30 September 2009

Helesi PLC

("Helesi" or "the Group")

Interim results for the six months to 30 June 2009

Helesi PLC (AIM: HLS), the Greece, Italy and UK based waste management products manufacturer and services supplier announces interim results for the six months to 30 June 2009.

Highlights

- Group revenues increased by 18.9% to €39.2 million (2008: €33.0 million)
- Profit before tax down 20.1% to €3.01 million (2008: €3.77 million) due to increase in finance costs
- Placing of new ordinary shares completed, raising €4.42 million in new capital
- New facilities in Italy and Greece commenced production
- Collection of €4 million from outstanding government and EU grants
- Net debt peaked at €71 million reflecting further outstanding grants, and increases in receivables and inventories

Commenting on the results, Sakis Andrianopoulos, Chief Executive of Helesi, said, "Helesi now has a manufacturing infrastructure that will accommodate expansion in existing, and into new territories, for the foreseeable future. The Group is also now able to offer a full suite of environmental products and services to its markets as a result of the services and vehicles acquisitions of the last two years. The Board believes we are ready to take maximum advantage of a return to longer term growth levels in our markets.**"**

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Chairman and Chief Executive's Review

Introduction

We announced at the end of June the appointment of Dimitri Goulandris as Non-Executive Chairman of Helesi, replacing Sakis Andrianopoulos who, in addition to his Chief Executive role, had also been acting as Interim Chairman since the untimely death of Roger Parsons last year. Dimitri's strong international investment experience will be a significant asset to Helesi. As Dimitri has only been on the Board for a short time, we have again combined the Chairman's statement with the Chief Executive's Review.

Financial Performance

The first half of 2009 has been a difficult period for many companies as the recession in world markets took hold and we are therefore pleased to report that Helesi has performed better than many of its peers and continues to look forward with optimism.

Revenues in the six months to 30 June 2009 increased by 18.9% to €39.2 million (2008: €33.0 million), with all of the increase representing organic growth. The gross margin fell slightly in the first half but was still a creditable 42.4%, compared to 46.6% in the same period of 2008.

Despite a 24% increase in employee numbers compared to the comparative period as new manufacturing facilities in Italy and Greece commenced production, a continued strong focus on costs meant that operating expenses increased by only 5.5% to €9.8 million (2008: €9.3 million), with earnings before interest, tax, depreciation and amortisation ("EBITDA") increasing by 14.3% to €7.0 million (2008: €6.2 million). However, with finance costs almost doubling to €2.38 million (2008: €1.28 million), pre-tax profits fell by 20.1% to €3.01 million (2008: €3.77 million). Earnings per share were €0.08 (2008: €0.09).

A strong focus for the Company has been (and continues to be) on cash management: deleveraging the Group and decreasing working capital requirements. Collection of the outstanding government and EU grants due to the Company was €4.0 million in the first half and monies still due at 30 June 2009 was €16.5 million.

As a result of the economic downturn, receivables increased significantly by 58% to €56.1 million as the time debtors take to pay lengthened to 200 days against a normalised 120 days. Inventories increased by 9% to €14.5 million (2008: €13.3 million) reflecting the purchase of equipment ahead of the commencement of a major contract to supply the Municipality of Athens with specialised waste collection vehicles.

As previously reported to shareholders, a placing of new ordinary shares was completed in June at €0.64 per share, raising a total of €4.42 million in new capital which is being used to strengthen the balance sheet and provide additional working capital. The full benefit of these funds will start to be seen in the second half of 2009.

Reflecting the outstanding grants and increases in receivables and inventories, net debt at the period end was higher than expected at €71 million (2008: €55 million), up slightly on the year end figure of €67 million. 41%, or €29 million, of the borrowings is long term. The blended average rate for our borrowings during the period was approximately 4% and finance costs of €2.38 million were covered 2.9 times by EBITDA (2008: blended rate of 6% and finance costs of €1.28 million covered 4.8 times by EBITDA.

Dividend

Dividends will resume again once the operating cashflow of the Company improves through the receipt of owed grants and normalizing debtor days.

