

YIOULA GLASSWORKS S.A. AND SUBSIDIARIES
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2012

(Amounts in all tables and notes are presented in thousands of Euro except share and per share data and unless otherwise stated)

1. CORPORATE INFORMATION:

Yioula Glassworks S.A., a corporation formed under the laws of the Hellenic Republic (also known as Greece), on August 5, 1959, by Messrs Kyriacos and Ioannis Voulgarakis is the successor to a business founded by the same persons in September 1947. References to the "Company" or "Yioula" include, unless the contents indicate otherwise, Yioula Glassworks S.A. and its consolidated subsidiaries.

The Company's principal activities, in accordance with its Articles of Incorporation, are the production and trading of products manufactured from glass, crystal and plastic material. Its operations commenced in 1947 and expanded into Bulgaria in 1997, Romania in 2003 and Ukraine in 2005. Currently, the Company is the leading producer of glass containers in the South East European market.

The Company's headquarters are in Athens at 5, Orizomilon Street, 122 44 Aegaleo. The life of Yioula Glassworks S.A., according to its Articles of Incorporation, is ninety (90) years as of August 5, 1959, with a possible extension permitted following a decision of the General Meeting of its Shareholders.

2. BASIS OF PRESENTATION:

(a) Basis of Preparation of Financial Statements: The accompanying interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

These interim condensed consolidated financial statements for the three months ended March 31, 2012 and 2011 have been prepared, in accordance to IAS 34 and the same accounting policies and methods of computation that have been followed in the interim periods as compared with the most recent annual consolidated financial statements (December 31, 2011).

The preparation of consolidated financial statements, in accordance with IFRS, requires the use of critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies which have been adopted. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 2(e).

All amounts in the financial statements are presented in thousand of Euro ("€") and are rounded to the nearest thousand, unless otherwise stated.

(b) Basis of consolidation

The interim condensed consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at March 31, 2012.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Losses within a subsidiary are attributed to the non-controlling interest ("NCI") even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

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- Derecognises the assets (including goodwill) and liabilities of the subsidiary
 - Derecognises the carrying amount of any non-controlling interest
 - Derecognises the cumulative translation differences, recorded in equity
 - Recognises the fair value of the consideration received
 - Recognises the fair value of any investment retained
 - Recognises any surplus or deficit in profit or loss
 - Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

(c) Summary of Significant Accounting Policies

a. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

- b. Investments in Associates:** The Company's investment in its associate is accounted for using the equity method. An associate is an entity in which the Company has significant influence.

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Under the equity method, the investment in the associate is carried on the statement of financial position at cost plus post acquisition changes in the Company's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The income statement reflects the Company's share of the results of operations of the associate. When there has been a change recognised directly in the equity of the associate, the Company recognises its share of any changes and discloses this, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Company and the associate are eliminated to the extent of the interest in the associate.

The Company's share of profit of an associate is shown on the face of the income statement. This is the profit attributable to equity holders of the associate and, therefore, is profit after tax and non-controlling interests in the subsidiaries of the associate.

The financial statements of the associate are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

After application of the equity method, the Company determines whether it is necessary to recognise an additional impairment loss on its investment in its associate. The Company determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in the 'share of profit of an associate' in the income statement.

Upon loss of significant influence over the associate, the Company measures and recognises any retaining investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

- c. Functional and Presentation Currency and Foreign Currency Translation:** The consolidated financial statements are presented in Euro which is Yioula Glasswork S.A.'s functional and presentation currency. Each entity in the Company determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. At the reporting dates, monetary assets and liabilities, which are denominated in foreign currencies, are adjusted to reflect the functional currency rate of exchange ruling at that date. Gains or losses resulting from foreign currency remeasurement are reflected in the accompanying consolidated statement of comprehensive income. Gains or losses from transactions are also reflected in the accompanying consolidated statement of comprehensive income.

The functional currency of the Company's foreign subsidiaries is the official currency of the related country in which each subsidiary operates. Accordingly, at each reporting date all balance sheet accounts of these subsidiaries are translated into Euro using the exchange rate in effect at the reporting date. Revenues and expenses are translated at the weighted average rate of exchange prevailing during the year (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions).

Translation gains/(losses) are reported in "foreign currency translation reserve", a separate component of equity, which balance amounted to € (16,341) and € (15,242), at March 31, 2012

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and December 31, 2011, respectively. On disposal of a foreign subsidiary (entity) the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the consolidated statement of comprehensive income. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

d. Research and Product Development Costs: Research costs are expensed as incurred. Development expenditure is mainly incurred for developing products. Costs incurred for the development of an individual project are recognised as an intangible asset only when the requirements of IAS 38 "Intangible Assets" are met.

e. Revenue Recognition: Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods: Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch of the goods.

Rendering of services: Revenue from rendering of services is recognised by reference to the stage of completion. Stage of completion is measured by reference to labour hours worked to date as a percentage of total estimated labour hours for each contract. Where the contract outcome cannot be measured reliably, revenue is recognised only to the extent of the expenses incurred that are recoverable.

Interest income: Revenue is recognised as interest accrues using the effective interest method.

Dividend income: Revenue is recognised when the Company's right to receive the payment is established.

f. Property, Plant and Equipment: Land is measured at fair value. Buildings and machinery and equipment are stated at cost less accumulated depreciation and any impairment in value. Such cost includes the cost of replacing part of the machinery and equipment when that cost is incurred, if the recognition criteria are met. Transportation equipment and furniture and fixtures are stated at cost less accumulated depreciation and any impairment in value.

Valuations are performed frequently enough to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

Any revaluation surplus is credited to the revaluation reserve included in the equity section of the consolidated statement of financial position, net of related deferred taxes, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in the consolidated statement of comprehensive income, in which case the increase is recognised in the consolidated statement of comprehensive income (income statement). A revaluation deficit is recognised in the consolidated statement of comprehensive income (income statement), except that a deficit directly offsetting a previous surplus on the same asset is directly offset against the existing surplus in the revaluation reserve.

Borrowing costs incurred during the period of construction that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of

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the asset using the related borrowing rate. Certain furnaces need to be partially or completely overhauled approximately every six (6) to fourteen (14) years. At the time of the overhauls, the related cost is recognised in the carrying amount of the plant and machinery as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are expensed as incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the consolidated statement of comprehensive income in the year the item is derecognised.

Upon disposal or sale of any revalued item of land the respective revaluation surplus which becomes realised is not credited to the consolidated statement of comprehensive income (income statement), but transferred as an equity movement to retained earnings.

- g. Depreciation:** Land is not depreciated. Depreciation is computed based on the straight-line method at rates, which approximate average useful lives. The assets residual values and useful lives are reviewed and adjusted if appropriate, at each reporting date.

The rates used are as follows:

Classification	Annual Rates
Buildings	2% - 5%
Machinery and equipment	7% - 15%
Transportation equipment	15% - 20%
Furniture and fixtures	15%
Moulds	10% - 20%

- h. Intangible Assets:** Intangible assets consist of the acquisition cost of software and any expenses incurred during the development of the software in order to bring it into use as well as trade name, customer relationship and product technology acquired through a business combination. Purchased intangible assets are capitalised at cost while those acquired through business combinations are capitalised at fair value at the date of acquisition.

Amortisation of intangible assets is computed based on the straight line method at rates which approximate average useful lives. The rates used are 20%-25% for software, 20%-33% for trade names and 14%-25% for customer relationship and product technology.

After the initial recognition, the Company's management reviews the carrying values of intangible assets for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. Where indications of impairment exist, a provision for impairment loss is recognised and the item is measured at its recoverable value.

