



Interim
as of and for the
Financial
six months ended
Statements
30 June 2007

(compiled in accordance with the
International Financial Reporting Standards
that have been adopted by
the European Union)

and

**Independent Auditors’
Review Report Thereon**



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Interim Financial Statements

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Chairman's Statement

Introduction

Helesi has made good progress towards the attainment of its strategic goals during the first half of 2007, the first financial period since the Company's shares were admitted to the AIM market of the London Stock Exchange. The admission to AIM, in November 2006, enabled us to raise €15 million towards the funding of a €83 million (2006 – 2009) investment program. The goal of this program is to grow our manufacturing operations in Europe and further afield. I am pleased to report that the investment program is on schedule and on budget to deliver the Group's planned expansion and that the period under review saw a continuation of the organic growth of existing business lines.

Results and Dividend

Revenues for the six months to 30 June 2007 increased by 69% to €22.6 million (2006: €13.4 million). This top line growth produced a net profit after tax of €2.5 million (2006: €1.2 million). Earnings per share were €0.08 (2006: €0.06).

Revenue and profit principally reflected organic growth from *Helesi's* traditional manufacturing businesses but also included, for the first full period, the results from the waste management services business, PYP ATEBE (PYP), acquired in December 2006.

The directors have decided to declare an interim dividend of €0.006 per share. This dividend, totalling €196.6 thousand, will be paid on 29 October 2007 to shareholders on the register at 28 September 2007.

Review

Helesi has had a good first half. In the case of plastic products, sales of higher margin four wheeled bins to markets in South East Europe were particularly strong, more than compensating for margin pressures arising from the continuing high price of the principal raw material, high density polyethylene. A new range of pallet boxes from new moulds installed at Komotini was launched and well received in our target markets. In addition, ancillary products and accessories supplied to local government in Greece have had an exceptionally good first half, well over our initial projections for the period. This increase reflects the active public sector waste management customer base and the increasing proportion of big ticket products in our sales mix. Revenues in waste management services were ahead of the same period last year by a substantial margin, principally as a result of the acquisition of PYP. Although there was a delay in securing some anticipated services contracts, the Company remains confident that initial revenue targets for the year as a whole will be met.

The Group recorded a number of additional achievements during the first half of 2007. Our investment plans at the time of the float projected a 70% increase of overall capacity, provided by a new plant in Italy and an increase of capacity in Komotini by 25%, both of which are progressing on target. In April, *Helesi* was successful in obtaining further grants from the Ministry of Finance in Greece towards further expansion of our Komotini site in Northern Greece, totalling €11.4 million. This last investment is on top of the €60 million program that the Company embarked upon in 2006 and is expected to double the Komotini capacity, adding another 53% capacity overall. Construction work has already commenced on this expansion and we expect the new state-of-the-art manufacturing plant to be commissioned towards the end of 2009.

Board

At the beginning of June, we appointed Dimitris Karaiskos, one of our non-executive directors, who has been associated with the Group since its foundation, as an executive director to lead *Helesi's* core plastic products activity. Mr Karaiskos, 46, is a civil engineer by background and, before joining *Helesi*, had worked for ten years as chief engineer for large public and private infrastructure projects, at a listed Greek construction company. We are very pleased that he has agreed to take on this vital role, which will include delivering our new production facilities in Italy as well as the expansion of our manufacturing plants in Komotini.

Prospects

The outlook for the year as a whole is positive and we are on course to achieve another record year for *Helesi*, driven primarily by organic growth. The expanded investment program is on target and the waste management products and services of the Company are on course to meet management projections.

Roger Parsons
Chairman

7 September 2007

Chief Executive's Review of Operations

I am pleased to report another period of significant growth for the Group and good progress of our investment program, on which we have been working for the past 18 months. Our markets continue to grow worldwide, increasingly driven by central and local government regulation and direction. *Helesi* is positioning itself to benefit from this trend.

