



THRACE PLASTICS Co. S.A.

ANNUAL FINANCIAL REPORT
(INDIVIDUAL & CONSOLIDATED)

1 January to 31 December 2010
(According to Law 3556/2007)

Company Reg. No. 11188/06/B/86/31
Domicile: Magiko, Municipality of Vistonida, Xanthi Greece
Offices: 20 Marinou Antypa Str., 17455 Alimos, Attica Greece

The accompanying Financial Statements, have been approved by the Board of Directors of THRACE PLASTICS Co. S.A. on March 30, 2011 and have been posted on the internet at the company's website www.thraceplastics.gr.

**Information regarding the preparation
of the Annual Financial Report
for the period from 1 January to 31 December 2010**

The present Financial Report, which refers to the period from 1.1.2010 to 31.12.2010, was prepared according to article 5 of L.3556/2007 and the relevant decision issued by the Board of Directors of the Hellenic Capital Market Commission under Reg. No. 7/448/29.10.2007. The present Report was approved by the Board of Directors of THRACE PLASTICS Co. S.A. on 30 March 2011, and has been posted on the company's website www.thraceplastics.gr where such will remain available to investors for a period of at least 5 years from the publish date and includes:

Statements by Representatives of the Board of Directors

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STATEMENTS BY REPRESENTATIVES OF THE BOARD OF DIRECTORS
(according to article 4 par. 2 of L 3556/2007)

We hereby state that to our knowledge, the Annual Financial Statements (Separate and Consolidated) of THRACE PLASTICS Co. S.A., which concern the period from January 1st 2010 to December 31st 2010, were prepared in accordance to the accounting standards in effect, accurately present the Assets and Liabilities, Equity and Results of the Company, as well as those of the companies included in the consolidation and considered aggregately as a whole.

We also state that to our knowledge, the Annual Report by the Company's Board of Directors accurately presents the developments, performance and position of the Company, as well as of the companies included in the consolidation and considered aggregately as a whole, including the description of basic risks and uncertainties such face.

Xanthi, 30 March 2011

The signatories:

**The Chairman of the Board and
Chief Executive Officer**

The Vice-Chairman

The Member of the Board

Konstantinos St. Chalioris

Theodosios A. Kolyvas

Dimitrios Chroundas

**ANNUAL REPORT BY THE BOARD OF DIRECTORS
OF THRACE PLASTICS Co. S.A.
ON THE FINANCIAL STATEMENTS OF THE YEAR FROM 1-1-2010 TO 31-12-2010**

INTRODUCTION

The present Annual Management Report by the Board of Directors (hereinafter the “Report”) was prepared in accordance with the relevant provisions of Law 3556/2007 and the relevant to such executive decisions issued by the Hellenic Capital Market Commission and specifically Decision No. 7/448/11.10.2007, as well as the relevant provisions of Law 3873/2010.

The Report includes the total required information with an objective and adequate manner and with the principle of providing substantial and not typical information as regards to the issues included in such.

Despite the fact that the Company prepares consolidated and non-consolidated financial statements, the present Report is complete with main reference to the consolidated financial data.

It is noted that the present Report includes together with the 2010 financial statements, also the required by law data and statements in the Annual Financial Report, which concerns the financial year ended on 31 December 2010.

The sections of the Report and the contents of such are as follows:

SECTION A: Significant events that took place during 2010

Following we present the significant events that took place during financial year 2010:

- **Completion of Spin-off of the Industrial Sector of Synthetic Fabrics of Thrace Plastics Co. S.A. and contribution of such to its 100% subsidiary Don & Low Hellas SA (currently Thrace Nonwovens & Geosynthetics)**

The spin-off of the Level Woven and Non-Woven Synthetic Fabrics Industrial Sector of THRACE PLASTICS Co S.A. and its contribution to its 100% subsidiary DON & LOW HELLAS SA was completed with the registration in the Société Anonyme Registrar of the Xanthi Prefecture of the relevant approval decision under Reg. No. Γ/ΕΞ/189-1/10-02-2010 by the Xanthi Prefecture, which was published in the Government Gazette issue No. 1237/17-02-2010 (S.A. and LTD Companies Issue). The spin-off was completed according to the provisions of O 2166/1993, while November 30th 2009 was defined as the Balance Sheet Transformation Date according to the relevant decisions issued by the Companies.

- **Commencement of operation of waste bags production unit**

On 17-03-2010 the Company announced the commencement of operations for a production unit of waste bags for household and professional use. The new production unit is operated by the company “THRACE-S S.A.”. The companies “THRACE PLASTICS Co. S.A.” and “GR. SARANTIS CYPRUS L.T.D.”, a subsidiary of the SARANTIS Group participate in the former company with a percentage of 50% each. The domicile of “THRACE-S” and its facilities are located in Xanthi and the normal operation of the factory began on 15 March, given that previously the trial productions had been completed.

The Company’s objective is to utilize modern equipment and advanced production methods for the production of environmentally friendly products (disposable, recyclable etc). The produced products will be distributed, amongst others, also under the Sanitas brand name of the SARANTIS Group, both in the domestic market and in other European markets.

- **Sale of property at Forfar Scotland**

On 19-4-2010 the company Thrace Plastics Co. S.A., in the context of its plan to manage the Group’s property, announced the sale of a property owned 100% by its subsidiary Synthetic Holdings Ltd, for a price of GBP 1.5 mil. Specifically, the property refers to the Saint James property at Forfar Scotland, which consists of a land plot with an area of 15,500 sq.m. The book value of the aforementioned property amounts to GBP 687 thousand.

- **Windfall tax of article 5 of Law 3845/2010**

On 2-06-2010 the Company announced that the imposed extraordinary social responsibility contribution (windfall tax) according to article 5 of Law 3845/2010, on the total net earnings of legal entities for financial year 2010, amounted to Euro 141,130 for the Group and to Euro 112,000 for the Company. The amount of the windfall tax was finalized with the reception of the respective final tax note issued by the relevant tax authority, and was charged to the 2010 Results.

➤ Replacement of Board Member

On 23-7-2010 the Company's Board of Directors elected Mr. Christos Siatis of Panagiotis as a new Independent Non-Executive Board Member, in replacement of Mr. Georgios Mantzavinos – Executive Member, which resigned due to increased other responsibilities within the Group. The following Annual General Meeting will validate the election of Mr. Christos Siatis.

➤ Announcement for the End of the Share Buyback Program

On 3 November 2010 the Company Thrace Plastics Co. SA announced the end of the share buyback program that was approved by the Extraordinary General Meeting of shareholders on 3 November 2008 and which stated the purchase of treasury shares up to 10% of the Company's existing shares, namely up to 4,594,950 shares.

SECTION B: Basic risks and uncertainties

The financial assets used by the Group, mainly consist of bank deposits, bank overdrafts, receivable and payable accounts and loans.

In general, the Group's activities create several financial risks. Such risks include market risk (foreign exchange risk and risk from changes and raw materials prices), credit risk, liquidity risk and interest rate risk.

❑ **Foreign exchange risk**

The Group is exposed to foreign exchange risk that arises from existing or expected cash flows in foreign currency and from investments in foreign countries. The management of several risks is applied with the use of natural hedging instruments. Specifically, the Group's policy is to contract loans in the corresponding currency for the amount of customer balances in foreign currency.

Sensitivity Analysis to Exchange Rate Changes

Effect of exchange rate changes in the financial statements of the Group from the translation of balance sheets of foreign subsidiaries.

| Foreign Currency | Change in exchange rate against the euro | Effect (in thousand euro) | | Effect (in thousand euro) | |
|---------------------|---|--------------------------------|----------------|--------------------------------|----------------|
| | | Earnings before tax 2010 | Equity 2010 | Earnings before tax 2009 | Equity 2009 |
| USD | 5% | 328 | 208 | (101) | 13 |
| | -5% | (328) | (208) | 91 | (11) |
| GBP | 5% | 1,511 | 1,199 | 201 | 554 |
| | -5% | (1,511) | (1,199) | (182) | (501) |
| NOK | 5% | 230 | 169 | 19 | 212 |
| | -5% | (230) | (169) | (17) | (192) |
| SEK | 5% | 185 | 135 | 9 | 157 |
| | -5% | (185) | (135) | (8) | (142) |
| RSD | 5% | 37 | 35 | 2 | 1 |
| | -5% | (37) | (35) | (2) | (1) |
| RON | 5% | 106 | 92 | 43 | 153 |
| | -5% | (106) | (92) | (39) | (138) |
| BGN | 5% | 137 | 122 | 74 | 382 |
| | -5% | (137) | (122) | (67) | (346) |
| TRY | 5% | 150 | 150 | 8 | 29 |
| | -5% | (150) | (150) | (7) | (27) |

❑ Risk from Fluctuation of Prices of Raw Materials

The Company is exposed to fluctuations in the price of polypropylene (which represents 55% of cost of sales), which is faced with a corresponding change in the sale price of the final product. The possibility that the increase in polypropylene prices will not be fully transferred to the sale price, induces pressure on profit margins.

❑ Credit Risk

The Group is exposed to credit risk, and in order to manage such consistently, it applies a clearly defined credit policy that is continuously monitored and reviewed, in order to assure that the provided credit does not exceed the credit limit per customer. Also, insurance contracts are made to cover sales per customer, while collateral is not required on the assets of customers. During the preparation date of the financial statements, provisions were made for doubtful debts and the Management considers that there is no other substantial credit risk that is not covered by insurance coverage or provisions.

The following table presents an analysis of the maturity of trade and other receivables on 31/12/2010:

| Maturity Days (in thousand euro) | Group | Company |
|---|---------------|----------------|
| 01 – 30 days | 29,601 | 3,319 |
| 31 – 90 days | 22,364 | 7,098 |
| 91 – 180 days | 9,605 | 1,970 |
| 180 and over | 11,932 | 7,968 |
| | 73,502 | 20,355 |
| Provisions for doubtful debts | (5,742) | (1,807) |
| Total | 67,760 | 18,548 |

❑ Liquidity Risk

The monitoring of liquidity risk is focused on managing cash inflows and outflows on a constant basis, in order for the Group to have the ability to meet its cash flow obligations. The management of liquidity risk is applied by maintaining cash equivalents and approved bank credits. During the preparation date of the financial statements, there were adequate cash reserves and also available unused approved bank credits towards the Group, which are considered sufficient to face a possible shortage of cash equivalents.

Short-term liabilities are renewed at their maturity, as they are part of the approved bank credits.

The following table presents the liabilities –loans provided on 31/12/2010 according to their maturity dates.

(amounts in thousand euro)

| Group | Up to 1 month | 1-6 months | 6-12 months | From 1-5 years | Total |
|-------------------|----------------------|-------------------|--------------------|-----------------------|----------------|
| Suppliers | 10,543 | 10,001 | 5,450 | - | 25,994 |
| Other liabilities | 2,761 | 1,781 | 7,348 | 270 | 12,160 |
| Short-term debt | 35 | 1,022 | 59,396 | 1,090 | 61,543 |
| Long-term debt | 14 | 68 | 7,261 | 13,020 | 20,363 |
| Total | 13,353 | 12,872 | 79,455 | 14,380 | 120,060 |

| Company | Up to 1 month | 1-6 months | 6-12 months | From 1-5 years | Total |
|-------------------|----------------------|-------------------|--------------------|-----------------------|---------------|
| Suppliers | 1,278 | 2,991 | - | - | 4,269 |
| Other liabilities | 254 | 437 | 2,135 | - | 2,826 |
| Short-term debt | - | 51 | 21,190 | - | 21,241 |
| Long-term debt | - | - | - | 92 | 92 |
| Total | 1,532 | 3,479 | 23,325 | 92 | 28,428 |

❑ Interest Rate Risk

The Group's long-term loans have been provided by Greek and foreign banks and are issued, mainly in Euro. The repayment period varies, according to the loan contract and long-term loans are mainly linked to Euribor plus a margin.

The Group's short-term loans have been provided by several banks, under Euribor, plus a margin and Libor plus a margin.

It is estimated that a change in the average annual interest rate by 1 percentage point, will result in a charge / (improvement) of Earnings Before Tax as follows:

| Possible interest rate change | Effect on Earnings before Tax (amounts in thousand euro) | | | |
|-------------------------------|---|----------------------|------------------------|------------------------|
| | EBT 2010 of Group | EBT 2009 of Group | EBT 2010 of Company | EBT 2009 of Company |
| 1% Interest rate increase | 829 | 714 | 213 | 165 |
| 1% Interest rate decrease | (829) | (714) | (213) | (194) |

❑ Capital Adequacy Risk

The Group controls capital adequacy using the Net Bank Debt to Operating Profit ratio and the ratio of Net Bank Debt to Equity.

| (amounts in thousand euro) | Group | | Company | |
|-------------------------------|----------------|---------------|----------------|---------------|
| | 2010 | 2009 | 2010 | 2009 |
| Long-term debt | 18,487 | 24,413 | 92 | 194 |
| Short-term debt | 63,347 | 62,197 | 21,241 | 17,943 |
| Total debt | 81,834 | 86,610 | 21,333 | 18,137 |
| Minus cash & cash equivalents | 28,001 | 20,240 | 8,923 | 7,934 |
| Net debt | 53,833 | 66,370 | 12,410 | 10,203 |
| EBITDA | 18,459 | 20,708 | (1,186) | 5,519 |
| EBITDA/Net Bank Debt | 0.34 | 0.31 | (0.09) | 0.54 |
| Equity | 105,755 | 97,280 | 75,618 | 79,836 |
| Net Bank Debt/Equity | 0.51 | 0.68 | 0.16 | 0.12 |

SECTION C: Significant transactions with related parties

- The most significant transactions between the Company and its related parties, as such are defined by International Accounting Standard 24, are described below

(amounts in thousand euro)

| Sales-Income | Sales | Income | Total |
|----------------------------------|---------------|--------------|---------------|
| THRACE IPOMA | 6,997 | 0 | 6,997 |
| THRACE NONWOVENS & GEOSYNTHETICS | 1,862 | 994 | 2,856 |
| THRACE SARANTIS | 1,831 | 46 | 1,877 |
| SYNTHETIC PACKAGING | 847 | 111 | 958 |
| THRACE PLASTICS PACK | 222 | 676 | 898 |
| Total | 11,759 | 1,827 | 13,586 |

| Purchases-Expenses | Purchases | Expenses | Total |
|----------------------------------|------------------|-----------------|--------------|
| THRACE NONWOVENS & GEOSYNTHETICS | 1,824 | 420 | 2,244 |
| THRACE IPOMA | 984 | 18 | 1,002 |
| Total | 2,808 | 438 | 3,246 |

| Customer - Receivables | 31.12.2010 |
|-------------------------------|-------------------|
| THRACE LINQ | 3,730 |
| THRACE IPOMA | 2,199 |
| THRACE –SARANTIS | 996 |
| Total | 6,925 |

| Suppliers - Liabilities | 31.12.2010 |
|----------------------------------|-------------------|
| THRACE NONWOVENS & GEOSYNTHETICS | 1,091 |
| Total | 1,091 |

- The remuneration of senior executives and members of Management, amounted to Euro 1,207 thousand at the parent level compared to € 1,552 thousand in 2009, and to Euro 3,574 thousand at the Group level, compared to Euro 3,317 thousand in 2009.
- The Company has issued letters of guarantee in favor of third parties, amounting to Euro 1,637 thousand while it has provided guarantees in favor of its subsidiaries for security against loans amounting to Euro 17,193 thousand.
- During 2010, the total fees of the company's legal auditors amounted to € 355 thousand for the Group and to €26 thousand for the Company, according to those stated in article 43a of C.L. 2190/1920, as amended by article 30 of L. 3756/2009
- There were no changes in transactions between the Company and its related parties, that could have substantial effects on the financial position and performance of the Company during 2010.
All transactions described above have taken place under normal market terms

SECTION D: Analytical information according to article 4 par. 7 of Law 3556/2007, as currently in effect

The Company, according to article 4 par. 7 of L. 3556/2007 is obliged to include in the present Report, analytical information regarding a series of issues, as follows:

1. Structure of Company's share capital

The Company's share capital amounts to twenty two million nine hundred and seventy four thousand seven hundred and fifty Euro (€ 22,974,750.00) and is divided into forty five million nine hundred and forty nine thousand five hundred (45,949,500) shares, with a nominal value of € 0.50 each. All Company shares are common, registered with voting rights, and are listed on the Athens Exchange in the Small and Medium Capitalization segment. The structure and the creation of the Company's share capital is presented in detail in article 5 of the Company's Articles of Association. The Company's shares were listed on the Athens Exchange on 26 June 1995.

2. Limitations to the transfer of Company shares

The transfer of Company shares takes place as stipulated by the Law and there are no limitations regarding such transfers from its Articles of Association.

3. Significant direct or indirect participations according to the definition of Law 3556/2007

As regards to significant participations in the share capital and voting rights of the Company, according to the definition of provisions of articles 9 to 11 of L. 3556/2007, Mr. Konstantinos Chaliouris holds, at 31/12/2010 a percentage of 41.997% of the share capital of the Company and Miss Eufimia Chaliouris holds, at 31/12/2010 a percentage of 19.841% of the share capital of the Company. No other physical or legal entity owned a percentage over 5% of the share capital. The data regarding the number of shares and voting rights held by individuals with a significant participation, have been derived from the Shareholder Registry kept by the Company and from disclosures provided to the Company by Law.

4. Owners of any type of shares incorporating special control rights

There are no Company shares that provide special control rights to owners.

5. Limitations on voting rights

According to the Company's Articles of Association, there are no limitations on voting rights.

6. Agreements of Company shareholders

To the knowledge of the Company there are no shareholder agreements, which result in limitations on the transfer of shares or limitations on the exercise of voting rights, that emanate from its shares.

7. Rules for appointment and replacement of Board members and amendment of the Articles of Association

The rules stated by the Company's Articles of Association regarding the appointment and replacement of its Board of Directors' members and the amendment of the provisions of its Articles of Association, do not differ from those stipulated by C.L. 2190/1920. It is noted that the Company's Articles of Association have fully conformed to the provisions of L. 2190/1920, by means of a decision by its Ordinary General Shareholders' Meeting on 24 June 2008.

8. Responsibility of the Board or specific Board members for the issuance of new shares or the purchase of treasury shares.

According to paragraph 13 of article 13 of C.L. 2190/1920, as currently in effect, the Board of Directors increases the share capital of the Company by issuing new shares, in the context of the approved by the General Meeting Stock Option Plans, for the acquisition of company shares by beneficiaries.

According to the provisions of article 16 of C.L. 2190/1920, as currently in effect, the Company may acquire treasury shares, only following approval by the General Meeting, up to 1/10 of its paid up share capital, under the specific terms and procedures stipulated by the provisions of article 16 of CL 2190/1920, as currently in effect.

There are no opposite statements in the Company's article of Association.

9. Significant agreements made by the Company and put into effect, amended or terminated in case of a change in the Company's control following a tender offer.

There are no such agreements, which are put into effect, amended or terminated, in case of a change in the Company's control following a tender offer.

10. Significant agreements made by the Company with Board members or the Company's staff

There are no agreements of the Company with the members of its Board of Directors or with its staff, which stipulate the payment of indemnity specifically in case of resignation or termination of employment without reasonable cause or of termination of their term or employment, due to a tender offer.

SECTION E: Treasury Shares

On 3 November 2010 the Company Thrace Plastics Co. SA announced the end of the share buyback program that was approved by the Extraordinary General Meeting of shareholders on 3 November 2008 and which stated the purchase of treasury shares up to 10% of the Company's existing shares, namely up to 4,594,950 shares.

Specifically, during the period from 4/11/2008 until 3/11/2010 a total of 854,880 treasury shares were purchased through Investment Bank and Praxis Securities, at an average acquisition price of € 0.65 cents of a euro, which overall represent a percentage of 1.86% of the Company's share capital.

The total treasury shares currently owned by the Company amount to 854,880 common shares, which represent 1.86% of its share capital.

SECTION F: Information on labor and environmental issues

The Group employed, during 31 December 2010, a total of 1,587 employees, from which approximately 233 are employed by the parent company in the Xanthi factories.

As regards to the management of human resources, the Management transfers its valuable experience from abroad and applies efforts to improve the working conditions at all levels, mainly as regards to issues involving education, hygiene and security. Specifically, the security of employees and of the operation of facilities, was and is a top priority for Management and for this reason annual a large amount is allocated for employee education and to secure conditions of absolute security for employees. In the Group's plants, guidance and education of staff is continuous and under the full guidance of supervisors and heads of departments.

The Company has particular awareness on environmental issues as well. In this context it has adopted and applies production methods that are environmentally friendly and that do not create gas and liquid waste, while it has achieved 100% recycling of the remains of its products.

SECTION G: Company Branches

The activity of the Thrace Plastics Group is distinguished into two sectors

The Synthetic Fabrics Sector, which has a global orientation with facilities in Xanthi Greece (Thrace Non Wovens & Geosynthetics), Scotland (Don & Low LTD) and the U.S.A. (Thrace Linq Inc and Lumite Inc.). The sector's basic products include geofabrics, insulation films and synthetic fabrics for agricultural and industrial use and the Packaging Sector which refers to the European market with emphasis in South East European countries, Scandinavia, the United Kingdom and Ireland. Specifically it includes facilities and operates through twelve Group companies, including the parent company in Greece, companies in Turkey, Ireland, the UK, Sweden, Norway, Bulgaria, Romania and Serbia. The sector's products include Industrial Packaging Products that mainly concern bags, big bags (F.I.B.Cs) and pallet films for packaging of lubricants, fish food, animal food as well as chemical and inert materials and Consumer Product Packaging with applications in the packaging of food and chemicals.

SECTION H: Evolution and performance of the Group

1. Group Results

The following table presents the Group's results throughout 2010, compared to 2009:

| 2010 CONSOLIDATED RESULTS | | | |
|---|----------------|-------------|---------------|
| <i>(amounts in thousand)</i> | 2010 | 2009 | % Met. |
| Turnover | 234,520 | 197,249 | 18.9% |
| Gross Profit | 39,722 | 36,572 | 8.6% |
| Gross Profit Margin | 16.9% | 18.5% | |
| Other Operating Income | 10,051 | 8,023 | 25.3% |
| As % of Turnover | 4.3% | 4.1% | |
| Distribution Expenses | 21,790 | 18,032 | 20.8% |
| As % of Turnover | 9.3% | 9.1% | |
| Administrative Expenses | 11,948 | 10,204 | 17.1% |
| As % of Turnover | 5.1% | 5.2% | |
| Other Operating Expenses | 9,111 | 7,538 | 20.9% |
| As % of Turnover | 3.9% | 3.8% | |
| EBIT | 6,924 | 8,821 | -21.5% |
| EBIT Margin | 3.0% | 4.5% | |
| EBITDA | 18,459 | 20,708 | -10.9% |
| EBITDA Margin | 7.9% | 10.5% | |
| Interest & Related Income/Expenses | -3,793 | -4,494 | -15.6% |
| Other Financial Income/Expenses | 765 | 1,141 | -33.0% |
| Income/Loss from Valuation Provision | -1,156 | 0 | - |
| EBT | 2,740 | 5,468 | -49.9% |
| EBT Margin | 1.2% | 2.8% | |
| Income Tax | 1,844 | 2,324 | -20.7% |
| EAT | 896 | 3,144 | -71.5% |
| EAT Margin | 0.4% | 1.6% | |
| Minority Interest | -174 | 135 | |
| EATAM | 1,070 | 3,009 | -64.4% |
| EATAM Margin | 0.5% | 1.5% | |
| Basic Earnings per Share (in euro) | 0.024 | 0.066 | -63.6% |

Turnover **€234,520 (+18.9%)**

The increase is mainly due to the increase of sales by 11.9%. Specifically, the Sector of Synthetic Fabrics posted a 17.1% increase of sales, while the Packaging Sector a 3.9% increase.

Gross Profit **€39,722 (+8.6%)**

The Gross Profit Margin amounted to 16.9% in 2010 compared to 18.5% in 2009 due to the non-transfer of the total price increase of raw material to the sale price of products. It is noted that the price of raw materials posted a 35% increase during 2010, compared to the previous year.

Other Operating Income **€10,051 (+25.3%)**

Other Operating Income mainly includes credit foreign exchange differences (€5,218 thousand), income from grants (€1,906 thousand) and income from sale of fixed assets (€1,283 thousand).

Distribution Expenses **€21,790 (+20.8%)**

Distribution expenses as a percentage of turnover amounted to 9.3%, almost at the same level as the previous year (9.1%).

Administrative Expenses **€11,948 (+17.1%)**

Administrative Expenses amounted to 5.1% as a percentage of Turnover, almost at the same levels as 2009.

Other Operating Expenses
€9,111 (+20.9%)

Other Operating Expenses mainly concern debit foreign exchange differences (€ 5,257 thousand) and provisions for doubtful debts (€ 1,641 thousand).

EBITDA
€18,459 (-10.9%)

EBITDA includes:

Non-recurring income amounting to € 1,221 thousand:

- Profit from sale of property in Scotland amounting to € 938 thousand.
- Profit from sale of mechanical equipment in America amounting to € 283 thousand.

Non-recurring expenses amounting to € 2,440 thousand:

- Increased provisions for doubtful debts amounting to € 1,640 thousand.
- Costs amounting to € 520 thousand that emerged in 2010 during which the Company was in negotiations with a Multinational Group for the sale of its subsidiaries and its own participation in the share capital of the acquiring company, which however did not lead to any developments.
- Staff indemnities amounting to € 281 thousand.

The EBITDA margin amounted to 7.9% in 2010 compared to 10.5% in 2009.

Earnings before Taxes
€2,740 (-49.9%)

Increased Earnings before Taxes decreased by € 1,156 thousand due to the impairment provision on the goodwill of the subsidiary Pairis Packaging S.A. The EBT Margin amounted to 1.2% compared to 2.8% the previous year.

Earnings after Taxes & Minority Interest (EATAM)
€1,070 (-64.4%)

Tax for 2010 amounted to € 1,844 thousand due to the conservative policy followed by the Company, according to which it does not calculate a deferred tax asset on available tax losses.

2, Results of the Parent Company

It is noted that due to the spin-off the level woven and non-woven synthetic fabrics industrial sector by the parent company and its contribution to its 100% subsidiary Don & Low Hellas S.A. (current Thrace Non Wovens & Geosynthetics S.A.), the financial data of the parent for 2009 have been adjusted in order to render such comparable with financial year 2010.

The Company's Turnover amounted to Euro 28,280 thousand, posting an increase of 20.0% compared to 2009. Gross Profit for 2010 amounted to Euro 958 thousand, posting a decrease of 34.2% compared to the previous year. EBITDA amounted to losses of Euro 1,186 thousand in 2010. Losses before Taxes amounted to Euro 2,206 thousand in 2010, while Losses after taxes amounted to Euro 2,475 thousand.