- i. Impairment of Non-financial Assets:** With the exception of goodwill which is tested for impairment on an annual basis, the carrying values of other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Whenever the carrying value of an asset exceeds its recoverable amount an impairment loss is recognized in the consolidated statement of comprehensive income. The recoverable amount is measured as the higher of fair value and value in use. Fair value is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, after deducting any direct incremental selling costs, while value in use is the present value of estimated future cash flows expected to arise from continuing use of

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the asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows. Impairment losses which were accounted for in prior years are reversed only when there is sufficient evidence that the assumptions used in determining the recoverable amount have changed. In these circumstances the related reversal is recognized to income.

j. Investments and Other Financial Assets: Financial assets which fall within the scope of IAS 39 are classified based on their nature and their characteristics in the following four categories:

- financial assets at fair value through profit and loss,
- loans and receivables,
- held-to-maturity investments, and
- available-for-sale financial assets.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit and loss, directly attributable transaction costs. The Company determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year-end.

All regular way purchases and sales of financial assets are recognised on the trade date, which is the date that the Company commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

a. Financial assets at fair value through profit and loss: Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Gains or losses on investments held for trading are recognised in statement of comprehensive income. Derivatives are also categorised as held for trading unless they are designated as hedges.

b. Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in statement of comprehensive income (income statement) when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

c. Held-to-maturity investments: Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the Company has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification. Held-to-maturity investments are carried at amortised cost using the effective interest method. For investments carried at amortised cost, gains and losses are recognised in statement of comprehensive income (income statement) when the investments are derecognised or impaired, as well as through the amortisation process.

d. Available-for-sale financial assets: Available-for-sale financial assets (primary) are those non-derivative financial assets that are designated as available-for-sale or are not classified in any of the three preceding categories. After initial recognition available-for-sale financial assets are measured at fair value with gains or losses being recognised as a separate component of equity. On disposal, impairment or derecognition of the investment, the cumulative gain or loss is transferred to the consolidated statement of comprehensive income.

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the reporting date. For

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investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument, which is substantially the same; discounted cash flow analysis and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the consolidated statement of comprehensive income (income statement), is transferred from equity to the consolidated statement of comprehensive income (income statement). Reversals in respect of equity instruments classified as available-for-sale are not recognised in the consolidated statement of comprehensive income (income statement). Reversals of impairment losses on debt instruments are reversed through the consolidated statement of comprehensive income (other comprehensive income), if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment loss.

k. Derecognition of Financial Assets and Liabilities

- (i) **Financial assets:** A financial asset (or, where applicable a part of a financial asset or part of a Company of similar financial assets) is derecognised where:
- the rights to receive cash flows from the asset have expired;
 - the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
 - the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the assets, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay. Where continuing involvement takes the form of a written and/or purchase option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Company's continuing involvement is the amount of the transferred asset that the Company may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the Company's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

- (ii) **Impairment of financial assets:** The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a Company of financial assets is impaired. A financial asset or a Company of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the Company of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a Company of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data

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indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortized cost

For financial assets carried at amortized cost, the Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a Company of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognized are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial assets' original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the statement of comprehensive income. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income in the statement of comprehensive income. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Company. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to finance costs in the statement of comprehensive income (income statement).

Available-for-sale financial investments

For available-for-sale financial investments, the Company assesses at each reporting date whether there is objective evidence that an investment or a Company of investments is impaired.

In the case of equity investments classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognized in the statement of comprehensive income – is removed from other comprehensive income and recognized in the statement of comprehensive income. Impairment losses on equity investments are not reversed through the statement of comprehensive income; increases in their fair value after impairment are recognized directly in other comprehensive income.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortized cost. However, the amount recorded for impairment is the cumulative loss measured as the difference

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between the amortized cost and the current fair value, less any impairment loss on that investment previously recognized in the statement of comprehensive income (income statement).

Future interest income continues to be accrued based on the reduced carrying amount of the asset, using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If, in a subsequent year, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in the statement of comprehensive income, the impairment loss is reversed through the statement of comprehensive income.

(iii) Financial liabilities:

Initial recognition and measurement

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, bank overdrafts, loans and borrowings, financial guarantee contracts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through income statement.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IAS 39. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of comprehensive income.

The Company has not designated any financial liabilities upon initial recognition as at fair value through profit or loss.

Loans and borrowings

All loans and borrowings are initially recognized at cost, being the fair value of the consideration received net of issue costs associated with the borrowing. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the statement of comprehensive income when the liabilities are derecognized as well as through the effective interest rate (EIR) method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of comprehensive income.

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- l. Inventories:** Inventories are stated at the lower of cost and net realisable value. Cost of finished and semi-finished products includes all costs incurred in bringing inventories to their current location and state of manufacture and comprises raw materials, labour, an applicable amount of production overhead (based on normal operating capacity, but excludes borrowing costs) and packaging. The cost of raw materials and finished goods is determined based on the weighted average basis. Net realisable value for finished goods is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. The net realisable value for raw materials is the estimated replacement cost in the ordinary course of business. An appropriate allowance is made for damaged, obsolete and slow moving items. Write-downs to net realisable value and inventory losses are expensed in the period in which the write-downs or losses occur.

Spare parts and servicing equipment are carried as inventory at the lower of cost or market value and are used i) for sale to third parties, ii) for maintenance purposes and, iii) for major overhauls of property, plant and equipment. As the future use of these spare parts is not predefined at the time of purchase, they are treated as inventories. If used for maintenance purposes, the cost of such spare parts is expensed when consumed. When these spare parts are used for major overhauls, (i.e. installed in the machinery and equipment or their use as major overhauls is defined), the spare parts are recognised as property, plant and equipment and depreciated over a period not exceeding the useful life of the related asset.

- m. Accounts Receivable Credit and Collection:** The Company has established criteria for granting credit to customers, which are generally based upon the size of the customer's operations and consideration of relevant financial data. Business is generally conducted with such customers under normal terms with collection expected within ninety (90) days after shipment. Accounts receivable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment. An allowance for impairment of accounts receivable is established when there is objective evidence that the Company will not be able to collect all of the amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the consolidated statement of comprehensive income (income statement).

- n. Cash and Cash Equivalents:** The Company considers time deposits and other highly liquid investments with original maturity of three months or less, to be cash equivalents.

For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash at hand and in banks and of cash and cash equivalents as defined above.

- o. Borrowing Costs:** Borrowing costs are recognized as an expense in the period in which they are incurred, except where the Company capitalises borrowing costs on qualifying assets in accordance with IAS, 23 Borrowing Costs.

- p. Staff Retirement Indemnities:** Staff retirement obligations are calculated at the present value of the future retirement benefits deemed to have accrued at year-end, based on the employees earning retirement benefit rights steadily throughout the working period. The provision for retirement obligations is calculated on the basis of financial and actuarial assumptions and are determined using the projected unit credit actuarial valuation method. Net pension costs for the period are included in payroll in the accompanying consolidated statement of comprehensive income and consist of the present value of benefits earned in the year, interest cost on the benefit obligation, past service cost, actuarial gains or losses recognised in the year and any additional pension charges. Past service costs are recognised on a straight-line basis over the average period until the benefits under the plan become vested.

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In the event that a defined plan is initiated or modified and the relative benefits have already vested, the corresponding prior period cost is recognised in the current year's consolidated statement of comprehensive income. Actuarial gains or losses are recognised based on the corridor approach over the average remaining service period of active employees and included as a component of net pension cost for a year if, as of the beginning of the year the cumulative unrecognised actuarial gains or losses exceed 10% of the present value of the projected benefit obligation. The retirement benefit obligations are not funded.

q. Income Taxes (Current and Deferred): Current and deferred income taxes are computed based on the separate financial statements of each of the entities included in the consolidated financial statements, in accordance with the tax rules in force in Greece or other tax jurisdictions in which the entities operate. Income tax expense consists of income taxes for the current year based on each entity's profits as adjusted in its tax returns, additional income taxes resulting from tax audits of the tax authorities and deferred income taxes, using substantively enacted tax rates.