Operations

Overall, revenues for the period were up 69% to €22.6 million, a half-year record for *Helesi*. Admittedly, this very substantial increase in the value of sales was partially achieved through the sale of certain high value items in the area of traded goods. Sales of four and two wheeled waste bins, manufactured at our facilities in Komotini in Greece and Bradford in the UK, grew by 24%. Margins benefited from higher demand for four wheeled containers in South East Europe and Italy, due to a major effort to implement recycling policies in these regions. Additionally, traded goods have had an exceptional start to the year, with sales substantially exceeding those of the corresponding period of the preceding year and with improved margins. This result was achieved partly because of the growing demand from municipal customers in waste management markets in South East Europe particularly in Greece and partly because of the higher value products we are now supplying.

Our new pallet box products have been well received in the Greek and Turkish markets, with sales on target for the year as a whole. New and more efficient moulds, designed in-house by our own research & development team, have been commissioned and are in production at Komotini, ahead of the equipment's planned move to the new facility in Italy in 2008.

Services produced a substantial increase in revenues compared to the same period of last year, principally as a result of the planned acquisition of the waste management services activities of *Perivallontiki AE*, shortly after the AIM IPO late last year. Revenue growth for services has been slower than initially anticipated due to the relatively slow pace of privatisation in Greece and South East Europe, where the business operates, and the consequent size of the private sector market. However, a dedicated management team has put in place a growth strategy that accesses potential customers across the Group and, as a result, we foresee a stronger second half, which will put services back on target for the year as a whole. We remain confident that the level of political and public pressure (at EU and country level) to tackle the issue of waste management will create increased opportunities for this business.

Financial Performance

Overall, margins remained in line with projections. Margins for pallet boxes have remained in line with forecasts and we are able to report better than expected margins for traded goods due to the increased sales of higher value products.

On the other hand, the price of our main raw material for plastic products, high density polyethylene (HDPE), has increased further, beyond our initial projections. The effect of this has been mitigated, firstly by the higher margin sales mix in waste bins and secondly by the purchase, at the beginning of the year, of significant quantities of HDPE, in anticipation of further price increases. This purchase has proved prudent, as prices strengthened in the period and *Helesi* has been able to keep manufacturing costs down and hold margins in plastic products, albeit at a cost to operating cash flow.

The strong growth in sales in the first half of 2007 has been weighted more heavily towards markets in South East Europe where debtor days are traditionally longer and this has had an adverse (but manageable) impact on the cash flow for the period.

Investment Program

The increase in demand for the Company's plastic products has seen the facilities in Komotini and Bradford operating at close to full capacity - 75% and 85%, respectively. The little remaining spare capacity should be sufficient to handle projected growth until completion of the first phase of expansion at Komotini, by the end of this year.

The overall €83 million investment program, which commenced in early 2006, is now some 40% complete and is on time and on budget. Progress on our plant in Pisticci, Basilicata in Italy has been rapid since construction commenced in February and the plant is still scheduled to start operations in the second half of 2008. The plant will manufacture pallet boxes and recycling containers for the European market.

The first of the new facilities at Komotini, which will expand our capacity by 25%, is now approximately 80% complete and expected to come on stream in December 2007. The award in April of grants from the Greek Government will enable the Group to invest €20.8 million (€11.4 million of grants, €4.2 million from a secured long term debt facility and €5.2 million generated from the Company's internal cash flow) into additional new production facilities at Komotini, over and above the original €60 million investment program.

These facilities will see *Helesi* double production capacity for two and four wheel plastic bins and pallet boxes at Komotini and will allow us to satisfy increased demand for our products, as we grow and address new markets. The investment will provide the Company with the latest generation of manufacturing technology that will increase efficiency, lower unit costs and free up older equipment for use elsewhere. The second expansion phase at Komotini commenced in August and is scheduled to be completed in the second half of 2009.

Finally, the tyre recycling plant at Komotini, which produces wheels for our bins, was commissioned and integrated into the overall production lines during this period. However, the full financial benefits of the integration of the recycling plant will principally fall into the next financial year since quality testing of the new wheels has taken longer than expected. The benefits from this plant will eventually include a lower unit cost base for bin wheels and increased revenues from the sale of by-products derived from the recycling process and not needed by *Helesi*.

