

The Company presents the Interim Management Statement for the second half of 2012, pursuant to Article 11 of Law 190(I) 2008. The statement is based on the financial results and statements of the Group as at September 30, 2012, which have not been audited.

LORDOS UNITED PLASTICS PUBLIC LTD

1. CONSOLIDATED INCOME STATEMENT

	1/7/2012 30/09/2012	1/1/2012- 30/6/2012	1/1/2012- 30/9/2012	1/1/2011- 30/9/2011
	€	€	€	€
Turnover	5.164.669	10.380.543	15.545.212	19.290.582
Cost of sales	-4.406.617	-9.123.790	-13.530.407	-16.264.098
Gross profit	<u>758.052</u>	<u>1.256.753</u>	<u>2.014.805</u>	<u>3.026.484</u>
Other income/ expenses	10.152	24.338	34.490	39.202
Profit (Loss) from sale of properties, plant and equipment	1.475	-30.525	-29.050	8.248
Administrative expenses	-261.403	-527.088	-788.491	-830.693
Selling expenses	-711.559	-1.407.434	-2.118.993	-2.583.571
Loss from operations	<u>-203.283</u>	<u>-683.956</u>	<u>-887.239</u>	<u>-340.330</u>
Net finance cost	-193.905	-357.497	-551.402	-432.223
Profit from investment activities				
Share of profit of associated companies	-19.824	51.083	31.259	44.428
Loss before taxation	<u>-417.012</u>	<u>-990.370</u>	<u>-1.407.382</u>	<u>-728.125</u>
Taxation	27.562	38.841	66.403	-50.847
Loss after taxation	<u>-389.450</u>	<u>-951.529</u>	<u>-1.340.979</u>	<u>-677.278</u>
Exchange difference from conversion of accounts on consolidation		-40.474	-40.474	34.876
Total expenses/income for the period	<u>-389.450</u>	<u>-992.003</u>	<u>-1.381.453</u>	<u>-642.402</u>

2. Consolidated net worth

	30 /9/2012 €	31 /12/2011 €
ASSETS		
Non current assets		
Fixed assets	8.568.874	8.909.379
Intangible assets	97.083	109.071
Investments in shares available for sale	5.126	5.126
Investment property	10.181.469	10.306.496
Investments in associated companies	51.261	23.128
	18.903.813	19.353.200
Current assets		
Stock	8.424.736	8.800.274
Trade and other debtors	10.744.229	11.358.769
Tax refundable	99.305	87.983
Cash in hand and at bank	167.707	151.559
	19.435.977	20.398.585
Total assets	38.339.790	39.751.785
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	16.802.178	16.802.178
Other reserves	2.712.403	2.752.877
Accumulated profits	5.312.324	6.638.400
	24.826.905	26.193.455
Minority interest	88.094	102.997
Total equity	24.914.999	26.296.452
Non short term liabilities		
Borrowing	1.305.327	1.892.287
Liabilities from finance lease	123.571	180.896
Deferred tax liabilities	760.617	847.176
	2.189.515	2.920.359
Short term liabilities		
Trade and other creditors	3.109.718	2.942.318
Borrowing	8.010.908	7.478.006
Liabilities from finance lease	114.650	114.650
	11.235.276	10.534.974
Total liabilities	13.424.791	13.455.333
Total equity and liabilities	38.339.790	39.751.785

3. Economic analysis

On September 30, 2012, the Group showed after tax loss of €1.381.453 compared to a loss of €642.402 in the corresponding period of 2011.

This difference is attributable to the significant decline in sales and the increase in the cost of sales.

The value of the capital and reserves stands at €24.914.999 and the Company's value based on the book value as at September 30, 2012 stands at €0.52 per share.

The current asset dropped from €20,398,585 to €19,435,977 due to lower reserves and debt balance.

The total liabilities are at the same level.

4. Income from non-recurrent or extraordinary activities

There was no income from non-recurrent or extraordinary activities during the period.

5. Comparative economic analysis

The Group's turnover fell by €3,745,370 or 19.4% compared to the corresponding period of 2011 due to a significant downturn in the construction activity and the lack of large projects. This pushed sales in the pipes and fittings department down.

The cost of sales stood at 87.04% from 84.31%, pushing the percentage of gross profit down to 12.96% from 15.69%. This has been affected negatively by the drop in sales and the increase in the price of raw material and electricity.

The other income fell by €4,712 due to a decrease in state aids.

The administrative expenses showed a decrease of €42.202 or 5.08% mostly due to the drop in payroll and depreciations.

The selling and distribution expenses fell by €464.578 or 17.98% due to the drop in payroll the car fuel expenses.

The finance cost increased by €19,179 due to exchange differences.

6. Description of significant facts

There were no significant facts during the period apart from the ordinary activities analyzed above.

7. Main risks and uncertainties

The Group's activities are affected by several risks and uncertainties. The main risks are the market price risk, the interest rate risk, the credit risk and the liquidity risk as

well as a number of factors that largely affect the Group's activities such as the increase in the price of raw material, the economic recession and the increased competition from the imported goods from countries with low labour cost.

8. Other information

The Company has invested in new machinery for the production of new products and the improvement of the existing ones. It is also trying to reduce the operating cost, especially the payroll, while it has revaluated its economic activities to achieve better profitability.

9. Prospects

Taking into account the current economic climate, the market liquidity and the difficulty in the price increase due to competition, the Board of Directors keeps abreast with the developments and is taking measures to increase sales and to reduce production cost so as to improve its financial results.

10. Transactions of associated persons

There were no trade transactions between the Company and the associated persons during the period.