8.449.773	8.449.773
Grand Total	11.710.538	11.551.643	11.668.381	11.542.183

The tax free reserves were formed during fiscal years 2002 – 2004 and according to tax laws are tax free as soon as they will not be distributed as dividends to shareholders. SIDMA S.A. is not going to distribute the aforementioned reserves and for this reason no tax was charged.

9.11 Net profit for the period

Retained Earnings	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Retained Earnings carried forward	12.668.720	7.983.238	12.356.771	8.175.797
Consolidation differences	-304.974	-304.974	0	0
Proposed dividend & Manager Fees	1.650.000	2.860.000	1.650.000	2.860.000
Profit after tax	2.404.017	6.557.843	2.119.799	6.048.535
Grand Total	16.417.762	17.096.107	16.126.570	17.084.332

9.12 Minority Interests

Minority Interests	Group	
	31.12.2005	31.12.2004
Share Capital	1.510.935	1.311.599
Reserves	-636.183	
Retained Earnings carried forward	340.182	
Profit after tax	182.372	199.335
Grand Total	1.397.305	1.510.935

9.13 Loans & Financial Leases

Loans and Leases	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Non-current Liabilities				
Bank Loans	588.115	46.251.866	52.752	45.425.255
Financial Leasing Liability	549.893	772.045	0	0
Total Non-current Liabilities	1.138.009	47.023.911	52.752	45.425.255
Current Liabilities				
Bank Loans	61.225.139	9.315.991	50.991.074	453.474
Later than 1 Year and not later than 2 Years	392.076	312.448		
Financial Leasing Liability	0	800.422	0	0
Total Current Liabilities	61.617.215	10.428.861	50.991.074	453.474
Grand Total of Current & Non-Current Liabilities	62.755.223	57.452.772	51.043.826	45.878.730

The maturity of long term loans is as follows:

Loans and Leases	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
1 to 2 years	588.115	46.251.866	52.752	45.878.730
2 to 5 years	549.893	772.045	0	0
More than 5 years				
Grand Total	1.138.009	47.023.911	52.752	45.878.730

9.14 Government Grants

The amount of € 1.257.607,41 refers to Government Grants of the subsidiary "PANELCO S.A.". This grant is related to capital expenditure realized by the subsidiary in its Lamia plant. The specific capital expenditure was incorporated in the governmental development law 2601/98 that had to do with the construction of a plot for the production of metal and thermo-insulating elements.

9.15 Deferred Tax

The Group has chosen to set off the deferred tax assets against the deferred tax liability of the same taxable entity if, and only if, they relate to income taxes levied by the same taxation authority and the entity has a legally enforceable right to do so.

Deferred taxes arising from temporary differences can be summarised as follows:

Deferred Taxation	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Deferred Tax Assets				
• Non current assets	619.804	1.223.169	511.445	1.064.371
• Current assets	95.712	0	95.712	0
	715.516	1.223.169	607.158	1.064.371
Deferred Tax Liabilities				
• Non current liabilities	3.140.962	3.244.082	2.936.508	2.963.046
• Current liabilities	2.670	500	2.670	500
	3.140.962	3.244.582	2.939.178	2.963.546
Deferred tax liabilities (after the offset)	2.425.446	2.021.413	2.332.021	1.899.175

9.16 Pensions obligations

The liabilities recognised for pensions in the balance sheet and their movement including the components of pension expenses due to defined contribution arrangements can be reconciled as follows:

Retirement Benefits	Group	Company
Accrued retirement benefit obligations 1/1/2004	763.604	760.128
Current service cost 1/1-31/12/2004	51.873	47.639
Current interest cost 1/1-31/12/2004	36.283	36.283
Retirement benefits paid 1/1-31/12/2004	0	0
Accrued retirement benefit obligations 31/12/2004	851.760	844.050
Current service cost 1/1-31/12/2005	75.397	68.049
Current interest cost 1/1-31/12/2005	520	0
Retirement benefits paid 1/1-31/12/2005	-15.363	-15.363
Accrued retirement benefit obligations 31/12/2005	912.314	896.736

For determination of the pension liability, the following actual assumptions were used:

	2005	2004
Discount Rate	4,5%	5,0%
Future salaries increase	4,0%	4,0%
Death - rate (Swiss Index)	EVK2000	EVK2000

The average number of employees at the end of the reporting period was 262 for the group and 200 for the parent company respectively.