3. Results per Activity Sector

The following table summarizes the results from the individual sectors where the Group operates in (Technical Fabrics and Packaging) for financial year 2010

| RESULTS PER ACTIVITY SECTOR | | | | | | |
|-----------------------------------|-------------------|--------------|----------|----------------|------------|----------|
| | Synthetic Fabrics | | | Packaging | | |
| (amounts in thousand €) | 2010 | 2009 | % Change | 2010 | 2009 | % Change |
| Turnover | 137,289 | 107,612 | 27.6% | 102,508 | 96,079 | 6.7% |
| Gross Profit | 20,279 | 17,816 | 13.8% | 18,681 | 18,850 | -0.9% |
| Gross Profit Margin | 14.8% | 16.6% | | 18.2% | 19.6% | |
| EBIT | 5,757 | 4,715 | 22.1% | 217 | 4,270 | -94.9% |
| EBITDA | 11,207 | 10,441 | 7.3% | 6,303 | 10,467 | -39.8% |
| EBITDA Margin | 8.2% | 9.7% | | 6.1% | 12.5% | |
| Earnings/Losses before Tax | 5,524 | 4,918 | 12.3% | -3,734 | 714 | - |

4. Consolidated Balance Sheet of the Group

The following table summarizes the basic Balance Sheet information as at 31.12.2010:

| <i>(amounts in thousand euro)</i> | 31.12.2010 | 31.12.2009 | % Change |
|---|-------------------|-------------------|-----------------|
| Tangible Fixed Assets | 87,676 | 94,016 | -6.7% |
| Investment Property | 110 | 110 | 0.0% |
| Intangible Assets | 10,219 | 11,180 | -8.6% |
| Other Long-term Receivables | 564 | 347 | 62.5% |
| Deferred Tax Assets | 1,472 | 4,798 | -69.3% |
| Total Fixed Assets | 100,041 | 110,451 | -9.4% |
| Inventories | 44,974 | 45,093 | -0.3% |
| Income Tax Prepaid | 919 | 1,277 | -28.0% |
| Trade Receivables | 42,969 | 39,222 | 9.6% |
| Debtors and other Accounts | 24,790 | 25,925 | -4.4% |
| Cash & Cash Equivalents | 28,001 | 20,240 | 38.3% |
| Total Current Assets | 141,653 | 131,757 | 7.5% |
| TOTAL ASSETS | 241,693 | 242,208 | -0.2% |
| Shareholders' Equity | 105,755 | 97,280 | 8.7% |
| Minority Interest | 1,788 | 2,081 | -14.1% |
| TOTAL EQUITY | 107,543 | 99,361 | 8.2% |
| <u>Long-term Liabilities</u> | | | |
| Long-term Loans | 18,487 | 24,413 | -24.3% |
| Provisions for Employee Benefits | 5,800 | 19,057 | -69.6% |
| Other Long-term Liabilities | 8,014 | 5,741 | 39.6% |
| Total Long-term Liabilities | 32,301 | 49,211 | -34.4% |
| <u>Short-term Liabilities</u> | | | |
| Short-term Bank Debt | 63,347 | 62,197 | 1.8% |
| Suppliers | 25,051 | 18,990 | 31.9% |
| Other Short-term Liabilities | 13,452 | 12,449 | 8.1% |
| Total Short-term Liabilities | 101,850 | 93,636 | 8.8% |
| TOTAL LIABILITIES | 134,151 | 142,847 | -6.1% |
| TOTAL EQUITY & LIABILITIES | 241,694 | 242,208 | -0.2% |
| Net Bank Debt | 53,833 | 66,370 | -18.9% |
| Net Bank Debt/Equity | 0.5 | 0.7 | |

Fixed Assets **€100,040 (-9.4%)**

Decrease of deferred taxes by € 3,326 thousand due to the significant reduction of the liability created from the pension plan of Don & Low

Current Assets **€141,653 (+7.5%)**

Inventories amounted to € 44,974 thousand during 31.12.2010

The Inventories turnover (average) amounted to 84 days compared to 110 in 2009

Trade Receivables amounted to € 42,969 (+9.6%)

Trade Receivables Turnover (average) amounted to 64 days compared to 76 days in 2009

Equity **€107,542 (+8.2%)**

Equity amounted to Euro 107,542 thousand, posting an increase of 8.2% compared to the previous year.

Employee Benefits **€5,800 (-69.6%)**

The decrease is due to the significant decrease of the actuarial deficit of the Don & Low LTD pension plan

The total liability of the pension plan as presented in the Balance Sheet of 31.12.2010, is analyzed as follows:

| <i>(amounts in thousand €)</i> | 31.12.2010 | 31.12.2009 |
|--------------------------------|-------------------|-------------------|
| Present Value of Liabilities | 99,907 | 99,764 |
| Present Value of Assets | 95,376 | 81,860 |
| Actuarial Deficit | 4,531 | 17,903 |

The asset allocation of the plan is as follows:

| <i>(amounts in thousand €)</i> | 31.12.2010 | 31.12.2009 |
|--------------------------------|-------------------|-------------------|
| Shares | 69,005 | 70,400 |
| Bonds | 22,770 | 10,642 |
| Real Estate/Other | 3,601 | 812 |
| Total | 95,376 | 81,860 |

Net Bank Debt **€53,833 (-18.9%)**

The Net Bank Debt / Equity ratio amounted to 0.5 compared to 0.7 the previous year.

Suppliers **€17,376 (-33.6%)**

The Turnover of Suppliers (average) amounted to 41 days compared to 51 days in 2009

5. Financial Ratios

Following the above analysis, we present the following basic Financial Ratios:

| Profitability Ratios (%) | 2010 | 2009 |
|---------------------------------------|-------------|-------------|
| Gross Profit | 16.9% | 18.5% |
| EBITDA | 7.9% | 10.5% |
| EBT | 1.2% | 2.8% |
| EATAM | 0.5% | 1.5% |
| Receivables Turnover (in days) | 2010 | 2009 |
| Average Customer Turnover | 64 | 76 |
| Average Inventory Turnover | 84 | 110 |
| Average Suppliers Turnover | 41 | 51 |
| Capital Structure Ratios (:1) | 2010 | 2009 |
| Total Liabilities/Equity | 1.3 | 1.4 |
| Net Bank Debt/Equity | 0.5 | 0.7 |
| Net Tangible Assets/Total Assets | 0.4 | 0.4 |
| Equity/Net Tangible Assets | 1.2 | 1.1 |
| Leverage Ratios (:1) | 2010 | 2009 |
| Equity/Total Assets | 0.4 | 0.4 |
| Interest Coverage | 1.8 | 2.0 |
| Liquidity Ratios (:1) | 2010 | 2009 |
| Current Ratio | 1.4 | 1.4 |
| Quick Ratio | 0.9 | 0.9 |

SECTION I: Proposed dividend distribution

The Board of Directors of the Company, intends to propose a dividend distribution of Euro 1,623.4 thousand (€ 0.036 per share) to the Annual Ordinary General Meeting of Shareholders, which will be distributed from the balance of profit of previous years.

SECTION J: Group outlook for 2011

As regards to the developments and outlook of results for the present financial year, the Group's Management continues to be alert as long as the global economic recovery remains reversible and the global economic environment instable. Also, the geopolitical developments in the Middle East and North Africa may continue to affect the prices of raw materials in 2011 as well, sustaining uncertainty in the environment with possible effects also on global demand. The Group is facing the recession in the Greek economy satisfactory as it has maintained a global orientation for many years, given that only 17% of its consolidated sales are realized in the domestic market.

SECTION K: Corporate Governance Statement

The present Statement refers to the overall corporate governance principles and practices adopted by the Company, which form the structure through which it sets its objectives, defines the means to achieve such, identify the basic risks faced during its operation and organizes the risk management system. Moreover, the application of the above principles and practices allows monitoring the Management's performance and ensures the interests of Company shareholders, employees as well as of all interested parties.

The structure of the Corporate Governance Statement is as follows:

- I. Compliance Statement with Corporate Governance Code
- II. Deviations from the Corporate Governance Code and Justification of Such
- III. Corporate Governance Practices applied by the Company apart from those stated by law
- IV. Description of the internal control and risk management system as regards to the process for preparing financial statements
- V. Information regarding the company's audit process (information stipulated by items (c), (d), (f), (h) and (i) of paragraph 1 of article 10 of Directive 2004/25/EC)
- VI. Board of Directors and Committees
- VII. General Meeting and Shareholders' Rights

I. Compliance Statement with Corporate Governance Code

The most recent law 3873/2010, which incorporate the European Union Directive 2006/46/EC in Greek law, essentially establishes the adoption of Corporate Governance Codes by companies.

In compliance with the provisions and stipulations of the above Law, the Company has adopted and applies the Corporate Governance Code of the Hellenic Federation of Enterprises (S.E.V.) the text of which is available at the website http://www.sev.org.gr/Uploads/pdf/KED_TELIKO_JAN2011.pdf

Specifically, the Company complies with the special practices for listed companies in the Code, including the exceptions that are provided for small listed companies.

II. Deviations from the Corporate Governance Code and Justification of Such

The Corporate Governance Code of S.E.V. follows the comply or explain approach and requires listed companies that adopt such to disclose their intention and either comply with the overall special practices or explain their reasons for non-compliance with specific special practices

In this context, following we present the Company's deviations from the special practices of the Corporate Governance Code:

| C.G.C. Provisions | Deviation - Justification | Relevant Reference |
|--|---|---------------------------|
| SECTION A. : THE BOARD OF DIRECTORS AND ITS MEMBERS | | |
| AII 2.1 | The number of Board members is defined freely by the General Meeting, given the provisions of the Memorandum of Association, according to which the Board may consist of 5-9 members instead of 7-15 members stated in the special practice of the C.G.C. However, the Company is currently in line with the C.G.C., given that it is managed by a 7-member Board of Directors. | Page 10 C.G.C. |
| AII 2.3 | The practice that states that 1/3 of the Board should consist of independent non-executive members, is applied with the additional note that if during application a fraction results, then it is rounded to the immediately preceding integer number (namely the Company's Board of Directors consists of seven (7) members, two (2) of which are independent non-executive). | Page 10 C.G.C. |
| AIII 3.3 | The Vice-Chairman of the Board is not from the independent members. However, the Board of Directors considers that the executive Vice-Chairman is the most appropriate to contribute to the Chairman and Chief Executive Officer in exercising his responsibilities, given that due to his long-term experience with the Company he has a deep knowledge of corporate issues. | Page 12 C.G.C. |
| AIV 4.3 | The appointment of a Board member as a non-executive member in a company that is not a subsidiary or related, should be approved by the Board of Directors. This practice was not included until today in any provision of the current legal framework and thus is not applied. Its application will be examined in the future. | Page 14 C.G.C. |
| AV 5.1 | The Board's term will continue to be five-year (5year) as stated by the Company's Memorandum of Association, as it has been assessed that this ensures its effective and productive operation. | Page 15 C.G.C. |
| AV 5.2 | Until today, no provision stipulated that the procedure of submitting names of Board members for election must be accompanied by an opinion by the Board as regards to the independence of the candidate members and the approval of such by the General Meeting. In any case the independence of members has been maintained by the Company as defined by the Law and the C.G.C. | Page 15 C.G.C. |

Continued

| C.G.C. Provisions | Deviation - Justification | Relevant Reference |
|---|---|----------------------|
| AI 1.2 AV 5.4 AV 5.5, AV 5.6 & AV 5.7 | Until today issues relating to proposing nominees for Board members were handled informally by the Nominee and Executive's Remuneration Committee, which convened whenever a relevant need emerged. During 2011, and following the relevant provision of the SEV Code, the role of the above committee is expanded and has become more systematic, while the committee is now called "Recruitment – Remuneration of Executive Board Members & Senior Executives and Board Member Nominee Committee". The Committee consists of one independent non-executive member (Chairman of the Committee) and of one non-executive member. The procedure for the operation of the Committee described in the C.G.C. will become part of the Company's Internal Operation Regulation. The relevant excerpt of the Internal Operation Regulation will be posted on the Company's Website. | Pages 15 & 16 C.G.C. |
| AVII 7.1 & AVII 7.3 | The Company has not adopted a process to evaluate the performance of the Board and its committees, given that until today such was not stipulated by a provision of law. However, it has been decided that the Board will convene once a year in order to evaluate the effectiveness of the Board of Directors and its committees. | Page 19 C.G.C. |
| SECTION B. : INTERNAL CONTROL | | |
| BI 1.3 & BI 1.5 | Risk management reports are currently not prepared. However, the application of the Company's risk management system is already underway and is governed by the Internal Control System, while the overall process is supervised by the Audit Committee. Also, the establishment of procedures according to which the Company's employees will be able to express its concerns, confidentially, for possible irregularities that refer to the Company's operation, namely a whistleblower policy, is being prepared. | Pages 21 & 22 C.G.C. |
| BI 1.7 | The basic duties and responsibilities of the Audit Committee are defined by the Company's Internal Operation Regulation. The relevant excerpt of the Internal Operation Regulation will be posted on the Company's website. | Page 23 |
| SECTION C.: REMUNERATION | | |
| AI 1.2 CI 1.6, CI 1.7, CI 1.8 & CI 1.9 | Issues regarding remuneration of non-executive Board members are decided by the General Meeting. Issues regarding remuneration of the Board's executive members were handled until today informally by the Senior Executive Recruitment and Remuneration Committee, according to those stated in the Company's Internal Operation Regulation. During 2011 and following a relevant provision of the SEV's Code, the role of the above committee is expanded and becomes more systematic, while it is now called "Recruitment – Remuneration of Executive Board Members & Senior Executives and Board Member Nominee Committee". The relevant excerpt of the Internal Operation Regulation, which includes a description of the role and responsibilities of the above Committee, will be posted on the Company's website. | Pages 26 & 27 C.G.C. |

III. Corporate Governance Practices applied by the Company, apart from those stipulated by law

As regards to corporate governance issues, the Company applies the provisions of laws 2190/1920, 3016/2002 and 3693/2007, which have been incorporated in its Memorandum of Association, its Internal Operation Regulation and in the Audit Manual it has prepared. Moreover, the Company has adopted the Corporate Governance Code of SEV, which is in line with the provisions of the above laws and includes a series of additional Corporate Governance practices.

Also, apart from the provisions of law, the Company applies a series of additional measures that are included in its Internal Operation Regulation, as well as in the Operation Regulation of the Internal Audit System.

IV. Description of the internal controls system and risk management system of the Company as regards to the procedure of preparing financial statements.

The Internal Controls System consists of the operations established by the Company in order to ensure its assets, identify and handle the most significant risks it faces or that it may face in the future, ensure that the financial data based on which the financial statements are prepared are correct and accurate, as well as to ensure that the Company's adheres to the Law, as well as to the principles and policies decided by Management.

In order to develop this System, the Company has studied and applied several Policies, Procedures and Regulations, that have been incorporated in its Internal Operation Regulation. With its application the Company covers the Management of Possible Risks in relation to the procedure for preparing Financial Statements in the following three (3) levels:

- 1) Entity level controls,
- 2) Financial reporting process controls,
- 3) IT controls

Specifically:

1) Entity level controls

Role and Responsibilities of the Board of Directors: The Board of Directors decides on any action that concerns Management of the Company, Management of its assets and in general on anything that relates to the achievement of its objective.

Additionally, the Board of Directors:

- Defines the responsibilities of each Division and assigns each Manager to delegate responsibilities to his/her employees.
- Is responsible to recruit the Company's Senior Executives and to define their remuneration policy.
- Is responsible to appoint the Company's Internal Auditors and to define their remuneration.
- Is responsible to prepare a report with detailed transactions of the Company with its related parties, which is disclosed to the regulatory authorities.

Preparation of Budget and Supervising its Implementation at the Management level: The Annual Budget, which is also a guide for the Group's financial development, is prepared on an annual basis (consolidated and also per sector/subsidiary) and is presented to the Company's Board of Directors for approval. The Statements with the actual results are issued periodically, accompanied by the condensed reports including the deviations and are discussed at the Board level.

Identifying and assessing business risks: The Company applies a specific risk assessment practice to identify, assess, measure and management risks to which the company is exposed through studying the regular reports and business ratios that concern the Company's operation and effectiveness. The aforementioned reports and business ratios are evaluated sufficiently both by Management and by the Company's Board of Directors.

Internal Operation Regulation: The Company's Internal Operation Regulation is also the manual for its Internal Controls System, which amongst others includes the following:

- Guidance on handling the different operations
- Delegation of responsibilities
- Authorizations and limits of expense approvals
- Instructions for Controls on the basic sections of the Internal Controls System.

The adequacy of the Internal Controls System is monitored on a systematic basis by the Audit Committee through regular meetings that take place with the Internal Audit Service in the context of monitoring the Company's Annual Audit Program.

Prevention and Suppression of Financial Fraud: In the context of the complete risk management system applied by the Company, operations that are considered as critical for financial fraud are assessed and procedures are applied with increased controls. Indicatively we mentioned the Table of Operations-Duties-Responsibilities-Authorities-Approvals of Management and Executives and the incorporation of procedures that cover the following operations in the Company's Internal Operation Regulation.

- Purchases – Supplies
- Investments
- Payment – Cash Withdrawal Approval Policy
- Credit Policy
- Cash Management

2) Financial reporting process controls

In order to ensure that the financial data, based on which the financial statements of both the Company and the Group, are correct and accurate, the Company applies specific controls that include the following:

- The records from the Company's accounting department are applied based on a specific process that requires all receipts/documents to be original, sealed with a standardized stamp and carry the respective signed approvals.
- The Company maintains a Certified Fixed Asset Registry in the Fixed Assets sub-system and applies depreciations according to the International Accounting Standards and Tax Rates in effect. Depreciations are reviewed by the Operational Head of the Finance Department.
- The accounting department carries out periodic reconciliation of balances of payroll, customers, suppliers accounts, VAT etc.
- The Operational Head of Financial Services is responsible for updating the Chart of Accounts (namely any changes and opening of new accounts).
- The Group prepares the consolidated and also the separate per Group sector/subsidiary budget on an annual basis for the next financial year, and such budgets are presented to the Company's Board of Directors for approval.
- Each month a detailed presentation is prepared per sector/subsidiary and on a consolidated Group level, for the financial results. This presentation is disclosed to the Group's Management.
- Companies that constitute the Group follow common accounting applications and procedures in line with the International Financial Reporting Standards (IFRS).
- At the end of each period, the accounting departments of the parent and subsidiary companies prepare their financial statements according to the International Financial Reporting Standards (IFRS).
- The Financial Services of the Group collect all the necessary data from subsidiaries and factories, consolidation entries are applied and the financial statements are prepared according to the International Financial Reporting Standards (IFRS).
- There are specific processes for the finalization of financial statements, which include deadlines for submission, responsibilities and information for the required disclosures.
- The financial statements are reviewed by the company's Audit Committee and Board of Directors.

3) IT controls

The Financial Services Division of the Group is responsible for maintaining the Company's IT applications. This Division has established powerful IT controls, which ensure the support of the direct and also the long-term objectives of the Company and the Group as well. All applied processes are described in detail in the Company's Internal Operation Regulation. The most significant of such are presented below:

- **Back Up Process (in Hardware):** According to the Operation Regulation, the IT Service develops the appropriate infrastructure and ensures that such is compatible with another company that has a respective IT system to cover each other's needs in cases of damage in the Company's central IT system.
- **Back Ups of Computer Files – Software of the central IT system:** The IT Service is responsible for the overall design of the Back Up System using the latest technology (Mirroring etc.) in order to ensure the Company's continuous operation (**Business Continuity Plan**).
- **External Back Ups of Computer Files – Software of the central IT system:** As regards to the External Back Ups, the IT Service handles the system and frequency that entirely secures the Company, as well as the safekeeping of relevant copies in fireproof lockers / safe boxes, which have specifications with endurance even in case of a "collapse", as well as in spaces (outside of the building where the computer is located) that have been approved by Management (**Disaster Recovery Plan**).
- **Safekeeping (Confidential) of the Company's Computer Files:** The IT Service applies the appropriate systems that ensure the "non" leakage of the Company's IT data.
- **Files – Software of the Central Computer:** Particular emphasis is given to the access of the space where the Central Computer is installed, in order to allow such access only by IT employees that have been authorized by Management. The access is controlled adequately. The Operation Regulation defines who can access data whose possible alteration may result in calculation changes (i.e. invoices, payroll, discounts etc.).
- **Files – Software of the Peripheral Computers:** Access to files and computer software is provided to specific individuals with the use of personal passwords.

- **Record File of Incidents:** According to the Operation Regulation, the IT Service prints modifications / changes in computer files each month, in order to identify whether there are possible “unorthodox” cases and informs the Operational Head of the Group’s Financial Service and subsequently such reports are handled to the Internal Auditor.
- **Processes for Protection of the Central Computer and Peripheral Computers:** In the context of protecting the Group’s IT system, and taking advantage of the latest technology available, the IT Service applies the most advanced protection techniques, such as antivirus security software, e-mail security, firewalls etc.

The Board of Directors of the company monitors the adequacy of the Company’s Internal Controls System on a continuous basis, given that:

- It has approved the Company’s Internal Operation Regulation which has incorporated the appropriate Policies, Processes and Regulations that consist the Internal Controls System applied by the company.
- The Company’s Board members are recipients of the reports prepared by the Company’s Internal Audit service. Through such reports, several sections/operations of the Company are assessed as well as the adequacy of Internal Control Systems applied in such.

V. Information regarding the Company's control status (Information of items (c), (d), (f), (h) and (i) of paragraph 1 of article 10 of Directive 2004/25/EC)

Significant direct or indirect participations (including indirect participations through pyramid structures or cross-participation) according to the definition of article 85 of directive 2001/34/EC

As regards to significant participations in the share capital and voting rights of the Company, according to the definition of **article 85 of directive 2001/34/EC**, Mr. Konstantinos Chalioris owned a percentage of 41.997% of the Company's share capital on 31/12/2010 and Ms Eufimia Chaliori owned a percentage of 19.841% of the Company's share capital on 31/12/2010. No other physical or legal entity owns a percentage over **10%** of the Company's share capital. Data regarding the number of shares and voting rights of individuals owning significant participations, has been derived by the Shareholders' registry kept by the Company and the disclosures notified to the Company according to Law.

Owners of any type of titles that provide special control rights and description of such rights.

There are no Company titles that provide owners with special control rights.

Any kind of limitations on voting rights, such as limitations on voting rights of owners that hold a specific percentage or number of votes, the exercise deadlines for voting rights, or systems through which, with the cooperation of the company, financial entitlements that emanate from the titles are distinguished from the ownership of the titles ·

The Company's Memorandum of Association provides no limitations to voting rights emanating from its shares any type of ownership titles.

Rules that regard the appointment and replacement of Board members as well as regarding amendment of the Memorandum of Association ·

The rules included in the Company's Memorandum of Association, both as regards to the appointment and the replacement of Board Members and as regards to its amendments, do not differ from those stated by C.L. 2190/1920. It is noted that the Company's Memorandum of Association is fully in line with the provisions of L 2190/1920, based on the resolution by the Ordinary General Meeting of shareholders dated 24 June 2008.

The authorities of Board members, specifically as regards to the ability to issue or buyback shares

According to par. 13 article 13 of CL 2190/1920, as currently in effect, the Board of Directors increases the Company's share capital by issuing new shares in the context of implementing the approved by the General Meeting Stock Option Plans, for purchase of Company shares by beneficiaries.

According to the provisions of article 16 of CL 2190/1920, as currently in effect, the Company may acquire its own shares , only following an approval by the General Meeting, up to 1/10 of the paid up share capital, under the specific terms and procedures stipulated by the provisions of article 16 of CL 2190/1920, as currently in effect. There is no provision in the Company's Memorandum of Association that states otherwise.

VI. Board of Directors and Committees

1) Composition of the Board of Directors

According to the Memorandum of Association, the Company is managed by a Board of Director which consists of five to nine (5-9) members. The Board members are elected by the General Meeting of shareholders, amongst shareholders or not, for a five-year term, which is automatically extended until the first ordinary General Meeting following the end of their term, without however extending over six-years.

- In case of resignation, death or in any other way loss of the capacity of a Board member, the remaining members may either elect members of such in replacement of the above or may continue the management and representation of the company without the replacement of past members, with the condition that the number of the remaining members is not less than half of the number of members during the time such events occurred. In any case, the Board members cannot be less than three(3).

-In case of electing a replacement, the decision for the election is subject to the disclosure requirements of article 7b of C.L. 2190/1920, as currently in effect, and is announced by the Board of Directors at the forthcoming General Meeting, which can replace those elected, even if the relevant issue had not been included in the daily agenda.

- The actions of the elected temporary replacement are valid even if the General Meeting does not validate his/her possible election or even if it has elected or not another final member of the Board.
- The term of an elected Board member is terminated when and whenever the term of the replaced member would have been terminated.

The present Board of Directors consists of seven (7) members, from which three (3) are executive, two (2) are non-executive and two (2) are independent non-executive.

The following table presents the members of the Board of Directors

| Board Member | Position in the Board | Term |
|-------------------------|------------------------------------|-----------------------|
| Konstantinos Chaliouris | Chairman & Chief Executive Officer | 30.06.2009-30.06.2014 |
| Theodosios Kolyvas | Executive Vice-Chairman | 30.06.2009-30.06.2014 |
| Dimitrios Chrountas | Executive Member | 30.06.2009-30.06.2014 |
| Christos Komninos | Non-Executive Member | 30.06.2009-30.06.2014 |
| Christos Siatis | Non-Executive Member | 23-07-2010-30.06.2014 |
| Konstantinos Gianniris | Independent Non-Executive Member | 30.06.2009-30.06.2014 |
| Ioannis Apostolakis | Independent Non-Executive Member | 30.06.2009-30.06.2014 |

The present Board of Directors resulted following the replacement of a Member by Mr. Christos Siatis, and was formed to a body based on the Board Minutes dated 23-07-2010. The replacement of a member by Mr. Christos Siatis will be announced at the Annual General Meeting of shareholders.

The CVs of the Company's Board members, are as follows:

Konstantinos Chaliouris, Chairman of the Board & CEO, 49 years old

He has 30 years experience in the Plastics Industry. From 1999 he has served as Chief Executive Officer and through the adoption of modern and flexible practices was able to maintain continuous development of the Group within the continuously changing conditions of the global market. Carrying on the vision of the founder Stavros Chaliouris, he set the Company on a global path by realizing a series of investments, which included either acquisitions or the establishment of new companies both in Europe and in America. Specifically, in 1999 the acquisition of the Scottish company Don & Low, a former subsidiary of the multinational Shell group, opened the way for the Company to become a global supplier of synthetic fabrics in the next years. In 2000 the acquisition of the Irish company Synthetic Holdings, offered the Company the opportunity to become a leader in the sector of industrial packaging in the Nordic region. During the four year period 2002-2006, the Company realized a series of investments in the Rigid Packaging sector, and as a result it currently holds a leading position in consumer products packaging in the broader Balkans regions. Finally during 2007-2008 the Company entered the North American market dynamically, by acquiring a production and commercial base in the synthetic fabrics sector in two states.

Theodosios Kolyvas, Vice Chairman of the Board, 67 years old

Mr. Kolyvas is a graduate of the Economics Department of the Athens University of Economics and Business (AUER). He has been with the Company since 1982. Until 2002 he held the position of Head of Financial Services. With multi-year experience and given his deep knowledge of corporate issues, he has assisted the CEO essentially in exercising his duties, he has supported the Company's development and has contributed in promoting issues on all levels of the Company's business activity. He has been Vice-Chairman of the Board since 2009.

Dimitrios Chrountas, Executive Member, 54 years old

A graduate of the Business Administration department of the Economic University of Thessalonica. He has 30 years of experience in companies of the industrial sector. He has worked at the Company since January 1998, holding the position of Head of Financial Management. Currently he has assumed the position of Chief Executive Officer at the subsidiary Thrace Plastics Pack S.A. and participates in the Board of Directors of the subsidiaries Thrace Plastics Pack S.A., Pairis Packaging S.A., while he is Vice-Chairman for the subsidiary Thrace Nonwovens & Geosynthetics S.A.