Research & Development

R & D has been a key driver of our success to date, and we are continuing to focus on gaining a competitive advantage from the development, in-house, of new manufacturing techniques and innovative product designs. We have also extended the design of our own moulds to the production of pallets and pallet boxes, the first of which are now in use at Komotini and due to be moved to Pisticci in Italy on the opening of the new plant. The accounting policy followed by the company is to capitalise R & D costs only at the development phase of a given project, by which time the technical feasibility of completing the work undertaken (so that it becomes available for use) is evident and the generation of future economic benefits is highly probable. We have concluded that the preconditions set for capitalising, development costs of €175 thousand, in the first half of 2007, have been met. The amount that we anticipate capitalising in the full year is of the order of €400 thousand.

Outlook

Helesi has made a strong start to the year. We are encouraged by increased interest for our traditional as well as for our new products and services. These include the new pallet box moulds now in production in Komotini, which have generated favourable reactions in their target markets. We are also encouraged by the promising prospects of the services sector.

We are focused on maintaining the momentum created following admission to AIM and the success of the first half of 2007. At the same time, while working to complete our extensive investment program, we will also seek to broaden our global presence and sales in new territories. This has been an exciting period of growth for *Helesi* and we look forward to delivering further positive results to shareholders going forward.

Sakis Andrianopoulos
Chief Executive

7 September 2007

Independent Auditors' Review Report

To the Shareholders of Helesi PLC

Introduction

We have reviewed the accompanying interim financial information of **Helesi PLC** (the "Company") and its subsidiaries (the "Group"), which comprise the balance sheet and the consolidated balance sheet of the Company and the Group, as at 30 June 2007, and the respective income statements, the statements of changes in equity and the cash flow statements for the six-month period then ended, and the notes thereon. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with the International Financial Reporting Standards, adopted by the European Union. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of the financial position of the Helesi Group and of Helesi PLC, as at 30 June 2007, and of their financial performance and their cash flows for the six-month period then ended, in accordance with the International Financial Reporting Standards, adopted by the European Union.

Athens and Nicosia, 8 September 2007

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Interim Consolidated Financial Statements

as of and for the six months ended 30 June 2007

Consolidated statement of earnings

	Notes	<i>The Group</i>		
		First half of 2007 €'000	First half of 2006 €'000	Year 2006 €'000
Sales revenue		22,577	13,397	35,222
Other revenue		236	551	792
		-----	-----	-----
		22,813	13,948	36,014
Changes in inventories of finished goods		452	210	2,145
Cost of materials used		(13,236)	(8,159)	(22,195)
Personnel-related costs	7	(2,058)	(1,152)	(2,819)
Directors' emoluments		(130)	(25)	(62)
Depreciation and amortisation charges		(775)	(534)	(1,159)
Other operating expenses		(3,444)	(2,282)	(5,660)
		-----	-----	-----
Profit, before finance charges		3,622	2,006	6,264
Cost of financing, net		(587)	(503)	(1,200)
		-----	-----	-----
Profit from ordinary activities		3,035	1,503	5,064
Income taxes	8	(496)	(254)	(780)
		-----	-----	-----
Net profit, after taxes		2,539	1,249	4,284
		-----	-----	-----
Basic earnings per share (in Euro)		0.08	0.06	0.18
		-----	-----	-----
Diluted earnings per share (in Euro)		0.08	0.06	0.18
		-----	-----	-----

The attached notes form an integral part of this interim financial information

Interim Consolidated Financial Statements

as of and for the six months ended 30 June 2007

Consolidated balance sheet

	Notes	<i>The Group</i>		
		30 June 2007 €'000	30 June 2006 €'000	31 December 2006 €'000
Tangible fixed assets	9	34,280	25,849	30,648
Intangible fixed assets	11	246	75	70
Goodwill		1,545	-	1,545
Other long-term assets		41	40	41
		-----	-----	-----
Long-term assets		36,112	25,964	32,304
		-----	-----	-----
Inventories		9,009	3,952	6,171
Receivables		21,918	14,869	19,669
Cash and cash equivalents		4,974	3,560	7,674
		-----	-----	-----
Current assets		35,901	22,381	33,514
		-----	-----	-----
Total assets		72,013	48,345	65,818
		-----	-----	-----
Payables		(13,290)	(10,060)	(16,075)
Income taxes payable		(434)	(183)	(108)
Short-term borrowings	10	(10,081)	(12,256)	(4,762)
		-----	-----	-----
Current liabilities		(23,805)	(22,499)	(20,945)
		-----	-----	-----
Long-term interest bearing loans	10	(8,224)	(7,237)	(7,762)
Employee retirement benefits		(24)	(17)	(24)
Deferred tax liabilities		(1,112)	(588)	(797)
		-----	-----	-----
Long-term liabilities		(9,360)	(7,842)	(8,583)
		-----	-----	-----
Net assets		38,848	18,004	36,290
		-----	-----	-----
Share capital		3,278	5,509	3,278
Share premium		29,950	4,122	29,950
Capital reserves		27	612	-
Employee share options reserve		16	-	-
Untaxed reserves		1,218	4,652	-
Currency translation adjustments		30	(13)	27
Retained earnings		4,329	3,122	3,035
		-----	-----	-----
Shareholders' equity		38,848	18,004	36,290
		-----	-----	-----