Operations

In plastic products, despite volume growth, revenues decreased due to price deflation caused by the sharp falls year-on-year in oil and HDPE prices which were passed on to customers. Sales of pallet boxes from the new plant in Italy commenced in April and are on target to meet our projections. Utilisation levels in the new and expanded facilities in Italy and Komotini, northern Greece both stood at 50%, providing headroom for expected growth in the future. As a result of the available capacity, Helesi has temporarily ceased production in the UK and will satisfy UK demand from unutilized Greek capacity with a consequent benefit to overhead levels. The UK site will continue to operate as an assembly and distribution center for the UK and Irish markets.

In Services, overall revenues declined year-on-year reflecting principally the one-off contribution from the construction phase of the Cyprus joint-venture last year. The construction of one of the two waste transfer stations in Cyprus has not proceeded according to the contract with the Cyprus government as the local community of the original site strongly opposes its construction. In accordance with the contract, the Group is entitled to significant compensation for delays and non-performance based upon a number of criteria. The Group is presently negotiating the level of compensation that will be finally paid with the appropriate authorities.

In the vehicles business, the focus has been on fulfilling the major contract from the Municipality of Athens which will make a significant contribution in terms of revenues during the period. The delivery of the specialist waste vehicles and ancillary related equipment is scheduled for the second half of 2009, with the first deliveries currently taking place.

Board

In June, we announced the appointment of Dimitri Goulandris as non-executive Chairman in succession to Sakis Andrianopoulos who had taken on the role on an interim basis after the death of

Roger Parsons. Dimitri is Managing Partner of Cycladic Capital LLP, which he set up in November 2002 to focus on making public and private investments in small and medium sized companies predominantly in Europe. Previously, Dimitri set up and ran the European operations of the private equity firm Whitney & Company and spent eight years at Morgan Stanley in the private equity group, structuring derivative products and executing mergers and acquisitions both in New York and in London. Dimitri has an MBA from Harvard Business School and a Masters in Electrical and Information Sciences from Cambridge University.

At the AGM in July, Frithjof Stoud Platou retired as a non-executive director. Mr Platou had been a director of Helesi since its IPO and his advice, based on long experience of commerce and finance will be missed. The Board wishes him a very happy retirement.

Outlook

Helesi remains on track to grow its businesses for the year as a whole. This growth will however be slower than previously anticipated due to the effects of the recession on input plastic prices – causing selling prices to fall – and budgetary constraints on local municipalities slowing expansion of Waste Services. The Group's performance in the current very difficult economic environment represents a very creditable achievement and thanks are due to all the Group's management and staff for their hard work.

The principal focus for the remainder of the year is on cash collection and management. In parallel, the Group will also focus on progressing its plans to reduce net debt. With the €87 million investment programme complete, Helesi now has a manufacturing infrastructure that will accommodate expansion in existing, and into new territories, for the foreseeable future. The Group is also now able to offer a full suite of environmental products and services to its markets as a result of the services and vehicles acquisitions of the last two years. The Board believes we are ready to take maximum advantage of a return to longer term growth levels in our markets.

Dimitri Goulandris
Non-Executive Chairman

Sakis Andrianopoulos
Chief Executive Officer

29 September 2009

Statement of comprehensive income
for the six months to 30 June 2009

	Notes	**First half of 2009 €'000**	First half of 2008 €'000	Year 2008 €'000
Sales revenue	5	**39,217**	32,989	65,803
Other revenue		**737**	459	1,061
		39,954	33,448	66,864
Changes in inventories of finished goods		**1,337**	12	(521)
Cost of materials used		**(24,353)**	(17,853)	(34,089)
Personnel-related costs	6	**(3,980)**	(2,753)	(6,552)
Depreciation and amortisation charges		**(1,646)**	(1,115)	(2,374)
Other operating expenses		**(5,920)**	(6,698)	(12,846)
Operating profit		**5,392**	5,041	10,482
Finance income/ (costs)		**(2,384)**	(1,276)	(3,200)
Profit before tax		**3,008**	3,765	7,282
Income tax expense	7	**(424)**	(697)	(673)
Profit for the period		**2,584**	3,068	6,609
Other comprehensive income				
Exchange differences on translation of foreign operations		**709**	(494)	(860)
Total comprehensive income for the period, net of tax		**3,293**	2,574	5,749
Attributable to :				
Owners of the parent		**3,293**	**2,574**	**5,749**
Basic earnings per share (in Euro)	10	**0.075**	0.09	0.20
Diluted earnings per share (in Euro)	10	**0.075**	0.09	0.20