Christos Siatis, Non-Executive Member, 62 years old

An Associate Member of the Fellows of Chartered Accountants of England and Wales. He is a Certified Public Accountant by the Cyprus Institute of Chartered Accountants and Member of the Hellenic Association of Certified Accountants (SOEL). He began his career in 1981 at the auditing firm Kostouris – Michailidis (Grant Thornton) in Athens. In 1993 he became Managing Partner of the Greek company and in 1997 he assumed the position of Territory Senior Partner at the company that resulted from the merger of Kostouris-Michailidis and Coopers & Lybrand. In 1998 he was elected Chairman and Chief Executive Officer of the company Pricewaterhouse Coopers in Greece. At the same time he was exercising his Management

responsibilities at the above auditing firms, Mr. Siatis worked in the Consultancy sector providing advisory services to senior management of large firms.

Christos Komninos, *Non-Executive Member, 67 years old*

He holds a bachelors and masters degree (MSc) from the Chemical Engineers department of the Istanbul Technology University (I.T.U.). From 1972 until 1987 he worked for the company Coca Cola Tria Epsilon at different positions and in 1987 he assumed the position of Chief Executive Officer for the company Coca Cola Bottlers Ireland, while from 1995 to 2000 he served as Chief Executive Officer of TRIA EPSILON. From 2000 until 2004 he served as Chairman and Chief Executive Officer of PAPASTRATOS S.A. From 2005 until recently he held the position of Executive Vice-Chairman for the companies Shelman S.A. and ELMAR S.A. Currently he participates in the Board of Directors of Halkor, the Hellenic Federation of Enterprises (SEV) as well as in the subsidiary of the National Bank of Greece, Finansbank.

Konstantinos Gianniris, *Independent Non-Executive Member, 66 years old*

A graduate of the Business Administration Department of the University of Piraeus and of the Law School of Athens University. He has served as Chief Executive Officer, General Manager or Senior Management Executive at large Greek companies of the private sector (Iaso, Athens Euroclinic, Izola, Selman, A.G. Petzetakis, Soulis etc.) . He has established the Institute of Internal Auditors, for which he served as Chairman for seven years. He has established the Association of Greek Clinics, for which he served as Chairman for 2 years, while currently he is Honorary Chairman. He also participates in the Board of Directors of the companies Elastron S.A. and Eurodrip SA.

Ioannis Apostolakis, *Independent Non-Executive Member, 47 years old*

He has an M.B.A. from University of Wales, and a bachelors degree from the Business Administration Department of the Athens University of Economics and Business (AUEB). Mr. Ioannis Apostolakis has served as senior management executive in the past in the Credit and Investment Banking sectors of the Ergasias Bank Group (currently named Efg Eurobank Ergasias), Omega Securities (currently Proton Bank), Sigma Securities (currently Piraeus Securities) and the Piraeus Bank Group, while today he has the position of Executive Vice-Chairman of RIDENCO S.A., as well as of its subsidiary WOODLAND DESIGNS PLC, which is listed on the Cyprus Stock Exchange.

The Independent Non-Executive Members, Messieurs Konstantinos Gianniris and Ioannis Apostolakis, meet the independence criteria as such are defined by L 3016/2002 and by the Corporate Governance Code of SEV.

The following table presents the external professional commitments of Board members:

| Board Member | Companies outside the Group in which the Board members participate | Position |
|------------------------|--|---------------------------------|
| Konstantinos Chaliotis | Civil non-Profit Company Stavros Chaliotis | Vice-Chairman of the Board |
| | Xanthi Photovoltaic Park S.A. | Chief Executive Officer |
| | Paros Photovoltaic Park S.A. | Chief Executive Officer |
| | EYTERPI S.A. | Chief Executive Officer |
| | ERATO S.A. | Chairman & CEO |
| Theodosios Kolyvas | THALEIA S.A. | Chief Executive Officer |
| | EYTERPI S.A. | Board Member |
| | Kleio Technical Tourism Real Estate Commercial Company | Board Member |
| | Xanthi Photovoltaic Park S.A. | Board Member |
| | Paros Photovoltaic Park S.A. | Board Member |
| | THALEIA S.A. | Board Member |
| Konstantinos Gianniris | Thrace Management & Consulting Services S.A. | Board Member |
| | Eurodrip S.A. | Board Member |
| | Elastron S.A. | Board Member |
| | K. Gianniris & Associates G.P. | Honorary Chairman |
| Christos Komninos | Association of Hellenic Clinics K. Gianniris | Honorary Chairman |
| | Hellenic Federation of Enterprises (SEV) | Board Member |
| | Finansbank | Board Member |
| Ioannis Apostolakos | Halkor S.A. | Board Member |
| | Ridenco S.A. | Executive Vice-Chairman |
| | Ridden Commercial S.A. | Vice-Chairman |
| | Woodland Designs PLC | Non-Executive Vice-Chairman |
| | ABA Management SRO | Manager (Inactive Company) |
| | Ridenco KFT | Manager |
| | RDFS KFT | Manager |
| | RDA KFT | Manager (Inactive Company) |
| | Ou Ridenco Estonia | Manager (Inactive Company) |
| | Ridenco Poland SPZOO | Manager (Inactive Company) |
| | Ridenco Italy SRL | Board Member |
| | Ridenco Spain SAU | Board Member |
| | Ridenco Ireland Unlimited | Board Member (Inactive Company) |
| | Ricco S.A. | Vice-Chairman of the Board |

2) Responsibilities of the Board of Directors

The Board of Directors is the administrative body that decides on any action that concerns the Company's Management, the management of its assets and in general anything that refers to achieving its objective.

According to the Company's Memorandum of Association:

The Board of Directors is responsible for the representation, administration and unlimited management of corporate affairs. It decides on any issue that concerns the company's management, the achievement of the company objective and the management of company assets, including the issue of common and convertible bond loans. Only decisions, which according to the provisions of Law, are subject explicitly to the responsibility of the General Meeting of shareholders, are excluded.

The Board of Directors may appoint, for any time period and under any conditions it deems necessary each time, to exercise its representation and duties in general, fully or partially to one or more of its members or Managers or Executive advisors or other employees of the Company or third parties or committees, defining however each time their authority and the signatures that bind the Company.

Specifically, according to the Internal Operation Regulation, the responsibilities, duties and authorities of the Board include the following:

1. The Board is responsible to reinforce the company's long-term financial value and to promote corporate interests.
2. The Board members are not allowed to seek their own interests that conflict the company's interests.
3. The Board members and any third party who has been assigned similar duties are must promptly inform others in case where a transaction they realize constitutes a conflict of interest between such and the company or its related companies.
4. Each year the Board of Directors prepares a report with the detailed transaction of the company with its related companies, which is also disclosed to the regulatory authorities.
5. The Board of Directors defines the responsibilities of each department and assigns to each manager the responsibility to allocate duties to his/her employees.
6. Apart from other Responsibilities, the Board is exclusively Responsible (according to those stipulated by article 3 of L. 3016/02) for the following as well:
 - The remuneration policy for employees
 - The remuneration of Senior Executives
 - The remuneration of Internal Auditors
 - The appointment of Internal Auditors.

3) Operation of the Board of Directors

As regards to the operation of the Board, the Company's Memorandum of Association states the following:

Formation of the Board of Directors

- The Board of Directors, as soon as it is elected and specifically during its first meeting, elects from its members and for the entire period of its term a Vice-Chairman and Chairman, whereas if the Chairman is absent or unable the Vice-Chairman substitutes such, and if the latter is absent or unable then the advisor that is appointed by means of a decision by the Board of Directors substitutes such.
- The Chairman of the Board of Directors presides the Board meetings, manages its activities and informs the Board of Directors on the Company's operation.
- The Board of Directors may elect one of its members as Chief Executive Officer or Executive Advisor, it may appoint responsibilities of the CEO to the Chairman or Vice-Chairman of the Board and it may elect the deputy CEO or Executive Advisor from its members.
- The responsibilities of the CEO and Executive Advisor are defined by means of a decision by the Board.

Decision making

- The Board of Directors is considered to be in quorum and meets validly given that half plus one member are present or represented at the meeting. However the number of members present in person cannot be less than three (3). To establish quorum, possible fractions are omitted.
- The decisions of the Board of Directors are made with absolute majority or the members present and represented at the meeting.

Representation of Board Members

A Board member that is absent may be represented by another member. Each Board member may represent only one absent member, with a written authorization.

Minutes of the Board of Directors

- Copies or excerpts of the Board of Directors' Minutes are certified by the Chairman or his/her legal representative or by a member of the Board that has specifically been authorized for such by a decision from the Board.
- The preparation and signing of minutes by all Board members or their representative constitutes a decision by the Board of Directors, even if a meeting has not previously taken place.

Remuneration of Board Members

The members of the Board may receive remuneration for each of their presence in person at Board meetings, only if such is approved with a special decision by the Ordinary General Meeting.

4) Board Meetings

According to the Company's Memorandum of Association

- The Board of Directors convenes at the company's registered offices each time such is required by Law or the company's needs.
- The Board of Directors may convene through teleconference. In this case, the invitation towards Board members includes all information necessary for their participation in the meeting.
- The Board meetings may be presided by the Chairman or his/her substitute.

At the beginning of each calendar year, the Board adopts a meetings calendar and a 12-month action plan, which are reviewed according to company needs, in order to ensure the proper, complete and prompt fulfillment of their duties, as well as the adequate assessment of all issues on which it makes decisions.

During 2010, 23 Board meetings took place. All Board members participated in 14 meetings, while in 10 of such the two independent non-executive members did not participate.

5) Audit Committee

Fully in compliance with the provisions and stipulations of L 3693/2008, during the annual General Meeting of shareholders that took place on 30.06.2009 the Company elected an Audit Committee with the objective to support the Board in performing its duties as regards to financial reporting, internal controls and supervising the regular audits.

The basic responsibilities of the Audit Committee are as follows:

- It monitors the financial reporting process and the reliability of the Company's financial statements.
 - It supervises the Company's internal financial controls and monitors the effectiveness of the internal control systems and risk management.
 - It examines conflicts of interest during the Company's transactions with its related parties and submits relevant reports to the Board of Directors.
 - The Audit Committee ensures the implementation of a whistleblower policy, namely processes for reporting possible irregularities.
 - It ensures the proper operation of the Internal Audit Service and the procedures that are defined by the Audit Manual.
- It participates in the process to appoint the Company's Ordinary Auditor and to define his remuneration, it assesses and monitors the objectivity and effectiveness of the audit procedures.

The Audit Committee consists of the following non-Executive Members:

| | |
|------------------------|---|
| Konstantinos Gianniris | Independent Non-Executive Board Member, Chairman of the Committee |
| Christos Komninos | Non-Executive Board Member |
| Ioannis Apostolakos | Independent Non-Executive Board Member |

Meetings – The frequency of each Board member present each year during meetings

The Committee convenes at least four (4) times a year. The Chairman of the Committee decides on the frequency and time schedule of the meetings. The external auditors are entitled to request a meeting by the Committee if they deem necessary.

During 2010 the Committee convened 4 times and all members were present during the meetings, whereas all issues mentioned in the Operation Regulation were discussed and handled, the basic of which are as follows:

- Supervision and approval of the Internal Audit Service's activities
- Evaluation of the Financial Statements as to their completeness and consistency
- Opinion on the selection of the auditing firm
- Ensuring the independence of the Certified Public Accountants

5) Recruitment – Remuneration of Executive Board Members & Senior Executives and Board Member Nominee Committee

During 2011 and following a relevant provision in the SEV Code, the role of the Recruitment – Remuneration of Executive Board Members & Senior Executives and Board Member Nominee Committee is expanded and the committee is more systematically organized. The responsibilities of the Committee will be described in the Company's Internal Operation Regulation and mainly include the following:

As regards to proposing nominee Board members:

- the definition of criteria for the selection and of processes for appointing Board members
- the periodic review of the size and composition of the Board
- the assessment of the existing balance of qualifications, knowledge and experience in the Board, and based on such the evaluation, clear description of the role and skills needed to fill vacant positions
- the submission of proposals to the Board for nominee members

As regards to remuneration of Board members:

- the submission of proposals to the Board regarding remuneration of executive Board members as well as senior executives
- defining the remuneration (fixed and variable) and benefits strategy
- the assessment and submission of proposals to the Board (and through such to the General Meeting of shareholders, when required) as regards to stock option plans
- the establishment of principles that govern the Corporate Social Responsibility policy

The “Recruitment – Remuneration of Executive Board Members & Senior Executives and Board Member Nominee Committee” consists of the following two (2) Non-Executive Members:

| | |
|------------------------|---|
| Konstantinos Gianniris | Independent Non-Executive Member, Chairman of the Committee |
| Christos Komninos | Non-Executive Member |

Meetings

The Committee will convene at least once (1) a year and in any case whenever deemed necessary.

VII. General Meeting and Shareholders’ Rights

• Basic Authorities

The General Meeting of the Company’s shareholders is the highest body of the company and is entitled to decide on any issue that concerns the Company, while its legal decisions also bind shareholders that are not present or who disagree. Issues regarding invitation, convening and conducting General Meetings of shareholders, that are not defined by the Company’s Memorandum of Association, are those according to the relevant provisions of C.L. 2190/1920, as currently in effect.

• Convening the General Meeting

The General Meeting convenes at the company’s registered offices or in a district of another municipality within the prefecture of its domicile or another municipality near the domicile. The General Meeting may also convene in the district of the municipality where the domicile of the relevant stock exchange (where the Company’s shares are listed) is located.

According to the Memorandum of Association, participation in voting remotely during the General Meeting of shareholders is permitted given the prior dispatch to shareholders of the daily agenda issues and relevant voting ballots accompanying such issues at least five (5) days prior to the General Meeting. The issues and voting ballots may be provided and submitted online through the internet. Shareholders that vote in this manner are calculated to define quorum and majority, given that the relevant ballots have been received by the company at least two (2) full days prior to the day of the General Meeting.

The relevant provision has not been applied until today.

• Representation of shareholders at the General Meeting

Shareholders that have the right to participate in the General Meeting may be represented in such by legally authorized proxies.

• Chairman of the General Meeting

The Chairman of the Board of Directors temporarily serves as chairman of the General Meeting, or if he is unable his substitute, as defined by the Memorandum of Association or if the latter is unable also, then the oldest in age from the present Members. Those appointed by the Chairman serve as temporary Secretary of the General Meeting.

Following the reading of the final list of shareholders that have voting rights, the Meeting proceeds with electing a Chairman and a Secretary who also serves as a vote teller.

• Minutes

Copies or excerpts of the General Meeting minutes are certified by the Chairman or his legal substitute or by the latter’s substitute, and/or by anyone that is defined for such by the Board of Directors.

The Board of Directors ensures that the preparation and performance of the General Meeting of shareholders facilitate the effective exercise of shareholders' rights, whereas shareholders should be fully informed on all issues relating to their participation in the General Meeting, including the daily agenda issues and their rights during the General Meeting. The Board of Directors will take advantage of the General Meeting of shareholders in order to facilitate an essential and open dialogue with the company.

According to the provisions of Law 3884/2010, as regards to the General Meeting, the Company will also apply the following:

Release of information prior to the general meeting on the Company's website

From the day the invitation to convene a general meeting is released and until the day of the general meeting, at least the following information is posted on the Company's website:

- The invitation to convene the general meeting,
- The total number of shareholders and voting rights during the date of the invitation,
- The documents that will be submitted to the general meeting,
- A draft resolution for each issue on the daily agenda that is proposed, or if no decision has been proposed for approval than a comment by the board of directors for each issue on the daily agenda and draft resolutions proposed by shareholders, as soon as they have received such by the company.
- The documents that must be used to exercise voting right through a proxy.

Participation and Voting Right

Anyone who appears as a shareholder on the records of the Dematerialized Securities System managed by "Hellenic Exchanges S.A." (HELEX), which keeps records of the Company's securities (shares), has the right to participate in the General Meeting of shareholders. The shareholder capacity is evidenced by submitting the relevant written certification by HELEX or alternatively, by the Company's online connection with the records of HELEX. The shareholder's capacity must be in effect during the beginning of the fifth (5th) day prior to the date of the General Meeting (record date), and the relevant certification or electronic certification regarding the shareholder capacity must be provided to the Company at least the third (3rd) day prior to the date of the General Meeting. For the 1st Repeated General Meeting, the shareholder capacity must be in effect on the beginning of the fourth (4th) day prior to the date of the 1st Repeated General Meeting, while the relevant written or electronic certification that certifies the shareholder capacity must be provided to the Company at least the third (3rd) day prior to the date of the aforementioned Repeated Meeting. Only those that have the shareholder capacity during the respective record date is considered by the Company to have the right of participation and voting at the General Meeting. In the cases of non-compliance with the provisions of article 28a of C.L. 2190/1920, the said shareholder participates in the General Meeting only after the latter's permission. It is noted that the exercise of the above rights (participation and voting) does not require the blockage of the beneficiary's shares or any other relevant process, which limits the ability to sell or transfer shares during the time period between the record date and the date of the General Meeting.

Minority Rights of Shareholders

(a) With the request of shareholders that represent one twentieth (1/20) of the paid up share capital, the Board of Directors of the Company is obliged to list additional issues on the General Meeting's daily agenda, if the relevant request is received by the Board at least fifteen (15) days prior to the General Meeting. The request for the listing of additional issues on the daily agenda is accompanied by a justification or by a draft resolution for approval by the General Meeting and the revised daily agenda is published in the same manner as the previous daily agenda, at least thirteen (13) days prior to the General Meeting date and at the same time is disclosed to shareholders on the Company's website together with the justification or draft resolution submitted by the shareholders according to those stipulated by article 27 par. 3 of c.l. 2190/1920.

(b) With the request of shareholders that represent one twentieth (1/20) of the paid up share capital, the Board of Directors provides shareholders, according to those stated by article 27 par. 3 of c.l. 2190/1920, at least six (6) days prior to the date of the General Meeting, access to the draft resolutions on issues that have been included in the initial or revised daily agenda, if the relevant request is received by the Board of Directors at least seven (7) days prior to the date of the General Meeting.

(c) Following a request of any shareholder that is submitted to the Company at least five (5) full days prior to the General Meeting, the Board of Directors is obliged to provide to the General Meeting the specifically required information on the Company's affairs, to the extent that such are useful for the real assessment of the daily agenda issues. The Board of Directors may decline the provision of such information for reasonable cause, which is stated in the minutes. The Board of Directors may respond collectively to shareholders' requests with the same content. There is no obligation to provide information when the relevant information is already available on the Company's website, especially in the form of questions and answers.

(d) Following a request by shareholders that represent one fifth (1/5) of the paid up share capital, which is submitted to the Company at least five (5) full days prior to the General Meeting, the Board of Directors is obliged to provide to the General Meeting information on the development of corporate affairs and the financial position of the Company. The Board of

Directors may decline the provision of such information for reasonable cause, which is stated in the minutes. Respective deadlines for exercising minority rights of shareholders also hold for Repeated General Meetings. In all the aforementioned cases, shareholders submitting requests must evidence their shareholder capacity and the number of shares owned when exercising the relevant right. Such evidence is provided by submitting the certification by the authority that keeps records of the specific securities or by certifying the shareholders' capacity through the online connection between the authority and the Company.

Process for exercising voting rights through a proxy

The shareholder participates in the Extraordinary General Meeting and votes either in person or through a proxy. Each shareholder may appoint up to three (3) proxies. Legal entities participate in the General Meeting by appointing up to three (3) persons as representatives. However, if a shareholder owns Company shares, which appear in more than one securities accounts, this limitation does not obstruct the said shareholder from appointing different proxies for the shares that appear in each security account in relation to the General Meeting. A proxy that acts on behalf of more than one shareholder, can vote separately for each shareholder. A shareholder proxy must disclose to the Company, prior to the beginning of the Extraordinary General Meeting, any specific event that may be useful to shareholders in assessing the risk of the proxy serving other interests than those of the represented shareholder. According to the definition of the present paragraph, there might be conflict of interests specifically when the proxy:

- a) is a shareholder that exercises control on the Company or is another legal entity controlled by the shareholder,
- b) is a member of the Board of Directors or generally the management of the Company or of a shareholder that exercising control on the Company, or another legal entity that is controlled by a shareholder who exercising control of the Company,
- c) is an employee or certified public accountant of the Company or shareholder that exercising control of the Company, or another legal entity controlled by the shareholder who exercising control of the Company,
- d) is a spouse or first degree relative with one of the persons mentioned above in cases (a) through (c).

The appointment and revocation of a proxy is applied in written and disclosed to the Company in the same form, at least three (3) days prior to the date of the General Meeting.

The Company will post the form it uses to appoint proxies on its website. This form is filled in and submitted signed by the shareholder to the Company's Shareholders' Department or is sent by fax to the latter at least three (3) days prior to the date of the Extraordinary General Meeting.

The beneficiary shareholder is requested to confirm the successful dispatch and receipt of the proxy form by the Company.

• Shareholders' Rights

Shareholders' Rights & their exercise

The Company has issued common registered shares listed on the Athens Exchange, and registered in immaterial form in the records of the Dematerialized Securities System. There are no special rights in favor of specific shareholders.

The acquisition of Company shares implies ipso jure acceptance of its Memorandum of Association and of the legal decisions made by its relevant bodies.

Each share provides rights corresponding to the respective percentage of share capital such represents. The responsibility of shareholders is limited respectively to the nominal value of shares owned. In case of co-ownership of a share, the rights of the co-beneficiaries are exercised only by a joint representative of such. The co-beneficiaries are responsible with solidarity and entirely for fulfilling the obligations that emanate from the common share.

Each Company share incorporates all the rights and obligations defined by C.L. 2190/1920 and its Memorandum of Association, and specifically:

- The right to participate and vote in the General Meeting.
- The right to receive dividend from the Company's earnings.
- The right on the product of liquidation, or respectively the capital depreciation that corresponds to the share, given that such is decided by the General Meeting. The General Meeting of the Company's shareholders maintains all its rights during liquidation.
- The pre-emptive right in any increase of the Company's share capital that takes place by cash and through the issue of new shares, as well as the pre-emptive right in any issue of convertible bonds, given that the General Meeting that approves the increase does not decide differently.
- The right to receive a copy of the financial statements and reports by the certified public accountants and Board of Directors of the Company.
- The rights of minority shareholders described below.

The right to participate in the General Meeting and exercise voting rights through electronic means or by mail is currently not provided, as the Company is expecting the issuance of the relevant ministerial decision, as stated by I. 3884/2010.

Minority Rights

The following minority rights are provided according to C.L. 2190/1920:

Shareholders that own 1/20th of the share capital and voting rights are entitled to make the following requests and the Company is obliged to satisfy such (under the conditions stated by law):

- Request towards the Company's Board to convene an Extraordinary General Meeting of shareholders.
- Request towards the Company's Board to enlist an additional issue on the daily agenda of the general meeting, which has already convened.
- Request towards the Chairman of the General Meeting to postpone only once the decision making by the General Meeting.
- Request that the Company's Board provides shareholders with draft resolutions on issues included in the daily agenda.
- Request that the decision making on any issue of the General Meeting's daily agenda take place with open voting.
- Request for audit of the Company by the relevant courts in the district where it resides.
- Request towards the Board to announce during a forthcoming ordinary General Meeting the amounts that were paid, during the last two years, to each Board Member or to managers of the Company as well as any benefit paid towards such persons for any purpose or according to any contract between them and the Company.

Shareholders that own 1/5th of the share capital and voting rights are entitled to make the following requests and the Company is obliged to satisfy such (under the conditions stated by law):

- Request that the Company's Board provides information on the development of corporate affairs and the assets of the Company during the forthcoming General Meeting.
- Request for audit of the Company by the relevant court, given that it is conceived from the overall development of corporate affairs that the management of such is not exercised as required by proper and prudent management.

Shareholders that represent two percent (2/100) of the paid up share capital may request the annulment of a resolution by the General Meeting of shareholders, if such was made without providing the required information requested by shareholders under their minority right or by abusing authority of the majority.

Shareholders that represent one tenth (1/10) of the paid up share capital may request by the Board or the Company's liquidators to exercise all the Company's claims against the Board members that emanate from the management of corporate affairs.

Shareholders that represent one third (1/3) of the paid up share capital may request its liquidation before the relevant court, if a significant reason exists for such, which in an obvious manner renders the continuance of the Company impossible.

Any shareholder may request by the Board of Directors to provide the requested specific information on the Company's affairs at the forthcoming General Meeting, to the extent that such information is useful for the real assessment of the Daily Agenda issues.

Xanthi, 30 March 2011

Konstantinos Chaliotis
Chairman of the Board and Chief Executive Officer

[Translation from the original text in Greek]

Independent Auditor's Report

To the Shareholders of "THRACE PLASTICS Co S.A."

Report on the Separate and Consolidated Financial Statements

We have audited the accompanying separate and consolidated financial statements of THRACE PLASTICS Co S.A. and its subsidiaries which comprise the separate and consolidated statement of financial position as of 31 December 2010 and the separate and consolidated 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 Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these separate and consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of separate and consolidated 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 separate and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate and consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate and consolidated 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 separate and consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 separate and consolidated 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 separate and consolidated financial statements present fairly, in all material respects, the financial position of the THRACE PLASTICS Co S.A. and its subsidiaries as at December 31, 2010, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Reference on Other Legal and Regulatory Matters

- a) Included in the Board of Directors' Report is the corporate governance statement that contains the information that is required by paragraph 3d of article 43a of Codified Law 2190/1920.
- b) We verified the conformity and consistency of the information given in the Board of Directors' report with the accompanying separate and consolidated financial statements in accordance with the requirements of articles 43a, 108 and 37 of Codified Law 2190/1920.