9.17 Trade and other payables

Trade Payables	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Trade Suppliers	22.873.334	20.341.587	19.665.743	17.289.775
Social Security Payable	324.570	287.436	268.140	240.135
Advances from trade debtors	217.549	447.065	134.120	228.753
Tax & Duties Payable	1.588.758	7.461.399	717.534	7.116.418
Notes Payable	1.974.342	3.419.621	1.974.342	3.419.621
Other creditors	1.424.388	1.107.066	1.186.568	792.415
Dividends payable	378	0	378	0
Accrued Expenses	122.538	44.580	79.640	17.794
Deferred Income	1.265	0	0	0
Other Accruals & Deferred Income	0	0	0	0
Grand Total	28.527.120	33.108.753	24.026.464	29.104.910

Both SIDMA S.A. and PANELCO S.A. have been tax audited by the tax authorities until the fiscal year of 2003.

9.18 Revenues

Sales for the period ended 31.12.05, in € thousand, are analysed by category of products and services (using Greek Statistical Service Codes) as follows:

STAKOD-03	Heading	Amounts in thousands €	
		Group	Company
271.0	Manufacture of basic iron, steel and ferro-alloys	69.922	70.497
515.2	Wholesale of metals and metal ores	34.636	34.127
281.1	Manufacture of metal structures and parts of structures	17.161	0
285.1	Treatment and coating of metals	2.472	2.472
272.2	Manufacture of steel tubes	24	24
	Grand Total	124.214	107.120

Moreover, the parent company performed on behalf of third parties, during FY 2005, (Consignment) sales amounted to € 59.059 thousand compared to € 64.951 thousand during FY 2004 respectively.

9.19 Cost of Sales

Cost of Sales	Amounts in € 000'			
	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Cost of Goods	104.859	105.177	92.621	94.236
Payroll & Related Expenses	1.739	1.436	926	842
Third Party Fees & Related Expenses	570	523	220	205
Utilities - Services	316	356	249	260
Taxes - Stamp Duties	80	60	80	49
Various Expenses	278	191	224	156
Depreciation	1.257	949	780	543
Grand Total	109.099	108.692	95.100	96.292

9.20 Other Income

Other Income	Amounts in € 000'			
	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Income from rendering services to third parties	427	512	457	616
Agency Fees	2.213	2.340	2.213	2.340
Rentals	1	1	1	1
Invoiced expenses for dispatching goods	1.221	984	922	724
Incidental activity income	0	0	0	0
<i>Non-operating income</i>	1.901	1.771	1.614	1.687
<i>Prior year's income</i>	70	262	70	259
<i>Non-operating gains</i>	4	69	4	69
<i>Income from Government Grants</i>	269	42	0	0
<i>Other non-operating income</i>	220	114	203	76
<i>Income from prior years' provisions</i>	1.337	1.283	1.337	1.283
Grand Total	5.763	5.608	5.207	5.369

9.21 Administrative Expenses

	Amounts in € 000'			
	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Administrative Expenses				
Payroll & Related Expenses	1.807	1.460	1.521	1.339
Third Party Fees & Related Expenses	925	130	853	80
Utilities - Services	478	265	237	210
Taxes - Stamp Duties	67	40	42	34
Various Expenses	506	159	434	159
Depreciation	274	195	237	154
Provisions	21	38	21	38
Grand Total	4.078	2.287	3.345	2.014

9.22 Selling Expenses

	Amounts in € 000'			
	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Selling Expenses				
Payroll & Related Expenses	3.374	3.107	3.184	2.985
Third Party Fees & Related Expenses	513	759	368	567
Utilities - Services	1.249	1.155	1.226	1.144
Taxes - Stamp Duties	89	124	89	118
Various Expenses	2.302	2.534	1.932	2.151
Depreciation	431	454	429	453
Provisions	40	64	40	64
Grand Total	7.998	8.197	7.268	7.482

9.23 Other Expenses

	Amounts in € 000'			
	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Other Expenses				
Prior year's expenses	20	1.335	16	1.327
Non-operating losses	12	0	0	0
Other non-operating expenses	395	115	302	114
Allowances for doubtful receivables and employee benefits	1.040	761	757	757
Grand Total	1.467	2.211	1.075	2.197

9.24 Finance Cost (Net)

	Amounts in € 000'			
	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Finance Expenses (Net)				
Credit interest and similar income	529	422	522	417
Income from bank deposits	23	8	23	8
Interest Expense	-3.128	-2.795	-2.564	-2.267
Financial leasing expense	-25	-38	-2	-38
Grand Total	-2.602	-2.404	-2.021	-1.881

9.25 Loss from Associated Company

The amount presented is the share of SIDMA's loss accounted of the associate in Romania, SID-PAC steel and construction products SRL (SIDMA's share is 50%).