Statement of financial position
at 30 June 2009

	Notes	**30 June 2009 €'000**	30 June 2008 €'000	31 December 2008 €'000
Property, plant and equipment	8	**74,879**	82,852	67,674
Intangible assets		**1,347**	665	833
Goodwill		**12,559**	12,559	12,559
Other non-current assets		**86**	50	76
Non-current assets		**88,871**	96,126	81,142
Inventories		**14,473**	13,329	18,680
Trade and other receivables		**56,149**	35,493	58,271
Cash and cash equivalents		**4,267**	2,094	2,360
Current assets		**74,889**	50,916	79,311
Total assets		**163,760**	147,042	160,453
Trade and other payables		**(29,893)**	(43,234)	(39,193)
Income tax payable		**(500)**	(261)	(423)
Short term borrowings	9	**(46,007)**	(41,483)	(42,424)
Current liabilities		**(76,400)**	(84,978)	(82,040)
Long term borrowings	9	**(29,041)**	(16,038)	(26,778)
Long term liabilities due to related parties		**(1,700)**	-	(3,000)
Employee benefit liability		**(71)**	(83)	(84)
Deferred tax liabilitiy		**(1,990)**	(1,779)	(1,706)
Non current liabilities		**(32,802)**	(17,900)	(31,568)
Net assets		**54,558**	44,164	46,845
Share capital		**3,981**	3,278	3,278
Share premium		**33,668**	29,950	29,950
Capital reserves		**8,903**	6,202	8,903
Currency translation adjustments		**(952)**	(801)	(1,661)
Retained earnings		**8,958**	5,535	6,375
Total equity		**54,558**	44,164	46,845

Statement of changes in shareholders' equity
for the six months to 30 June 2009

	Share capital	Share premium	Capital reserves	Currency translation adjustments	Retained earnings	Total
	€'000	€'000	€'000	€'000	€'000	€'000
As at 1 January 2008	**3,278**	**29,950**	**6,202**	**(307)**	**2,861**	**41,984**
Profit for the period	-	-	-	-	3,068	3,068
Currency translation adjustments	-	-	-	(494)	-	(494)
Transfer to reserves	-	-	920	-	(920)	-
Dividends paid	-	-	-	-	(394)	(394)
As at 30 June 2008	**3,278**	**29,950**	**7,122**	**(801)**	**4,615**	**44,164**
Profit for the period	-	-	-	-	3,541	3,541
Currency translation adjustments	-	-	-	(860)		(860)
Transfer to capital reserves			1,781	-	(1,781)	-
As at 1 January 2009	**3,278**	**29,950**	**8,903**	**(1,661)**	**6,375**	**46,845**
Profit for the period	-	-	-	-	2,584	2,584
Currency translation adjustments	-	-	-	709	-	709
Proceeds from shares issued	703	3,797	-	-	-	4,500
Capital increase cost	-	(79)	-	-	-	(79)
As at 30 June 2009	**3,981**	**33,668**	**8,903**	**(952)**	**8,958**	**54,558**