Athens, 31 March 2011

Konstantinos Michalatos
Chartered Accountant
AM SOEL 17701



PricewaterhouseCoopers SA
268 Kifissias Avenue, 152 32 Halandri
AM SOEL 113

ANNUAL STATEMENT OF COMPREHENSIVE INCOME (CONSOLIDATED AND NON-CONSOLIDATED)

Amounts in thousand Euro, unless stated otherwise.

| | Note | Group | | Company | |
|--|------|------------------|------------------|------------------|------------------|
| | | 1/1 - 31/12/2010 | 1/1 - 31/12/2009 | 1/1 - 31/12/2010 | 1/1 - 31/12/2009 |
| Turnover | | 234.520 | 197.249 | 28.280 | 42.666 |
| Cost of Sales | 6 | (194.798) | (160.677) | (27.322) | (38.070) |
| Gross Profit/(loss) | | 39.722 | 36.572 | 958 | 4.596 |
| Other Operating Income | 5 | 10.051 | 8.023 | 5.092 | 6.525 |
| Selling Expenses | 6 | (21.790) | (18.032) | (1.638) | (3.802) |
| Administrative Expenses | 6 | (11.948) | (10.204) | (3.448) | (2.600) |
| Other Operating Expenses | 9 | (9.111) | (7.538) | (3.536) | (2.812) |
| Operating Profit / (loss) before interest and tax | | 6.924 | 8.821 | (2.572) | 1.907 |
| Interest & related (expenses)/income | 10 | (3.793) | (4.494) | (794) | (1.236) |
| Other Financial (expenses) / income | 10 | 765 | 1.141 | | |
| Income / (Expenses) from related companies | 10 | | | 1.160 | 2.110 |
| Loss from impairment of goodwill of participation | 11 | (1.156) | - | - | - |
| Profit/(loss) before Tax | | 2.740 | 5.468 | (2.206) | 2.781 |
| Income Tax | 13 | (1.844) | (2.324) | (269) | (515) |
| Profit/(loss) after tax (A) | | 896 | 3.144 | (2.475) | 2.266 |
| Other comprehensive income | | | | | |
| FX differences from translation of foreign Balance Sheets | | 1.155 | 3.518 | - | - |
| Actuarial profit/(loss) | | 9.331 | (6.749) | (74) | 36 |
| Other comprehensive income after taxes (B) | | 10.486 | (3.231) | (74) | 36 |
| Total comprehensive income after taxes (A) + (B) | | 11.382 | (87) | (2.549) | 2.302 |
| Profit / (loss) after tax (A) | | | | | |
| <u>Attributed to:</u> | | | | | |
| Owners of the parent | | 1.070 | 3.009 | (2.475) | 2.266 |
| Minority interest | | (174) | 135 | - | - |
| Total comprehensive income after taxes (A) + (B) | | | | | |
| <u>Attributed to:</u> | | | | | |
| Owners of the parent | | 11.555 | (214) | (2.549) | 2.302 |
| Minority interest | | (173) | 127 | - | - |
| Earnings allocated to shareholders | | 1.070 | 3.009 | - | - |
| Number of shares | | 45.490 | 45.273 | - | - |
| Earnings/(loss) per share | 12 | 0,0240 | 0,0660 | - | - |
| Earnings / (loss) before interest, tax, depreciation & amortization (EBITDA) | | 18.459 | 20.708 | (1.186) | 5.519 |

The accompanying notes that are presented in pages 36 - 80 form an integral part of the present financial statements

ANNUAL STATEMENT OF FINANCIAL POSITION (CONSOLIDATED AND NON-CONSOLIDATED)

Amounts in thousand Euro, unless stated otherwise.

| | | Group | | Company | |
|---|------|----------------|----------------|----------------|----------------|
| | Note | 31/12/2010 | 31/12/2009 | 31/12/2010 | 31/12/2009 |
| <u>ASSETS</u> | | | | | |
| <u>Non-Current Assets</u> | | | | | |
| Self-used tangible fixed assets | 14 | 87.676 | 94.016 | 10.494 | 10.802 |
| Investment property | 14 | 110 | 110 | 110 | 110 |
| Intangible Assets | 14 | 10.218 | 11.180 | 27 | 28 |
| Participation in subsidiaries & related companies | 1 | - | - | 60.765 | 59.897 |
| Other long term receivables | | 564 | 347 | 115 | 114 |
| Deferred tax assets | 24 | 1.472 | 4.798 | - | - |
| Total non-Current Assets | | 100.040 | 110.451 | 71.511 | 70.951 |
| <u>Current Assets</u> | | | | | |
| Inventories | 15 | 44.974 | 45.093 | 6.103 | 6.629 |
| Income tax prepaid | | 919 | 1.277 | 532 | 963 |
| Trade receivables (related parties) | 16 | 25 | - | 7.780 | 6.417 |
| Trade receivables | 16 | 42.944 | 39.222 | 3.418 | 4.223 |
| Debtors and other accounts | 16 | 24.790 | 25.925 | 7.352 | 7.668 |
| Cash and Cash Equivalents | 17 | 28.001 | 20.240 | 8.923 | 7.934 |
| Total Current Assets | | 141.653 | 131.757 | 34.108 | 33.834 |
| TOTAL ASSETS | | 241.693 | 242.208 | 105.619 | 104.785 |
| <u>EQUITY AND LIABILITIES</u> | | | | | |
| <u>EQUITY</u> | | | | | |
| Share Capital | 18 | 22.975 | 22.975 | 22.975 | 22.975 |
| Share premium | 18 | 21.927 | 21.957 | 22.027 | 22.027 |
| Other reserves | 19 | 27.627 | 26.427 | 26.967 | 26.958 |
| Retained earnings | | 33.226 | 25.921 | 3.649 | 7.876 |
| Total Shareholders' equity | | 105.755 | 97.280 | 75.618 | 79.836 |
| Minority Interest | | 1.787 | 2.081 | - | - |
| Total Equity | | 107.542 | 99.361 | 75.618 | 79.836 |
| <u>Long Term Liabilities</u> | | | | | |
| Long Term loans | 20 | 18.487 | 24.413 | 92 | 194 |
| Provisions for Employee Benefits | 23 | 5.800 | 19.057 | 544 | 470 |
| Deferred Tax Liabilities | 24 | 6.105 | 5.318 | 666 | 785 |
| Other Long Term Liabilities | | 1.909 | 423 | - | - |
| Total Long Term Liabilities | | 32.301 | 49.211 | 1.302 | 1.449 |
| <u>Short Term Liabilities</u> | | | | | |
| Short Term loans | 20 | 63.347 | 62.197 | 21.241 | 17.943 |
| Income Tax | 13 | 671 | 1.611 | 112 | 638 |
| Short-term liabilities towards related parties | 25 | 10 | - | 1.144 | 291 |
| Other short-term liabilities | 25 | 37.572 | 29.828 | 5.952 | 4.628 |
| Provisions | 30 | 250 | - | 250 | - |
| Total Short Term Liabilities | | 101.850 | 93.636 | 28.699 | 23.500 |
| TOTAL LIABILITIES | | 134.151 | 142.847 | 30.001 | 24.949 |
| TOTAL LIABILITIES AND EQUITY | | 241.693 | 242.208 | 105.619 | 104.785 |

The accompanying notes that are presented in pages 36 - 80 form an integral part of the present financial statements

ANNUAL STATEMENT OF CHANGES IN EQUITY (CONSOLIDATED)

Amounts in thousand Euro, unless stated otherwise.

Group

| | Share Capital | Share Premium | Other Reserves | Treasury shares reserve | Reserve of FX differences from translation of subsidiaries | Retained earnings | Total before minority interest | Minority interest | Total |
|---|---------------|---------------|----------------|-------------------------|--|-------------------|--------------------------------|-------------------|----------------|
| Balance as at 01/01/2009 | 22.975 | 21.957 | 30.888 | (66) | (7.525) | 28.280 | 96.509 | 1.848 | 98.357 |
| Profit / (loss) for the period | - | - | - | - | - | 3.009 | 3.009 | 135 | 3.144 |
| Other comprehensive income | - | - | - | - | 3.524 | (6.747) | (3.223) | (8) | (3.231) |
| BoD Remuneration | - | - | - | - | - | - | - | - | - |
| Distribution of earnings | - | - | 1 | - | - | (1) | - | - | - |
| Dividends | - | - | - | - | - | - | - | - | - |
| Changes in percentages | - | - | - | - | - | 1.380 | 1.380 | 106 | 1.486 |
| Issued shares | - | - | - | - | - | - | - | - | - |
| FX differences from translation of foreign balance sheets | - | - | - | - | - | - | - | - | - |
| Purchase of treasury shares | - | - | - | (395) | - | - | (395) | - | (395) |
| Changes during the period | - | - | 1 | (395) | 3.524 | (2.359) | 771 | 233 | 1.004 |
| Balance as at 31/12/2009 | 22.975 | 21.957 | 30.889 | (461) | (4.001) | 25.921 | 97.280 | 2.081 | 99.361 |
| Balance as at 01/01/2010 | 22.975 | 21.957 | 30.889 | (461) | (4.001) | 25.921 | 97.280 | 2.081 | 99.361 |
| Profit / (loss) for the period | - | - | - | - | - | 1.070 | 1.070 | (174) | 896 |
| Other comprehensive income | - | - | - | - | 1.155 | 9.329 | 10.484 | 1 | 10.485 |
| BoD Remuneration | - | - | - | - | - | - | - | - | - |
| Distribution of earnings | - | - | 104 | - | - | (171) | (67) | - | (67) |
| Dividends | - | - | - | - | - | (1.507) | (1.507) | - | (1.507) |
| Changes in percentages | - | - | - | - | - | (1.380) | (1.380) | (106) | (1.486) |
| Other changes | - | (30) | 39 | - | (3) | (36) | (30) | (15) | (45) |
| Purchase of treasury shares | - | - | - | (95) | - | - | (95) | - | (95) |
| Changes during the period | - | (30) | 143 | (95) | 1.152 | 7.305 | 8.475 | (293) | 8.182 |
| Balance as at 31/12/2010 | 22.975 | 21.927 | 31.032 | (556) | (2.849) | 33.226 | 105.755 | 1.787 | 107.542 |

The accompanying notes that are presented in pages 36 - 80 form an integral part of the present financial statements

ANNUAL STATEMENT OF CHANGES IN EQUITY (NON-CONSOLIDATED)

Amounts in thousand Euro, unless stated otherwise.

Company

| | Share Capital | Share Premium | Other Reserves | Treasury shares reserve | Reserve of FX differences from translation of subsidiaries | Retained earnings | Total |
|---------------------------------------|---------------|---------------|----------------|-------------------------|--|-------------------|---------------|
| Balance as at 01/01/2009 | 22.975 | 22.027 | 34.470 | (66) | 16 | 10.521 | 89.943 |
| Profit / (loss) for the period | - | - | - | - | - | 2.266 | 2.266 |
| Other comprehensive income/(expenses) | - | - | - | - | - | 35 | 35 |
| BoD Remuneration | - | - | - | - | - | - | - |
| Distribution of earnings | - | - | - | - | - | - | - |
| Dividends | - | - | - | - | - | - | - |
| Changes in percentages | - | - | - | - | - | - | - |
| Purchase of treasury shares | - | - | - | (395) | - | - | (395) |
| Spin-off | - | - | (7.067) | - | - | (4.946) | (12.013) |
| Changes during the period | - | - | (7.067) | (395) | - | (2.645) | (10.107) |
| Balance as at 31/12/2009 | 22.975 | 22.027 | 27.403 | (461) | 16 | 7.876 | 79.836 |
| Balance as at 01/01/2010 | 22.975 | 22.027 | 27.403 | (461) | 16 | 7.876 | 79.836 |
| Profit / (loss) for the period | - | - | - | - | - | (2.475) | (2.475) |
| Other comprehensive income/(expenses) | - | - | - | - | - | (74) | (74) |
| BoD Remuneration | - | - | - | - | - | - | - |
| Distribution of earnings | - | - | 104 | - | - | (171) | (67) |
| Dividends | - | - | - | - | - | (1.507) | (1.507) |
| Changes in percentages | - | - | - | - | - | - | - |
| Purchase of treasury shares | - | - | - | (95) | - | - | (95) |
| Changes during the period | - | - | 104 | (95) | - | (4.227) | (4.218) |
| Balance as at 31/12/2010 | 22.975 | 22.027 | 27.507 | (556) | 16 | 3.649 | 75.618 |

The accompanying notes that are presented in pages 36 - 80 form an integral part of the present financial statements

STATEMENT OF CASH FLOWS (CONSOLIDATED AND NON-CONSOLIDATED)

Amounts in thousand Euro, unless stated otherwise.

Indirect Method

| | Note | Group | | Company | |
|---|------|------------------|------------------|------------------|------------------|
| | | 1/1 - 31/12/2010 | 1/1 - 31/12/2009 | 1/1 - 31/12/2010 | 1/1 - 31/12/2009 |
| Cash flows from Operating Activities | | | | | |
| Profit/(losses) before Taxes and Minority Interest | | 2.740 | 5.468 | (2.206) | 2.781 |
| <i>Plus / (minus) adjustments for:</i> | | | | | |
| Depreciation | 8 | 11.536 | 11.887 | 1.386 | 3.612 |
| Provisions | | 2.112 | 429 | 1.290 | 15 |
| FX differences | | (1.423) | (573) | 210 | 103 |
| (Profit)/loss from sale of fixed assets | | (1.273) | (1.971) | - | (1.890) |
| Income from investments | | - | - | (1.160) | (2.110) |
| Impairment of participations | 11 | 1.156 | - | - | - |
| Interest charges & related (income)/expenses | 10 | 3.028 | 3.353 | 794 | 1.236 |
| Operating Profit before adjustments in Working Capital | | 17.876 | 18.593 | 314 | 3.747 |
| (Increase)/decrease in receivables | | (7.155) | 3.100 | (2.533) | 8.835 |
| (Increase)/decrease in Inventories | | 453 | 8.699 | 329 | 8.694 |
| Increase/(decrease) in liabilities (apart from banks) | | 4.444 | (5.776) | 2.068 | (11.933) |
| Cash generated from Operating activities | | 15.618 | 24.616 | 178 | 9.343 |
| Interest Paid | | (4.344) | (3.540) | (917) | (1.310) |
| Other financial income / (expenses) | | - | - | - | - |
| Taxes paid | | 257 | (1.931) | (553) | (612) |
| Cash flows form operating activities (a) | | 11.531 | 19.145 | (1.292) | 7.421 |
| Investing Activities | | | | | |
| Receipts from sales of tangible and Intangible assets | | 2.518 | 3.361 | - | 2.730 |
| Interest received | | 1.461 | 187 | 198 | 73 |
| Dividends received | | - | - | 884 | 1.500 |
| Increase of participations in subsidiaries | | - | (1.116) | (868) | (1.284) |
| Change of fixed assets due to spin-off | | - | - | - | 15.952 |
| Purchase of tangible assets | | (5.996) | (4.561) | (1.077) | (865) |
| Purchase of intangible assets & other investments | | (143) | (86) | - | 1 |
| Changes in minority interest | | (118) | 98 | - | - |
| Cash flow from Investing Activities (b) | | (2.278) | (2.117) | (863) | 18.107 |
| Financing activities | | | | | |
| Expenses for Share Capital Increase | | (29) | - | - | - |
| Receipt of grants | | 2.228 | 3.763 | 1.547 | 3.646 |
| Proceeds from loans | | 31.436 | 1.035 | 3.298 | 1.835 |
| Purchase of treasury shares | | (95) | (395) | (95) | (395) |
| Repayment of Loans | | (35.180) | (15.130) | (102) | (17.289) |
| Financial leases | 22 | 1.507 | - | - | - |
| Dividends Paid | | (1.504) | - | (1.504) | - |
| Cash flow from financing activities (c) | | (1.637) | (10.727) | 3.144 | (12.203) |
| Net increase /(decrease) in Cash and Cash Equivalents | | 7.616 | 6.301 | 989 | 13.325 |
| Cash and Cash Equivalents at beginning of period | 17 | 20.240 | 13.740 | 7.934 | 6.622 |
| The effect of Exchange Rate Differences on cash held | | 145 | 199 | - | - |
| Sector spin-off | | - | - | - | (12.013) |
| Cash and Cash Equivalents at end of period | 17 | 28.001 | 20.240 | 8.923 | 7.934 |

The accompanying notes that are presented in pages 36 - 80 form an integral part of the present financial statements

NOTES ON THE FINANCIAL STATEMENTS

1. Foundation and Activities of the Group

The company THRACE PLASTICS Co. S.A. (hereinafter the "Company") was founded in 1977 and registered in Magiko of municipality of Bistonida in Xanthi, Northern Greece (Public Companies (S.A.) Reg. No. 11188/06/B/86/31). The main activity of the Company is the production and distribution of Polypropylene (PP) products. In a short period of time the Company turned into a Group of companies (hereinafter "the Group"), by acquiring or settling up new entities, all of them being involved in the production of four basic categories of products: Synthetic woven fabrics, synthetic non-woven fabrics, production of big bags (F.I.B.Cs) and products of rigid packaging. The shares of the Company are listed on the Athens Stock Exchange since June 26, 1995. The Group maintains production and trade facilities in Greece, Scotland, Northern Ireland, Ireland, Sweden, Norway, Serbia, Bulgaria, Romania, U.S.A. and Turkey. On December 31st 2010 the Group employed in total 1,587 employees, from which 233 are employed by the Company. The structure of the Group as of 31 December 2010 is as follows:

| Company | Registered Office | Participation Percentage | Consolidation Method |
|---|--------------------------|--------------------------|----------------------|
| THRACE PLASTICS Co. S.A. | GREECE-Xanthi | Parent | Full |
| * DON & LOW LTD | SCOTLAND-Forfar | 100.00% | Full |
| ***** DON & LOW AUSTRALIA Pty LTD | AUSTRALIA | 100.00% | Full |
| * THRACE NON WOVENS & GEOSYNTHETICS S.A. | GREECE-Xanthi | 100.00% | Full |
| * THRACE PLASTICS PACK S.A. | GREECE-Ioannina | 92.84% | Full |
| ** THRACE GREINER PACKAGING SRL | ROMANIA-Sibiu | 50.00% | Proportionate |
| ** CAPSNAP HELLAS S.A. | GREECE-Ioannina | 50.00% | Proportionate |
| ** THRACE TEKNIK AMBALAJ SANAI A.S. | TURKEY-Istanbul | 50.00% | Proportionate |
| ** THRACE PLASTICS PACKAGING D.O.O. | SERBIA-Nova Pazova | 100.00% | Full |
| ** PAIRIS PACKAGING S.A. | GREECE-Thiva | 100.00% | Full |
| ** TRIERINA TRADING LTD | CYPRUS-Nicosia | 100.00% | Full |
| ***** THRACE IPOMA A.D. | BULGARIA-Sofia | 99.89% | Full |
| * SYNTHETIC HOLDINGS LTD | N.IRELAND-Belfast | 100.00% | Full |
| *** SYNTHETIC PACKAGING LTD | IRELAND -Clara | 100.00% | Full |
| *** ARNO LTD | IRELAND -Dublin | 100.00% | Full |
| *** SYNTHETIC TEXTILES LTD | N.IRELAND-Belfast | 100.00% | Full |
| *** SYNTHETIC POLYBULK A.B. | SWEDEN -Köping | 100.00% | Full |
| *** SYNTHETIC POLYBULK A.S. | NORWAY-Brevik | 100.00% | Full |
| *** THRACE LINQ INC. | USA-South Carolina | 100.00% | Full |
| *** LUMITE INC. | USA-Georgia | 50.00% | Proportionate |
| *** ADFIRMATE LTD | CYPRUS-Nicosia | 100.00% | Full |
| **** DELTA REAL ESTATE INVESTMENTS LLC | USA-South Carolina | 100.00% | Full |
| * THRACE-SARANTIS S.A. | GREECE-Xanthi | 50.00% | Proportionate |

The participation of each company as regards their subsidiaries on 31 December 2010 is analyzed as follows:

- (*) Subsidiaries of THRACE PLASTICS Co. S.A.
- (**) Subsidiaries of THRACE PLASTICS PACK Co. S.A.
- (***) Subsidiaries of SYNTHETIC (HOLDINGS) LTD
- (****) Subsidiaries of ADFIRMATE LTD
- (*****) Subsidiaries of TRIERINA TRADING LTD
- (*****) Subsidiary of DON & LOW LTD

The above participation percentages and the relevant Group structure have the following differences compared to the respective period of the previous year:

In August 2009, the parent company THRACE PLASTICS Co. S.A. proceeded with the establishment of a new company with the name THRACE – SARANTIS S.A., which is based in the Xanthi prefecture and whose business activity is the production and sale of plastic waste bags and related plastic materials for household and professional use.

The value of the Company's participations, in subsidiaries, on 31 December 2010, is as follows:

| Company | 2010 | 2009 |
|--|---------------|---------------|
| <u>COMPANIES CONSOLIDATED WITH THE FULL CONSOLIDATION METHOD</u> | | |
| DON & LOW LTD | 33,953 | 33,953 |
| THRACE PLASTICS PACK S.A. | 15,508 | 15,268 |
| THRACE NON WOVENS & GEOSYNTHETICS S.A. | 5,997 | 5,909 |
| SYNTHETIC HOLDINGS LTD | 4,607 | 4,607 |
| <u>COMPANIES CONSOLIDATED WITH THE PROPORTIONATE CONSOLIDATION METHOD</u> | | |
| THRACE-SARANTIS S.A. | 700 | 160 |
| Total | 60,765 | 59,897 |

2. Basis for the preparation of the Financial Statements

2.1 Basis for Presentation

The present financial statements have been prepared according to the International Financial Reporting Standards (I.F.R.S.), including the International Accounting Standards (I.A.S.) and interpretations that have been issued by the International Financial Reporting Interpretations Committee (I.F.R.I.C.), as such have been adopted by the European Union until 31 December 2010. The basic accounting principles that were applied for the preparation of the financial statements for the year ended on 31 December 2010 are the same as those applied for the preparation of the financial statements for the year ended on 31 December 2009 and are described in such.

When deemed necessary, the comparative data have been reclassified in order to conform to possible changes in the presentation of the data of the present year.

Differences that possibly appear between accounts in the financial statements and the respective accounts in the notes, are due to rounding.

The financial statements have been prepared according to the historic cost principle, as such is disclosed in the company's accounting principles presented below.

The financial statements of the Group THRACE PLASTICS Co. S.A. are posted on the internet, on the website www.thraceplastics.gr.

2.2 New standards, amendments of standards and interpretations

Specific new standards, amendments of standards and interpretations have been issued, which are mandatory for accounting periods beginning during the present period or after. The Group's assessment as regards to the effect from the application of the new standards, amendments and interpretations is presented below.

Standards and Interpretations mandatory for the present financial year

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

The revised IFRS 3 introduces a series of changes in the accounting treatment of business combinations that will affect the amount of recognized goodwill, the results of the reference period in which the business acquisition takes place and the future results. The changes include the presentation directly in the results of expenses related to the acquisition and recognition of subsequent change in fair value of the contingent consideration. The amended IAS 27 requires transactions that lead to changes in participation percentages in a subsidiary being registered in equity. Furthermore, the amended standard changes the accounting treatment for losses realized by a subsidiary as well as the loss of control on a subsidiary. Also, an option is provided, in each business combination, for the acquirer to measure the net recognized assets of the acquired in any possible non-controlling interest in the acquired either at fair value or at the proportionate percentage in the non-controlling interest. The Group applies the above changes from 1 January 2010.

IFRS 2 (Amendment) "Share-based Payments"

The objective of the amendment is to clarify the application scope of IFRS 2 and the accounting treatment for share-based payments settled by cash in the consolidated or separate financial statements of the entity that receives goods or services,

when the entity has no obligation to make the share-based payments. This amendment does not affect the Group's financial statements.

IAS 39 (Amendment) "Financial instruments: Recognition and Measurement"

The present amendment clarifies the manner in which, in specific cases, the principles that define whether a hedged risk or part of the cash flows fall under the application scope of hedge accounting, should be applied. The amendment does not apply to the Group, as it does not follow hedge accounting according to IAS 39.

IFRIC 12 – Concession Arrangements

(according to the adoption by the EU, applied for annual periods beginning on or after 30 March 2009)

The interpretation refers to companies that participate in concession arrangements. The interpretation does not apply to the Group

IFRIC 15 – Agreements for the Construction of Real Estate

(according to the adoption by the EU, applied for annual periods beginning on or after 1 January 2010)

The interpretation refers to the existing different accounting treatments for sales of real estate. Some entities recognize the income according to IAS 18 (namely when the risks and benefits from ownership of the real estate are transferred) and others recognize the income according to the stage of completion of the property according to IAS 11. The interpretation clarifies which standard should be applied in each case. The interpretation does not apply to the Group.

IFRIC 16 – Hedges of a Net Investment in a Foreign Operation

(according to the adoption by the EU, applied for annual periods beginning on or after 1 July 2009)

The interpretation applies to entities that hedge foreign exchange risk that arises from a net investment in a foreign operation and meets the terms for hedge accounting according to IAS 39. The interpretation provides guidance on the manner in which an entity should define the amounts reclassified from equity to the results both for the hedging instruments and for the hedged item. The interpretation does not apply to the Group, as the Group does not apply hedge accounting for any investment in a foreign operation.

IFRIC 17 "Distribution of non-cash assets to shareholders"

(according to the adoption by the EU, applied for annual periods beginning on or after 1 July 2009)

The interpretation provides guidance on the accounting treatment of the following non-reciprocal distributions of assets from the entity to shareholders that act under their capacity as shareholders: a) distributions of non-cash assets and b) distributions that provide shareholders the option to either receive non-cash assets or cash. The interpretation does not affect the Group's financial statements.

IFRIC 18 "Transfers of assets from Customers"

(according to the adoption by the EU, applied for annual periods beginning on or after 1 November 2009)

The interpretation clarifies the requirements of IFRS for agreements in which a company receives part of tangible fixed assets from a customer (property, building facilities or equipment) that the company must use then to provide the customer continuous access to goods or services. In some cases, a company receives cash from its customers that must be used only for the acquisition or construction of the tangible fixed asset. The interpretation does not apply to the Group.

Amendments to standards that are part of the IASB (International Accounting Standards Board) 2009 annual improvement plan

The following amendments describe the most important changes introduced to IFRS as a result of the annual improvement plan of the IASB, which was released in April 2009. The following amendments apply for the present financial year. Also, unless stated otherwise, the following amendments do not have a significant effect on the Group's financial statements.

IFRS 2 "Share-based Payments"

The amendment confirms that the contributions of a company for the establishment of a joint venture and the joint control transactions are exempt from the application scope of IFRS 2.

IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations"

The amendment clarifies disclosures required for non-current assets classified as held for sale or discontinued operations.

IFRS 8 "Operating Segments"

The amendment provides clarifications for the disclosure of information relating to the segment's assets.

IAS 1 "Presentation of Financial Statements"

The amendment provides clarification that the potential settlement of a liability with the issue of equity instruments is not relevant to its classification as current or non-current.

IAS 7 "Statement of Cash Flows"

The amendment requires that only expenses that lead to a recognized asset in the statement of financial position can be classified as investment activities.

IAS 17 "Leases"

The amendment provides clarification regarding the classification of land and building leases as finance or operating leases.

IAS 18 "Revenue"

The amendment provides additional guidance regarding the definition of whether an entity acts as a principal or agent.

IAS 36 "Impairment of Assets"

The amendment clarifies that the largest cash flow generating unit in which goodwill should be allocated for the purposes of an impairment review is an operating segment as defined by paragraph 5 of IFRS 8 (namely before the concentration – summation of segments).

IAS 38 "Intangible Assets"

The amendments clarify (a) the requirements according to IFRS 3 (revised) regarding the accounting treatment of intangible assets acquired in a business combination and (b) the description of valuation methods used broadly from entities during the fair value measurement of intangible assets acquired in a business combination that are not traded in active markets.

IAS 39 "Financial Instruments: Recognition and Measurement"

The amendments concern (a) clarifications regarding the treatment of penalties / fines from loan prepayments as closely related embedded derivatives, (b) the exemption scope for business combination contracts and (c) clarifications that profit or losses from a cash flow hedge of an expected transaction should be reclassified from equity to the results during the period when the hedged expected cash flow affects the results.

IFRIC 9 "Re-evaluation of Embedded Derivatives"

The amendment clarifies that IFRIC 9 does not apply in a possible re-evaluation, during the acquisition date, of embedded derivatives in contracts that were acquired in a business combination that concerns entities under joint control.

IFRIC 16 "Hedges of a Net Investment in a Foreign Operation"

The amendment mentions that in a hedge of a net investment in a foreign operation, appropriate hedging instruments may be held by any entity within the Group, including the foreign entity itself, given that specific conditions are met.