Deferred income taxes are provided, using the liability method for all temporary differences at the reporting date arising between the tax base of assets and liabilities and their carrying values for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

- Except where the deferred income tax liability arises from goodwill amortisation or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised:

- Except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future and there will be available taxable profits which will be used against temporary differences.

Deferred income tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

For transactions recognised directly in equity, any related tax effects are also recognised directly in equity and not in the consolidated statement of comprehensive income.

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Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

- r. Group as a lessee:** Finance leases that transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the income statement.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an operating expense in the income statement on a straight-line basis over the lease term.

Group as a lessor: Leases in which the Group does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

- s. Provisions and Contingencies:** Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle this obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at each reporting date and adjusted to reflect the present value of the expenditure expected to be required to settle the obligation.

When the effect of time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate the risks specific to the liability.

Contingent liabilities are not recognised in the consolidated financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognised in the consolidated financial statements but are disclosed when an inflow of economic benefits is probable.

- t. Share Capital:** Share capital represents the value of the Parent company's shares in issue. Any excess of the fair value of the consideration received over the par value of the shares issued is recognised as the "share premium" in shareholders' equity. Incremental external costs directly attributable to the issue of new shares are shown as a deduction in equity, net of tax, from the proceeds.

- u. Earnings/(Loss) per Share:** Basic earnings/(loss) per share is computed by dividing net income/(loss) attributable to the shareholders of the parent by the weighted average number of ordinary shares outstanding during each year. Diluted earnings/(loss) per share amounts is calculated by dividing the net income/(loss) attributable to the shareholders of the parent by the weighted average number of ordinary shares outstanding each year as adjusted for the effects of dilutive instruments.

- v. Segment Reporting:** Operating segments are reported in a manner consistent with the internal reporting provided to the Company CFO and management who are responsible for allocating resources and assessing performance of the operating segments. The Company produces glass containers and tableware and operates in Greece, Romania, Bulgaria and Ukraine. Due to the

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nature of the products, the business is operated and managed by operating entity. Accordingly, operating results, assets and liabilities by entity are available. No operating results by individual or Company of products are produced and neither are the Company's assets and liabilities analysed by various product Companies.

w. Government Grants: The Company obtains grants from the European Union in order to fund specific projects for the acquisition of tangible and intangible assets. Grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the consolidated statement of comprehensive income over the expected useful life of the relevant asset by equal annual installments. Amortisation is included in other income/(expenses), net in the consolidated statement of comprehensive income. When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

x. Dividend Distribution: Dividend distribution to the Company's shareholders is recognised as a liability in the Company's consolidated financial statements in the period in which the dividends are approved by the Company's shareholders.

y. Offsetting of Financial Assets and Liabilities: Financial assets and liabilities are offset and the net amount is presented in the consolidated statement of financial position only when the Company has a legally enforceable right to set off the recognised amounts and intends to either settle such asset and liability on a net basis or to realize the assets and settle the liability simultaneously.

z. Emission Rights: The Company has been allocated emission rights for the Greek, Romanian and the Bulgarian entities (no such arrangement exists for the Ukrainian entities) covering five consecutive years, beginning 2008. Based on the measurements performed and the modernization of their production equipment, the Company is not expected to exceed these emission rights. The emission rights are recognized on the basis of the net liability for the whole period of five years, that is when the actual emissions exceed the allocated rights, then the Company will provide for the full cost of the liability.

(d) Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

The Company has adopted the following new and amended IFRS and IFRIC interpretations as of January 1, 2011:

- **IFRIC 14 Prepayments of a Minimum Funding Requirement (Amended)**
- **IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments**
- **IAS 24 Related Party Disclosures (Amended)**
- **IAS 32 Classification on Rights Issues (Amended)**
- **Improvements to IFRSs (May 2010)**

In May 2010, the IASB issued its third omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. There are separate transitional provisions for its standard.

IFRS 3 Business Combinations

IFRS 7 Financial Instruments- Disclosures

IAS 1 Presentation of Financial Statements

IAS 27 Consolidated and Separate Financial Statements

IAS 34 Interim Financial Reporting

IFRIC 13 Customer Loyalty Programmes

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The above mentioned new and amended IFRS and IFRIC interpretations did not have an impact on the financial statements or performance of the the Company.

(e) Significant Accounting Judgements, Estimates and Assumptions

The estimates and assumptions that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- (i) Allowance for doubtful accounts receivable:** The Company's management periodically reassesses the adequacy of the allowance for doubtful accounts receivable in conjunction with its credit policy and taking into consideration reports from its legal counsel on recent developments of the cases they are handling.
- (ii) Provision for income taxes:** According to IAS 12, income tax provisions are based on estimations as to the taxes that shall be paid to the tax authorities and includes the current income tax for each fiscal year, the provision for additional taxes which may arise from future tax audits and the recognition of future tax benefits. The final clearance of income taxes may be different from the relevant amounts which are included in these consolidated financial statements.
- (iii) Depreciation rates and useful lives:** The Company's assets are depreciated over their estimated remaining useful lives. These useful lives are periodically reassessed to determine whether the original period continues to be appropriate. The actual lives of these assets can vary depending on a variety of factors such as technological innovation and maintenance programs.
- (iv) Goodwill and impairment test:** The Company determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Company to make estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.
- (v) Impairment of property, plant and equipment:** Property, plant and equipment are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management estimates the expected future cash flows from the asset or cash-generating unit and chooses a suitable discount rate in order to calculate the present value of those cash flows.
- (vi) Deferred tax assets:** Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profits will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details are provided in Note 6.
- (vii) Derecognition of financial assets:** When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, management exercises judgment to determine whether it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, and recognizes a new asset to the extent of the Company's continuing involvement in the asset.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay. Furthermore management engages in making estimates of the value of the guarantee to determine the amount of the continuing involvement.

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- (viii) **Staff retirement indemnities:** The cost of the staff retirement indemnities is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases etc. Due to the long term nature of this plan, such estimates are subject to significant uncertainty.
- (ix) **Measurement of land at fair value:** The Company's policy is to measure land at revalued amounts (estimated fair values), as these are determined by independent appraisal firms, less any impairment losses recognized after the date of revaluation. Valuations are performed frequently enough to ensure that the fair value of the revalued asset does not differ materially from its carrying amount.
- (x) **Valuation of Available-for-sale financial assets:** After initial recognition available-for-sale financial assets are measured at fair value. The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the reporting date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions.

3. STANDARDS ISSUED BUT NOT YET EFFECTIVE:

The Company has not early adopted any standard, interpretation or amendment that was issued but is not yet effective.

- **IAS 1 Financial Statement Presentation (Amended) – Presentation of Items of Other Comprehensive Income**
The amendment is effective for annual periods beginning on or after 1 July 2012. The amendments to IAS 1 change the Companying of items presented in OCI. Items that could be reclassified (or 'recycled') to profit or loss at a future point in time (for example, upon derecognition or settlement) would be presented separately from items that will never be reclassified. The amendment affects presentation only and has no impact on the Company's financial position or performance. This amendment has not yet been endorsed by the EU. The Company is in the process of assessing the impact of this amendment on the financial position or its performance.
- **IAS 12 Income Taxes (Amended) – Recovery of Underlying Assets**
The amendment is effective for annual periods beginning on or after 1 January 2012. The amendment clarified the determination of deferred tax on investment property measured at fair value. The amendment introduces a rebuttable presumption that deferred tax on investment property measured using the fair value model in IAS 40 should be determined on the basis that its carrying amount will be recovered through sale. Furthermore, it introduces the requirement that deferred tax on non-depreciable assets that are measured using the revaluation model in IAS 16 always be measured on a sale basis of the asset. This amendment has not yet been endorsed by the EU. The Company does not expect that the amendment will have an impact on the financial position or its performance.
- **IAS 19 Employee Benefits (Amended)**
The amendment is effective for annual periods beginning on or after 1 January 2013. The IASB has issued numerous amendments to IAS 19. These range from fundamental changes such as removing the corridor mechanism and the concept of expected returns on plan assets to simple clarifications and re-wording. Early application is permitted. This amendment has not yet been endorsed by the EU. The Company is in the process of assessing the impact of this amendment on the financial position or its performance.