The attached notes form an integral part of this interim financial information

Interim Consolidated Financial Statements

as of and for the six months ended 30 June 2007

Consolidated statement of changes in shareholders' equity

€000

	<i>The Group</i>									
	Share capital	Share premium	Statutory reserve	Other capital reserves	Employee share options	Revaluation gain reserve	Untaxed reserves	Currency translation adjustments	Retained earnings	Total
Balances, as at 31 December 2005	4,684	2,473	232	118	-	262	4,652	76	2,099	14,596
Shares issued in 2005, paid in 2006	825	1,649	-	-	-	-	-	-	-	2,474
Profit for the first half of 2006, after tax	-	-	-	-	-	-	-	-	1,249	1,249
Dividends paid	-	-	-	-	-	-	-	-	(226)	(226)
Currency translation adjustments	-	-	-	-	-	-	-	(89)	-	(89)
	----	----	----	----	----	----	----	----	----	----
Balances, as at 30 June 2006	5,509	4,122	232	118	0	262	4,652	(13)	3,122	18,004
Effect of Group restructuring	(3,258)	11,631	(232)	(118)	-	(262)	(4,652)	13	(3,122)	0
	----	----	----	----	----	----	----	----	----	----
	2,251	15,753	-	-	-	-	-	-	-	18,004
Shares issued on incorporation	30	-	-	-	-	-	-	-	-	30
Shares issued on admission to AIM	997	16,093	-	-	-	-	-	-	-	17,090
Costs associated with AIM listing, net of tax	-	(1,896)	-	-	-	-	-	-	-	(1,896)
Profit for the second half of 2006, after tax	-	-	-	-	-	-	-	-	3,035	3,035
Currency translation adjustments	-	-	-	-	-	-	-	27	-	27
	----	----	----	----	----	----	----	----	----	----
Balances, as at 31 December 2006	3,278	29,950	0	0	0	0	0	27	3,035	36,290
Profit for the first half of 2007, after tax	-	-	-	-	-	-	-	-	2,539	2,539
Transfer to reserves	-	-	27	-	-	-	1,218	-	(1,245)	0
Equity accounted transactions	-	-	-	-	16	-	-	-	-	16
Currency translation adjustments	-	-	-	-	-	-	-	3	-	3
	----	----	----	----	----	----	----	----	----	----
Balances, as at 30 June 2007	3,278	29,950	27	0	16	0	1,218	30	4,329	38,848