Standards and Interpretations mandatory for periods beginning on or after 1 January 2011**IFRS 9 "Financial instruments"**

(applied for annual accounting periods beginning on or after 1 January 2013)

IFRS 9 is the first part of phase one of the International Accounting Standards Board's overall project to replace IAS 39. The IASB intends to extend IFRS 9 during 2010 in order to add new requirements for the classification and measurement of financial liabilities, the de-recognition of financial instruments, impairment and hedge accounting. IFRS 9 defines that all financial assets are measured initially at fair value plus, in case of a financial asset that is not at fair value through the results, specific transaction costs. Financial assets are subsequently measured either at amortized cost or at fair value, depending on the business model of the entity as regards to the management of financial assets and contractual cash flows from the financial assets. IFRS 9 does not permit reclassifications, except for rare occasions where the entity's business model changes, and in such a case the entity is required to reclassify the affected financial assets in the future. According to the principles of IFRS9, all investments in equity instruments must be measured at fair value. However, management has the option to present realized and unrealized profit and losses from fair value of equity instruments not held for commercial purposes in other comprehensive income. This definition is made during initial recognition for each financial instrument separately and cannot be changed. The fair value profit or losses are not subsequently transferred to the results, while income from dividends will continue to be recognized in the results. IFRS 9 repeals the exception of measurement at cost for non-listed shares and derivatives on non-listed shares, but it provides guidance for when the cost may be considered as a representative estimation of fair value. The Group is currently assessing the effect of IFRS 9 on its financial statements. IFRS 9 cannot be applied by the Group in advance as it has not been adopted by the European Union. Only when it is adopted, the Group will decide whether it will apply IFRS 9 before 1 January 2013.

IAS 12 (Amendment) "Income taxes"

(applied for annual accounting periods beginning on or after 1 January 2012)

The amendment of IAS 12 provides a practical solution for the measurement of deferred tax liabilities and deferred tax assets when investment property is measured with the fair value method according to IAS 40 "Investment property". According to IAS 12, the measurement of deferred tax depends on the manner in which the entity is expected to recover the asset: through use or through sale. Due to the difficulty and subjectivity in assessing the way the value will be recovered when the investment property is measured at fair value according to IAS 40, this amendment introduces the presumption that the investment property will be recovered entirely through sale. This presumption is repealed if the investment property is depreciated and is part of a business model with the objective to recover the economic benefits that the investment property entails through its use and not through sale. The presumption is not repealed for land fields that are investment property, because the value of fields can be recovered only through sale. This amendment has not yet been adopted by the European Union.

IAS 24 (Amendment) "Related party disclosures"

(applied for annual accounting periods beginning on or after 1 January 2011)

The present amendment attempts to relax the disclosures of transactions between government-related entities and to clarify the definition of a related party. Specifically, the obligation of government-related entities to disclose details of all transactions with the government and other government-related entities is repealed, the definition of a related party is clarified and simplified and the amendment also imposes the disclosure not only of the relationships, transactions and balances between related parties but also of the commitments both in the separate and in the consolidated financial statements. The Group will apply these changes from the day such are put in effect.

IAS 32 (Amendment) "Financial instruments: Presentation"

(applied for annual accounting periods beginning on or after 1 February 2010)

The present amendment provides clarifications regarding the manner in which specific options should be classified. Specifically, rights, call or put options or stock options for the acquisition of a specific number of the entity's own equity instruments for a specific amount in any currency, constitute equity instruments if the entity offers such rights or options proportionately to all existing shareholders of the same category of the entity's own, non-derivative, equity instruments. The amendment is not expected to affect the Group's financial statements.

IFRS 7 (Amendment) "Financial Instruments: Disclosures" – transfers of financial assets

(applied for annual accounting periods beginning on or after 1 July 2011)

The present amendment provides disclosures for transferred financial assets that have been derecognized entirely as well as for transferred financial assets that have been derecognized entirely but in which the Group continues to be involved. It also provides guidance for the application of the required disclosures. This amendment has not yet been adopted by the European Union.

IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments"

(applied for annual accounting periods beginning on or after 1 July 2010)

IFRIC 19 refers to the accounting treatment applied by the entity that issues equity instruments to a creditor in order to settle, in part or in whole, a financial liability. The interpretation does not apply to the Group.

IFRIC 14 (Amendment) "The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction"

(applied for annual accounting periods beginning on or after 1 January 2011)

The amendments apply to limited cases: when the entity is subject to a minimum funding requirement and proceeds with an advance payment of contributions to cover such requirements. The amendments allow such an entity to face the benefit from such an advance payment as an asset. The interpretation does not apply to the Group.

Amendments to standards that consist part of the IASB (International Accounting Standards Board) 2010 annual improvement plan.

The following amendments describe the most important changes introduced to IFRS as a result of the annual improvement plan of the IASB, which was released in May 2010. The following amendments, unless stated otherwise, apply for annual accounting periods beginning on or after 1 January 2011. Also, unless stated otherwise, the following amendments do not have a significant effect on the Group's financial statements. The amendments have not yet been adopted by the European Union.

IFRS 3 "Business Combinations"

The amendments provide additional clarification as regards to: (a) contingent consideration agreements that result from business combinations with acquisition dates prior to the application of IFRS 3 (2008), (b) the calculation of the non-controlling interest, and (c) the accounting treatment of share-based payments that are part of a business combination, including awards based on shares and that were not replaced or indirectly replaced.

IFRS 7 "Financial Instruments: Disclosures"

The amendments include multiple clarifications regarding the disclosures of financial instruments.

IAS 1 "Presentation of Financial Statements"

The amendment clarifies that entities may present the analysis of the individual items in total comprehensive income either in the statement of changes in equity or in the notes.

IAS 27 "Consolidated and Separate Financial Statements"

The amendment clarifies that the amendments of IAS 21, IAS 28 and IAS 31 that emanate from the revision of IAS 27 (2008) must be applied in the future.

IFRS 34 "Interim Financial Reporting"

The amendment put the largest emphasis on the disclosure principles that must be applied in relation to significant events and transactions, including the changes regarding fair value measurements, as well as the need to update the relevant information from the most recent annual report.

IFRS 13 "Customer Loyalty Programs"

The amendment clarifies the definition of the term “fair value”, in the context of the measurement of customer loyalty programs.

2.3 Management Estimations

The preparation of Financial Statements in accordance with International Financial Reporting Standards (IFRS) requires management to make estimates and assumptions that may affect, the accounting balances of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses that have been recognized during the reported period. The use of the available information, which is based in historical data and assumptions and the implementation of subjective evaluation are necessary in order to conduct estimates. The actual future results may differ from the above estimates and these differences may affect the Financial Statements. Estimates and relative assumptions are revised constantly. The revisions in accounting estimations are recognized in the period they occur if the revision affects only the specific period or the revised period and the future periods if the revisions affect the current and the future periods.

The basic estimations and subjective judgments that refer to data, the evolution of which could affect the accounts of the Financial Statements during the next twelve months, are as follows:

2.3.1 Doubtful debts

The Group and Company calculate impairment on the value of trade receivables when there is data or evidence that indicates that the collection of the receivable overall or part of the receivable is not likely. The Group's Management periodically reviews the adequacy of the created provision for doubtful debts together with its credit policy and taking into account data from the Legal Service, which result from processing historic data and recent developments on cases it handles.

2.3.2 Provision for income tax

The provision for income tax according to I.A.S. 12 is calculated by estimating taxes that will be paid to the tax authorities and includes the current income tax for each financial year and a provision for additional taxes that may arise in future tax audits. In order to define the Group's and Company's provision for income tax, an essential understanding of the above is required. The finalization of income tax may differ from the relevant amounts booked in the Group's and Company's financial statements and such differences will affect income tax and the provisions for deferred taxes.

2.3.3 Provisions for employee benefits

The liability for employee benefits is defined according to a study by independent actuaries. The final liability may differ from the actuarial calculation due to different real data as regards to the discount rate, inflation, wage increases, demographics and other data.

2.3.4 Depreciation/amortization of tangible and intangible assets

The Group calculates depreciation/amortization on tangible and intangible assets based on estimation of the useful life of such. The residual value and useful life of such assets are reviewed and defined at the end of each reporting period, if deemed necessary.

2.3.5 Legal cases

The Group recognizes a provision for pending legal cases according to information from its Legal Service.

2.3.6 Provisions for contractual obligations

The Group recognizes provisions for contractual obligations towards customers, which are calculated based on historic data and statistics from the solution of respective cases in the past.

2.3.7 Impairment of participations

The Group recognizes provisions for impairment of participations taking into account the future benefits that will result from such.

2.3.8 Estimation of impairment of goodwill

The Group examines if goodwill has suffered any impairment on an annual basis, according to the Group's accounting principle (see note 2.7.1). The recoverable amounts of the cash flow generating units have been defined according to fair value. Such calculations require the use of estimations.

2.4 Basis of Consolidation

2.4.1 Subsidiaries

Subsidiaries are those companies, which are, directly or indirectly, controlled by the parent Company. Control exists when the Company has the power to govern the financial and operating principles of a company so as to obtain benefits from its activities. To establish the existence of control, any minority interest that may be exercised or amended are taken into account. The Financial Statements of the subsidiaries are included in consolidated Financial Statements from the date the control on them was exercised until the cease of this control. The Financial Statements of subsidiaries are consolidated using the full consolidation method at the same date and using the same accounting policies as the ones referring to the Group. When needed, the accounting principles of subsidiaries are amended in order to ensure the consistency of such with the principles adopted by the Group.

2.4.2 Related Companies

Related companies are those in which the Group has a significant effect but it does not control their financial and operational activities. The Consolidated Financial Statements include the analogy of the Group on the recognized profit or losses of the related companies based on the net equity method, from the period where the effect started till the dated this effect ceased to exist. When the losses attributed to the Group exceed the book value of the participation on the related company, the book value is reduced to zero and no further losses are recognized unless the Group has created liabilities or realized payments regarding the related company.

2.4.3 Joint Ventures

Joint Ventures are the economic units in which the Group has a joint control as this is evident based on an agreement. The consolidated Financial Statements include the participation of the Group on the assets, liabilities, income and expenses with the amounts referring to the period when the control started till the end of this control.

2.4.4 Intra-company balances and transactions – profit and losses deleted during consolidation

Intra-company balances and transaction, as well as profit and losses arising from intra-company transactions are erased during the preparation of Consolidated Financial Statements.

2.5 Tangible Fixed Assets

Tangible assets are stated at book cost, net of any grants received, less accumulated depreciation and any impairment in value. Any adjustments that might have taken place (on land or buildings) based on Greek legislation are reversed. Expenses for replacement of part of fixed assets are included in the value of the asset if they can be estimated accurately and increase the future benefits of the Group from such. The repairs and maintenance of fixed assets charge the results, in the period when such are realized. The acquisition cost and the related accumulated depreciation of assets retired or sold, are removed from the accounts at the time of sale or retirement, and any gain or loss is included in the Results.

Depreciation is charged in the Results based on the straight-line method over the estimated useful life of assets. The estimated useful life of each category of asset is presented below:

| Category | Depreciation rate | Useful life |
|---------------------------------------|-------------------|---------------|
| Buildings and technical works | 2.5% - 5% | 20 - 40 years |
| Machinery and technical installations | 7% - 10% | 10 - 14 years |
| Specialized mechanical equipment | 12% - 15% | 7 - 8 years |
| Vehicles | 10% - 20% | 5 - 10 years |
| Furniture and fixture | 10% - 30% | 3 - 10 years |

Land and plots are not depreciated, however they are reviewed for impairment. Residual values and economic life of fixed assets might be adjusted if necessary at the time financial statements are prepared. Fixed assets, that have been impaired, are adjusted to reflect their recoverable amount (Note 2.8). The remaining value, if not negligible, is re-estimated on an annual basis.

2.6 Investment property

Property that is held to achieve long-term returns from rents or for capital appreciation or for both, are categorized as investment property. Investment property includes self-owned land-plots. Investment property is initially valued at cost, including the relevant direct acquisition expenses. Subsequently investment property is recognized as “fair value”. The “fair value” is based on prices that are effective in an active market, adjusted when deemed necessary, due to differences in the nature, location or condition of each asset. If such information is not available, then the Group applies alternative valuation methods such as recent prices in less active markets or discounted cash flow method.

Subsequent expenses are added to the book value of the property only when it is likely that future economic benefits, that are related to the property, will result for the Company and when the relevant costs can be reliably measured. Repair and maintenance expenses are charged to the period's results when such are realized. Changes in "fair value" are registered in the results. Investment property is eliminated when sold or when future economic benefits are no longer expected.

2.7 Intangible Assets

2.7.1 Goodwill

The acquisition of a subsidiary by the Group is accounted for based on the acquisition method. The acquisition cost of a subsidiary is the fair value of assets acquired, shares issued and liabilities assumed during the transaction date, plus possible expenses directly linked to the transaction. The individual assets, liabilities and contingent liabilities acquired in a business combination are measured during the acquisition at fair value regardless of the participation percentage. The acquisition cost above fair value of the individual assets acquired, is booked as goodwill. If the total acquisition cost is less than the fair value of the individual assets acquired, the difference is registered directly in the results.

Increases of the Group's participation in subsidiaries are recognized as transactions in equity. The difference between the acquisition cost and the participation in the new equity of the subsidiary acquired, is recognized directly in the Group's equity. Profit or losses from the sale of a participation percentage that does not lead to loss of the control of the subsidiary by the Group, is also recognized in the Group's equity.

Goodwill is not amortized but the balance of goodwill is subject regularly (at least annually) to a review for possible impairment. This review is carried out according to the provisions of I.A.S. 36 "Impairment of Assets". Therefore, after initial recognition, goodwill is measured at acquisition cost, minus possible cumulative impairment losses. The impairment loss on goodwill is not subsequently offset after its recognition. The goodwill that arises from acquisitions of associate companies is included in the value of the investment.

2.7.2 Other Intangible Assets

Other intangible assets mainly refer to software and industrial ownership rights. Their values are stated at acquisition cost, less the accumulated depreciation and any impairment losses. Amortization of intangible assets is registered in the Results, based on the straight-line method over the estimated useful life of assets. The following table depicts the estimated useful life of assets:

| Category | Amortization rate | Useful life |
|-----------------------------|-------------------|-------------|
| Industrial ownership rights | 20% | 5 years |
| Software | 20% | 5 years |

Subsequent expenses on the capitalized intangible assets are capitalized only when they increase the future benefits that are attributed to the specific asset. All other expenses are recorded when they incur.

2.8 Impairment of Assets

With the exception of intangible assets with an indefinite life, which are reviewed for impairment at least on an annual basis, the book values of other long-term assets are reviewed for impairment when events or changes in conditions indicate that the book value may not be recoverable. When the book value of an assets exceeds its recoverable amount, the respective impairment loss is registered in the results. The recoverable amount is defined as the largest value between the net sales price and the value in use. Net sale price is the amount that can be received from the sale of an asset, in the context of an arm's length transaction in which the parties have full knowledge and voluntarily proceed, after the deduction of any additional direct cost for sale of the asset. Value in use is the present value of estimated future cash flows expected to be realized from the continuous use of an asset and from the revenue expected to result from its sale and the end of its estimated useful life. For purposes of defining impairment, assets are grouped at the lowest level for which cash flows can be recognized separately.

2.9 Inventories

Inventories are stated at the lower of cost (acquisition or production) and net realizable value. Net realizable value represents the estimated selling price in the ordinary course of business, less any selling cost. Cost includes all cost of purchase, cost of materials, costs of production and other cost incurred in bringing the inventories to their present condition. The cost of inventories is calculated using the weighted average method.

2.10 Accounts Receivable – Provisions from Doubtful Debts

Accounts receivable are initially recognized at fair value and subsequently measured at net book cost using the effective interest rate, less any provisions for impairment. Impairment provisions are recognized when there is objective indication that the Group is not in a position to collect all the amounts due according to the contractual terms.

Accounts receivable include open balances, checks and notes receivable from customers and other debtors. Serious financial problems of the customers, the possibility of default or financial reorganization and the inability to regularly perform payments are considered indications that the receivable is impaired. The amount of the impairment provision is the difference between the book value of the receivables and the present value of estimated future cash flows, discounted with the effective interest rate. The amount of impairment loss is registered as an expense in the results and included in "Other Expenses".

2.11 Cash & cash equivalents

For purposes of preparing the Statement of Cash Flows, the category of cash & cash receivables include cash in hand, cash equivalents, such as site deposits and short-term time deposits, namely those with a maturity less than three months from the preparation date of the Financial Statements.

2.12 Foreign exchange translations

2.12.1 Operating currency and presentation currency

The data in the financial statements of the Group's companies are registered in the currency of the primary economic environment, in which each Company operates ("operating currency").

The consolidated financial statements are presented in Euro, which is the operating valuation currency and presentation currency of the parent Company.

2.12.2 Transactions and balances

The amounts that result from transactions in foreign currency are translated to Euro with the exchange rate in effect during the date of the transactions. Monetary assets and liabilities in foreign currency are translated, during the balance sheet date, to Euro based on the exchange rate in effect on that date. Any foreign exchange differences (profit or losses) that result from such a translation, are registered in the Results. The translation of Financial Statements of subsidiaries, whose currencies are other than the Euro, is done as follows:

a) The Assets and Liabilities are translated to Euro, based on the closing exchange rate during the Balance Sheet date. The comparative data are presented, based on the Euro exchange rate, during the respective preparation dates of the Financial Statements.

b) The Income Statement accounts are translated to Euro, based on the average exchange rate of the respective year. The resulting foreign exchange differences of cases a and b, as well as those that result from monetary assets that are part of the net investment in foreign subsidiaries, are registered directly in equity and transferred to the Results upon sale of the subsidiaries.

2.13 Acquisition of Treasury Shares

The paid price to acquire Treasury Shares, including the relevant expenses for their purchase, is presented as a deduction of Equity. Any profit or loss from the sale of Treasury Shares, net of direct transaction costs and taxes, is recognized directly in Equity, in the account "Treasury Share Reserve".

2.14 Dividends

Payable dividends are presented as a liability during the time when such are approved by the Annual General Meeting of Shareholders.

2.15 Income

2.15.1 Income from Sales of Goods and Services

Income from the sale of goods, after the deduction of turnover discounts, sales incentives and the corresponding VAT, is recognized when all significant risks and awards emanating from ownership of the goods are transferred to the buyer, the income and expenses related to the sale can be measured reliably, it is likely that economic benefits relating to the transaction will result for the Group, the Group does not maintain management and does not exercise significant influence on the sold goods.

Income from the provision of services is registered in the Results according to the completion stage of the transaction, during the Balance Sheet date.

2.15.2 Government Grants - Subsidies

Government grants on tangible and intangible assets, are deducted from the book value of the asset for which they were received. The relevant income is recognized with the form of reduced depreciation amounts during the useful life of the relevant asset. Government grants that concern payroll expenses are recognized as income during the period that such relate to the respective expenses and are presented in the Income Statement in the account "Other Operating Income".

2.15.3 Income from Dividends – Interim Dividends

Income from dividends are recognized in the Income Statement as income, during the date when such are approved by the Annual General Meeting of Shareholders. Interim dividends are recognized during the date such are approved by the Extraordinary General Meeting of Shareholders.

2.15.4 Interest Income

Interest income is recognized on an accrual basis.

2.16 Expenses

Expenses are recognized in the Results on an accrual basis.

2.17 Leases

Lease in which the lessor transfers the rights and obligations (risks) arising from the ownership of an asset, is assumed as a financial lease and accounts as the acquisition of an asset and the undertaking of a liability. In this case the rents are divided in financial expenses (interest) and reduction of the liability. Financial expenses are recorded directly in the Results.

The financial lease appears in the lower cost between their fair value and the present value of the minimum rent payment at the beginning of the lease less accumulated depreciation or impairment loss.

If from the lease agreement the rights and liabilities (risks) arising from the ownership of an asset are not transferable, the lease is assumed operational for the lessor and the rents are recorded as expenses when they incur using the direct method for the duration of the lease.

2.18 Income Tax

Tax burden for the year relates to current and deferred taxes.

Current income taxes are payable taxes on taxed income for the year based on effective tax rates as of the balance sheet date, as well as additional income taxes relating to previous years.

Deferred taxes are tax burden/exemptions relating to current year's profit (or losses) that will be charged by the tax authorities in future years. Deferred income taxes are calculated according to tax rates effective as of the dates they will be paid, on the difference between accounting and tax base of individual assets and liabilities, provided that these differences imply time deviations, which will be erased in future.

Deferred tax receivables are recognized only to the extent they imply future taxable income, which will be offset by these deferred tax receivables. Deferred tax receivables might be lowered any time when it is not evident that such future tax relaxation will be certain.

Current and deferred tax is recorded in the Results or directly in Equity, if it relates to elements directly recognized in Equity.

The Group offsets deferred tax receivables with deferred tax liabilities, only if:

- a) It has a legal applicable right to offset current tax receivables with current tax liabilities.
- b) The deferred tax receivables and liabilities relate to income taxes imposed by the same tax authority.

2.19 Employee benefits

2.19.1 Defined contribution plans

Liabilities for defined contribution plans are fully recorded as expense in the Results at the time they incur, with fulfillment of the liability.

2.19.2 Defined benefit plans

The net liability of the Group, related to the defined benefit plan is estimated independently for each plan with the estimation of future benefits the employees are entitled to based on their working years in current and previous periods. The future benefits are discounted at present value following the deductions of the fair value of the assets in the plan. The discount rate is the yield to maturity, at the balance sheet date, of the bonds that have a maturity that approaches the maturity of the liabilities. The defined benefit liability is calculated by an independent actuary, using the projected unit credit method.

When the benefits of a plan improve, the proportion of the increased benefit that refer to the past working length of the employees is recorded as expense in the Results using the straight-line method on the average fiscal years until the full recognition of the benefits. To the extent that the benefits are given instantly, the expense is recorded directly in the results.

2.19.3 Liability of DON & LOW LTD & SYNTHETIC HOLDINGS LTD Group

Subsidiary companies DON & LOW LTD, SYNTHETIC PACKAGING LTD and THRACE POLYBULK A.B have defined benefit pension plans for their personnel. These plans define a specific amount of pension that each employee will receive at the time of his retirement. The amount is a result of a series of factors such as the age, the time working for the specific employer and the level of wage.

Net liabilities of the above companies with regard to their pension plans have been calculated separately for each plan, by estimating the amount of future benefits that correspond to each employee, according to aggregate years of service. The amount is then discounted to present value in order to calculate the total liability of the plan. The fair value of the plan's assets is finally deducted from the total liability in order to calculate the net actuarial surplus or deficit of the plan at the Balance Sheet date.

The actuarial profits and losses arising from the adjustment of working years as well as the changes in the estimation of the actuarial officer have are recognized in equity through other comprehensive income during the period when such arise.

All the above calculations are made based on an actuarial study, while estimations are made for the interim periods. The discount rate is taken from the yield of long-term bonds rated AA, with maturity equal to the that of the plan's liabilities. The relevant calculation method is called "Projected Unit Credit Method".

2.20 Provisions

Provisions are recognized only when there is a liability, due to events that have occurred and it is likely (namely more possible than not) that there settlement will create an outflow, the amount of which can be estimated reliably. The recognition of provisions is based on the present value of capital flows that may be needed for the above liabilities to be settled. Amounts paid in order to arrange the repayment of such liabilities are deducted from the recorded provisions. The amounts are also reviewed at the periods when the Financial Statements are prepared. Provisions for any future losses should not be recognized. Compensation received from third parties and relate to the aggregate amount or part of the estimated capital flow, should be recognized on the asset side only when there is certainty for the final payment of the corresponding amount.

2.21 Financial instruments

The Group's investments are classified in the following categories. The classification depends on the purpose for which the investment was acquired. Management defines the classification during initial recognition and reviews the classification at the end of each reporting period.

2.21.1 Investment held until maturity

This category includes non-derivative financial assets, with fixed or predefined payments and specific maturity and which the Group intends to hold to maturity and has the ability to do so.

2.21.2 Financial assets available for sale

Such include non-derivative financial assets that are either defined in this category or cannot be included in any of the above categories. Financial assets available for sale are included in non-current assets given that Management does not intend to liquidate such within 12 months from the Balance Sheet date.

The purchases and sales of investments are recognized during the transaction date, which is also the date on which the Group commits to purchasing or selling the assets. Investments available for sale are initially recognized at fair value, plus any transaction costs.

Subsequently, financial assets available for sale are valued at fair value and the relevant profit or losses are registered in an equity reserve until such are sold or suffer impairment. During sale or impairment, the profit or losses are transferred to the results. Impairment losses that have been recognized in the results cannot be reversed through the results.

The fair values of financial assets traded on active markets are defined by the current market prices. For assets not traded on active markets, the fair values are estimated by using valuation techniques such as analysis of recent transactions, comparable assets traded on active markets and discounted cash flows.

On each balance sheet date the Group assesses whether there is objective indication that leads to the conclusion that the financial assets have suffered impairment. For company shares classified as financial assets available for sale, such an indication is the significant or continuous reduction of fair value compared to the acquisition cost. If impairment is evidenced, the cumulative loss in equity, which is the difference between acquisition cost and fair value, is transferred to the results. Impairment losses on shares that are registered in the results, are not reversed through the results.

2.21.3 Loans and receivables

Such include non-derivative financial assets with fixed or predefined payments, which are not traded on active markets and there is no intention to sell such. They are included in current assets, apart from those with a maturity over 12 months from the balance sheet date. The latter are included in non-current assets.

2.22 Interest Bearing Loans

Loans are initially recognized at fair value, less any possible expenses directly linked to the relevant transaction. Subsequently loans are valued at net book cost. Any difference between the received amount, net of relevant expenses, and the repayment value is recognized in the results during the borrowing period based on the effective interest rate method. Loans are characterized as short-term liabilities except if the Group has the final right to postpone repayment for at least 12 months after the balance sheet date. Bank overdrafts are included in short-term debt in the balance sheet and in investment activities in the statement of cash flows.

2.23 Suppliers and Other Creditors

Suppliers and other liabilities are initially recognized at fair value and subsequently measured according to amortized cost, while the effective interest rate method is used. Liabilities are classified as short-term if payment is expected in less than one year. If not, then such are included in long-term liabilities.

2.24 Share Premium

The share capital includes common shares of the Company. The difference between the nominal value of shares and their issue price is registered in the "Share Premium" account. Direct expenses for the issue of shares, are presented after the deduction of the relevant income tax and reduce the issue proceeds, namely as a deduction from the share premium.

2.25 Segment Reporting

The Group applies I.F.R.S. 8 for monitoring its business segments. Segments are defined based on the structure of the Group's companies, given that the Group's management (CODM – Chief Operating Decision Maker) is responsible to make economic decisions, it monitors the financial information separately as presented by the parent Company and by each subsidiary. A segment is a distinct portion of the Group, which involves the production of products or services.

3. Exchange rates

Thrace Plastics Co. S.A. translates the Statements of Comprehensive Income of its subsidiaries to Euro at the average exchange rate and the Statements of Financial Position at the closing exchange rate of each period. The exchange rates used for the translation of the financial statements to Euro, are as follows:

| Currency | Average exchange rate (foreign currency per 1 Euro) | | Closing exchange rate (foreign currency per 1 Euro) | |
|---------------------------|--|-----------------|--|------------|
| | 1.1 –31.12.2010 | 1.1 –31.12.2009 | 31.12.2010 | 31.12.2009 |
| Great Britain Pound (GBP) | 0.8578 | 0.8909 | 0.8608 | 0.8881 |
| Romanian Lei (RON) | 4.2122 | 4.2399 | 4.2620 | 4.2363 |
| Serbian Dinar (RSD) | 103.0431 | 93.9477 | 105.4982 | 95.8888 |
| Turkish Pound (TRY) | 1.9965 | 2.1631 | 2.0694 | 2.1547 |
| Bulgarian Lev (BGN) | 1.9558 | 1.9558 | 1.9558 | 1.9558 |
| U.S.Dollar (USD) | 1.3257 | 1.3948 | 1.3362 | 1.4406 |
| Swedish Krone (SEK) | 9.5373 | 10.6191 | 8.9655 | 10.2520 |
| Norwegian Krone (NOK) | 8.0043 | 8.7278 | 7.800 | 8.300 |

4. Adjusted Financial Data

Due to the spin-off of the industrial sector of level woven and non-woven synthetic fabrics from the parent company and its contribution to its 100% subsidiary Thrace Non Woven & Geosynthetics A.B.E.E., its financial data is not comparable with those of the previous year.