Statement of cash flows
for the six months to 30 June 2009

	First half of 2009 €'000	First half of 2008 €'000	Year 2008 €'000
Operating activities			
Profit before tax	**3,008**	3,765	7,282
Adjustments in respect of non-cash transactions:			
Depreciation, amortisation and profit on disposals	**1,541**	1,138	2,370
Finance cost, net	**2,384**	1,441	4,230
Employee benefits	**(14)**	26	-
Other adjustments	**469**	(110)	(403)
	7,388	6,260	13,479
(Increase)/ decrese in inventories	**4,206**	(1,485)	(6,539)
(Increase)/ decrese in receivables	**(1,191)**	(3,901)	(8,291)
Increase /(decrease) in payables	**(8,746)**	5	12,123
	1,657	879	10,772
Interest paid	**(2,386)**	(1,464)	(3,369)
Income tax paid	**(62)**	(283)	(399)
Net operating cash inflows (outflows)	**(791)**	(868)	7,004
Cash flows related to investing activities			
Purchase of property plant and equipment	**(11,682)**	(20,148)	(44,734)
Proceeds from sale of property plant and equipment	**228**	22	130
Investment grants received	**3,884**	-	5,663
Purchase of intangible assets	**(50)**	(380)	(575)
Interest received	**2**	-	169
Acquisition of shares in subsidiary	**-**	(600)	(757)
Net investment cash inflows (outflows)	**(7,618)**	(21,106)	(40,104)
Cash flows related to financing activities			
Loan repaid by *Helesi AE*	**-**	-	-
Issuance of new shares	**4,421**	-	-
Dividends paid		(393)	(394)
Loans contracted (repaid)	**5,845**	14,135	25,860
Finance lease payments	**-**	(65)	(96)
Net financing cash inflows (outflows)	**10,266**	13,677	25,370
Net decrese /increase in cash and cash equivalents	**1,857**	(8,297)	(7,730)
Cash and cash equivalents, at the beginning of the period	**2,360**	**10,396**	10,396
Effect of currency translation adjustments	**50**	**(5)**	(306)
Cash and cash equivalents, at the end of the period	**4,267**	2,094	2,360

Notes

1. Accounting policies
The interim financial statements have been compiled and are presented in accordance with IAS 34 *Interim Financial Reporting.* The accounting policies used in the preparation of the interim financial statements are consistent with those used in the compilation of the audited financial statements for the year ended 31 December 2008 and the six months ended 30 June 2009.

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

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

2. New activities
Early in 2009 Helesi commenced the waste management of the Western Macedonia area under a profit sharing agreement with Mesogios AE, in which Mesogios AE is entitled to a share of 40% of the profits generated. The Group is in full control of the operations and is responsible for its financing and accordingly has recognised all revenues and related costs in the Consolidated Financial Statements. The project's contribution to sales in the period amounted to €659,000 and the Group's share of net profit before tax amounted to €15,600. Mesogios A.E earned an amount of €11,000 which has been recognised in other operating expenses.

Additionally from April 2009 the factory in Italy commenced its operations.

3. Capital structure
By the decision of the General Shareholders Meeting, dated 7 April 2009 and the Extraordinary General Shareholders Meeting dated 22 June 2009 the share capital of the Company PLC increased by Euro 703,125 through the issuance of 7,031,250 new ordinary shares at a price of 0.64 Euro per share. The total of both increases contributed by the company TECMEC S.A..

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

The Board of Directors is empowered to grant options on a maximum of 10% of the outstanding shares. As at 30 June 2009 and 31 December 2008, the options granted under this scheme, which were outstanding, covered a total of 618,100 shares.

The terms under which these options were granted, in the year ended 31 December 2007, are described in the notes to the audited financial statements as of 31 December 2008.

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

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

5. Segmental analysis

As from 2007, the Helesi PLC Group recognises two business segments: the environmental products segment and the environmental services segment. The financial results and the financial position of these two business segments are set out below.

	First half of 2009		
	Environmental products	**Environmental services**	**Group**
	€'000	**€'000**	**€'000**
Third-party sales	**35,543**	**3,674**	**39,217**
Other third-party revenues	**684**	**53**	**737**
Total revenues	**36,227**	**3,727**	**39,954**
Cost of materials and accessories used	**(23,016)**	**-**	**(23,016)**
Personnel-related costs	**(2,397)**	**(1,583)**	**(3,980)**
Depreciation and amortisation	**(1,456)**	**(190)**	**(1,646)**
Third-party costs and expenses	**(4,446)**	**(1,474)**	**(5,920)**
Intersegment expenses	**102**	**102**	**-**
Segmental profit, before finance charges	**5,014**	**582**	**5,392**

	First half of 2008		
	Environmental products	Environmental services	Group
	€'000	€'000	€'000
Third-party sales	27,779	5,210	32,989
Other third-party revenues	459	-	459
Total revenues	28,238	5,210	33,448
Cost of materials and accessories used	(17,841)	-	(17,841)
Personnel-related costs	(1,920)	(833)	(2,753)
Depreciation and amortisation	(811)	(304)	(1,115)
Third-party costs and expenses	(4,012)	(2,686)	(6,698)
Intersegment expenses	300	(300)	-
Segmental profit, before finance charges	3,954	1,087	5,041

