

Change in the use of funds raised

Taking into consideration the shareholders' interest, the company decided, at the Annual Shareholders' Meeting of 8/6/2006, the partial modification of the remainder of the raised capital from the share capital increase, which was realized by the decision of the Extraordinary Shareholders' Meeting of 16/12/2004 and altered by the decision of the Board of Directors of 21/9/2005.

Specifically, an amount of €17 thousand is transferred from "Investments in mechanical equipment of production units" (subcategory "Drilling line") to "Land acquisition and warehouse and office construction" in order to finance for excess cost, compared to the one pre-estimated for the land acquisition in Inofita.

Moreover, an amount of €15 thousand is transferred from "Investments in mechanical equipment of production units" (subcategories "Drilling line", €83 thousand and "Packing line for Fimi slitter", €32 thousand) to "Expansion of activities in the Balkans" and particularly, for the share capital increase of the subsidiary in Bulgaria. The money will be used for equipment acquisition for product processing. Until now, the subsidiary in Bulgaria is involved only in trading.

An amount of €4 thousand is transferred from "Installation of ERP system" to "Investments in mechanical equipment of production units" and more specifically, to the subcategory "Acquisition of new and upgrade of existing mechanical equipment".

Moreover, due to the delay in land acquisition in Inofita (that was realized on 9/5/2006) in relation to the initial investment plan as it was mentioned in the company prospectus, the acquisition and upgrading of particular machinery that will be placed in the new production unit in Inofita, will inevitably be delayed. As a result, the company decided to give priority to investments that are not affected by this delay, by reallocating the funds of "Investments in mechanical equipment of production units". Specifically, an amount of €68 thousand is transferred within the category "Investments in mechanical equipment of production units". To be more explicit, an amount of €2 thousand is transferred from subcategory "Packing line for Fimi slitter" to subcategory "Acquisition of new and upgrading of existing mechanical equipment". An amount of €300 thousand is transferred from subcategory "Upgrading of Siemi cut-to-length line" to subcategory "Acquisition of new and upgrading of existing mechanical equipment". An amount of €11 thousand is transferred from subcategory "Upgrading of Fimi slitter" to subcategory "Acquisition of new and upgrading of existing mechanical equipment". An amount of €100 thousand is transferred from subcategory "Semi-automatic packing system for Novastilmec CTL line" to subcategory "Acquisition of new and upgrading of existing mechanical equipment". An amount of €20 thousand is transferred from subcategory "New uncoiler for Auxmet cut-to-length line" to subcategory "Acquisition of new and upgrading of existing mechanical equipment". An amount of €80 thousand is transferred from subcategory "Installation of Barcode system" to subcategory "Acquisition of new and upgrading of existing mechanical equipment". An amount of €50 thousand is transferred from subcategory "Sawing machine" to subcategory "Acquisition of new and upgrading of existing mechanical equipment". The above mentioned transfers aim at using more rapidly the undisposed capital, which is placed in lower interest-bearing accounts compared to the current loan rate.

Finally, the company will complete its investment plan, as it has been announced in the company prospectus and the raised capital allocation table, and will cover the rest of the amount by borrowing, until the end of 2007. That is, machinery that is not financed by the capital raised, after the above mentioned changes, will be financed in the future, by borrowing.