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- **IAS 27 Separate Financial Statements (Revised)**

The Standard is effective for annual periods beginning on or after 1 January 2013. As a consequence of the new IFRS 10 and IFRS 12, what remains of IAS 27 is limited to accounting for subsidiaries, jointly controlled entities, and associates in separate financial statements. Earlier application is permitted. This amendment has not yet been endorsed by the EU. The Company is in the process of assessing the impact of this amendment on the financial position or performance of the Company.

- **IAS 28 Investments in Associates and Joint Ventures (Revised)**

The Standard is effective for annual periods beginning on or after 1 January 2013. As a consequence of the new IFRS 11 and IFRS 12, IAS 28 has been renamed IAS 28 Investments in Associates and Joint Ventures, and describes the application of the equity method to investments in joint ventures in addition to associates. Earlier application is permitted. This amendment has not yet been endorsed by the EU. The Company does not expect that the amendment will have an impact on the financial position or its performance.

- **IAS 32 Financial Instruments: Presentation (Amended) - Offsetting Financial Assets and Financial Liabilities**

The amendment is effective for annual periods beginning on or after 1 January 2014. This amendment clarifies the meaning of "currently has a legally enforceable right to set-off" and also clarifies the application of the IAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. The amendments to IAS 32 are to be retrospectively applied. Earlier application is permitted. However, if an entity chooses to early adopt, it must disclose that fact and also make the disclosures required by the IFRS 7 Offsetting Financial Assets and Financial Liabilities amendments. This amendment has not yet been endorsed by the EU. The Company is in the process of assessing the impact of the amendment on the financial position or its performance.

- **IFRS 7 Financial Instruments: Disclosures (Amended) - Enhanced Derecognition Disclosure Requirements**

The amendment is effective for annual periods beginning on or after 1 July 2011. The amendment requires additional disclosure about financial assets that have been transferred but not derecognised to enable the user of the financial statements to understand the relationship with those assets that have not been derecognised and their associated liabilities. In addition, the amendment requires disclosures about continuing involvement in derecognised assets to enable the user to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognised assets. The amendment has only disclosure effects. The Company does not expect that the amendment will have an impact on the financial position or its performance.

- **IFRS 7 Financial Instruments: Disclosures (Amended) - Offsetting Financial Assets and Financial Liabilities**

The amendment is effective for annual periods beginning on or after 1 January 2013. The amendment introduces common disclosure requirements. These disclosures would provide users with information that is useful in evaluating the effect or potential effect of netting arrangements on an entity's financial position. The amendments to IFRS 7 are to be retrospectively applied. This amendment has not yet been endorsed by the EU. The Company is in the process of assessing the impact of the amendment on the financial position or its performance.

- **IFRS 9 Financial Instruments - Classification and Measurement**

The new standard is effective for annual periods beginning on or after 1 January 2015. IFRS 9 as issued reflects the first phase of the IASBs work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. Phase 1 of IFRS 9 will have a significant impact on (i) the classification and measurement of financial assets and (ii) a change in reporting for those entities that have designated financial

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liabilities using the FVO (Fair value option). In subsequent phases, the IASB will address hedge accounting and impairment of financial assets. The completion of this project is expected over the first half of 2012. Early application is permitted. This standard has not yet been endorsed by the EU. The Company is in the process of assessing the impact of the new standard on the financial position or its performance.

- **IFRS 10 Consolidated Financial Statements**

The new standard is effective for annual periods beginning on or after 1 January 2013. IFRS 10 replaces the portion of IAS 27 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. It also includes the issues raised in SIC-12 Consolidation — Special Purpose Entities. IFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by IFRS 10 will require management to exercise significant judgment to determine which entities are controlled, and therefore, are required to be consolidated by a parent, compared with the requirements that were in IAS 27. This standard has not yet been endorsed by the EU. The Company is in the process of assessing the impact of the new standard on the financial position or its performance.

- **IFRS 11 Joint Arrangements**

The new standard is effective for annual periods beginning on or after 1 January 2013. IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities — Non-monetary Contributions by Venturers. IFRS 11 removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, JCEs that meet the definition of a joint venture must be accounted for using the equity method. This standard has not yet been endorsed by the EU. The Company does not expect that the amendment will have an impact on the financial position or its performance.

- **IFRS 12 Disclosures of Involvement with Other Entities**

The new standard is effective for annual periods beginning on or after 1 January 2013. IFRS 12 includes all of the disclosures that were previously in IAS 27 related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 and IAS 28. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are also required. This standard has not yet been endorsed by the EU. The Company is in the process of assessing the impact of the new standard on the financial position or its performance.

- **IFRS 13 Fair Value Measurement**

The new standard is effective for annual periods beginning on or after 1 January 2013. IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. This standard should be applied prospectively and early adoption is permitted. This standard has not yet been endorsed by the EU. The Company is in the process of assessing the impact of the new standard on the financial position or its performance.

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4. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES:

Selling, general and administrative expenses in the accompanying interim condensed consolidated statements of income are analyzed as follows:

	March 31,	
	2012	2011
	(unaudited)	
Payroll and related costs	2,899	3,104
Third party fees	1,014	1,237
Consumables	276	245
Depreciation and amortization	749	957
Advertising and promotion expenses	66	91
Shipping, handling and transportation costs	658	708
Taxes other than income taxes	104	152
Rentals	272	261
Commissions	320	303
Utilities	117	110
Travelling expenses	140	144
Accommodation expenses	46	50
Telecommunications and postal costs	77	45
Repairs and maintenance	106	115
Insurance	219	207
Donations	82	50
Subscriptions	43	15
Other	86	148
Total	7,274	7,942

5. FINANCIAL INCOME/(EXPENSES), NET:

Financial income/(expenses), net in the accompanying interim condensed consolidated statements of income is analysed as follows:

	March 31,	
	2012	2011
	(unaudited)	
Interest on loans and borrowings	(4,565)	(4,574)
Interest on short-term borrowings	(956)	(756)
Finance charges paid under finance leases	(27)	(18)
Finance charges paid under factoring agreements	(178)	(147)
Bank charges and other related costs	(294)	(333)
Other finance costs	(155)	(101)
Total financial expenses	(6,175)	(5,929)
Interest earned on cash at banks and on time deposits	2	6
Other financial income	169	166
Total financial income	171	172
Total financial income/(expense), net	(6,004)	(5,757)

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6. INCOME TAXES:

The Company's corporate tax rate is 20% whilst the rate of its subsidiaries in Ukraine is 23%, in Romania is 16% and in Bulgaria is 10%.

Income tax expense / (benefit) reflected in the accompanying interim consolidated statements of income is analyzed as follows:

	March 31,	
	2012	2011
	(unaudited)	
Current income taxes:		
Current income tax charge	728	632
Deferred income taxes	(124)	(183)
Total income tax expense/(benefit)	604	449

Tax returns are filed annually but the profits or losses declared for tax purposes remain provisional until such time, as the tax authorities in the countries the Company operates in, examine the returns and the records of the taxpayer and a final assessment is issued.