	30 June 2009		
	Environmental products	**Environmental services**	**Group**
	€'000	**€'000**	**€'000**
Total Assets	**158,364**	**5,396**	**163,760**
Total Liabilities to third parties	**(111,682)**	**2,480**	**(109,202)**
Net Assets	**46,682**	**7,876**	**54,558**

	30 June 2008		
	Environmental products	Environmental services	Group
	€'000	€'000	€'000
Total Assets	134,126	12,916	147,042
Total Liabilities to third parties	(108,407)	5,529	(102,878)
Net Assets	25,719	18,445	44,164

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

	Year 2008			
	Greece	UK	Elimination of intersegment transactions	Group
	€'000	€'000	€'000	€'000
Third-party sales	58,512	7,291	-	65,803
Intersegment sales	4,323	907	(5,230)	-
Total sales	62,835	8,198	(5,230)	65,803
Other third-party revenues	1,061	-	-	1,061
Total revenues	63,896	8,198	(5,230)	66,864
Cost of materials and accessories used	(29,070)	(5,540)	-	(34,610)
Cost of intersegment use of materials	(3,889)	(816)	4,705	-
Personnel-related costs	(5,783)	(464)	-	(6,247)
Directors' fees	(305)	0	-	(305)
Depreciation and amortisation expense	(2,257)	(117)	-	(2,374)
Other operating expenses	(11,532)	(1,314)	-	(12,846)
Segmental profit / (loss) before finance charges	11,060	(53)	(525)	10,482
Cost of financing	(3,066)	(134)	-	(3,200)
Segmental profit (loss), before taxes	7,994	(187)	(525)	7,282
Elimination of intersegmental profits	(434)	(91)	525	-
Profit (loss), before tax	7,560	(278)	-	7,282
Income tax	(673)	-	-	(673)
Net profit /(loss), after tax	6,887	(278)	-	6,609

	30 June 2009				
	Greece	**UK**	**IT**	**Elimination of intersegment balances**	**Group**
	€'000	**€'000**	**€'000**	**€'000**	**€'000**
Intersegment investments	**5,046**	**-**	**-**	**(5,046)**	**-**
Intersegment receivables/payables	**14,624**	**(6,816)**	**(7,808)**	**-**	**-**
Unrealised intersegment profits	**-**	**50**	**-**	**(50)**	**-**
Total other assets	**148,635**	**6,560**	**8,565**	**-**	**163,760**
Total liabilities to third parties	**(98,065)**	**(758)**	**(10,379)**	**-**	**(109,202)**
Net assets	**70,240**	**(964)**	**(9,622)**	**(5,096)**	**54,558**

	30 June 2008			
	Greece	UK	Elimination of intersegment balances	Group
	€'000	€'000	€'000	€'000
Intersegment investments	46	-	(46)	-
Intersegment receivables/payables	6,255	(6,255)	-	-
Unrealised intersegment profits	-	50	(50)	-
Total other assets	140,710	6,332	-	147,042
Total liabilities to third parties	(102,123)	(755)	-	(102,878)
Net assets	44,888	(628)	(96)	44,164

	31 December 2008			
	Greece	UK	Elimination of intersegment balances	Group
	€'000	€'000	€'000	€'000
Intersegment investments	46	-	(46)	-
Intersegment receivables/payables	7,286	(7,286)	-	-
Unrealised intersegment profits	-	50	(50)	-
Total other assets	153,921	6,532	-	160,453
Total liabilities to third parties	(112,540)	(1,068)	-	(113,608)
Net assets	48,713	(1,772)	(96)	46,845

The third-party sales and the value of the related trade receivables outstanding at year-end, on the basis of the location at which the customers operate (inclusive of the balances that are doubtful of collection and have been provided for), are analysed as follows:

	Greece	**United Kingdom**	**Italy**	**Other European Union states**	**Other (non-EU) states**	**Group**
	€'000	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**
First half of 2009						
Value of sales	**23,730**	**4,541**	**3,298**	**5,356**	**2,292**	**39,217**
Trade receivables, at period end	**35,815**	**2,751**	**10,787**	**5,237**	**559**	**55,149**
First half of 2008						
Value of sales	11,065	2,221	-	18,166	1,537	32,989
Trade receivables, at period end	17,583	1,259	-	15,932	757	35,531
Year 2008						
Value of sales	28,921	6,308	-	27,552	3,022	65,803
Trade receivables, at year end	37,846	1,873	-	17,592	960	58,271

6. Income taxes

	First half of 2009	First half of 2008	Year 2008
	€'000	€'000	€'000
Profit, before taxes, per the statement of earnings	**3,008**	3,765	7,282
Income taxes, at the nominal tax rate	**(731)**	(792)	(1,785)
Taxes on permanent differences between accounting and taxable profits	**-**	(135)	(366)
Group relief	**-**	-	59
Income not subjected to taxation	**282**	-	591
Tax relief due to reduction of the tax rate	**-**	-	410
Adjustments in prior year expenses	**-**	-	(4)
Tax relief associated with profits the taxation of which is indefinitely deferred	**25**	230	422
Total tax charge	**(424)**	(697)	(673)
Current tax charge	**(139)**	(312)	(369)
Deferred tax charge	**(285)**	(385)	(304)
Total tax charge	**(424)**	(697)	(673)

7. Property, plant and equipment

	Land	Buildings and building installations	Plant and machinery	Vehicles	Furniture and other equipment	Assets under constr. or installation	Total
	€'000	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**
At cost or valuation							
As at 31 December 2007	2,987	8,867	23,820	2,611	434	23,462	62,181
Effect of currency translation	-	-	(716)	(10)	(4)	-	(730)
Additions	-	418	2,714	580	456	7,489	11,657
Capitalised interest charge	-	-	-	-	-	1,030	1,030
Acquisitions through business combinations	74	9	57	1,948	53	-	2,141
Disposals	(147)	(9)	(123)	(2)	-	-	(281)
Transfer	-	-	2	(1)	(1)	-	-
As at 31 December 2008	2,914	9,285	25,754	5,126	938	31,981	75,998
Effect of currency translation	-	-	223	4	3	-	230
Additions	-	527	2,146	24	1	6,712	9,410
Disposals	-	-	(32)	(225)	(5)	-	(262)
Transfer *	(89)	3,544	19,955	(2)	2	(24,109)	(699)
As at 30 June 2009	**2,825**	**13,356**	**48,046**	**4,927**	**939**	**14,584**	**84,677**
Accumulated depreciation							
As at 31 December 2007	-	(845)	(3,667)	(1,020)	(161)	-	(5,693)
Effect of currency translation	-	1	202	9	3	-	215
Depreciation charge	-	(218)	(1,409)	(633)	(100)	-	(2,360)
Acquisitions through business combinations	-	-	(21)	(452)	(40)	-	(513)
Disposals	-	-	25	2	-	-	27
As at 31 December 2008	-	(1,062)	(4,870)	(2,094)	(298)	-	(8,324)
Effect of currency translation	-	-	(47)	(3)	3	-	**(47)**
Depreciation charge	**-**	(176)	(992)	(322)	(77)	-	(1,567)
Disposals	-	-	-	139	1	-	140
Transfers	-	-	-	2	(2)	-	-
As at 30 June 2009	**-**	**(1,238)**	**(5,909)**	**(2,278)**	**(373)**	**-**	**(9,798)**
Net book values							
As at 30 June 2009	**2,825**	**12,118**	**42,137**	**2,649**	**566**	**14,584**	**74,879**
As at 30 June 2008	2,914	8,032	20,679	3,291	469	47,467	82,852
As at 31 December 2008	2,914	8,223	20,884	3,032	640	31,981	67,674

8. Interest bearing loans and borrowings

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

30 June 2009	Short-term liabilities €'000	Long-term liabilities €'000	Scheduled repayment (to year)	Applicable interest rate
Debenture loan	**3,731**	**29,041**	2010-2017	Euribor + 3,2%
Short term bank loans	**42,276**	**-**	2009-2010	Euribor + 3,2%
	46,007	**29,041**		

