

Vimetco N.V.**Condensed Consolidated Interim Financial Statements****For the 6 months ended 30 June 2007****Financial highlights:**

- Revenues increased 14% year-on-year to \$482.3 million (H1 2006: \$424 million)
- EBITDA up by 26% to \$147 million (H1 2006: \$117 million)
- EBITDA margin up to 31% (H1 2006: 28%)
- Adjusted EBITDA up 34% to \$157 million (H1 2006: \$117 million)
- Adjusted EBITDA margin up to 33% (H1 2006: 28%)
- Acquisition of the remaining 49% of Everwide, resulting in full consolidation as per 21 June 2007

Group pro-forma highlights:

- Revenues \$810 million
- EBITDA \$228 million, EBITDA margin 28%
- Adjusted EBITDA \$238 million, adjusted EBITDA margin 29%

Operational highlights:

- Group primary aluminium production in H1 2007 reached 293,000 tonnes
- Group processed aluminium production figures fell in H1 2007 to 18,000 tonnes (H1 2006: 20,000 tonnes)
- China: new 125'000 tpa smelter running at full capacity

Post period end:

- Successful initial public offer on the London Stock Exchange on 2 August 2007
- Joint development agreement with Interagro SA (Romania) to construct 1,000 MW coal-fired power plant by 2012.

Outlook

We continue to consider various opportunities to ensure ongoing access to raw materials and energy for security of supply and lower costs. In Romania, on 26 October we announced a joint development agreement with Interagro S. A. to jointly build a 1,000 MW coal-fired power plant in Romania. Part of the electricity generated by the new plant will be used by Alro. This agreement is an important step in our strategy to establish energy independence and secure lower cost of energy for our aluminium plant in Romania. We are also planning to build a 120 MW CHP plant at Alum factory site. The project is currently in a pre-development stage with construction expected to start early next year. In China, we expect the second 300 MW power plant in Gongyi to be fully commissioned by the end of this year. New opportunities have emerged in relation to bauxite and we are actively monitoring our project in India.

Integration of our Chinese operation is well under way. We are implementing reporting and internal management systems and have recently appointed additional local and head office staff for accounting and financial functions.

The risks of our business remain essentially unchanged since publication of our prospectus at the time of the IPO.

We will continue to implement our strategy to achieve full vertical integration and remain confident in the outlook for the Group for the full year.

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Vimetco N.V.
Condensed Consolidated Balance Sheets
(in thousands of US Dollars)

	Note	30 June 2007 (unaudited)	31 December 2006
Assets			
Non-current assets			
Property, plant and equipment		1,109,601	364,769
Intangible assets		3,395	1,349
Goodwill	3	255,815	36,274
Land use rights	4	22,420	-
Investments		98	105,438
Total non-current assets		1,391,329	507,830
Current assets			
Inventories	5	228,208	168,632
Trade receivables, net		112,084	33,045
Other assets		100,636	68,248
Derivative financial instruments	9	2,329	-
Cash and cash equivalents		192,539	72,066
Restricted cash	6	150,992	8,000
Total current assets		786,788	349,991
Total assets		2,178,117	857,821
Shareholder's equity and liabilities			
Shareholder's equity			
Share capital		(26,497)	(22,288)
Share premium		(278,285)	-
Translation reserve		(62,433)	(57,740)
Other reserve		(47,721)	(47,721)
Retained earnings		(163,144)	(146,149)
Profit for the period		(78,190)	(113,395)
Equity attributable to equity holders of the parent		(656,270)	(387,293)
Minority interests		(257,511)	(58,180)
Total shareholder's equity		(913,781)	(445,473)
Non-current liabilities			
Bank loans	8	(284,722)	(184,458)
Loans from related parties		(125)	(477)
Provisions and other liabilities		(5,455)	(6,073)
Post-employment benefit obligations		(7,778)	(6,994)
Lease obligations		(5,046)	(4,838)
Deferred tax liabilities		(7,649)	(1,894)
Total non-current liabilities		(310,775)	(204,734)
Current liabilities			
Short-term bank loans and current portion of long-term bank loans	8	(560,410)	(94,641)
Short-term loans from related parties		(50,416)	(37,599)
Trade and other payables		(322,896)	(65,923)
Income taxes payable		(16,457)	(6,569)
Derivative financial instruments	9	(1,223)	-
Lease obligations		(2,159)	(2,882)
Total current liabilities		(953,561)	(207,614)
Total liabilities		(1,264,336)	(412,348)
Total shareholder's equity and liabilities		(2,178,117)	(857,821)

The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.