With respect to Yioula Glassworks S.A.'s subsidiaries, their books and records have not been audited by the tax authorities for the following periods:

Company's Name	Unaudited Periods
Drujba Glassworks A.D.	2006 – 2012
S.C. Stirom S.A.	2003 – 2012
New Glass EAD	2007 – 2012
Ambalaj EOOD	2006 – 2012
Yalos Holdings Overseas Limited	2002 – 2012
Glassinvest Limited	2002 – 2012
Bareck Overseas Limited	2002 – 2012
Mediterranean Glass Limited	2002 – 2012
Berlino Investments Limited	2002 – 2012
Colwick Holdings Limited	2002 – 2012
Gazon Holdings Limited	2002 – 2012
Bitcord Holdings Limited	2002 – 2012
Ivaglass Manufacturers Limited	2010 – 2012
Uglass Holdings Limited	2005 – 2012
Alpha Glass Limited	2005 – 2012
Bio med sklo Public Joint Stock Company	2011 – 2012
Buchansky Glass Containers Plant Limited Liability Company	2011 – 2012
Buchansky Glasswork Plant Limited Liability Company	2007 – 2012
Beluxen Enterprises Limited	2009 – 2012
Hellenic Glass Recycling Company Limited	2010 – 2012
Serbian Recycling Industries A.D.	2010 – 2012

Pending the tax examination of the related unaudited tax years, the Company, based upon previous years' tax examinations and past interpretations of the tax laws, believes that adequate provisions for probable future tax assessments have been made in the consolidated financial statements.

The deferred income taxes relate to the temporary differences between the book values and the tax bases of assets and liabilities and are calculated using the applicable statutory income tax rate.

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7. EARNINGS PER SHARE:

Basic earnings per share amounts are calculated by dividing net income for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net income attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year, adjusted for the effects of dilutive options. There were no dilutive options outstanding during the three months ended March 31, 2012 and 2011.

The following reflects the income and share data used in the total operations basic and diluted earnings per share computations:

	March 31,	
	2012	2011
	(unaudited)	
Net loss attributable to equity holders of the parent	<u>(3,434)</u>	<u>(2,474)</u>
Weighted average number of ordinary shares for basic and diluted earnings per share	<u>16,108,000</u>	<u>16,108,000</u>

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8. SUBSIDIARIES:

The accompanying interim condensed consolidated financial statements include the financial statements of Yioula Glassworks S.A. and its subsidiaries listed below:

Entity	Equity interest			Country of incorporation	Principal activities
	March 31, 2012	December 31, 2011	March 31, 2011		
Drujba Glassworks A.D.	99.51%	99.51%	99.51%	Bulgaria	Production and trading of glass containers.
S.C. Stirom S.A.	93.41%	93.41%	93.41%	Romania	Production and trading of glass containers and tableware.
New Glass EAD	100.00%	100.00%	100.00%	Bulgaria	Production and trading of glass tableware.
Bio med sklo Public Joint Stock Company	98.53%	98.53%	98.53%	Ukraine	Production and trading of glass containers
Buchansky Glass Containers Plant Limited Liability Company	100.00%	100.00%	100.00%	Ukraine	Production and trading of glass containers.
Buchansky Glasswork Plant Limited Liability Company	100.00%	100.00%	100.00%	Ukraine	Production and trading of flat glass.
Ambalaj Sofia City EOOD	100.00%	100.00%	100.00%	Bulgaria	Production of packaging material.
Yalos Holdings Overseas Limited	100.00%	100.00%	100.00%	Cyprus	Holding
Beluxen Enterprises Limited	100.00%	100.00%	100.00%	Cyprus	Holding
Hellenic Glass Recycling Company Limited	100.00%	100.00%	100.00%	Greece	Holding
Serbian Recycling Industries A.D.	74.28%	74.28%	74.28%	Serbia	Processing and trading of glass shiver
Glassinvest Limited	100.00%	100.00%	100.00%	Cyprus	Holding
Bareck Overseas Limited	100.00%	100.00%	100.00%	Cyprus	Holding
Mediterranean Glass Limited	100.00%	100.00%	100.00%	Cyprus	Holding
Berlino Investments Limited	100.00%	100.00%	100.00%	Cyprus	Holding
Colwick Holdings Limited	100.00%	100.00%	100.00%	Cyprus	Holding
Gazon Holdings Limited	100.00%	100.00%	100.00%	Cyprus	Holding
Bitcord Holdings Limited	100.00%	100.00%	100.00%	Cyprus	Holding
Ivaglass Manufacturers Limited	100.00%	100.00%	100.00%	Cyprus	Holding
Uglass Holdings Limited	100.00%	100.00%	100.00%	Cyprus	Holding
Alpha Glass Limited	100.00%	100.00%	100.00%	Cyprus	Holding

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9. CASH AND CASH EQUIVALENTS:

Cash and cash equivalents are analysed as follows:

	March 31, 2012	December 31, 2011
	(unaudited)	(audited)
Cash in hand	37	27
Cash at banks	1,825	7,082
Total	1,862	7,109

Cash at banks earns interest at floating rates based on monthly bank deposit rates. Interest earned on cash at banks and time deposits is accounted for on an accrual basis and amounted to € 2 and € 6 for the three months ended March 31, 2012 and 2011, respectively and is included in financial income/(expenses), net in the accompanying interim condensed consolidated statements of income.

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10. INTEREST BEARING LOANS AND BORROWINGS:

Interest bearing loans and borrowings are analyzed as follows:

	Bank	Contract amount	Maturity	Repayment schedule	Effective interest rate	Outstanding balance	
						March 31, 2012 (unaudited)	December 31, 2011 (audited)
a)	Senior Notes	140,000	December 1, 2015	One balloon installment on maturity date	9.73%	132,900	132,900
b)	EFG Eurobank Ergasias S.A.	30,000	December 31, 2013	Two annual installments of € 1,700 each starting on December 30, 2011 and one final installment of € 26,600 on maturity date	Euribor plus 4.1%	28,300	30,000
c)	EFG Eurobank Ergasias S.A.	14,870	December 31, 2014	Eight semi annual installments of € 1,859 each starting on June 30, 2011.	Euribor plus 4.0%	13,011	13,011
d)	European Bank for Reconstruction and Development	10,000	November 7, 2013	Twenty four equal quarterly installments of € 417 each starting on February 7, 2008	Three month Euribor plus 2.65%	2,917	3,333
e)	European Bank for Reconstruction and Development	10,000	July 28, 2014	Twenty four equal quarterly installments of € 417 each starting on October 28, 2008	Three month Euribor plus 3.05%	4,167	4,583
f)	Bank of Cyprus	10,000	October 30, 2014	Six semi annual installments of € 550 each starting on April 30, 2012	Three month Euribor plus 6.0%	3,300	3,300
g)	Piraeus Bank	15,000	December 31, 2013	Twenty three equal monthly installments of € 200 each starting on January 31, 2012 and one final bullet installment of € 9,500 on maturity date	Three month Euribor plus 6.0%	13,800	14,100
h)	International Finance Corporation	8,600	September 15, 2015	Twelve equal semi annual installments of € 717 each starting on March 15, 2010	Six month Euribor plus 1.75%	5,017	5,733
i)	International Finance Corporation	15,500	September 15, 2015	Twelve equal semi annual installments of € 1,292 each starting on March 15, 2010	Six month Euribor plus 2.65%	9,042	10,333
j)	Piraeus Bank	1,000	February 29, 2012	Twenty four equal monthly installments of € 42 each starting on March 31, 2010	BBIR plus 0.75%	-	87
k)	EFG Eurobank Ergasias S.A.	2,614	April 14, 2016	One installment of € 63.5 each starting on January 16, 2012 and fifty one monthly installments of € 50 each the first payable on February 14, 2012 and the last on maturity date	Euribor plus 5.0%	2,450	2,614
l)	MKB Unionbank	4,000	January 25, 2016	Forty six monthly installments of €85 each starting from March 25, 2012 and one final bullet of € 90 on maturity date	Three month Euribor plus 4.88%	3,915	-
Total long-term debt						218,819	219,994
Less: Unamortized issuance costs						(3,517)	(3,527)
Less: Current maturities						(20,047)	(44,352)
Long-term portion						195,255	172,115

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(a) Senior Notes:

In November 2005, Yioula Glassworks S.A. ("Issuer") completed the issuance of debt securities ("Senior Notes") at an aggregate face amount of € 140 million with maturity date on December 1, 2015.