The attached notes form an integral part of this interim financial information

Interim Consolidated Financial Statements

as of and for the six months ended 30 June 2007

Consolidated statement of cash flows

	The Group		
	First half of 2007 €'000	First half of 2006 €'000	Year 2006 €'000
Cash flows related to operating activities			
Profit, before taxes	3,035	1,503	5,064
Adjustments in respect of non-cash transactions:			
Depreciation and amortisation of fixed assets	808	534	1,159
Interest expense, net	587	503	1,200
Employee benefits	16	-	(2)
Other adjustments	(7)	126	322
	4,439	2,666	7,743
Increase in inventories	(2,838)	(271)	(2,550)
Increase in receivables	(2,270)	(4,184)	(7,681)
Increase (decrease) in payables	(795)	685	5,963
	(1,464)	(1,104)	3,475
Interest paid	(559)	(519)	(1,200)
Income taxes paid	(65)	(118)	(220)
	(2,088)	(1,741)	2,055
Cash flows related to investing activities			
Acquisition of tangible fixed assets	(9,681)	(7,732)	(16,023)
Disposal of tangible fixed assets	-	36	36
Investment grants received	3,471	101	4,639
Acquisition of intangible fixed assets	(179)	(13)	(90)
Acquisition of shares of subsidiary	-	-	(3,496)
	(6,389)	(7,608)	(14,934)
Cash flows related to financing activities			
Issue of new shares	-	2,474	17,296
Dividends paid	-	-	(226)
Loans contracted (repaid)	5,840	4,614	(2,276)
Finance lease payments	(60)	(60)	(122)
	5,780	7,028	14,672
Increase (decrease) of cash balances	(2,697)	(2,321)	1,793
Cash balances, at the beginning of the period	7,674	5,884	5,884
Effect of currency translation adjustments	(3)	(3)	(3)
Cash balances, at the end of the period	4,974	3,560	7,674

The attached notes form an integral part of this interim financial information

Interim Financial Statements

as of and for the six months ended 30 June 2007

Helesi PLC statement of earnings (€000)

	<u>First half of 2007</u>	<u>Second half of 2006</u>
Fees charged to other Group entities	480	-
Administrative costs and expenses	(100)	(79)
Directors' emoluments	(130)	(56)
Personnel-related costs	(48)	(4)
	-----	-----
	202	(139)
Interest income	158	5
	-----	-----
	360	(134)
Tax relief (charge)	(38)	13
	-----	-----
Accumulated profits (losses), carried forward	322	(121)
	-----	-----

Helesi PLC balance sheet (€000)

	<u>30 June 2007</u>	<u>31 December 2006</u>
Investments in subsidiary companies	27,539	27,539
Loan advanced to <i>Helesi AE</i>	5,000	5,000
Deferred tax asset	-	13
	-----	-----
Long-term assets	32,539	32,552
Intragroup receivables	735	-
Cash and cash equivalents	506	960
	-----	-----
Total assets	33,780	33,512
Payables	(335)	(405)
	-----	-----
Net assets	33,445	33,107
	-----	-----
Share capital	3,278	3,278
Share premium	29,950	29,950
Employee share options reserve	16	-
Retained earnings (accumulated losses)	201	(121)
	-----	-----
Shareholders' equity	33,445	33,107
	-----	-----

Helesi PLC statement of cash flows (€000)

	<u>First half of 2007</u>	<u>Second half of 2006</u>
Profit (loss), before tax	360	(134)
Adjustment for non-cash items	(134)	-
Proceeds of issue of shares, net of costs	-	15,224
	-----	-----
Cash inflows	226	15,090
	-----	-----
Increase in receivables	(486)	-
Increase (decrease) in payables	(93)	405
Acquisition of tangible fixed assets	(1)	-
Loans granted to subsidiaries	(100)	(5,000)
Acquisition of shares in subsidiaries	-	(9,535)
	-----	-----
Cash outflows	(680)	(14,130)
	-----	-----
Net cash inflows (outflows) in the period	(454)	960
Cash balances, at the beginning of the period	960	-
	-----	-----
Cash balances, at the end of the period	506	960
	-----	-----

Interim Consolidated Financial Statements as of and for the six months ended 30 June 2007

Notes to the interim financial statements

1. Accounting Policies

These interim financial statements have been compiled and are presented in accordance with IAS 34 *Interim Financial Reporting*. The accounting policies used in the preparation of the interim financial statements are consistent with those used in the compilation of the audited financial statements for the year ended 31 December 2006 and the six months ended 30 June 2006.

Costs that occur evenly during the financial year are anticipated or deferred in the interim financial statements, only if it would be appropriate to anticipate or defer such costs at the end of the financial year.

Income tax expense is recognised based on the best estimate of the weighted average annual income tax rate expected for the full financial year.

2. Basis of Presentation

In view of the fact that the corporate restructuring of the *Helesi Group*, referred to in the 2006 Annual Report, did not have, nor was it expected to have, any impact on the operations, the financial position and/or the management structure of the Group, the corresponding consolidated amounts for the six months ended 30 June 2006, presented in these interim financial statements have been compiled and are presented on the same basis that they would have been compiled and presented, had the IPO-induced corporate restructuring not taken place, except for the impact of the restructuring on the individual component elements of the shareholders' equity section of the balance sheet.