30 June 2008	Short-term liabilities €'000	Long-term liabilities €'000	Scheduled repayment (to year)	Applicable interest rate
Debenture loan	**1,536**	**9,982**	2012	Euribor + 1,6%
Long term bank loans	**-**	**6,056**	2009	Euribor + 1,5+1,65%
Short term bank loans	**39,947**	**-**	2008-2009	Euribor + 1,1+1,65%
	41,483	**16,038**		
Finance lease obligations	**32**	**-**		
	41,515	16,038		

31 December 2008	Short-term liabilities €'000	Long-term liabilities €'000	Scheduled repayment (to year)	Applicable interest rate
Debenture loan	**1,969**	**26,778**	2009-2017	Euribor + 3%
Short term bank loans	**40,455**	**-**	2009	Euribor + 3%
	42,424	**26,778**		

The interest charges generated in relation to the above loans, in the six month period ended 30 June 2009, amounted to €2.510 thousand of which €126 thousand was capitalised in property, plant and equipment under construction or installation and € 2.384 thousand has been charged to operations.

On 30 June 2009, bank borrowings are secured by fixed charges over the company's property plant and equipment for an amount of € 37,5 million (31 December 2008: 23 million).

9. Earnings per share

Earnings per share are calculated by dividing the profit attributable to the shareholders of Helesi PLC by the weighted average number of issued and outstanding shares in the accounting period covered by the financial statements.

The Group	Basic EPS 30 June 2009 €000	Basic EPS 30 June 2008 €000	Diluted EPS 30 June 2009 €000	Diluted EPS 30 June 2008 €000
Net profit attributable to the shareholders (in Euro thousand)	**2.584**	**3.068**	**2.584**	**3.068**
Weighted average number of issued shares (in thousand pieces)	**34,413**	**32,775**	**35,031**	**33,393**
Earnings per share (in €)	**0.075**	**0.094**	**0.074**	**0.092**

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

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

The development costs that have satisfied these criteria are analysed as follows:

	First half 2009	First half 2008	Year 2008
	€'000	**€'000**	**€'000**
Personnel related costs	**182**	27	56
Third parties	**3**	10	20
Miscellaneous other expenses	**15**	21	53
	200	**58**	**129**

11. Related party transactions and balances
The transactions of the *Helesi PLC Group*, in the period 30 June 2009 and the year 2008, with and receivables from and payables to related parties, as at 30 June 2009 and 31 December 2008, are analysed as follows:

The Group	**Sales to**	**Purchases from**	**Receivable from**	**Payable to**
	€000	**€000**	**€000**	**€000**
TECMEC A.E				
30 June 2009	117	589	-	1,976
31 December 2008	3,274	2,973	-	8,203

12. Capital commitments
The two major investment projects that were in progress, as at 31 December 2008, were the upgrading/expansion of the Komotini production facilities and the erection of the Italian production plant. As at 30 June 2009 the aforementioned investment projects were fully completed.

Investment project	**Total capital expenditure**	**Approved grants**	**Net investment**	**Total amount already incurred**	**Outstanding commitment as at 30 June 2009**
	€'000	**€'000**	**€'000**	**€'000**	**€'000**
Upgrading of production facilities at Komotini	**38,183**	**(22,302)**	**15,881**	**38,183**	**-**
Erection of Italian plant	**25,365**	**(17,389)**	**7,976**	**25,365**	**-**
	63,548	**(39,691)**	**23,857**	**63,548**	**-**

13. Contingencies

The construction of one of the two waste transfer stations in Cyprus has not proceeded according to the contract with the Cyprus government as the local community of the original site strongly opposes its construction. In accordance with the contract, the Group is entitled to significant compensation for delays and non-performance based upon a number of criteria. The Group is presently negotiating the level of compensation that will be finally paid with the appropriate authorities, but no provision has been made in these financial statements as the final figure cannot be determined with any degree of accuracy at the present time and will depend upon whether or not an alternative site will be found and the estimated time required to be able to start its construction and operation. Income from compensation will be realised as these uncertainties are resolved.

14. Post Balance Sheet Events

There are no reportable post-balance sheets events.