The net proceeds of the Senior Notes amounted to approximately € 133.5 million of which, an amount of approximately € 104 million was used to redeem certain outstanding debt and the balance was used to fund future capital expenditure.

The Senior Notes bear interest at the nominal rate of 9% per annum (effective rate 9.73% per annum), payable semi-annually on each June 1 and December 1 and commenced on June 1, 2006. The Senior Notes are redeemable in whole or in part, at the option of the Company at any time on or after December 1, 2010, at the redemption prices specified in the related indenture plus accrued and unpaid interest.

The payments of all amounts payable under the Senior Notes, including principal, premium, if any, and interest are guaranteed on a senior basis by Yioula Glassworks S.A.'s indirect subsidiaries Drujba Glassworks, Stirom and Glassinvest (the "Guarantors").

The guarantees will be the Guarantors' unsecured obligations and will:

- a. rank senior in right of payment to any of such Guarantors existing and future indebtedness that is subordinated in right of payment to its guarantee,
- b. rank equally in right of payment with any of such Guarantor's existing and future indebtedness that is not subordinated in right of payment to its guarantee and,
- c. be effectively subordinated in right of payment to any existing and future obligations of the Guarantor that are secured by liens on assets to the extent of the assets securing such obligations.

The indenture governing the Senior Notes also provides that any future significant subsidiary as defined therein, will also guarantee the Senior Notes on the same basis.

The indebtedness evidenced by the Senior Notes constitutes general obligation of Yioula Glassworks S.A. and:

- (i) ranks senior in right of payment to any of the Issuer's existing and future indebtedness that is subordinated in right of payment to the Senior Notes,
- (ii) ranks equally in right of payment with any of the Issuer's existing and future indebtedness that is not subordinated in right of payment to the Senior Notes,
- (iii) be effectively subordinated in right of payment to any existing and future obligations of the Issuer that are secured by liens on assets to the extent of the assets securing such obligations,
- (iv) be guaranteed on a senior basis by the Guarantors and,
- (v) be effectively subordinated in right of payment to any obligations of the Issuers subsidiaries other than the Guarantors.

The Senior Notes indenture contains certain covenants that, among other things, limit the ability of the Issuer, the Guarantors and the Issuer's other restricted subsidiaries, as defined therein, to incur additional indebtedness, pay dividends or distributions or redeem or repurchase the share capital by the Issuer or any parent company of the Issuer, make certain restricted payments and investments, create certain liens, transfer or sell assets, engage in sale and leaseback transactions, merge or consolidate with other entities and enter into transactions with affiliates.

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(b) EFG Eurobank Ergasias S.A. - Yioula:

On June 21, 2006, Yioula Glassworks S.A. entered into a bond loan facility agreement with EFG Eurobank Ergasias S.A. (a minority shareholder of the Company) which provided it with a facility of up to €30 million to be used to refinance existing short-term indebtedness.

The bond loan was issued in full in June 2006 and was initially repayable in one balloon installment in June 2011, bearing interest at the Euro interbank borrowing rate ("Euribor") plus 2.1%.

The bond loan was refinanced on December 29, 2010 with an extension of the repayment through to December 31, 2013. The bond loan is now repayable in two annual equal installments of € 1,700 each from December 30, 2011 through December 30, 2012 and one final installment of € 26,600 on December 31, 2013.

The bond loan bears interest at the Euro interbank borrowing rate ("Euribor") plus 4.1%. Earlier repayment is permitted on each anniversary date.

The bond loan contains events of default, including, without limitation, failure to make payments under the facility, liquidation, merger, reduction in share capital, transfer of significant assets, voluntary or involuntary bankruptcy or insolvency proceedings, change in the structure of the majority shareholders and cross default under other agreements.

(c) EFG Eurobank Ergasias S.A. - Yioula:

On December 24, 2010, Yioula Glassworks S.A. entered into a loan facility agreement with EFG Eurobank Ergasias S.A. which provided it with a facility of up to € 14.9 million to be used to refinance existing short-term indebtedness and for general working capital needs. The loan facility was fully disbursed in January 2011.

The loan is repayable in eight semi-annual equal installments of € 1,859 each from June 30, 2011 through December 31, 2014. The loan bears interest at Euro interbank borrowing rate ("Euribor") plus 4%.

The 70% of the total amount of the loan facility is guaranteed by the Greek Government. Yioula Glassworks S.A shall pay to the Greek Government 1% annually on the guaranteed amount of the loan facility as insurance commission. As an additional guarantee certain rights have been relinquished, up to the amount of € 17.8 million, derived from the insurance contract between Yioula Glassworks S.A and Interamerican Bulgaria Z.E.A.D. providing compensation in case of production cessation.

The loan facility contains events of default, including, without limitation, failure to make payments under the facility, liquidation, merger, reduction in share capital, transfer of significant assets, voluntary or involuntary bankruptcy or insolvency proceedings and cross default under other agreements.

(d) EBRD Loan – Stirom:

On December 21, 2005, Stirom entered into a loan facility agreement with the European Bank for Reconstruction and Development ("EBRD") for an amount not to exceed € 10 million to finance capital expenditure. The loan was drawn in full during fiscal year 2006.

The loan is repayable in twenty-four equal quarterly installments starting on February 7, 2008, through November 7, 2013. The loan bears interest at three month Euribor plus 2.65%. Earlier repayment in full or part thereof (but, if in part, a minimum amount of € 1 million or integral multiples of € 500 in excess thereof) is permitted.

The loan agreement contains certain covenants that among other things, relate to the corporate structure,

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compliance with laws and regulations (including environmental health and safety regulations) and the maintenance of insurance. In addition, it also limits the ability of Stirom, as defined therein, to pay dividends, incur capital expenditure in excess of € 1 million, incur additional indebtedness other than that defined therein, create liens on property, plant and equipment, enter into lease agreements in excess of € 500, change its business, capital structure or the entity's charter and the sale of assets subject to the security or are necessary for the project as defined therein, or any assets with an aggregate value exceeding € 2.5 million.

The loan agreement contains events of default, including without limitation, failure to make payments under the agreement, breach of representations, failure to comply with covenants, nationalisation of the borrower, liquidation, voluntary or involuntary bankruptcy or insolvency proceedings and cross default under other agreements as defined therein.

Upon the occurrence of any event of default, EBRD may at its option, by notice to Stirom, declare all or any portion of the principal of and accrued interest on the loan to be either (i) due and payable on demand or, (ii) immediately due and payable without any further notice.

The EBRD loan also contains covenants including requirements to maintain minimum debt service coverage ratio, leverage ratio, current ratio and quick ratio. Stirom this year has breached certain negative covenants for which waiver has been obtained.

As at December 31, 2011 the Company was not in compliance with certain covenants of the loan agreements, between Stirom and EBRD.

The relevant waiver had been obtained subsequent to year-end (December 31, 2011) but before the reporting date.

Therefore, the loan is presented according to the terms of the loan agreement as at March 31, 2012 while its long term portion was reclassified as short term as at December 31, 2011.

(e) EBRD Loan - Bio med sklo:

On October 20, 2006, Bio med sklo entered into a loan facility agreement with EBRD for an amount not to exceed € 10 million primarily to finance capital expenditure. Through December 31, 2007, the loan facility had been drawn-down in full.