For this reason, we present the company's statement of comprehensive income in which data for the previous year has been adjusted in order to render such comparable.

| | 1.1-31.12.2010 | 1.1-31.12.2009 |
|--|-----------------------|-----------------------|
| Sales | 28,280 | 23,573 |
| Cost of sales | (27,322) | (22,118) |
| Gross profit/(loss) | 958 | 1,455 |
| Other operating income | 5,092 | 4,199 |
| Distribution expenses | (1,639) | (2,158) |
| Administrative expenses | (3,448) | (2,315) |
| Other operating expenses | (3,535) | (1,347) |
| Operating profit | (2,572) | (166) |
| Net financing costs | (794) | (716) |
| Income from related companies | 1,160 | 2,110 |
| Earnings/(loss) before tax | (2,206) | 1,228 |
| Income tax | (269) | (514) |
| Earnings/(loss) after tax | (2,475) | 714 |
| Non-controlling interests | - | - |
| Net earnings from normal operations | (2,475) | 714 |
| Extraordinary results | 0 | 0 |
| Net earnings | (2,475) | 714 |
| Depreciation/Amortization | 1,386 | 1,550 |

5. Other Operating Income

| | Group | | Company | |
|-------------------------------------|---------------|-------------|----------------|-------------|
| | 2010 | 2009 | 2010 | 2009 |
| Credit foreign exchange differences | 5,218 | 2,226 | 1,408 | 1,930 |
| Grants | 1,906 | 2,203 | 937 | 1,584 |
| Gains on disposal of fixed assets | 1,283 | 1,999 | - | 1,893 |
| Income from rents | 110 | 83 | 9 | 45 |
| Income from provision of services | 152 | 352 | 2,552 | 573 |
| Other operating income | 1,381 | 1,160 | 186 | 500 |
| Total | 10,051 | 8,023 | 5,092 | 6,525 |

6. Analysis of Expenses (Production – Administrative – Distribution)

| | Group | | Company | |
|---|---------|---------|---------|--------|
| | 2010 | 2009 | 2010 | 2009 |
| Payroll expenses | 45,350 | 46,667 | 8,528 | 13,378 |
| Provision for staff retirement indemnities | 81 | 37 | 22 | 53 |
| Other employee expenses | 1,508 | 406 | 10 | 58 |
| Third party fees – expenses | 4,172 | 2,448 | 1,048 | 854 |
| Electric power | 10,690 | 10,029 | 1,502 | 2,645 |
| Other third party benefits | 12,108 | 9,875 | 759 | 1,421 |
| Transfer expenses | 11,481 | 9,177 | 936 | 2,077 |
| Consumables | 2,965 | 3,058 | 711 | 1,179 |
| Depreciation / Amortization | 11,474 | 11,809 | 1,349 | 3,561 |
| Sundry expenses | 1,681 | 770 | 65 | 440 |
| Subtotal | 101,510 | 94,276 | 14,930 | 25,666 |
| Cost of consumed inventories recognized as an expense | 127,026 | 94,637 | 17,478 | 18,806 |
| Total | 228,536 | 188,913 | 32,408 | 44,472 |

The analysis of expenses per operating category, is as follows:

| | 2010 | | | | 2009 | | | |
|---------|---------------|---------------------|--------------|---------|---------------|----------------|--------------|---------|
| | Cost of sales | Administra- tive | Distribution | Total | Cost of sales | Administrative | Distribution | Total |
| Group | 194,798 | 11,948 | 21,790 | 228,536 | 160,677 | 10,204 | 18,032 | 188,913 |
| Company | 27,322 | 3,448 | 1,638 | 32,408 | 38,070 | 2,600 | 3,802 | 44,472 |

7. Payroll Expenses

Payroll expenses, are as follows:

| | Group | | Company | |
|---|--------|--------|---------|--------|
| | 2010 | 2009 | 2010 | 2009 |
| Wages | 15,699 | 14,305 | 3,289 | 3,756 |
| Employer contributions | 2,547 | 2,547 | 547 | 779 |
| Retirement benefits | 569 | 402 | - | - |
| Total | 18,815 | 17,254 | 3,836 | 4,535 |
| Day-wages | 22,270 | 23,799 | 3,621 | 6,872 |
| Employer contribution | 4,140 | 4,498 | 1,052 | 1,971 |
| Retirement benefits | 897 | 900 | - | - |
| Other expenses | 817 | 659 | 51 | 111 |
| Total | 28,124 | 29,856 | 4,724 | 8,954 |
| Subtotal | 46,939 | 47,110 | 8,560 | 13,489 |
| Indemnities and other employee expenses | 317 | 1,749 | 305 | 914 |
| Total | 47,256 | 48,859 | 8,865 | 14,403 |

The number of employed staff at the Group and Company at the end of the present financial year, was as follows:

| | Group | | Company | |
|--------------------|--------------|--------------|------------|------------|
| | 2010 | 2009 | 2010 | 2009 |
| Regular employees | 561 | 538 | 69 | 107 |
| Day-wage employees | 1,026 | 1,070 | 164 | 322 |
| Total | 1,587 | 1,608 | 233 | 429 |

The total staff of companies that are based in Greece, is primarily insured with the Social Insurance Institute (I.K.A.), both as regards to medical care and as regards to primary pension.

8. Analysis of Depreciations

The analysis of depreciation expenses, per operating category, is as follows:

| | Group | | Company | |
|--------------------------|---------------|---------------|--------------|--------------|
| | 2010 | 2009 | 2010 | 2009 |
| Production | 10,354 | 10,765 | 1,281 | 3,402 |
| Other operating expenses | 61 | 78 | 37 | 51 |
| Administrative | 848 | 726 | 34 | 56 |
| Distribution | 272 | 318 | 34 | 103 |
| Total | 11,535 | 11,887 | 1,386 | 3,612 |

9. Other Operating Expenses

| | Group | | Company | |
|--|--------------|--------------|--------------|--------------|
| | 2010 | 2009 | 2010 | 2009 |
| Debit foreign exchange differences | 5,257 | 3,018 | 1,622 | 1,607 |
| Provisions for doubtful customers | 1,641 | 2,028 | 820 | - |
| Other taxes non-incorporated in operating cost | 65 | 180 | - | 107 |
| Depreciations | 61 | 78 | 37 | 51 |
| Staff indemnities | 281 | 1,749 | 281 | 914 |
| Other operating expenses | 1,556 | 485 | 526 | 133 |
| Provision for customer indemnities | 250 | | 250 | |
| Total | 9,111 | 7,538 | 3,536 | 2,812 |

A restructuring plan of the Group's operations led to expenses for the Company amounting to euro 385 and for the Group amounting to euro 805, which are included in other operating expenses.

10. Financial income / (expenses) and income from related companies

10.1 Interest and related (expenses) / income

| | Group | | Company | |
|--------------------------------------|---------|---------|---------|---------|
| | 2010 | 2009 | 2010 | 2009 |
| Interest and interest related income | 516 | 185 | 199 | 73 |
| Interest charges and related costs | (4,309) | (4,679) | (993) | (1,309) |
| Total | (3,793) | (4,494) | (794) | (1,236) |

10.2 Other financial (expenses) / income

| | Group | | Company | |
|---------------------------------------|-------|-------|---------|-------|
| | 2010 | 2009 | 2010 | 2009 |
| Foreign exchange differences on loans | 316 | 917 | - | - |
| Financial Result of Pension Plans | 449 | 224 | - | - |
| Total | 765 | 1,141 | - | - |
| Income from dividends | - | - | 1,159 | 2,110 |

11. Income / (losses) from valuation of participations

The Group's management, taking into account indications for impairment of its participation in the company "PAIRIS PACKAGING S.A." and its developments until today, has proceeded with a reduction of the participation of Thrace Plastics Pack S.A. in the company Pairis Packaging S.A., by the amount of euro 3,398, which also includes the impairment of goodwill, which corresponds to euro 1,156 (see note 14.2) and which has been registered in the Group's results.

12. Earnings per share

Earnings after tax, per share, are calculated by dividing net earnings (after tax) allocated to shareholders, by the weighted average number of shares outstanding during the relevant financial year, after the deduction of possible treasury shares.

12.1 Basic earnings per share

| | Group | |
|---|--------|--------|
| | 2010 | 2009 |
| Earnings allocated to shareholders | 1,070 | 3,009 |
| Number of shares outstanding (Weighted) | 45,490 | 45,273 |
| Basic and adjusted earnings per share | | |
| (Euro in absolute terms) | 0.024 | 0.066 |

By means of a resolution by the Extraordinary General Meeting dated November 3rd 2008, a share buyback program was approved. As a result of this decision, on 31 December 2010 the Company owned 854,880 treasury shares, with an average acquisition price of euro 0.65 (in absolute terms).

13. Income Tax

According to Greek tax law L. 3697/2008, income tax for Greek companies is calculated at 24% for financial year 2010.

The analysis of tax charged in the year's Results, is as follows:

| | Group | | Company | |
|--|----------------|----------------|--------------|--------------|
| | 2010 | 2009 | 2010 | 2009 |
| Income tax | (827) | (2,001) | 0 | (638) |
| Tax difference of previous years | - | - | - | - |
| Provision for tax on un-audited fiscal years | (55) | - | - | - |
| Non-exempt taxes of foreign operations | (402) | - | (303) | - |
| Windfall tax – L. 3845 / 2010 | (141) | - | (112) | - |
| Special tax finalization – L. 3888/2010 | (235) | - | - | - |
| Deferred tax (expense)/income | (184) | (323) | 146 | 123 |
| Total | (1,844) | (2,324) | (269) | (515) |

Income tax (reconciliation with the effective tax rate) is analyzed as follows:

| | Group | | Company | |
|--|----------------|----------------|--------------|--------------|
| | 2010 | 2009 | 2010 | 2009 |
| (Earnings)/losses before tax | 2,740 | 5,468 | 2,206 | (2,781) |
| Income tax rate | 24% | 25% | 24% | 25% |
| Corresponding income tax | (657) | (1,367) | 529 | (695) |
| Tax difference due to different tax rate | 543 | (275) | - | - |
| Offsetting tax rate from losses of previous years | - | 450 | - | - |
| Income tax of write-offs in consolidation | 344 | 623 | - | - |
| Non tax-deductible expenses | (926) | (228) | 8 | 20 |
| Unrecognized tax receivable due to non-recognized tax losses | (953) | (1,537) | (330) | - |
| Deferred tax non-recognized in the present financial year | 26 | - | - | - |
| Tax-exempt reserves | 46 | - | - | - |
| Windfall tax | (141) | - | (112) | - |
| Tax of foreign operation non-offset | (402) | - | (303) | - |
| Provision for un-audited fiscal years | (55) | - | - | - |
| Special tax finalization | (235) | - | - | - |
| Other | 566 | 10 | (61) | 160 |
| Income tax | (1,844) | (2,324) | (269) | (515) |

In Greece, the results reported to tax authorities are deemed temporary and are subject to audit by the tax authorities. Therefore, for the non-audited fiscal years there is the possibility that additional tax may be imposed on such when they are audited by the tax authorities.

The Greek companies of the Group, have created a provision amounting to euro 195 (2009 – euro 140) which is considered as adequate to cover possible liabilities that will arise from a tax audit.

The fiscal years that have not been audited by the tax authorities, as regards to the Greek companies, are reported below:

| Company | Tax un-audited fiscal years |
|--|-----------------------------|
| THRACE PLASTICS S.A. | 2008-2010 |
| THRACE NON WOVENS & GEOSYNTHETICS S.A. | 2005-2010 |
| THRACE PLASTICS PACK S.A. | 2003-2010 |
| CAPSNAP HELLAS S.A. | 2010 |
| PAIRIS PACKAGING S.A. | 2007-2010 |
| THRACE-SARANTIS | 2010 |

Moreover, the possibility of additional taxes being imposed also holds for companies based abroad, whose tax un-audited fiscal years are analyzed as follows:

| Company | |
|-----------------------------------|-----------|
| DON & LOW LTD | - |
| SYNTHETIC (HOLDINGS) LTD | 2010 |
| SYNTHETIC PACKAGING LTD | - |
| ARNO LTD | - |
| SYNTHETIC TEXTILES LTD | - |
| THRACE POLYBULK A.B | 2006-2010 |
| THRACE POLYBULK A.S | 2006-2010 |
| THRACE GREINER PACKAGING SRL. | 2005-2010 |
| TRIERINA TRADING LTD | 2010 |
| THRACE IPOMA A.D. | 2004-2010 |
| THRACE TEKNİK AMBALAJ SANAIİ A.S. | 2004-2010 |
| THRACE PLASTICS PACKAGING D.O.O. | 2005-2010 |
| LUMITE INC. | 2007-2010 |
| THRACE LINQ INC. | 2007-2010 |
| ADFIRMATE LTD | 2010 |
| DELTA REAL ESTATE INV. LLC | 2007-2010 |

14. Tangible Assets and Intangible Assets

14.1 Tangible Fixed Assets

| Group | Fields – land plots | Buildings & technical works | Machinery & technical facilities | Vehicles | Furniture & other equipment | Fixed assets under construction or installation | Total |
|--|------------------------|--------------------------------------|-------------------------------------|--------------|-----------------------------------|--|------------------|
| ACQUISITION COST | | | | | | | |
| Acquisition cost 31.12.2009 | 5,123 | 49,131 | 181,985 | 1,089 | 6,510 | 2,610 | 246,448 |
| Foreign exchange difference | 149 | 945 | 2,320 | 30 | 184 | (4) | 3,624 |
| Additions | 173 | 1,440 | 2,015 | 128 | 195 | 2,045 | 5,996 |
| Sales / transfers | (799) | 134 | 1,653 | (29) | 66 | (3,255) | (2,230) |
| Acquisition cost 31.12.2010 | 4,646 | 51,650 | 187,971 | 1,218 | 6,955 | 1,396 | 253,838 |
| DEPRECIATIONS | | | | | | | |
| Cumulative depreciations 31.12.2009 | - | (15,395) | (130,925) | (640) | (5,531) | 59 | (152,432) |
| Foreign exchange difference | - | (246) | (1,617) | (11) | (68) | (59) | (2,001) |
| Depreciations for the period | - | (1,518) | (9,472) | (140) | (395) | - | (11,525) |
| Sales / transfers | - | (36) | (121) | 12 | (60) | - | (205) |
| Cumulative depreciations 31.12.2010 | - | (17,195) | (142,135) | (779) | (6,054) | - | (166,163) |
| NET BOOK VALUE | | | | | | | |
| 31.12.2009 | 5,123 | 33,736 | 51,060 | 449 | 979 | 2,669 | 94,016 |
| 31.12.2010 | 4,646 | 34,455 | 46,382 | 439 | 901 | 852 | 87,675 |

| Group | Fields – land plots | Buildings & technical works | Machinery & technical facilities | Vehicles | Furniture & other equipment | Fixed assets under construction or installation | Total |
|--|------------------------|--------------------------------------|-------------------------------------|--------------|-----------------------------------|--|------------------|
| ACQUISITION COST | | | | | | | |
| Acquisition cost 31.12.2008 | 4,637 | 44,928 | 176,782 | 809 | 5,686 | 5,983 | 238,825 |
| Foreign exchange difference | (2) | 660 | 3,571 | 64 | 266 | (125) | 4,434 |
| Additions | 764 | 4,538 | 4,829 | 120 | 685 | 1,833 | 12,769 |
| Sales / transfers | (166) | (995) | (3,197) | 96 | (127) | (5,081) | (9,470) |
| Total | 5,233 | 49,131 | 181,985 | 1,089 | 6,510 | 2,610 | 246,558 |
| Transfer to investment property | (110) | - | - | - | - | - | (110) |
| Acquisition cost 31.12.2009 | 5,123 | 49,131 | 181,985 | 1,089 | 6,510 | 2,610 | 246,448 |
| DEPRECIATIONS | | | | | | | |
| Cumulative depreciations 31.12.2008 | - | (13,813) | (118,293) | (527) | (5,089) | - | (137,722) |
| Foreign exchange difference | - | (259) | (3,488) | (104) | (260) | 59 | (4,052) |
| Depreciations for the period | - | (1,607) | (9,839) | (129) | (290) | - | (11,865) |
| Sales / transfers | - | 284 | 695 | 120 | 108 | - | 1,207 |
| Cumulative depreciations 31.12.2009 | - | (15,395) | (130,925) | (640) | (5,531) | 59 | (152,432) |
| NET BOOK VALUE | | | | | | | |
| 31.12.2008 | 4,637 | 31,115 | 58,489 | 282 | 597 | 5,983 | 101,103 |
| 31.12.2009 | 5,123 | 33,736 | 51,060 | 449 | 979 | 2,669 | 94,016 |

| Company | Fields – land plots | Buildings & technical works | Machinery & technical facilities | Vehicles | Furniture & other equipment | Fixed assets under construction or installation | Total |
|--|------------------------|--------------------------------------|--|--------------|-----------------------------------|--|-----------------|
| ACQUISITION COST | | | | | | | |
| Acquisition cost 31.12.2009 | 381 | 8,999 | 29,221 | 232 | 919 | 373 | 40,125 |
| Additions | - | - | 157 | 16 | 33 | 871 | 1,077 |
| Acquisition cost 31.12.2010 | 381 | 8,999 | 29,378 | 248 | 952 | 1,244 | 41,202 |
| Depreciations | | | | | | | |
| Cumulative depreciations 31.12.2009 | - | (3,986) | (24,267) | (208) | (862) | - | (29,323) |
| Depreciations for the period | - | (241) | (1,109) | (4) | (30) | - | (1,384) |
| Cumulative depreciations 31.12.2010 | | (4,227) | (25,376) | (212) | (892) | - | (30,707) |
| Net Book Value | | | | | | | |
| 31.12.2009 | 381 | 5,013 | 4,954 | 24 | 57 | 373 | 10,802 |
| 31.12.2010 | 381 | 4,772 | 4,002 | 36 | 60 | 1,244 | 10,495 |

| Company | Fields – land plots | Buildings & technical works | Machinery & technical facilities | Vehicles | Furniture & other equipment | Fixed assets under construction or installation | Total |
|--|------------------------|--------------------------------------|--|------------|-----------------------------------|--|---------------|
| ACQUISITION COST | | | | | | | |
| Acquisition cost 31.12.2008 | 735 | 16,917 | 59,044 | 390 | 943 | - | 78,029 |
| Additions | | 118 | 577 | 25 | 8 | 1,054 | 1,782 |
| Spin-off of sector | (78) | (7,116) | (30,136) | (143) | (32) | - | (37,505) |
| Sales / transfers | (166) | (920) | (264) | (40) | - | (681) | (2,071) |
| Total | 491 | 8,999 | 29,221 | 232 | 919 | 373 | 40,235 |
| Transfer to investment property | (110) | - | - | - | - | - | (110) |
| Acquisition cost 31.12.2009 | 381 | 8,999 | 29,221 | 232 | 919 | 373 | 40,125 |
| Depreciations | | | | | | | |
| Cumulative depreciations 31.12.2008 | - | (6,221) | (40,255) | (279) | (843) | - | (47,598) |
| Depreciations for the period | - | (428) | (3,100) | (21) | (44) | - | (3,593) |
| Spin-off of sector | - | 2,400 | 19,060 | 68 | 25 | - | 21,553 |
| Depreciations of sales / transfers | | 263 | 28 | 24 | | - | 315 |
| Cumulative depreciations 31.12.2009 | - | 3,986 | 24,267 | 208 | 862 | - | 29,323 |
| Net Book Value | | | | | | | |
| 31.12.2008 | 735 | 10,696 | 18,789 | 111 | 100 | - | 30,431 |
| 31.12.2009 | 381 | 5,013 | 4,954 | 24 | 57 | 373 | 10,802 |

The above table for the Group includes a property that was acquired with financial leasing with a cost of euro 1,519 during 31/12/2010 and cumulative depreciations amounting to euro 34.

There are no liens and guarantees on the Company's tangible fixed assets, while the liens on the Group's assets amount to euro 3,827.

14.2 Intangible Assets

| | Group Concessions & industrial property rights | Company goodwill | Total | Company Concessions & industrial property rights | Total |
|---------------------------------------|--|---------------------|---------------|--|--------------|
| ACQUISITION COST | | | | | |
| Acquisition cost 31.12.2009 | 962 | 10,942 | 11,904 | 541 | 541 |
| Foreign exchange difference | (298) | 359 | 164 | - | - |
| Additions | 143 | - | 143 | - | - |
| Impairment of goodwill | - | (1,156) | (1,156) | - | - |
| Acquisition cost 31.12.2010 | 807 | 10,145 | 10,952 | 541 | 541 |
| AMORTIZATION | | | | | |
| Cumulative amortization 31.12.2009 | (724) | - | (724) | (513) | (513) |
| Foreign exchange differences | - | - | - | - | - |
| Amortization for the period | (10) | - | (10) | (1) | (1) |
| Cumulative amortization 2.2010 | (734) | | (734) | (514) | (514) |
| NET BOOK VALUE | | | | | |
| 31.12.2009 | 238 | 10,942 | 11,180 | 28 | 28 |
| 31.12.2010 | 73 | 10,145 | 10,218 | 27 | 27 |

| | Group Concessions & industrial property rights | Company goodwill | Total | Company Concessions & industrial property rights | Total |
|---|--|---------------------|---------------|--|--------------|
| ACQUISITION COST | | | | | |
| Acquisition cost 31.12.2008 | 764 | 10,942 | 11,706 | 546 | 546 |
| Foreign exchange difference | 189 | - | 189 | - | - |
| Sector spin-off | - | - | - | (5) | (5) |
| Additions | 9 | - | 9 | - | - |
| Acquisition cost 31.12.2009 | 962 | 10,942 | 11,904 | 541 | 541 |
| AMORTIZATION | | | | | |
| Cumulative amortization 31.12.2008 | (702) | - | (702) | (497) | (497) |
| Foreign exchange difference | - | - | - | - | - |
| Sector spin-off | - | - | - | 2 | 2 |
| Amortization for the period | (22) | - | (22) | (18) | (18) |
| Cumulative amortization 31.12.2009 | (724) | | (724) | (513) | (513) |
| NET BOOK VALUE | | | | | |
| 31.12.2008 | 62 | 10,942 | 11,004 | 49 | 49 |
| 31.12.2009 | 238 | 10,942 | 11,180 | 28 | 28 |

During the year, and according to the relevant accounting principle followed by the Group, the company goodwill that refers to "PAIRIS PACKAGING S.A." was impaired by euro 1,156, due to indications that its book value will not be entirely recovered. The impairment loss is the difference between the book value of the goodwill that exceeds its recoverable value. The recoverable value is the largest between the fair value and value in use (present value of cash flows expected to be created according to the judgment of management for the future economic and operating conditions).

Following the aforementioned impairment of the goodwill of PAIRIS PACKAGING S.A., intangible assets now only includes the goodwill of the following companies:

| | |
|------------------|---------------|
| Don & Low LTD | 7,468 |
| Trierina Trading | 798 |
| SHL Group | 1,879 |
| Total | 10,145 |

14.3 Investment Property

| | Group | Company |
|---------------------------------|--------------|----------------|
| Balance as at 1.1.2010 | 110 | 110 |
| Additions / (Reductions) | - | - |
| Depreciation | - | - |
| Foreign exchange differences | - | - |
| Balance as at 31.12.2010 | 110 | 110 |
| Balance as at 31.12.2009 | 110 | 110 |

15. Inventories

| | Group | | Company | |
|--|---------------|---------------|----------------|--------------|
| | 2010 | 2009 | 2010 | 2009 |
| Merchandise | 10,650 | 3,680 | 202 | 370 |
| Finished and semi-finished products | 19,007 | 30,229 | 3,663 | 4,204 |
| Raw & auxiliary materials | 13,238 | 11,023 | 2,343 | 2,028 |
| Provision for impairment of inventory | (284) | - | (196) | - |
| Prepayments for purchases of inventories | 2,363 | 161 | 91 | 27 |
| Total | 44,974 | 45,093 | 6,103 | 6,629 |

16. Trade and other receivables

| | Group | | Company | |
|--|---------------|---------------|----------------|--------------|
| | 2010 | 2009 | 2010 | 2009 |
| Customers | 48,686 | 42,707 | 5,224 | 5,210 |
| Provisions for doubtful debts | (5,742) | (3,485) | (1,806) | (987) |
| Trade receivables | 42,944 | 39,222 | 3,418 | 4,223 |
| Trade receivables (related companies) | 25 | - | 7,780 | 6,417 |
| Notes – checks postdated | 9,605 | 10,022 | 2,976 | 2,346 |
| Checks – notes overdue | 2,228 | 1,613 | 876 | 691 |
| Other receivables | 7,144 | 8,805 | 570 | 1,627 |

| | | | | |
|----------------------------|--------|--------|--------|--------|
| Accrued income | 5,813 | 5,485 | 2,930 | 3,004 |
| Debtors and other accounts | 24,790 | 25,925 | 7,352 | 7,668 |
| Total | 67,759 | 65,147 | 18,550 | 18,308 |

17. Cash & Cash Equivalents

| | Group | | Company | |
|------------------------|--------|--------|---------|-------|
| | 2010 | 2009 | 2010 | 2009 |
| Cash in hand | 5,910 | 5,262 | 4 | 8 |
| Site and term deposits | 22,091 | 14,978 | 8,919 | 7,926 |
| Total | 28,001 | 20,240 | 8,923 | 7,934 |

Credit rating of cash & cash equivalents (Fitch)

| | Group | | Company | |
|-------|--------|------|---------|------|
| | 2010 | 2009 | 2010 | 2009 |
| AA- | 1,072 | | 1,017 | |
| A+ | 205 | | - | |
| A | 3 | | - | |
| BBB+ | 9 | | 7 | |
| BBB- | 25 | | - | |
| BB+ | 20,702 | | 7,895 | |
| Other | 75 | | - | |
| Total | 22,091 | | 8,919 | |

18. Share Capital and Share Premium Reserve

The last share capital increase of 225 euro paid in cash took place following the decision at the General Shareholders Meeting at June 14, 2007 regarding the Share Capital increase with the issuance of 449,500 new registered shares which were offered at their nominal value of euro 0.50 to Board members and Company executives due to stock options exercised.

Following the increase, the Share Capital at December 31, 2010 amounts to euro 22,975 thousand divided in 45,949,500 shares of nominal value 0.50 euro each.

19. Reserves

19.1 Statutory Reserve

In accordance with the provisions of Greek Law, the creation of a statutory reserve – by transferring to such a reserve an amount equal to 5% of the annual after tax profits realized – is mandatory until the time the reserve reaches the 1/3 of the Company's share capital. The statutory reserve can be distributed only upon the dissolution of the Company. However it can be used to offset accumulated loss.

19.2 Tax-exempt and Other Reserves

These reserves were formed by the application of special provisions of laws for development. In case of their distribution will be taxed with the tax rate prevailing at the time of their distribution.

19.3 Foreign exchange difference reserves

These reserves are formed from the translation of the Assets, Liabilities and Results of subsidiaries based abroad into EUR according to the exchange rate as of the accounting policies mentioned in note 2.11.

During the present period, the strengthening of the euro against foreign currencies and particularly against the British pound, resulted in the increase of the reserve that mainly arises from the translation of the Balance Sheet of the foreign subsidiary during the consolidation process. (See analysis of note 3).

20. Net Debt

The Group's long term loans have been granted from Greek and foreign banks. The repayment time varies, according to the loan contract, while most loans are linked to Euribor plus a margin.

