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Helesi PLC
("Helesi" or the "Company")

Trading Update

Helesi PLC (AIM: HLS), the Greece and UK based waste management products manufacturer and services supplier announces a trading update for its financial year to 31 December 2006.

Helesi has continued to demonstrate strong performance across its business in all geographic segments. Turnover and profit after tax for the year are expected to be €35 million and €4.0 million respectively. This represents a 39% year-on-year increase in turnover and a 25% year-on-year increase in earnings.

Helesi raised €17 million (£11.6 million) before expenses and was admitted to AIM in November 2006. The Company's substantial capital investment programme of some €60 million in the period 2006 to 2009 is progressing on schedule and budget. In December 2006, the construction of its tyre-recycling facility at the existing Komotini plant was successfully completed.

Product sales remain strong with stable margins despite an unexpected increase in HDPE prices, Helesi's main raw material cost. However, looking forward, the Company expects a gradual easing of the historically high HDPE price levels. Large contracts, which will account for around 50% of product sales provide significant visibility to 2007 revenues.

In December 2006, Helesi completed the acquisition of PYP ATEBE a waste management services company for €3.5 million (included in the investment programme). In the year to 31 December 2006, PYP ATEBE generated revenues of €3.3 million, producing net income of €0.75 million.

This acquisition is an integral part of Helesi's strategy to secure a leading position in waste management services in south east Europe, as the sector is increasingly privatised. Revenues in 2007 for this division are expected to be around €4.5 million of which over 60 per cent. has already been secured at an attractive margin.

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About Helesi

Helesi is a Greece and UK based specialist designer and manufacturer of plastic products mainly for use in the waste management industry and provider of waste management services. The Group also produces other injection moulded plastic products such as pallet boxes and other material handling products.

Its activities comprise:

- the design and manufacture of a broad range of plastic waste containers including 2 and 4 wheeled bins, pre-sorting bins and the full range of EN 840 standard containers selling into the waste management market;
- the provision of waste management services (mainly waste collection, container washing, street sweeping and recyclable materials collection).
- the design and manufacture of material handling plastic products (pallet boxes and crates) for agricultural, domestic and industrial use and other injection-moulding plastic products such as pre-sorting waste bins, fish crates, and stadium seats;
- the supply of special vehicles and equipment for the waste management industry; and
- the recycling of used vehicle tyres

Demand for Helesi's products and services in developed waste management markets is driven by increasingly stringent national and local government regulation on waste management and recycling. Growing demand is also being experienced in developing countries, which are looking to establish centralised and orderly waste management services.

In its last financial year to 31 December 2005, Helesi recorded turnover of €25.34 million and pre-tax profits of €3.20 million. In the last 3 years the Group has delivered, through organic growth, an impressive array of performance targets. Sales have more than doubled while profits before and after taxes have increased by 75%.

Helesi has developed a strong market position in both the developed waste management markets of Western Europe as well as in the high growth markets of South-eastern Europe, the Mediterranean and the Middle East. With a commercial presence in 48 countries established through an extensive network of distributors, the Company realises more than 70% of its sales internationally. The Group is one of the main suppliers of wheeled bins to the waste management industry in the UK, Ireland, Italy, Spain, Norway, Greece and South East Europe. The Directors believe that the Group's current market share in the plastic waste containers market is approximately 6% in the European Union and 3% worldwide.

The Group has production facilities located in Greece and in the UK and plans to build a third production facility in Italy. Its manufacturing facilities are equipped with injection moulding machines based on the latest technology, utilising robotic production, automatic and semi-automatic assembly and packaging methods. The Group is one of only nine producers of the full range of EN approved waste containers worldwide.

In November 2006, the Group listed on the AIM market of the London Stock Exchange, having raised £11.6 million (approximately €17.0 million). The Group's shares trade under the symbol "HLS".