The loan is repayable in twenty four (24) equal quarterly installments starting on October 28, 2008 through July 28, 2014. The loan bears interest at Euribor plus 3.05% unless and until the following conditions are met: (i) the project completion date (as defined therein) has occurred or Bio med sklo has repaid 50% or more of the amount of the loan, (ii) no default has occurred or is continuing and, (iii) the National Bank of Ukraine ("NBU") has issued an amended NBU certificate indicating a margin of 2.65% for the loan. Once the conditions are met then, commencing with the first interest payment date, the margin is reduced to 2.65%. Earlier repayment in full or in part thereof (but, if in part, a minimum amount of € 1 million or integral multiples of € 500 in excess thereof) is permitted.

The loan agreement contains certain covenants that among other things, relate to the corporate structure, compliance with laws and regulations (including environmental and social matters) and the maintenance of insurance. In addition, it also limits the ability of Bio med sklo, as defined therein, to pay dividends, incur capital expenditure in excess of € 10 million, incur additional indebtedness other than that defined therein, create liens on property, plant and equipment, enter into lease agreements in excess of € 500, to change its business, capital structure or the entity's charter and the sale of assets subject to the security or are necessary for the project as defined therein, or any asset with an aggregate value exceeding € 500.

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The loan agreement contains events of default, including without limitation, failure to make payments under the agreement, breach of representations, failure to comply with covenants, nationalisation of the borrower, liquidation, voluntary or involuntary bankruptcy or insolvency proceedings and cross default under other agreement as defined therein.

Upon the occurrence of any event of default, EBRD may at its option, by notice to Bio med sklo, declare all or any portion of the principal of and accrued interest on the loan to be either (i) due and payable on demand or, (ii) immediately due and payable without any further notice.

The EBRD loan also contains covenants including requirements to maintain minimum debt service coverage ratio, leverage ratio, current ratio and quick ratio.

As at December 31, 2011 the Company was not in compliance with certain covenants of the loan agreements, between Bio med sklo and EBRD.

The relevant waiver had been obtained subsequent to year-end (December 31, 2011) but before the reporting date.

Therefore, the loan is presented according to the terms of the loan agreement as at March 31, 2012 while its long term portion was reclassified as short term as at December 31, 2011.

(f) Bank of Cyprus – Yioula:

On November 17, 2006, Yioula Glassworks S.A. entered into a bond loan facility with the Bank of Cyprus which provided it with a facility of € 10 million to refinance existing short and long-term indebtedness.

The loan was initially repayable in six equal semi-annual installments of € 1,300 each and one final installment of € 2,200, starting in November 2008 through May 2012 bearing interest at 5%.

On December 23, 2011 the remaining part of the loan amounted to € 3.3 million was refinanced with an extension of the repayment through to October 30, 2014. The loan is now repayable in six equal semi-annual installments of € 550 each starting on April 30, 2012 through October 30, 2014 and bears interest at three month Euribor plus 6%. Early repayment in full or in part thereof (but, if in part, a minimum amount of € 100 or integral multiples of € 100 in excess thereof) is permitted.

The loan agreement contains certain covenants that among other things, relate to the corporate structure, compliance with laws and regulations, representations provided and the maintenance of adequate capitalisation, profitability and cash flows. In addition, it also limits the ability of Yioula Glassworks S.A. among others, to enter into sale and leaseback transactions, distribute dividends over a certain amount, create liens on property, plant and equipment, dispose of assets, change its business, capital structure and on the acquisition of treasury shares.

The loan agreement contains events of default, including without limitation, failure to make payments under the agreement, breach of representations, liquidation, voluntary or involuntary bankruptcy or insolvency proceedings, change in the structure of the majority shareholders and cross default under other agreements.

(g) Piraeus Bank - Yioula:

On June 23, 2008, Yioula Glassworks S.A. entered into a bond loan facility agreement with Piraeus Bank which provided it with a facility of up to € 15 million to be used to refinance € 10 million existing short-term indebtedness and € 5 million additional funds. The bond loan was issued in full in June 2008.

The bond loan was initially repayable in one balloon installment in June 2011, bearing interest at the Euro

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interbank borrowing rate ("three month Euribor") plus 5%.

The bond loan was refinanced with by monthly extensions starting from the expiration of the initial agreement with the last extension to be signed off on December 28, 2011 through to January 31, 2012. The bond loan bears interest at three month Euribor plus 6%.

The outstanding part of the loan amounted to € 14.1 million was refinanced on January 25, 2012 with an extension of the repayment through to December 31, 2013. The loan is now repayable in twenty three equal monthly installments of € 200 each starting on January 31, 2012 through to November 30, 2013 and one final installment of € 9.5 million on December 31, 2013. All other terms of the loan remained unchanged.

The bond loan contains events of default, including, without limitation, failure to make payments under the facility, liquidation, merger, reduction in share capital, transfer of significant assets, voluntary or involuntary bankruptcy or insolvency proceedings, change in the structure of the majority shareholders and cross default under other agreements.

The bond loan also contains financial covenants including requirements for the Company to maintain minimum ratio of EBITDA to Interest Expenses and Bank Debt to EBITDA.

(h) International Finance Corporation - Drujba:

Drujba A.D. entered into a loan facility agreement with IFC for an amount not to exceed € 8.6 million to finance capital expenditure.

The loan is repayable in twelve equal semi-annual installments starting on March 15, 2010 through September 15, 2015. The loan will bear interest at Euribor plus 1.75% per annum. Earlier repayment in full or part (but, if in part, in a minimum amount of € 1 million) is permitted. The Company shall pay a prepayment premium consisting of an amount equal to 1% of the amount to be prepaid.

Drujba A.D. has also given certain undertakings relating to the use of proceeds, restrictions on acquisition and disposals of assets, on investments, on mergers, environmental matters, insurance status, maintenance of the business, compliance with laws and regulations, restriction on mortgages, pledges and other security in favour of other creditors, distribution of dividends, the level of debt, new leasing agreements and the use of derivative instruments.

The loan also contains financial covenants including requirements to maintain minimum current ratio, liabilities to tangible net worth and debt service coverage.

(i) International Finance Corporation - Bucha Glassworks:

Bucha Glassworks entered into a loan facility agreement with IFC for an amount not to exceed € 15.5 million to finance capital expenditure.

The loan is repayable in twelve equal semi-annual installments starting on March 15, 2010 through September 15, 2015. The loan bears interest at six month Euribor plus 2.65%. Earlier repayment in full or part (but, if in part, in a minimum amount of € 1 million) is permitted. The Company shall pay a prepayment premium consisting of an amount equal to 1% of the amount to be prepaid.

Bucha Glassworks has also given certain undertakings relating to the use of proceeds, restrictions on acquisition and disposals of assets, on investments, on mergers, environmental matters, insurance status, maintenance of the business, compliance with laws and regulations, restriction on mortgages, pledges and other security in favour of other creditors, distribution of dividends, the level of debt, new leasing agreements and the use of derivative instruments.

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The loan also contains financial covenants including requirements to maintain minimum current ratio, liabilities to tangible net worth and debt service coverage.

As at December 31, 2011 the Company was not in compliance with certain covenants of the loan agreements, between Bucha and IFC.

The relevant waiver had been obtained subsequent to year-end (December 31, 2011) but before the reporting date.

Therefore, the loan is presented according to the terms of the loan agreement as at March 31, 2012 while its long term portion was reclassified as short term as at December 31, 2011.

(j) Bank of Piraeus - New Glass:

On September 30, 2009, New Glass S.A. entered into a loan facility with Piraeus Bank Bulgaria, which provided it with a facility of € 1 million to refinance existing short-term indebtedness.

The loan is repayable in twenty four equal monthly installments starting on March 31, 2010, through February 29, 2012. The loan bears interest at the Basic Bank Interest Rate for Euro plus 0.75% per annum. Earlier repayment is permitted.

The loan agreement contains pledges on property, plant and equipment, as well as on inventory, whereas Yioula Glassworks S.A. has given its corporate guarantee.