The Group's short term loans have been granted from various banks with interest rates of Euribor plus a margin and Libor plus a margin. The book value of loans approaches their fair value during 31/12/2010.

Specifically, net debt at the end of the year is analyzed as follows:

| | Group | | Company | |
|------------------------|---------------|---------------|---------------|---------------|
| | 2010 | 2009 | 2010 | 2009 |
| Long-term loans | 18,487 | 24,413 | 92 | 194 |
| Short-term loans | 63,347 | 62,197 | 21,241 | 17,943 |
| Minus cash equivalents | 28,001 | 20,240 | 8,923 | 7,934 |
| Net Debt | 53,833 | 66,370 | 12,410 | 10,203 |

The maturity of loans is as follows:

| | Group | | Company | |
|------------------|--------|--------|---------------|--------|
| | 2010 | 2009 | 2010 | 2009 |
| Up to 1 year | 63,347 | 62,197 | 21,241 | 17,943 |
| From 1 – 5 years | 18,487 | 24,413 | 92 | 194 |
| Over 5 years | - | - | - | - |

21. Operating leases

The Company has signed operating leasing contracts, for use of buildings and vehicles. The liabilities that emanate from such contracts are analyzed as follows:

| | Group | Company |
|-------------------------|-------|---------|
| Liability up to 1 year | 1,973 | 234 |
| Liability up to 5 years | 5,424 | 706 |
| Liability over 5 years | 1,291 | - |

The amounts of leases charged during the year amount to euro 238 for the Company and euro 1,093 for the Group.

22. Financial leases

| | Group | Company |
|-------------------------|-------|---------|
| Liability up to 1 year | 52 | - |
| Liability up to 5 years | 872 | - |
| Liability over 5 years | 583 | - |
| | 1,507 | - |

The amounts refers to the financial leasing of a property of the subsidiary THRACE-SARANTIS SA amounting to 1,507, which is included in the account "Other long-term liabilities".

23. Employee benefits

The liabilities of the Company and the Group towards its employees in providing them with certain future benefits, depending on the length of service is calculated by an actuarial study and is reported on the basis of the accrued entitlement, as at the date of the Balance Sheet, that is anticipated to be paid, discounted to its present value by reference to the anticipated time of payment. The liability for the Company and the Group, as presented in the Balance Sheet, is analyzed as follows:

| | Group | | Company | |
|---|-------|--------|---------|------|
| | 2010 | 2009 | 2010 | 2009 |
| Provision for staff indemnities of the parent Company * | 544 | 470 | 544 | 470 |
| Provision for staff indemnities of other Greek companies* | 393 | 347 | - | - |
| Provision for staff indemnities of THRACE IPOMA AD ** | 34 | 29 | - | - |
| Pension plan of DON & LOW LTD ** | 4,531 | 17,904 | - | - |
| Pension plan of THRACE POLYBULK A.S. ** | 42 | 38 | - | - |
| Pension plan of SYNTHETIC PACKAGING LTD ** | 256 | 269 | - | - |
| Total provision at the end of the year | 5,800 | 19,057 | 544 | 470 |

* Non-financed plans

** Financed plans

23.1 Provision for staff indemnities

23,1,1 Provision for staff indemnities of Greek companies

| | Group | | Company | |
|--|-------|------|---------|-------|
| | 2010 | 2009 | 2010 | 2009 |
| Provision during the beginning of the year | 817 | 839 | 470 | 621 |
| Actuarial result charged in Equity | 33 | - | 37 | 45 |
| Paid amounts due to withdrawal from employment | - | - | (9) | (91) |
| Expense charged in the year | 87 | (22) | 46 | 60 |
| Sector spin-off | - | - | - | (166) |
| Provision during the end of the year | 937 | 817 | 544 | 470 |

The calculation of the provision for staff retirement indemnities of the Group's Greek companies was estimated according to 40% of the defined indemnity per employee and day wage according to Greek law.

| Assumptions | 2010 | 2009 |
|------------------------------|----------|----------|
| Average annual wage increase | 2.50% | 4.00% |
| Discount rate | 5.15% | 5.05% |
| Inflation rate | 2.50% | 4.00% |
| Retirement age | | |
| -Men | 65 years | 65 years |
| -Women | 60 years | 60 years |

The change in the liability for Thrace Plastics Co. S.A. is as follows:

| | 2010 | 2009 |
|---|------|-------|
| Net liability as at 1 January | 470 | 621 |
| Servicing cost | 22 | 43 |
| Interest rate cost | 24 | 17 |
| Paid amounts due to withdrawals from employment | (9) | (91) |
| Actuarial loss / (profit) | 37 | 46 |
| Sector spin-off | | (166) |
| Net liability as at 31 December | 544 | 470 |

The change in the liability for the other Greek companies is as follows:

| | 2010 | 2009 |
|---|------|------|
| Net liability as at 1 January | 347 | 218 |
| Servicing cost | 24 | 22 |
| Interest rate cost | 17 | 5 |
| Paid amounts due to withdrawals from employment | (3) | (77) |

| | | |
|---------------------------------|-----|-----|
| Actuarial loss / (profit) | 8 | 13 |
| Sector spin-off | - | 166 |
| Net liability as at 31 December | 393 | 347 |

23.1.2 Provision for staff indemnities of THRACE IPOMA AD

| | 2010 | 2009 |
|--|------|------|
| Provision during the beginning of the year | 29 | 23 |
| Actuarial result charged in Equity | - | - |
| Expense charged for the year | 5 | 6 |
| Sector spin-off | - | - |
| Provision at the end of the year | 34 | 29 |

| Assumptions | | |
|------------------------------|------|------|
| | 2010 | 2009 |
| Average annual wage increase | 5% | 5% |
| Discount rate | 6.5% | 7% |
| Inflation rate | 5% | 5% |
| Retirement age | | |
| -Men | 63 | 63 |
| -Women | 60 | 60 |

23.2 Pension Plans

23.2.1 Pension Plan of DON & LOW LTD

The Pension Plan of the subsidiary DON & LOW LTD is a defined benefit plan that operates as an independent legal entity having the form of a trust. This means that its assets are independent to those of the company DON & LOW LTD.

The newest actuarial valuation of the plan was made on 31 December 2010, while estimations were made using the data on 31 December 2009. The basic financial assumptions adopted for the valuations are as follows:

| | 2010 | 2009 |
|-----------------------|-------|-------|
| Discount rate | 5.5% | 5.65% |
| Inflation rate | 3.7% | 3.10% |
| Pension increase | 3.05% | 3.70% |
| Future wage increases | 4.3% | 4.45% |

The total liability for the plan, as presented in the Balance Sheet, is analyzed as follows:

| | 2010 | 2009 |
|---------------------------------|----------|----------|
| Present value of liabilities | (99,907) | (99,764) |
| Fair value of assets | 95,376 | 81,860 |
| Net liability as at 31 December | (4,531) | (17,904) |

The asset allocation of the Plan is shown below:

| | 2010 | 2009 |
|---------------------|--------|--------|
| Shares | 69,005 | 70,400 |
| Bonds | 22,770 | 10,642 |
| Real Estate / Other | 3,601 | 812 |
| Total | 95,376 | 81,860 |

Change in the liability, as presented in the Balance Sheet:

| | 2010 | 2009 |
|---------------------------------|----------|---------|
| Net liability as at 1 January | 17,904 | 8,714 |
| Contributions paid | (1,639) | (1,682) |
| Expense charged on results | 1,373 | 1007 |
| Other financial income | (697) | (225) |
| Actuarial loss / (profit) | (13,011) | 9,459 |
| Foreign exchange difference | 601 | 632 |
| Net liability as at 31 December | 4,531 | 17,904 |

Analysis of the amounts recorded directly in Equity:

| | 2010 | 2009 |
|---|----------|----------|
| Difference between the real and forecasted return of assets | (10,339) | 11,598 |
| Adjustment based on experience | (1,394) | 113 |
| Change of assumptions that affect the fair value | (1,278) | (21,169) |
| Actuarial loss / (profit) | (13,011) | 9,458 |

The demographic assumptions are as follows:

- A) The average pension age is 62 years.
- B) the life expectancy is based on the normal mortality tables.

23,2,2 Pension Plans of companies included in the Group of SYNTHETIC (HOLDINGS) LTD

Two subsidiaries of the associate company SYNTHETIC HOLDINGS LTD, have defined benefit pension plans, which are described below.

23.2.2.1 Pension Plan of SYNTHETIC PACKAGING

The Pension Plan of the subsidiary company Synthetic Packaging LTD is a defined benefit plan and operates as a separate legal entity with the form of a trust. This means that the assets are entirely separate from the assets of the company Synthetic Packaging LTD.

The newest actuarial valuation of the plan was made on 01/04/2009, while estimations were made using the data on December 31, 2010. The basic financial assumptions that have been adopted for the valuations are as follows:

| | 2010 | 2009 |
|-----------------------|-------|-------|
| Discount rate | 5.10% | 5.40% |
| Inflation rate | 2.0% | 2.0% |
| Pension increase | 4.0% | 4.0% |
| Future wage increases | 4.0% | 4.0% |

The total liability of the plan, as presented in the Balance Sheet, is analyzed as follows:

| | 2010 | 2009 |
|---------------------------------|-------|-------|
| Present value of liabilities | (904) | (841) |
| Fair value of assets | 648 | 572 |
| Net liability as at 31 December | (256) | (269) |

The asset allocation of the Plan is shown below

| | 2010 | 2009 |
|---------------------|------|------|
| Shares | 312 | 411 |
| Bonds | 59 | 101 |
| Real Estate / Other | 277 | 60 |
| Total | 648 | 572 |

Change in the liability as presented in the balance sheet.

| | 2010 | 2009 |
|-------------------------------------|-------|-------|
| Net liability as at 1 January | (269) | (250) |
| Paid contributions | 41 | 52 |
| Expenses registered in the results | (42) | (35) |
| Other financial expenses / (income) | (9) | (11) |
| Actuarial loss / (profit) | 23 | (25) |
| Net liability as at 31 December | (256) | (269) |

Analysis of the amounts recorded in the statement of comprehensive income:

| | 2010 | 2009 |
|----------------------------|-------------|----------|
| Actuarial profit / (loss) | - | - |
| Current servicing expenses | 2 | 17 |
| Credit interest (income) | (3) | - |
| Interest expenses | (9) | (11) |
| Total | (10) | 6 |

Analysis of the amounts recorded in other comprehensive income:

| | 2010 | 2009 |
|---|-----------|-------------|
| Difference between the real and forecasted return of assets | 29 | 72 |
| Adjustment based on experience | 53 | (97) |
| Change of assumptions that affect the fair value | (59) | - |
| Actuarial loss / (profit) | 23 | (25) |

The demographic assumptions are as follows:

- A) The average retirement age is 65 years old.
- B) The life expectancy is based on the normal mortality tables.

23.2.2.2 Pension Plan of THRACE POLYBULK A.S.

The Company THRACE POLYBULK A.S. has a defined benefits Pension Plan, which is covered by the Life Insurance Company "Storebrand".

The most recent actuarial valuations of the plan took place in 2010. The basic financial assumptions that have been adopted in order to perform the valuations, are as follows:

| | 2010 | 2009 |
|-------------------------------------|--------------|--------------|
| Discount rate | 4.0% | 4.50% |
| Inflation rate | 3.75% | 4.25% |
| Pension increase | 1.3% | 1.40% |
| Future wage increases | - | - |
| Present value of liabilities | (531) | (415) |
| Present value of assets | 490 | 377 |
| Total liability of the plans | (41) | (38) |

The asset allocation of the Plan is shown below

| | 2010 | 2009 |
|--------|------|------|
| Shares | 57 | 44 |
| Bonds | 138 | 106 |

| | | |
|---------------------|------------|------------|
| Real Estate / Other | 295 | 277 |
| Total | 490 | 377 |

Change in present value of liabilities

| | 2010 | 2009 |
|------------------------------|--------------|--------------|
| Opening balance | (414) | (409) |
| Current servicing expenses | (110) | (95) |
| Actuarial (losses) / profit | 25 | 93 |
| Interest rate cost | (20) | (17) |
| Contribution from members | 14 | 14 |
| Foreign exchange differences | (27) | - |
| Total | (532) | (414) |

Change in fair value of assets

| | 2010 | 2009 |
|------------------------------|------------|------------|
| Opening balance | 377 | 284 |
| Expected return of assets | 17 | 14 |
| Actuarial (losses) / profit | (26) | (20) |
| Employer contribution | 99 | 99 |
| Foreign exchange differences | 23 | - |
| Total | 490 | 377 |

Analysis of amounts presented in the Income Statement:

| | 2010 | 2009 |
|----------------------------|------------|------------|
| Expected return of assets | (17) | (40) |
| Current servicing expenses | 110 | 126 |
| Interest expenses | 20 | 54 |
| Total | 113 | 140 |

Analysis of the amounts recorded in other comprehensive income:

| | 2010 | 2009 |
|---|------------|------------|
| Difference between the real and forecasted return of assets | (9) | (6) |
| Adjustment based on experience | - | - |
| Change of assumptions that affect the fair value | - | - |
| Actuarial loss / (profit) | (9) | (6) |

The demographic assumptions are as follows:

- A) The average retirement age is 67 years old.
- B) The life expectancy is based on the normal mortality tables.

24. Deferred Taxes

| Group | | |
|---|-------------------|-------------------|
| A. Change of deferred tax in the results | | |
| | 31/12/2010 | 31/12/2009 |
| As at 1 January | (744) | (2,785) |
| Change in the results | (157) | 49 |
| Foreign exchange differences | 45 | (214) |
| Change in statement of comprehensive income | (61) | (157) |
| Change in equity | (3,898) | 2,363 |
| As at 31 December | (4,815) | (744) |

| | | | | |
|---|----------------------|-------------------------|--------------|----------------|
| B. Deferred tax liabilities | | | | |
| | Depreciations | Fair value gains | Other | Total |
| As at 1 January 2009 | (4,271) | (1,971) | (23) | (6,265) |
| Change in the results | (342) | 265 | 62 | (15) |
| Change in statement of comprehensive income | - | (161) | - | (161) |
| Foreign exchange differences | (36) | (32) | - | (68) |
| Change in equity | - | - | (9) | (9) |
| As at 31 December 2009 | (4,649) | (1,899) | 30 | (6,518) |
| Change in the results | (330) | 232 | (255) | (353) |
| Change in statement of comprehensive income | - | (58) | - | (58) |
| Foreign exchange differences | (52) | (108) | - | (160) |
| Change in equity | - | - | 37 | 37 |
| As at 31 December 2010 | (5,031) | (1,833) | (188) | (7,052) |

| | | | | | |
|---|--|-------------------|-----------------------------|--------------|--------------|
| C. Deferred tax assets | | | | | |
| | Liabilities for employee benefits | Provisions | Non-recognized taxes | Other | Total |
| As at 1 January 2009 | 2,736 | 360 | - | 280 | 3,376 |
| Change in the results | (6) | 68 | - | 2 | 64 |
| Change in statement of comprehensive income | 3 | - | - | - | 3 |
| Foreign exchange differences | 182 | 3 | - | (2) | 183 |
| Change in equity | 2,372 | - | - | - | 2,372 |
| As at 31 December 2009 | 5,287 | 431 | - | 280 | 5,998 |
| Change in the results | (10) | 244 | - | (38) | 196 |
| Change in statement of comprehensive income | (3) | - | - | - | - |
| Foreign exchange differences | 160 | 1 | - | 2 | 163 |
| Change in equity | (3,935) | - | - | - | (3,935) |
| As at 31 December 2010 | 1,499 | 676 | - | 244 | 2,419 |

| Company | | |
|---|-------------------|-------------------|
| A. Change of deferred tax in the results | | |
| | 31/12/2010 | 31/12/2009 |
| As at 1 January | (785) | (2,129) |
| Change in the results | 146 | 123 |
| Foreign exchange differences | - | - |
| Change in statement of comprehensive income | - | - |
| Change in equity | (28) | (9) |
| Spin-off | - | 1,230 |
| As at 31 December | (667) | (785) |

| B. Deferred tax liabilities | | | |
|------------------------------------|----------------------|--------------|----------------|
| | Depreciations | Other | Total |
| As at 1 January 2009 | (2,480) | - | (2,480) |
| Change in the results | 115 | 5 | 120 |
| Change in equity | - | (9) | (9) |
| Spin-off | 1,230 | - | 1,230 |
| As at 31 December 2009 | (1,135) | (4) | (1,139) |
| Change in the results | 67 | (80) | (13) |
| As at 31 December 2010 | (1,068) | (84) | (1,152) |

| C. Deferred tax assets | | | | |
|-------------------------------|---|------------|-----------|------------|
| | Liabilities for employee benefits | Provisions | other | Total |
| As at 1 January 2009 | 124 | 174 | 53 | 351 |
| Change in the results | 3 | - | - | 3 |
| As at 31 December 2009 | 127 | 174 | 53 | 354 |
| Change in the results | 9 | 164 | (14) | 159 |
| Change in equity | (28) | - | - | (28) |
| As at 31 December 2010 | 108 | 338 | 39 | 485 |

In the statement of financial position, deferred tax assets and liabilities are offset per Company and therefore are not in line with those included in the relevant note. The reconciliation is made only in the change between assets and liabilities, which for the Group corresponds to (4633) and for the Company to (667).

25. Other Short-term Liabilities – Accrued Expenses

| | Group | | Company | |
|---|---------------|---------------|--------------|--------------|
| | 2010 | 2009 | 2010 | 2009 |
| Suppliers | 25,094 | 18,990 | 4,269 | 2,704 |
| Sundry creditors | 2,983 | 2,515 | 374 | 342 |
| Liabilities from tax and pensions | 3,471 | 2,803 | 738 | 887 |
| Dividends payable | 59 | 56 | 22 | 19 |
| Customer prepayments | 402 | 19 | 76 | 39 |
| Other accounts payable | 4,865 | 3,939 | 370 | 581 |
| Accrued expenses | 698 | 1,506 | 103 | 56 |
| Total other short-term liabilities | 37,572 | 29,828 | 5,952 | 4,628 |
| Liabilities towards related companies | 10 | - | 1,144 | 291 |
| Total short-term liabilities | 37,582 | 29,828 | 7,096 | 4,919 |

26. Factoring

During 2010 the Company Thrace Plastics Pack signed a Factoring agreement with ABC Factors. According to I.A.S. 39 and amount of euro 2,689 that has been received by the Company from ABC Factors and corresponds to customers without the right to recourse (insured) has been deducted from Customers, while an amount of euro 2,116 that has been received by the Company from ABC Factors and corresponds to customers with the right to recourse (uninsured) has been registered in Loans.

27. Segment reporting

From the first implementation of the international financial reporting standards, the Group has separated its activities into operating segments, as such are described in IFRS 8, which replaced IAS 14 from 1/1/2009.

The operating segments are based on the different group of products, the structure of the Group's management and the internal reporting system. From the present financial year and onwards the Group's activity will be distinguished into two segments, the synthetic fabrics segment and the packaging segment. For this purpose, the comparative data of segments for 2009 have been restated according to the new presentation method. The activity of the parent Company is included in the Packaging segment.

The new operating segments are as follows:

- Synthetic Fabrics
Production and trade of synthetic fabrics for industrial and technical use.
- Packaging
Production and trade of packaging products, plastic bags, plastic boxes for packaging of food and paints and other packaging materials for agricultural use.

Group
BALANCE SHEET FOR 31.12.2010

| | SYNTHETIC FABRICS | PACKAGING | NON- CLASSIFIED | WRITE-OFF OF TRANSACTION S BETWEEN SEGMENTS | GROUP |
|---------------------------------|----------------------|----------------|--------------------|---|----------------|
| Segment assets | 115,323 | 131,804 | - | (5,434) | 241,693 |
| Investments between segments | - | - | 60,765 | (60,765) | - |
| Receivables from other segments | - | - | - | - | - |
| Total consolidated assets | <u>115,323</u> | <u>131,804</u> | <u>60,765</u> | <u>(66,199)</u> | <u>241,693</u> |

INCOME STATEMENT FOR THE PERIOD FROM 1.1 – 31.12.2010

| | | | | | |
|--|------------------|-----------------|------------|----------------|------------------|
| Turnover towards third parties | 137,289 | 102,508 | - | (5,277) | 234,520 |
| Sales towards other segments | - | - | - | - | - |
| Total turnover | <u>137,289</u> | <u>102,508</u> | <u>-</u> | <u>(5,277)</u> | <u>234,520</u> |
| <u>Minus:</u> cost of sales | <u>(117,010)</u> | <u>(83,827)</u> | <u>-</u> | <u>6,039</u> | <u>(194,798)</u> |
| Gross profit | 20,279 | 18,681 | - | 762 | 39,722 |
| <u>Plus:</u> Other operating income | <u>5,489</u> | <u>5,760</u> | <u>938</u> | <u>(2,136)</u> | <u>10,051</u> |
| <u>Minus:</u> Distribution expenses | <u>(10,461)</u> | <u>(11,329)</u> | <u>-</u> | <u>-</u> | <u>(21,790)</u> |
| Administrative expenses | (6,695) | (6,627) | - | 1,374 | (11,948) |
| Other operating expenses | (2,855) | (6,268) | - | 12 | (9,111) |
| Operating Profit | 5,757 | 217 | 938 | 12 | 6,924 |
| Interest and other financial income/expenses | (233) | (2,795) | - | - | (3,028) |
| Impairment of goodwill of participations | - | (1,156) | - | - | (1,156) |
| Earnings before tax | 5,524 | (3,734) | 938 | 12 | 2,740 |

Group
BALANCE SHEET FOR 31.12.2009

| | SYNTHETIC FABRICS | PACKAGING | NON- CLASSIFIED | WRITE-OFF OF TRANSACTIONS BETWEEN SEGMENTS | GROUP |
|---------------------------------|----------------------|----------------|--------------------|---|----------------|
| Segment assets | 107,710 | 134,498 | - | - | 242,208 |
| Investments between segments | - | - | 59,897 | (59,897) | - |
| Receivables from other segments | - | - | - | - | - |
| Total consolidated assets | <u>107,710</u> | <u>134,498</u> | <u>59,897</u> | <u>(59,897)</u> | <u>242,208</u> |

INCOME STATEMENT FOR THE PERIOD FROM 1.1 – 31.12.2009

| | | | | | |
|-------------------------------------|-----------------|-----------------|----------|----------------|------------------|
| Turnover towards third parties | 107,612 | 96,079 | - | (6,442) | 197,249 |
| Sales towards other segments | - | - | - | - | - |
| Total turnover | <u>107,612</u> | <u>96,079</u> | <u>-</u> | <u>(6,442)</u> | <u>197,249</u> |
| <u>Minus:</u> cost of sales | <u>(89,796)</u> | <u>(77,229)</u> | <u>-</u> | <u>6,348</u> | <u>(160,677)</u> |
| Gross profit | 17,816 | 18,850 | - | (94) | 36,572 |
| <u>Plus:</u> Other operating income | <u>2,942</u> | <u>5,731</u> | <u>-</u> | <u>(650)</u> | <u>8,023</u> |

| | | | | | |
|--|--------------|--------------|---|--------------|--------------|
| <u>Minus:</u> Distribution expenses | (7,994) | (10,040) | - | 2 | (18,032) |
| Administrative expenses | (5,117) | (5,314) | - | 227 | (10,204) |
| Other operating expenses | (2,932) | (4,957) | - | 351 | (7,538) |
| Operating Profit | 4,715 | 4,270 | - | (164) | 8,821 |
| Interest and other financial income/expenses | 203 | (3,556) | - | | (3,353) |
| Earnings before tax | 4,918 | 714 | - | (164) | 5,468 |

28. Dividend

The General Meeting of shareholders that took place on 12 May 2010 approved the annual financial statements and decided to distribute a dividend (net) of € 0.03 per share, the payment of which began on 25 May 2010.

The Company's Board of Directors intends to propose to the Annual General Meeting of its shareholders to distribute dividend of Euro 1,623.4 thousand (€ 0.036 per share), which will be distributed from the balance of earnings of previous years.

29. Transactions with Related Parties

According to I.A.S. 24 the transactions with Subsidiaries and related companies are presented below. Transactions of the parent with the Group's subsidiaries, are analyzed as follows:

| | Group | Company |
|-------------|--------------|----------------|
| Income | - | 15,576 |
| Expenses | - | 3,429 |
| Receivables | - | 7,755 |
| Liabilities | - | 1,134 |

The transactions between the Group's companies and related companies are analyzed as follows:

| | Group | Company |
|-------------|--------------|----------------|
| Income | - | 9 |
| Expenses | 208 | 144 |
| Receivables | - | 25 |
| Liabilities | - | 10 |

| | Group | | Company | |
|---|--------------|-------------|----------------|-------------|
| | 2010 | 2009 | 2010 | 2009 |
| Remuneration of Board Members and Senior Executives | 3,574 | 3,450 | 1,207 | 1,552 |

30. Commitments and Contingent Liabilities

On December 31, 2010 there are no significant legal issues pending that may have a material effect in the financial position of the Companies in the Group.

An amount of taxes – surcharges of euro 171 that emerged from the tax audit of fiscal years 2006 and 2007 is under dispute by the Company's Management and will be resolved in the tax courts.

The Company, and the Group's companies have issued letters of guarantee concerning the Greek State, suppliers and customers.

The Company has issued letters of guarantee in favor of third parties, amounting to euro 1,637 while it has provided guarantees in favor of its subsidiaries for security against loans amounting to euro 17,193.

Analysis of guarantees towards subsidiaries:

| THRACE NON WOVENS & GEOSYNTHETICS S.A. | 10,113 | |
|--|--------|--|
| THRACE PLASTICS PACK S.A. | 4,700 | |
| PAIRIS PACKAGING S.A. | 2,380 | |

The Company has registered a provision in its financial statements relating to legal cases that concern a customer indemnity amounting to euro 250.

31. Fees of auditing firms

During 2010, the total fees of the Company's and Group's legal auditors, are analyzed as follows, according to those stated in article 43a of C.L. 2190/1920, as amended by article 30 of L. 3756/2009:

| | Group | Company |
|--------------------------------|-------|---------|
| Annual audit of financial data | 355 | 26 |

32. Reclassifications of accounts

The present financial statements include comparative data of the previous financial year that have been amended to a small extent, for comparability purposes.

33. Risk Management

The financial assets used by the Group, mainly consist of bank deposits, bank overdrafts, receivable and payable accounts and loans.

In general, the Group's activities create several financial risks. Such risks include market risk (foreign exchange risk and risk from changes and raw materials prices), credit risk, liquidity risk and interest rate risk.

33.1 Risk from fluctuation of prices of raw materials

The Company is exposed to fluctuations in the price of polypropylene (which represents 55% of cost of sales), which is faced with a corresponding change in the sale price of the final product. The possibility that the increase in polypropylene prices will not be fully transferred to the sale price, induces pressure on profit margins.

33.2 Credit risk

The Group is exposed to credit risk, and in order to manage such consistently, it applies a clearly defined credit policy that is continuously monitored and reviewed, in order to assure that the provided credit does not exceed the credit limit per customer. Also, insurance contracts are made to cover sales per customer, while collateral is not required on the assets of customers. During the preparation date of the financial statements, provisions were made for doubtful debts and the Management considers that there is no other substantial credit risk that is not covered by insurance coverage or provisions.