3. Capital Structure

In the six-month period ended 30 June 2007, there have been no changes in the capital structure of the Group.

The *Helesi PLC Group* operates an employee share options scheme (ESOS) under which employees of any of the entities forming part of the Group may be given the option to purchase shares of *Helesi PLC*. These options are exercisable not earlier than three years and not later than seven years after the grant date, at an exercise price which is specified, in Euros, at the time of granting the options.

The Board of Directors is empowered to grant options on a maximum of 10% of the issued and outstanding shares of *Helesi PLC*. As at 30 June 2007 and 31 December 2006, the options granted under this scheme, which were outstanding, covered a total of 618,100 shares.

The terms under which these options were granted, in the year ended 31 December 2006, are fully described in the notes to the audited financial statements as of that date.

4. Earnings per Share

The basic earnings per share in a given period are calculated by dividing the net profit attributable to the Group by the weighted average number of issued and outstanding shares in that period.

The calculation of the diluted earnings per share takes into consideration the options on shares granted to employees of the Group. The equivalence of these share options to shares is quantified by reference to the exercise price of the options granted and the average listed price (in the accounting period reported upon) of the shares on which the options have been granted.

5. Related Party Transactions

Included in accounts receivable, as at 30 June 2007, is an amount of €5,843 thousand (31 December 2006: €3,293 thousand) due from related parties (companies under common management) while in accounts payable is an amount of €542 thousand due to related parties (31 December 2006: €2,822 thousand).

Revenues from related parties, in the six-month periods to 30 June 2007 and 2006, amounted to €6,665 thousand and €2,439 thousand, respectively, while the costs generated by related parties, in the same periods, amounted to €1,627 thousand and €490 thousand, respectively. The majority of these transactions and related balances result from the sales activities of these related entities, which serve as distributors of the products of the Group, in certain geographic areas, notably that of Greece.

Interim Consolidated Financial Statements

as of and for the six months ended 30 June 2007

6. Segmental Analysis

The *Helesi PLC Group* operates two production units – one in Greece and one in the United Kingdom, under the corporate umbrellas of *Helesi AE* and *Helesi UK Ltd*, respectively. The financial results and the financial position of these two operations are set out below.

	First half of 2007			Helesi PLC Group €'000
	Greece €'000	UK €'000	Elimination of intersegment transactions €'000	
Third-party sales	18,846	3,731	-	22,577
Intersegment sales	3,151	347	(3,498)	0
Total sales	21,997	4,078	(3,498)	22,577
Other third-party revenues	236	-	-	236
Total revenues	22,233	4,078	(3,498)	22,813
Cost of materials and accessories used	(9,899)	(2,885)	-	(12,784)
Cost of intersegment use of materials	(3,151)	(347)	3,498	0
Third-party costs and expenses	(5,413)	(994)	-	(6,407)
Segmental profit, before finance charges	3,770	(148)	0	3,622

	First half of 2006			Helesi PLC Group €'000
	Greece €'000	UK €'000	Elimination of intersegment transactions €'000	
Third-party sales	10,177	3,220	-	13,397
Intersegment sales	2,303	599	(2,902)	0
Total sales	12,480	3,819	(2,902)	13,397
Other third-party revenues	551	-	-	551
Total revenues	13,031	3,819	(2,902)	13,948
Cost of materials and accessories used	(7,250)	(699)	-	(7,949)
Cost of intersegment use of materials	(539)	(2,073)	2,612	0
Third-party costs and expenses	(3,105)	(888)	-	(3,993)
Elimination of intersegmental profit	(60)	(230)	290	0
Segmental profit, before finance charges	2,077	(71)	0	2,006

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	Year 2006			Helesi PLC Group €'000
	Greece €'000	UK €'000	Elimination of intersegment transactions €'000	
Third-party sales	26,952	8,270	-	35,222
Intersegment sales	5,391	1,039	(6,430)	0
Total sales	32,343	9,309	(6,430)	35,222
Other third-party revenues	792	-	-	792
Total revenues	33,135	9,309	(6,430)	36,014
Cost of materials and accessories used	(13,790)	(6,260)	-	(20,050)
Cost of intersegment use of materials	(4,852)	(935)	5,787	0
Third-party costs and expenses	(7,712)	(1,988)	-	(9,700)
Intersegmental expenses	-	(15)	15	0
Segmental profit, before finance charges	6,781	111	(628)	6,264