The loan contains events of default, including, without limitation, failure to make payments under the facility, to institute proceedings for satisfaction through forcible execution on any of the provided securities, to assign its claim to third parties or to require a renewal of the obligation.

(k) EFG Private Bank (Luxemburg) S.A. – Glassinvest:

On November 18, 2011 Glassinvest S.A. entered into a loan facility with EFG Eurobank Ergasias S.A., which provided it with a facility of € 2.6 million to refinance existing short-term indebtedness.

The loan is repayable in one installment of € 63.5 starting on January 16, 2012 and fifty one monthly installments of € 50 each the first payable on February 14, 2012 and the last on April 14, 2016. The loan bears interest at Euribor plus 5% per annum. In case of prepayment the Bank reserves the right to charge additional penalty charges.

The loan agreement contains an unconditional and irrecoverable Letter of Guarantee issued by EFG Eurobank Ergasias S.A. in favor of EFG Private Bank (Luxemburg) S.A. for 100% of the principal drawn plus accrued and unpaid interest.

The loan contains events of default, including, without limitation, failure to make payments under the facility, to institute proceedings for satisfaction through forcible execution on any of the provided securities, to assign its claim to third parties or to require a renewal of the obligation.

(l) MKB Unionbank – Drujba:

On January 21, 2012, Drujba entered into a loan facility agreement with MKB Unionbank for an amount not to exceed € 4 million to finance capital expenditure. The loan facility was fully disbursed in December 2011.

The loan is repayable in forty-six equal monthly installments starting on March 25, 2012, through

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December 25, 2015 and one final installment of € 90 payable on January 25, 2016. The loan bears interest at three month Euribor plus 4,88% (Euribor plus margin should not be less than 6% and should not exceed 8%). Earlier repayment in full or part thereof is permitted.

The loan agreement contains certain covenants that among other things, relate to the corporate structure, compliance with laws and regulations (including environmental health and safety regulations) and the maintenance of insurance. In addition, it also limits the ability of Drujba, as defined therein, to create liens on property, plant and equipment, change its business, capital structure or the entity's charter and the sale of assets subject to the security or are necessary for the project as defined therein.

The loan agreement contains events of default, including without limitation, failure to make payments under the agreement, breach of representations, failure to comply with covenants, liquidation and voluntary or involuntary bankruptcy or insolvency proceedings.

Upon the occurrence of any event of default, MKB may at its option, by notice to Drujba, declare all or any portion of the principal of and accrued interest on the loan to be either (i) due and payable on demand or, (ii) immediately due and payable without any further notice.

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11. SHORT-TERM BORROWINGS:

Short-term borrowings are draw-downs under various lines of credit maintained by the Company with several banks. The use of these facilities is presented below:

	March 31, 2012	December 31, 2011
	(unaudited)	(audited)
Credit lines available	93,087	92,988
Unused portion	(18,884)	(15,500)
Used portion	74,203	77,488

The used portion is analysed as follows:

	March 31, 2012	December 31, 2011
	(unaudited)	(audited)
Currency		
Euro	68,670	71,662
Bulgarian Leva (BGN)	3,332	3,331
United States Dollars (USD)	2,201	2,253
Other	-	242
Total	74,203	77,488

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12. SEGMENT INFORMATION:

Segment information for the three months ended March 31, 2012 and 2011, is analysed as follows:

	Three months ended March 31, 2012											
	GREECE	BULGARIA			ROMANIA	UKRAINE						
	Yioula Glassworks	Drujba Glassworks	New Glass	Total	Stirom	Bio med sklo	Bucha Glassworks	Total	All Other	Total	Eliminations	Consolidated
Revenues												
Net sales to external customers	14,524	21,229	2,164	23,393	8,248	2,522	2,270	4,792	-	50,957	-	50,957
Inter-segment sales	533	2,370	2,342	4,712	527	162	130	292	-	6,064	(6,064)	-
Segment revenues	15,057	23,599	4,506	28,105	8,775	2,684	2,400	5,084	-	57,021	(6,064)	50,957
Results												
Segment result, gross profit	3,205	4,721	749	5,470	1,895	290	58	348	-	10,918	87	11,005
Selling, general and administrative expenses	(2,793)	(1,806)	(542)	(2,348)	(950)	(260)	(650)	(910)	(301)	(7,302)	28	(7,274)
Other income / (expense), net	768	67	(23)	44	54	(96)	432	336	-	1,202	(789)	413
Finance income / (costs), net	(2,983)	(626)	(316)	(942)	(335)	(102)	(405)	(507)	(1,237)	(6,004)	-	(6,004)
Foreign exchange gains / (losses), net	146	(13)	(4)	(17)	(175)	(151)	(739)	(890)	(2)	(938)	-	(938)
Profit / (loss) before income taxes	(1,657)	2,343	(136)	2,207	489	(319)	(1,304)	(1,623)	(1,540)	(2,124)	(674)	(2,798)
Income taxes	(41)	(279)	(34)	(313)	(88)	-	(50)	(50)	(112)	(604)	-	(604)
Net Profit / (loss) for the period	(1,698)	2,064	(170)	1,894	401	(319)	(1,354)	(1,673)	(1,652)	(2,728)	(674)	(3,402)
Attributable to:												
Equity holders of the parent	(1,698)	2,054	(170)	1,884	374	(314)	(1,354)	(1,668)	(1,652)	(2,760)	(674)	(3,434)
Minority interest	-	10	-	10	27	(5)	-	(5)	-	32	-	32
	(1,698)	2,064	(170)	1,894	401	(319)	(1,354)	(1,673)	(1,652)	(2,728)	(674)	(3,402)

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	Three months ended March 31, 2011											
	GREECE	BULGARIA			ROMANIA	UKRAINE						
	Yioula Glassworks	Drujba Glassworks	New Glass	Total	Stirom	Bio med sklo	Bucha Glassworks	Total	All Other	Total	Eliminations	Consolidated
Revenues												
Net sales to external customers	10,772	17,239	3,448	20,687	8,498	2,029	2,603	4,632	-	44,589	-	44,589
Inter-segment sales	923	4,076	2,551	6,627	658	504	666	1,170	-	9,378	(9,378)	-
Segment revenues	11,695	21,315	5,999	27,314	9,156	2,533	3,269	5,802	-	53,967	(9,378)	44,589
Results												
Segment result, gross profit	2,527	5,117	1,277	6,394	2,187	395	75	470	-	11,578	94	11,672
Selling, general and administrative expenses	(3,199)	(2,028)	(599)	(2,627)	(1,027)	(258)	(486)	(744)	(389)	(7,986)	44	(7,942)
Other income / (expense), net	948	(11)	55	44	8	(36)	(7)	(43)	3	960	47	1,007
Finance income / (costs), net	(2,766)	(531)	(304)	(835)	(235)	(130)	(372)	(502)	(1,419)	(5,757)	-	(5,757)
Foreign exchange gains / (losses), net	164	(23)	(3)	(26)	632	(294)	(1,388)	(1,682)	-	(912)	-	(912)
Profit / (loss) before income taxes	(2,326)	2,524	426	2,950	1,565	(323)	(2,178)	(2,501)	(1,805)	(2,117)	185	(1,932)
Income taxes	65	(235)	(23)	(258)	(256)	-	-	-	-	(449)	-	(449)
Net Profit / (loss) for the period	(2,261)	2,289	403	2,692	1,309	(323)	(2,178)	(2,501)	(1,805)	(2,566)	185	(2,381)
Attributable to:												
Equity holders of the parent	(2,261)	2,278	403	2,681	1,223	(319)	(2,178)	(2,497)	(1,805)	(2,659)	185	(2,474)
Minority interest	-	11	-	11	86	(4)	-	(4)	-	93	-	93
	(2,261)	2,289	403	2,692	1,309	(323)	(2,178)	(2,501)	(1,805)	(2,566)	185	(2,381)