9.26 Taxes

TAX (Income - Deferred)	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Income Tax	-1.226.238	-4.397.156	-829.648	-4.230.372
Deferred Tax	-311.842	655.321	-339.808	695.163
Amount resulting from 2003 Tax Audit		-104.706		-104.706
Provision for Tax Audit Differences for Fiscal Years 2004 & 2005	-100.000	-120.000	-80.000	-90.000
Other Taxes	-22.860	-34.428	-20.801	-28.813
Grand Total	-1.660.941	-4.000.969	-1.270.257	-3.758.728

9.27 Earnings per share and dividends

The earnings per share have been calculated using the net results attributable to shareholders of SIDMA S.A. as numerator. The weighted average number of outstanding shares used for earnings per share as denominator, amounted to 9.166.667 shares and took into account the share capital increase by the issue of 2.500.000 new shares.

Earnings per share	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Profit after tax concerning the shareholders of the parent company (1)	2.562.911	11.214.179	2.245.996	10.888.948
Weighted average number of shares (2)	9.166.667	7.500.000	9.166.667	7.500.000
Profit after tax per share (1)/(2)	0,28	1,50	0,25	1,45

9.28 Dividends

The dividend paid during 2005 was € 2.860.000 (€ 0,286 per share), referred to the net results of 2004 and has been approved by the Annual General Meeting of the shareholders of the company on 16/06/2005.

Regarding 2005, a dividend of € 1.200.000 (€ 0,12 per share) will be proposed to the Annual General Meeting.

9.29 Non-audited Fiscal Years

The Company and its subsidiary Panelco have been audited by the competent tax authorities until, and including, 2003. A provision for *tax audit differences* that will result from the tax authorities audit for the fiscal years 2004 and 2005 has been taken and accounts to € 220.000.

9.30 Number of Personnel

Number of personnel employed at the end of the current period: Group 268 and Company 201.

10 Adjustments to the Published Interim Financial Statements

The following table refers to a list of restated accounts of the Balance-Sheet that has been published in the interim financial statements:

	GROUP				COMPANY			
	31/12/2004	31/3/2005	30/6/2005	30/9/2005	31/12/2004	31/3/2005	30/6/2005	30/9/2005
A. CURRENT LIABILITIES								
(1) Other Payables (published amounts)	5.805.767	5.705.691	6.961.958	3.633.759	5.195.393	5.083.038	5.669.318	2.939.191
Manager fees approved by the General Assembly of Shareholders (16.6.2005).	-496.675	-496.675			-496.675	-496.675		
Other payables (restated)	5.309.092	5.209.016	6.961.958	3.633.759	4.698.718	4.586.363	5.669.318	2.939.191
(2) Income tax and duties (published amounts)	7.341.399	7.576.023	6.196.823	4.516.027	7.026.418	7.116.718	6.357.316	3.989.101
Provision for tax audit differences (fiscal years 2004 & 2005)	120.000	120.000	120.000	120.000	90.000	90.000	90.000	90.000
Income tax and duties (restated)	7.461.399	7.696.023	6.316.823	4.636.027	7.116.418	7.206.718	6.447.316	4.079.101
Total adjustment of CURRENT LIABILITIES	-376.675	-376.675	120.000	120.000	-406.675	-406.675	90.000	90.000
B. EQUITY								
(1) Retained Earnings (published amounts)	5.223.824	6.749.964	7.382.680	16.022.401	5.041.731	6.447.718	6.886.562	15.609.380
Deferred tax adjustment	1.001.304	1.001.304			1.001.304	1.001.304		
Manager fees approved by the General Assembly of Shareholders (16.6.2005).	496.675	496.675			496.675	496.675		
Provision for tax audit differences (fiscal years 2004 & 2005)	-120.000	-120.000	-120.000	-120.000	-90.000	-90.000	-90.000	-90.000
Provision for tax audit differences of PANELCO	11.400	11.400	11.400	11.400				
Retained Earnings (restated)	6.613.203	8.139.343	7.274.080	15.913.801	6.449.711	7.855.697	6.796.562	15.519.380
(2) Minority rights (published amounts)	1.522.335	915.241	972.344	1.373.128				
Provision for tax audit differences of PANELCO	-11.400	-11.400	-11.400	-11.400				
Minority rights (restated)	1.510.935	903.841	960.944	1.361.728				
Total adjustment of EQUITY	1.377.979	1.377.979	-120.000	-120.000	1.407.979	1.407.979	-90.000	-90.000
C. NON-CURRENT LIABILITIES								
Deferred Tax Liabilities (published amounts)	3.022.718	2.894.998			2.900.479	2.761.907		
Deferred tax adjustment	-1.001.304	-1.001.304			-1.001.304	-1.001.304		
Deferred Tax Liabilities (restated)	2.021.413	1.893.694	0	0	1.899.175	1.760.603	0	0

11 Related Party Transactions

The following tables provide the related party transactions according to:

- Article 42e of Codified Law 2190/1920 and
- Article 4 of the decision no 5/204/2000 of the Hellenic Capital Market Commission as was modified with the decision no 3/348/2005

for the fiscal year 2005.