	30 June 2007			Helesi PLC Group €'000
	Greece €'000	UK €'000	Elimination of intersegment balances €'000	
Intersegment investments	46	-	(46)	0
Intersegment receivables/payables	6,743	(6,743)	-	0
Unrealised intersegment profits	-	50	(50)	0
Total other assets	64,447	7,566	-	72,013
Total liabilities to third parties	(32,208)	(969)	12	(33,165)
Net assets	39,028	(96)	(84)	38,848

	30 June 2006			Helesi PLC Group €'000
	Greece €'000	UK €'000	Elimination of intersegment balances €'000	
Intersegment investments	46	-	(46)	0
Intersegment receivables/payables	4,630	(4,630)	-	0
Unrealised intersegment profits	-	50	(50)	0
Total other assets	42,496	5,849	-	48,345
Total liabilities to third parties	(29,004)	(1,350)	12	(30,342)
Net assets	18,168	(81)	(84)	18,003

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	31 December 2006			
	Greece	UK	Elimination of intersegment balances	Helesi PLC Group
	€'000	€'000	€'000	€'000
Intersegment investments	46	-	(46)	0
Intersegment receivables/payables	5,496	(5,496)	-	0
Unrealised intersegment profits	-	50	(50)	0
Total other assets	58,407	7,411	-	65,818
Total liabilities to third parties	(27,579)	(1,961)	12	(29,528)
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Net assets	36,370	4	(84)	36,290
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The third-party sales and the value of the related trade receivables outstanding at each period-end, on the basis of the location at which the customers operate (inclusive of the balances that are doubtful of collection and have been provided for), is analysed as follows:

	Greece	United Kingdom	Other European Union states	Other (non-EU) states	Helesi PLC Group
	€'000	€'000	€'000	€'000	€'000
First half of 2007					
Value of sales	9,565	3,393	8,467	1,152	22,577
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Trade receivables, at period end	8,754	1,869	7,879	1,968	20,470
	-----	-----	-----	-----	-----
First half of 2006					
Value of sales	4,061	3,027	4,906	1,403	13,397
	-----	-----	-----	-----	-----
Trade receivables, at period end	5,824	1,745	4,316	633	12,518
	-----	-----	-----	-----	-----
Year 2006					
Value of sales	9,860	6,868	12,152	6,342	35,222
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Trade receivables, at year end	6,112	2,554	6,416	3,066	18,148
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7. Persons Employed and Related Costs

	The Group		
	30 June 2007 Number	30 June 2006 Number	31 December 2006 Number
Number of persons employed (at year end)	228	130	167
	First half of 2007 €'000	First half of 2006 €'000	Year 2006 €'000
Salaries and wages	(1,689)	(921)	(2,274)
Social insurance costs	(440)	(216)	(514)
Other personnel costs	(18)	(10)	(23)
Employment termination benefits	(23)	(5)	(8)
Employment related costs, capitalised	112	-	-
	(2,058)	(1,152)	(2,819)
Cost per employee (in Euro)	(9,518)	(8,862)	(16,880)

8. Income Taxes

	The Group		
	First half of 2007 €'000	First half of 2006 €'000	Year 2006 €'000
Profit, before taxes, per the statement of earnings	3,035	1,503	5,064
Tax rate	23.8%	29%	29%
Income taxes, at the nominal tax rate	(722)	(441)	(1,491)
Taxes on permanent differences between accounting and taxable profits	(41)	(48)	(70)
Tax relief associated with profits the taxation of which is indefinitely deferred	267	196	703
Reduction of deferred tax liability due to decrease in tax rate	-	39	78
Total tax charge	(496)	(254)	(780)
Current tax charge	(181)	(110)	(192)
Deferred tax charge	(315)	(144)	(588)
Total tax charge	(496)	(254)	(780)