Vimetco N.V.
Condensed Consolidated Statements of Operations
(unaudited)
(in thousands of US Dollars, except per share data)

	Notes	Six months ended 30 June (unaudited)	
		2007	2006
Revenues		482,288	423,995
Cost of revenues	7	(333,840)	(281,255)
Gross profit		148,448	142,740
General and administrative expenses		(32,857)	(32,246)
Restructuring charge	12	(9,876)	-
Gain on disposal of subsidiaries	14	1,263	-
Share of profit of equity method investments		8,508	-
Operating profit		115,486	110,494
Finance costs		(15,163)	(9,710)
Profit/(loss) on derivative financial instruments	9	1,096	(25,451)
Foreign exchange gain		9,911	17,246
Profit before income taxes		111,330	92,579
Income tax expense		(22,503)	(13,725)
Profit for the period		88,827	78,854
Attributable to:			
Equity holders of the parent		78,190	69,544
Minority interest		10,637	9,310
Earnings per share			
Basic and diluted (in \$)	11	0.436	0.391

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Vimetco N.V.
Condensed Consolidated Statements of Cash Flows
(unaudited)
(in thousands of US Dollar)

	Notes	Six months ended 30 June (unaudited)	
		2007	2006
Cash flows from operating activities		111,330	92,579
Profit before income taxes			
Adjustments for:			
Depreciation of property, plant, and equipment		20,748	14,978
Interest income		(2,991)	(727)
Net foreign exchange gain/(loss)		(9,911)	(17,246)
Loss on disposal of property, plant, and equipment		554	114
Gain on disposal of subsidiaries		(1,263)	-
Impairment of property, plant and equipment		4,641	1,230
Provisions		(3,001)	(4,308)
Interest expense		18,153	10,438
Share of profit of equity method investments		(8,508)	-
(Profit)/loss from derivative transactions		(1,096)	25,451
Changes in working capital:			
Decrease in inventories		14,279	16,676
(Increase) in trade receivables and other assets		(27,536)	(31,183)
Decrease in trade and other payables		(12,541)	(17,773)
Income taxes paid		(9,726)	(6,780)
Interest paid		(18,305)	(10,117)
Net cash provided by operating activities		74,827	73,332
Cash flows from investing activities			
Interest received		3,004	728
Purchase of property, plant and equipment, net		(30,321)	(12,020)
Decrease in restricted cash		(7,585)	(19,063)
Proceeds from sales of property, plant and equipment		2,085	-
Settlement of derivative instruments		-	(18,203)
Proceeds from sales of subsidiaries	14	3,650	-
Net cash used in investing activities		(29,167)	(48,558)
Cash flows from financing activities			
Proceeds from loans		222,265	118,872
Repayments of loans		(69,456)	(97,721)
Payment of dividends		(101,634)	-
Net cash provided by financing activities		51,175	21,151
Net increase in cash and cash equivalents		96,835	45,925
Cash and cash equivalents at beginning of year		72,066	35,091
Effect of exchange rate differences on cash and cash equivalents		1,677	(737)
Cash acquired in subsidiary		21,961	-
Cash and cash equivalents at end of year		192,539	80,279

The accompanying notes are an integral part of these Condensed Consolidated Interim Financial Statements.

Vimetco N.V.
Notes to the Condensed Consolidated Interim Financial Statements
(unaudited)
(in thousands of US Dollars, except share and per share data)

1. Significant Accounting Policies

Vimetco N.V. (formerly Vimetco B.V., more formerly Marco Industries B.V.) ("the Company") was established on 4 April 2002 as a limited liability company and its registered office is located at Prins Bernhardplein 200, 1097 JB, Amsterdam, the Netherlands. The Company and its subsidiaries (collectively referred to as "the Group") is an aluminium manufacturer with operations in Romania and it has customers primarily based in Central and Eastern Europe. In addition, since October 2006 the Group has a significant investment in Everwide Industrial Limited ("Everwide"), which is involved in the production of aluminium and energy in China. In June 2007 the Group completed the acquisition of the remaining 49% of Everwide.

The Group has their headquarter in the Netherlands and maintains an administrative function through Vimetco Management GmbH in Switzerland.