Sales of Goods/Services (Amounts in €)	
COMPANY	TOTAL
SIDENOR S.A.	1.882.643
SOVEL S.A.	11.391
STOMANA S.A.	148.338
ETIL S.A.	168.328
BET S.A.	2.527
AEIFOROS S.A.	1.638
PANELCO S.A.	605.214
CORINTH PIPEWORKS S.A.	122.974
METALLOURGIA ATTIKIS S.A.	631.484
PROSIDER S.A.	161.684
PROSAL S.A.	180.389
ERLIKON WIRE PROCESSING S.A.	401.869
S.C.SID PAC	257.590
TEKA SYSTEMS S.A.	141
ANTIMET S.A.	135.772
HELLENIC CABLES S.A.	2.690
ETEM S.A.	29.385
VITRUVIT S.A.	391
ANAMET S.A.	265
FITCO S.A.	6.452
VIOMAL S.A.	53.985
HALCOR S.A.	32.891
SIGMA S.A.	59.097
ARGOS S.A.	163.846
ELVAL S.A.	30.655
GRAND TOTAL	5.091.638

Payables (Amounts in €)	
COMPANY	TOTAL
SIDENOR S.A.	3.000.649
SOVEL S.A.	7.607
STOMANA S.A.	15.795
PANELCO S.A.	7.740
CORINTH PIPEWORKS S.A.	679.122
PROSIDER S.A.	1.546.817
ERLIKON WIRE PROCESSING S.A.	543.427
PROSAL S.A.	1.357.134
VEKTOR S.A.	39.531
TEKA SYSTEMS S.A.	46.051
VIOHALCO S.A.	1.889
VITRUVIT S.A.	2.044
STEELMET S.A.	17.331
VIEKSAL LTD	2.139
HALCOR S.A.	19.766
GRAND TOTAL	7.287.042

Purchase of Goods/Services (Amounts in €)	
COMPANY	TOTAL
SIDENOR S.A.	1.076.466
SOVEL S.A.	3.140
STOMANA S.A.	2.866.997
ETIL S.A.	12.930
PANELCO S.A.	64.633
PROSIDER S.A.	387.957
VEKTOR S.A.	56.804
TEKA SYSTEMS S.A.	631.506
VIOHALCO S.A.	1.595
HELLENIC CABLES S.A.	2.199
VITRUVIT S.A.	126
VIOMAL S.A.	2.000
STEELMET S.A.	1.310
VIEKSAL LTD	10.419
HALCOR S.A.	15.649
GRAND TOTAL	5.133.731

Receivables (Amounts in €)	
COMPANY	TOTAL
SIDENOR S.A.	29.233
SOVEL S.A.	10.209
STOMANA S.A.	69.291
ETIL S.A.	56.299
BET S.A.	1.097
AEIFOROS S.A.	14.505
PANELCO S.A.	416.779
CORINTH PIPEWORKS S.A.	75.802
METALLOURGIA ATTIKIS S.A.	199.695
PROSAL S.A.	13.679
ERLIKON WIRE PROCESSING S.A.	18.298
S.C.SID PAC	54.667
VEKTOR S.A.	109
ANTIMET S.A.	94.974
HELLENIC CABLES S.A.	1.473
ETEM S.A.	5.000
VITRUVIT S.A.	115
FITCO S.A.	108
STEELMET S.A.	32
HALCOR S.A.	9.813
SIGMA S.A.	10.969
ARGOS S.A.	14.759
ELVAL S.A.	20.341
GRAND TOTAL	1.117.245

11.1 Member of the Board and Manager Fees

The member of the board fees and the senior manager fees accounted to € 496.675 at Company level and to € 670.890 at Group level for the fiscal year 2005.

12 Post Balance Sheet Events

There are no such events that could affect the amounts presented in the above financial statements of the company.

ATHENS - March 24, 2006

**PRESIDENT OF THE BOARD
OF DIRECTORS**

**VICE PRESIDENT OF THE BOARD
OF DIRECTORS**

MARCEL L. AMARIGLIO

MENELAOS A. TASOPOULOS

THE GENERAL DIRECTOR

**THE CHIEF FINANCIAL
OFFICER**

ACCOUNTING DEP. HEAD

DANIEL D. BENARDOUT

MICHAEL C. SAMONAS

PARIS G. PAPAGEORGIOY