The following table presents an analysis of the maturity of trade and other receivables on 31/12/2010:

| | Group | Company |
|-------------------------------|---------------|---------------|
| 01 – 30 days | 29,601 | 3,319 |
| 31 – 90 days | 22,364 | 7,098 |
| 91 – 180 days | 9,605 | 1,970 |
| 180 and over | 11,932 | 7,968 |
| | 73,502 | 20,356 |
| Provisions for doubtful debts | (5,742) | (1,807) |
| Total | 67,760 | 18,549 |

33.3 Liquidity risk

The monitoring of liquidity risk is focused on managing cash inflows and outflows on a constant basis, in order for the Group to have the ability to meet its cash flow obligations. The management of liquidity risk is applied by maintaining cash equivalents and approved bank credits. During the preparation date of the financial statements, there were adequate cash reserves and also available unused approved bank credits towards the Group, which are considered sufficient to face a possible shortage of cash equivalents.

Short-term liabilities are renewed at their maturity, as they are part of the approved bank credits.

The following table presents the liabilities –loans provided on 31/12/2010 according to their maturity dates.

| Group | | | | | |
|-------------------|---------------|---------------|---------------|---------------|----------------|
| | Up to 1 month | 1-6 months | 6-12 months | Over one year | Total |
| Suppliers | 10,543 | 10,001 | 5,450 | - | 25,994 |
| Other liabilities | 2,761 | 1,781 | 7,348 | 270 | 12,160 |
| Short-term debt | 35 | 1,022 | 59,396 | 1,090 | 61,543 |
| Long-term debt | 14 | 68 | 7,261 | 13,020 | 20,363 |
| Total | 13,353 | 12,872 | 79,455 | 14,380 | 120,060 |

| Company | | | | | |
|-------------------|---------------|--------------|---------------|---------------|---------------|
| | Up to 1 month | 1-6 months | 6-12 months | Over one year | Total |
| Suppliers | 1,278 | 2,991 | - | - | 4,269 |
| Other liabilities | 254 | 437 | 2,135 | - | 2,826 |
| Short-term debt | - | 51 | 21,190 | - | 21,241 |
| Long-term debt | - | - | - | 92 | 92 |
| Total | 1,532 | 3,479 | 23,325 | 92 | 28,428 |

33.4 Foreign exchange risk

The Group is exposed to foreign exchange risk that arises from existing or expected cash flows in foreign currency and from investments in foreign countries. The management of several risks is applied with the use of natural hedging instruments. Specifically, the Group's policy is to contract loans in the corresponding currency for the amount of customer balances in foreign currency.

Effect of exchange rate changes in the financial statements of the Group from the translation of balance sheets of foreign subsidiaries.

Amounts concerning 2010

| Foreign currency | Change in exchange rate against the euro | Earnings before tax | Effect in thousand euro | |
|------------------|--|---------------------|-------------------------|--|
| | | | Equity | |
| USD | 5% | 328 | 208 | |
| | -5% | (328) | (208) | |
| GBP | 5% | 1,511 | 1,199 | |
| | -5% | (1,511) | (1,199) | |
| NOK | 5% | 230 | 169 | |
| | -5% | (230) | (169) | |
| SEK | 5% | 185 | 135 | |
| | -5% | (185) | (135) | |
| RSD | 5% | 37 | 35 | |
| | -5% | (37) | (35) | |
| RON | 5% | 106 | 92 | |
| | -5% | (106) | (92) | |
| BGN | 5% | 137 | 122 | |
| | -5% | (137) | (122) | |
| TRY | 5% | 150 | 150 | |
| | -5% | (150) | (150) | |

Amounts concerning 2009

| Foreign currency | Change in exchange rate against the euro | Earnings before tax | Effect in thousand euro | |
|------------------|--|---------------------|-------------------------|--|
| | | | Equity | |
| USD | 5% | (101) | 13 | |
| | -5% | 91 | (11) | |
| GBP | 5% | 201 | 554 | |
| | -5% | (182) | (501) | |
| NOK | 5% | 19 | 212 | |
| | -5% | (17) | (192) | |
| SEK | 5% | 9 | 157 | |
| | -5% | (8) | (142) | |
| RSD | 5% | 2 | 1 | |
| | -5% | (2) | (1) | |

| | | | |
|-----|-----|------|-------|
| RON | 5% | 43 | 153 |
| | -5% | (39) | (138) |
| BGN | 5% | 74 | 382 |
| | -5% | (67) | (346) |
| TRY | 5% | 8 | 29 |
| | -5% | (7) | (27) |

33.5 Interest rate risk

The Group's long-term loans have been provided by Greek and foreign banks and are issued, mainly in Euro. The repayment period varies, according to the loan contract and long-term loans are mainly linked to Euribor plus a margin.

The Group's short-term loans have been provided by several banks, under Euribor, plus a margin and Libor plus a margin.

It is estimated that a change in the average annual interest rate by 1 percentage point, will result in a charge / (improvement) of earnings before tax as follows:

| Possible interest rate change | Effect on earnings before tax | | | |
|-------------------------------|-------------------------------|-------|---------|-------|
| | Group | | Company | |
| | 2010 | 2009 | 2010 | 2009 |
| Increase by 1% | 829 | 714 | 213 | 165 |
| Decrease by 1% | (829) | (714) | (213) | (194) |

33.6 Capital Adequacy Risk

The Group controls capital adequacy using the Net Bank Debt to Operating Profit ratio and the ratio of Net Bank Debt to Equity.

The Group's objective in relation to capital management is to ensure its smooth operation aiming at providing satisfactory returns for shareholders and benefits for other parties, as well as to maintain an ideal capital structure in order to ensure a low cost of capital. For this purpose the Group systematically monitors working capital, in order to maintain the lowest possible level of external financing.

| | Group | | Company | |
|-------------------------------|--------------------|---------------|--------------------|---------------|
| | 2010 | 2009 | 2010 | 2009 |
| Long-term debt | 18,487 | 24,413 | 92 | 194 |
| Short-term debt | 63,347 | 62,197 | 21,241 | 17,943 |
| Total debt | 81,834 | 86,610 | 21,333 | 18,137 |
| Minus cash & cash equivalents | 28,001 | 20,240 | 8,923 | 7,934 |
| Net debt | 53,833 | 66,370 | 12,410 | 10,203 |
| EBITDA | 18,459 | 20,708 | (1,186) | 5,519 |
| EBITDA/NET BANK DEBT | 0.34 | 0.31 | (0.09) | 0.54 |
| EQUITY | 105,755 | 97,280 | 75,618 | 79,836 |
| NET BANK DEBT / EQUITY | 0.51 | 0.68 | 0.16 | 0.12 |

34. Significant events

Following we present the significant events that took place during financial year 2010.

The Spin-off of the Industrial Sector of Synthetic Fabrics of Thraces Plastics Co. S.A. was completed and was contributed to its 100% subsidiary Don & Low Hellas SA (currently Thraces Nonwovens & Geosynthetics).

The spin-off of the Level Woven and Non-Woven Synthetic Fabrics Industrial Sector of THRACES PLASTICS Co S.A. and its contribution to its 100% subsidiary DON & LOW HELLAS SA was completed with the registration in the Societe Anonyme Registrar of the Xanthi Prefecture of the relevant approval decision under Reg. No. Γ/ΕΞ/189-1/10-02-2010 by the Xanthi Prefecture, which was published in the Government Gazette issue No. 1237/17-02-2010 (S.A. and LTD Companies Issue). The spin-off was completed according to the provisions of Law 2166/1993, while November 30th 2009 was defined as the Balance Sheet Transformation Date according to the relevant decisions issued by the Companies.

Commencement of operations of waste bags production unit

On 17-03-2010 the Company announced the commencement of operations for a production unit of waste bags for household and professional use. The new production unit is operated by the company "THRACES-S S.A.". The companies "THRACES PLASTICS Co. S.A." and "GR. SARANTIS CYPRUS L.T.D.", a subsidiary of the SARANTIS Group participate in the former company with a percentage of 50% each. The domicile of "THRACES-S" and its facilities are located in Xanthi and the normal operation of the factory began on 15 March, given that previously the trial productions had been completed.

The Company's objective is to utilize modern equipment and advanced production methods for the production of environmentally friendly products (disposable, recyclable etc). The produced products will be distributed, amongst others, also under the Sanitas brand name of the SARANTIS Group, both in the domestic market and in other European markets.

Sale of property at Forfar Scotland

On 19-4-2010 the company Thraces Plastics Co. S.A., in the context of its plan to manage the Group's property, announced the sale of a property owned 100% by its subsidiary Synthetic Holdings Ltd, for a price of GBP 1.5 mil. Specifically, the property refers to the Saint James property at Forfar Scotland, which consists of a land plot with an area of 15,500 sq.m. The book value of the aforementioned property amounts to GBP 687 thousand.

Replacement of Board Member

On 23-7-2010 the Company's Board of Directors elected Mr. Christos Siatis of Panagiotis as a new Independent Non-Executive Board Member, in replacement of Mr. Georgios Mantzavinos – Executive Member, which resigned due to increased other responsibilities within the Group. The following Annual General Meeting will validate the election of Mr. Christos Siatis.

Announcement for the End of the Share Buy Back Program

On 3 November 2010 the Company Thraces Plastics Co. SA announced the end of the share buyback program that was approved by the Extraordinary General Meeting of shareholders on 3 November 2008 and which stated the purchase of treasury shares up to 10% of the Company's existing shares, namely up to 4,594,950 shares.

35. Events after the end of the reporting period

There are no events after 31 December 2010 that could substantially affect the financial position or results of the Group for the financial year then ended, or events that must be disclosed in the financial statements.

The Financial Statements were prepared according to the International Financial Reporting Standards, as such have been adopted by the European Union, and were approved by the Board of Directors on 30 March 2011 and are signed by the representatives of such.

| The Chairman and Chief Executive Officer | The Vice-Chairman | The Chief Financial Officer | The Head Accountant |
|--|-----------------------|-----------------------------|---|
| KONSTANTINOS ST. CHALIORIS | THEODOSIOS A. KOLYVAS | SPYRIDON A. NTAKAS | CHRISTOS VL. ARGYRIOU |
| ID No. AI 569344 | ID No. AI 101026 | ID No. AE 044759 | ID No. AB 463263 Accountant Lic. Reg. No. 417 A CLASS |



THRACES PLASTICS Co. S.A.

Company Reg. No. : 11188/06/96/01

Registered offices: MAGIKO, MUNICIPALITY OF VISTONIDA, XANTHI GREECE

Data and information for the period from 1 January 2010 to 31 December 2010

According to Decision No. 4/50128.4.2009 issued by the Board of Directors of the Hellenic Capital Market Commission

The following data and information, that are derived from the financial statements, aim at providing general information on the financial position and results of Thraces Plastics Co. S.A., and the Thraces Plastics Group. Therefore, before proceeding with any kind of investment choice or other transaction with the Company, readers should refer to the company's website where the financial statements are available together with the audit report by the certified Public Accountant, when applicable.

COMPANY INFORMATION

Responsible Authority (Pref Ministry of Finance, Competitiveness & Shipping
Board of Directors "Compos Konstantinos I. Chalioris – Chairman & Chief Executive Officer
 Theodoros A. Kolyvas – Vice-Chairman
 Dimitrios A. Chrouvas – Member
 Christos P. Statis – Non-executive Member
 Christos K. Kominos – Member
 Konstantinos I. Gianniris – Member
 Ioannis G. Apostolakis – Member

Approval date of the annual financial statements by the Board : 28/3/2011
Certified Public Accountant - Auditor: Michailos Konstantinos S.O.E.L License Reg. No. 17701
Auditing Firm: PRICEWATERHOUSECOOPERS S.A.
Type of audit report: In accordance
Company Website: www.thracesplastics.gr

Amounts in thousand Euro, unless stated otherwise.

STATEMENT OF FINANCIAL POSITION

| | GROUP | | COMPANY | |
|---|----------------|----------------|----------------|----------------|
| | 31/12/2010 | 31/12/2009 | 31/12/2010 | 31/12/2009 |
| ASSETS | | | | |
| Self-owned tangible fixed assets | 87.676 | 94.016 | 10.494 | 10.807 |
| Investment property | 110 | 110 | 110 | 110 |
| Intangible assets | 10.218 | 11.180 | 27 | 28 |
| Participations in subsidiaries & related companies | - | - | 60.765 | 59.897 |
| Other non-current assets | 2.036 | 5.145 | 115 | 114 |
| Inventories | 44.974 | 45.093 | 6.903 | 6.629 |
| Trade receivables | 42.844 | 39.222 | 11.198 | 10.640 |
| Other current assets | 25.709 | 27.202 | 7.884 | 8.631 |
| Cash & cash equivalents | 28.001 | 20.240 | 8.923 | 7.934 |
| TOTAL ASSETS | 241.693 | 242.208 | 105.619 | 104.785 |
| EQUITY & LIABILITIES | | | | |
| Share capital | 22.975 | 22.975 | 22.975 | 22.975 |
| Other equity | 82.780 | 74.305 | 52.643 | 56.861 |
| Total Shareholders' Equity (a) | 105.755 | 97.280 | 75.618 | 79.836 |
| Minority interest (b) | 1.787 | 2.081 | - | - |
| Total Equity (c) = (a) + (b) | 107.542 | 99.361 | 75.618 | 79.836 |
| Long-term debt | 18.407 | 24.413 | 92 | 194 |
| Provisions/Other long-term liabilities | 13.814 | 24.798 | 1.210 | 1.255 |
| Short-term bank debt | 63.347 | 62.197 | 21.241 | 17.943 |
| Other short-term liabilities | 38.503 | 31.439 | 7.458 | 5.557 |
| Total liabilities (d) | 134.151 | 142.847 | 30.001 | 24.943 |
| TOTAL EQUITY & LIABILITIES (e) = (d) + (c) | 241.693 | 242.208 | 105.619 | 104.785 |

STATEMENT OF CHANGES IN EQUITY

| | GROUP | | COMPANY | |
|--|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | 1/1 - 31/12/2010/1/1 - 31/12/2009 | 1/1 - 31/12/2010/1/1 - 31/12/2009 | 1/1 - 31/12/2010/1/1 - 31/12/2009 | 1/1 - 31/12/2010/1/1 - 31/12/2009 |
| Total equity at beginning of period (01/01/2010 and 01/01/2009 respectively) | 99.361 | 98.357 | 79.836 | 89.943 |
| Earnings / (losses) for the period after taxes (continued and discontinued activities) | 896 | 3.144 | (2.475) | 2.266 |
| Total comprehensive income after taxes | 10.485 | (3.231) | (74) | 36 |
| Distributed dividends | (1.507) | - | (1.507) | - |
| Issued shares | - | - | - | - |
| Purchase of Treasury Shares | (95) | (395) | (95) | (395) |
| Changes in percentages | (1.486) | 1.486 | - | - |
| Spin-off | - | - | - | (12.013) |
| Other changes | (112) | - | (67) | - |
| Total equity at end of period (31/12/2010 and 31/12/2009 respectively) | 107.542 | 99.361 | 75.618 | 79.836 |

STATEMENT OF CASH FLOWS

| | GROUP | | COMPANY | |
|--|------------------|------------------|------------------|------------------|
| | 1/1 - 31/12/2010 | 1/1 - 31/12/2009 | 1/1 - 31/12/2010 | 1/1 - 31/12/2009 |
| Operating activities | | | | |
| Earnings / (losses) before taxes and minority interest | 7.740 | 6.468 | (2.906) | 2.781 |
| Plus/minus adjustments for: | | | | |
| Depreciations | 11.536 | 11.887 | 1.386 | 3.612 |
| Provisions | 2.112 | 429 | 1.290 | 15 |
| Foreign exchange differences | (1.423) | (573) | 210 | 103 |
| (Profit)/loss from sale of fixed assets | (1.273) | (1.971) | - | (1.890) |
| Income from investments | - | - | (1.160) | (2.110) |
| Impairment of value of participations | 1.156 | - | - | - |
| Interest expenses & related (income)/expenses | 3.028 | 3.353 | 794 | 1.236 |
| Operating profit before changes in working capital | 17.876 | 18.593 | 314 | 3.747 |
| Plus/minus adjustments for changes in working capital accounts or those related to operating activities: | | | | |
| (Increase)/Decrease of receivables | (7.155) | 3.100 | (2.533) | 8.835 |
| (Increase)/Decrease of inventories | 453 | 8.699 | 329 | 8.694 |
| (Decrease)/Increase of liabilities (apart from banks) | 4.444 | (5.776) | 2.068 | (11.933) |
| Cash equivalents from operations | 15.618 | 24.616 | 178 | 9.343 |
| Minus: | | | | |
| Interest expenses and related expenses paid | (4.344) | (3.540) | (917) | (1.310) |
| Paid taxes | 257 | (1.931) | (553) | (612) |
| Total inflows/(outflows) from operating activities (a) | 11.531 | 19.145 | (1.292) | 7.421 |
| Investment activities | | | | |
| Proceeds from sales of tangible and intangible assets | 2.518 | 3.361 | - | 2.730 |
| Interest received | 1.461 | 187 | 198 | 73 |
| Increase of share capital in subsidiary | - | (1.116) | (868) | (1.284) |
| Purchases of tangible fixed assets | (5.996) | (4.561) | (1.077) | (865) |
| Purchase of intangible assets and other investments | (143) | (86) | - | 1 |
| Changes of minority interest | (118) | 98 | - | - |
| Dividends received | - | - | 884 | 1.500 |
| Change of fixed assets due to spin-off | - | - | - | 15.952 |
| Total inflows / (outflows) from investment activities (b) | (2.278) | (2.117) | (863) | 18.107 |
| Financing activities | | | | |
| Collection from grants on fixed assets | 2.228 | 3.763 | 1.547 | 3.646 |
| Proceeds from issued / undertaken loans | 31.436 | 1.035 | 3.298 | 1.835 |
| Purchase of Treasury shares | (95) | (395) | (95) | (395) |
| Expenses for share capital increase | (29) | - | - | - |
| Financial leases | 1.507 | - | - | - |
| Repayments of loans | (35.100) | (15.130) | (102) | (17.289) |
| Paid dividends | (1.504) | - | (1.504) | - |
| Total inflows/(outflows) from financing activities (c) | (1.637) | (10.727) | 3.144 | (12.203) |
| Net increase / (decrease) in cash & cash equivalents for the period (a) + (b) + (c) | 7.616 | 6.301 | 989 | 13.325 |
| Cash & cash equivalents at the beginning of the period | 20.240 | 13.740 | 7.934 | 6.622 |
| Effect from changes of exchange rates on cash & cash equivalents | 145 | 199 | - | - |
| Spin-off of sector | - | - | - | (12.013) |
| Cash & cash equivalents at the end of the period | 28.001 | 20.240 | 8.923 | 7.934 |

STATEMENT OF COMPREHENSIVE INCOME

| | GROUP | | COMPANY | |
|--|------------------|------------------|------------------|------------------|
| | 1/1 - 31/12/2010 | 1/1 - 31/12/2009 | 1/1 - 31/12/2010 | 1/1 - 31/12/2009 |
| Turnover | 234.520 | 197.249 | 28.280 | 42.666 |
| Gross profit/(losses) | 39.722 | 36.572 | 958 | 4.596 |
| Earnings/(losses) before Interest and Taxes (EBIT) | 6.924 | 8.821 | (2.572) | 1.907 |
| Earnings / (losses) before Taxes | 2.740 | 5.468 | (2.206) | 2.781 |
| Earnings / (losses) after Taxes (A) | 896 | 3.144 | (2.475) | 2.266 |
| - Owners of the parent | 1.870 | 3.009 | (2.297) | (963) |
| - Minority interest | (174) | 135 | - | - |
| Other comprehensive income after taxes (B) | 10.486 | (3.231) | (74) | 36 |
| Total comprehensive income after taxes (A) + (B) | 11.382 | (87) | (2.549) | 2.302 |
| - Owners of the parent | 11.555 | (214) | (2.274) | (911) |
| - Minority interest | (173) | 127 | - | - |
| Earnings after taxes per share - basic (in €) | 0,0240 | 0,0660 | - | - |
| Earnings / (losses) before Interest, Taxes, Depreciation & Amortization (EBITDA) | 18.459 | 20.708 | (1.186) | 5.519 |

ADDITIONAL DATA AND INFORMATION

- Information regarding the Group structure, participations in subsidiaries and their consolidation method are presented in note 1 of the condensed notes, while the tax unaudited fiscal years are reported in note 12 of the condensed notes.
- The basic accounting principles of the balance sheet for 31/12/2009 have been followed.
- There are no judicial or under arbitration differences of judicial or arbitration bodies, that may have a significant effect on the financial position of the Company.
- The following liens or collateral have been written on fixed assets:

| | GROUP | COMPANY |
|--|-------|---------|
| | 9.858 | - |
- The number of employed staff at the end of each period, is presented as follows:

| | GROUP | COMPANY |
|------------|-------|---------|
| 31/12/2010 | 1.587 | 233 |
| 31/12/2009 | 1.606 | 429 |
- The transactions between related parties, according to I.A.S. 24, are as follows:

| | GROUP | COMPANY |
|---|-------|---------|
| i) Income | - | 15.585 |
| ii) Expenses | 208 | 3.573 |
| iii) Receivables | - | 7.780 |
| iv) Liabilities | - | 1.144 |
| v) Transactions & Remuneration of Board members and senior executives | 4.288 | 1.207 |

- Income tax in the income statement is analyzed as follows:

| | GROUP | COMPANY | | |
|-------------------------------------|------------------|------------------|------------------|-------|
| 1.1 - 31.12.2010 | 1.1 - 31.12.2009 | 1.1 - 31.12.2010 | 1.1 - 31.12.2009 | |
| Income Tax | (827) | (2.001) | - | (838) |
| Deferred Tax | (184) | (323) | 146 | 123 |
| Tax difference on previous years | - | - | - | - |
| Provision for income tax difference | (55) | - | - | - |
| Non-exempt foreign taxes | (402) | - | (303) | - |
| Tax finalization | (235) | - | - | - |
| Windfall tax | (141) | - | (112) | - |
| | (1.844) | (2.324) | (269) | (515) |

- The cumulative provisions created until 31/12/2010 amount to 7,158 for the Group and to 2,548 for the company:

| | GROUP | COMPANY |
|--|-------|---------|
| Provision for doubtful debt | 5.742 | 1.806 |
| Provision for staff indemnities | 937 | 544 |
| Provisions for tax differences from unaudited fiscal years | 195 | - |
| Impairment of inventory | 284 | 196 |

- No company of the Group, owns treasury shares, except for the parent company which by means of a decision issued by the Extraordinary General Shareholders' Meeting convened on 3 November 2008, initiated a treasury share buy-back plan. On 31/12/2010 it owned 554,800 treasury shares with an acquisition cost of euro 555,327 (in absolute numbers).

- Other comprehensive income on 31/12/2010 concerns:

| | GROUP | COMPANY |
|--|--------|---------|
| FX differences from Balance Sheet translations | 1.155 | 3.518 |
| Actual Profit / (loss) | 9.331 | (6.749) |
| | 10.486 | (3.231) |

Vistonida, 29 March 2010

The Chairman and Chief Executive Officer

The Vice-Chairman

The Chief Financial Officer

The Head Accountant

 KONSTANTINOS ST. HALIORIS
 ID No. AI 549344

 THEODOROS A. KOLYVAS
 ID No. AI 101026

 SPYRIDON A. NTAKAS
 ID No. AE 044759

 CHRISTOS VL. ARGYRIOU
 ID No. AR 463263
 Professional Lic. No. 417-A CLASS

INFORMATION OF ARTICLE 10 OF LAW 3401/2005

During 2010 the Company published the following press releases – announcements, relevantly informing investors:

| DATE | SUBJECT | “ONLINE AVAILABILITY ” |
|-----------|---|------------------------|
| 7/1/2010 | Invitation to Extraordinary General Meeting of Shareholders | www.ase.gr |
| 3/2/2010 | Announcement of Resolutions by Extraordinary General Meeting | www.ase.gr |
| 10/2/2010 | Announcement of release of Information Bulletin | www.ase.gr |
| 8/3/2010 | Announcement of Basic Fundamentals for 2009 Results | www.ase.gr |
| 9/3/2010 | Comment on Article in the Press | www.ase.gr |
| 12/3/2010 | Announcement | www.ase.gr |
| 17/3/2010 | Announcement for Creation of Waste Bag Production unit | www.ase.gr |
| 26/3/2010 | New Release Date of 2009 Financial Statements | www.ase.gr |
| 31/3/2010 | Press Release | www.ase.gr |
| 16/4/2010 | Pre-announcement of General Meeting | www.ase.gr |
| 19/4/2010 | Sale of non-utilized Property in Scotland | www.ase.gr |
| 22/4/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 23/4/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 27/4/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 28/4/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 29/4/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 3/5/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 4/5/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 6/5/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 10/5/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 12/5/2010 | Announcement of Resolutions by General Meeting | www.ase.gr |
| 12/5/2010 | Announcement of Information for ex dividend and dividend payment date | www.ase.gr |
| 20/5/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 21/5/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 26/5/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 27/5/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 27/5/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 31/5/2010 | 1st Quarter 2010 Financial Results of Group | www.ase.gr |
| 2/6/2010 | Disclosure of Windfall Tax of article 5 Law 3845/2010 | www.ase.gr |
| 2/6/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 3/6/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 7/6/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 8/6/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 9/6/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 10/6/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 10/6/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 15/6/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 18/6/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 24/6/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 25/6/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 28/6/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 29/6/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 30/6/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 2/7/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 6/7/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 7/7/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 8/7/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 26/7/2010 | Replacement of Board Member | www.ase.gr |
| 29/7/2010 | Announcement | www.ase.gr |
| 27/8/2010 | Release Date of 1st Half 2010 Financial Statements | www.ase.gr |
| 31/8/2010 | 1st Half 2010 Financial Results of Group | www.ase.gr |
| 1/9/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 7/9/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 8/9/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |

| | | |
|------------|--|------------|
| 10/9/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 13/9/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 14/9/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 15/9/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 16/9/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 17/9/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 20/9/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 23/9/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 24/9/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 27/9/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 28/9/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 29/9/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 30/9/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 4/10/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 5/10/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 6/10/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 8/10/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 11/10/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 13/10/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 14/10/2010 | Announcement for Purchase of Treasury Shares | www.ase.gr |
| 3/11/2010 | Announcement for End of Share Buyback Program | www.ase.gr |
| 8/11/2010 | Release Date of 9Month 2010 Financial Statements | www.ase.gr |
| 10/11/2010 | 9Month 2010 Financial Results of Group | www.ase.gr |
| 20/12/2010 | New Internal Auditor | www.ase.gr |

It is noted that all the above information, apart from the Athens Exchange website, has also been posted on the Company's website (www.thraceplastics.gr) in the section "Corporate News" of the "Investor Relations" webpage.

Disclosures of Transactions

The disclosures of transactions that take place in the context of the obligation imposed by article 13 Law 3340/2005 and article 6 of Decision No. 3/347/2005 by the Board of the Hellenic Capital Market Commission, as well as the disclosure of significant participations according to Law 3556/2007 are available on the Company's website:

<http://www.thraceplastics.gr/el/Index.cfm?get=ir&show=transac> in the sub-section "Corporate Governance" - "Trade Acknowledgment" in the section "Investor Relations".

ONLINE AVAILABILITY OF FINANCIAL INFORMATION

The Annual Financial Statements of the Company (Separate and Consolidated), the Audit Report by the Certified Public Accountant and the Report by the Board of Directors, as well as the Financial Statements, Audit Reports and Reports by Board of Directors of companies incorporated in the consolidated financial statements of the company THRACE PLASTICS Co. S.A., are available on the internet at the website www.thraceplastics.gr.