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9. Tangible Fixed Assets

	Land €'000	Buildings and building installations €'000	Plant and machinery €'000	Vehicles €'000	Furniture and other equipment €'000	Assets under constr. or installation €'000	Total €'000
At cost or valuation							
As at 31 December 2005	1,084	3,362	11,728	757	105	8,145	25,181
Additions 2006	1,824	4,025	10,777	2,523	193	(5,245)	14,097
Investment grants	-	(796)	(4,989)	(699)	(64)	1,952	(4,596)
As at 31 December 2006	2,908	6,591	17,516	2,581	234	4,852	34,682
Additions of first half 2007	-	258	519	12	70	7,040	7,899
Investment grants	-	(2)	(38)	-	-	(3,426)	(3,466)
As at 30 June 2007	2,908	6,847	17,997	2,593	304	8,466	39,115
Accumulated depreciation							
As at 31 December 2005	-	(450)	(1,798)	(254)	(75)	-	(2,577)
Depreciation charge 2006	-	(273)	(1,255)	(524)	(33)	-	(2,085)
Grant-related relief 2006	-	93	476	53	6	-	628
As at 31 December 2006	0	(630)	(2,577)	(725)	(102)	0	(4,034)
Depreciation charge 2007	-	(154)	(807)	(222)	(30)	-	(1,213)
Grant-related relief 2007	-	50	302	52	8	-	412
As at 30 June 2007	0	(734)	(3,082)	(895)	(124)	0	(4,835)
Net book values							
As at 30 June 2007	2,908	6,113	14,915	1,698	180	8,466	34,280
As at 30 June 2006	2,596	5,533	12,411	874	84	4,351	25,849
As at 31 December 2006	2,908	5,961	14,939	1,856	132	4,852	30,648

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10. Borrowings

The bank loans and other bank financing facilities (including the debenture loan) contracted by the *Helesi PLC Group* are analysed as follows:

	Short-term liabilities €'000	Long-term liabilities €'000	Scheduled repayment (to year)	Applicable interest rate
Debenture loan	(1,000)	(5,595)	2012	Euribor+2%
Long term bank loans	(529)	(2,597)	2016	Euribor+1.75%
Short term bank loans	(8,426)	-	2007	Euribor+1.8%
	-----	-----		
	(9,955)	(8,192)		
Finance lease obligations	(126)	(32)		
	-----	-----		
	(10,081)	(8,224)		
	-----	-----		

11. Research & Development (R & D)

The *Helesi Group* invests substantial amounts in research and development and, in particular, in the development of new moulds and techniques that are instrumental in the lowering of costs and in attaining higher levels of operational efficiency. Such R & D costs are capitalised if, and only if, the following conditions are satisfied:

- the technical feasibility of completing the work undertaken (so that it will be available for use) is evident;
- the commitment and ability to complete such work and use its outcome exists;
- the generation of future economic benefits through the use of such R & D work is highly probable;
- the necessary technical, financial and other resources to complete the development work and to place it into use are available;
- the ability to measure reliably the expenditure attributable to such development work exists.

In the first half of 2007, the R & D costs that have satisfied these criteria amounted to €175 thousand. These costs comprised:

	€'000
Personnel related costs	112
Depreciation charges	36
Miscellaneous other expenses	27

	175

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12. Capital Commitments

The two major investment projects that were in progress, as at 30 June 2007, were the upgrading/expansion of the Komotini production facilities and the erection of the Italian production plant.

Investment project	Total capital expenditure	Approved grants	Net investment	Total amount already incurred	Outstanding commitment as at 30 June 2007 *	Grants already collected
	€'000	€'000	€'000	€'000	€'000	€'000
Upgrading of production facilities	38,021	(20,875)	17,146	(14,888)	23,133	(6,211)
Erection of Italian plant	25,365	(16,990)	8,375	(1,441)	23,924	-
	63,386	(37,865)	25,521	(16,329)	47,057	(6,211)

* of which €15.3 million is likely to be incurred in the second half of 2007, €28.7 million in 2008 and €3.1 million in 2009. The timing of the collection of grants varies depending on the type of the grant and the terms under which it has been approved. The collection of the grants may precede or follow the expending of the funds.

13. Post Balance Sheet Events

There are no reportable post-balance sheet events.



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