These are not the Company's statutory financial statements prepared in accordance with Part 9, Book 2 of the Netherlands Civil Code.

(a) Basis of preparation

The condensed consolidated interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards and in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting.

(b) Basis of consolidation

The accompanying condensed interim consolidated financial statements include the accounts of the Company and its subsidiaries. Subsidiaries are consolidated when the Group has power to exercise control over the financial and operating policies so as to obtain benefits from its activities. Subsidiaries are consolidated from the date on which control was achieved by the Group and are no longer consolidated from the date that control ceases. Where necessary, adjustments are made to the financial statements of the subsidiaries to bring the accounting policies used in line with those used by the Group. All inter-company transactions, balances, income and expenses are eliminated.

Following are the principal subsidiaries of the Group, which are consolidated as at 30 June 2007:

	Location	Nature of business	%
Direct subsidiaries			
Alro Slatina SA ("Alro")	Romania	Aluminum smelter and aluminum products	87.74%
Vimetco Management GmbH (formerly Marco Group GmbH)	Switzerland	Management company	90.00%
Everwide Industrial Ltd.	British Virgin Islands	Holding company	100.00%
Indirect subsidiaries (subsidiaries of Alro)			
Alum SA ("Alum")	Romania	Alumina refinery	99.38%
Alro Extrusion Srl	Romania	Extrusion plant	100.00%
Conef SA ("Conef")	Romania	Management company	99.97%

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Indirect subsidiaries (subsidiaries of Everwide)

Henan Yulian Energy Group Co., Ltd ("Yulian")	China	Power generation	92.45%
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Indirect subsidiaries (subsidiaries of Yulian)

Henan Zhongfu Industry Co., Ltd ("Zhongfu")	China	Aluminium smelter	51.28%
Henan Zhongfu Electric Power Co., Ltd ("Zhongfu Power")	China	Power generation	31.81%
Henan Zhongfu Carbon Co., Ltd	China	Anode production	32.51%

Indirect subsidiaries (subsidiaries of Zhongfu)

Shenzhen Oukai Industrial Development Co., Ltd	China	Trading company	60.00%
Henan Zhongfu Carbon Co., Ltd	China	Anode production	51.01%
Henan Yinhu Aluminum Co., Ltd	China	Aluminium products	100.00%
Henan Zhongfu Electric Power Co., Ltd ("Zhongfu Power")	China	Power generation	21.24%
Henan Zhongfu Heat and Power Co., Ltd	China	Heat and power supply	100.00%

We refer to Note 2 of these financial statements for an explanation of respective accounting treatment of Everwide.

(c) Use of estimates

The preparation of the condensed consolidated interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the balance sheet date, and the reported amounts of revenue and expenses during the reporting period. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

(d) Accounting standards adopted during the period

In the current period, the Group has adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board (the IASB) and the International Financial Reporting Interpretations Committee (the IFRIC) of the IASB that are relevant to its operations and effective for annual reporting periods beginning on 1 January 2007.

The Group changed its accounting policies for early application of revised IAS 23 "Borrowing Costs" issued by the IASB in March 2007. The Standard shall be applied for annual periods beginning on or after 1 January 2009 with earlier application permitted. The management of the Group decided to apply the revised IAS 23 "Borrowing Costs" per 1 January 2007 and considers the respective impact on the comparative figures of 2006 to be not material.

(e) Financial guarantees

A financial guarantee is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. A financial guarantee contract issued by the Group and not designed as at fair value through profit or loss is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount determined in accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets"; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with IAS 18 "Revenue". Refer to Note 16.

(f) Income taxes

Income tax expense is recognized based on the management's best estimates of the weighted average annual income tax rate expected for the full financial year. The weighted average annual income tax rate used for 2007 is 20%. The weighted average annual income tax rate used for 2006 is 15%.

(g) Land use rights

Land use rights represent prepaid lease payments on the use of land over respective lease periods and are accounted for as operating leases. The value of land use rights is amortised on a straight-line basis over the period of the lease term.

2. Acquisitions

Alum share issue. In January 2007 the Group, through Alro, made an additional investment of \$118,900 in Alum as a result of a share issuance by Alum. Certain minority interest shareholders did not participate in the share capital offering; as a result, the Group's ownership interest increased from 98.21% to 99.38%. At the time of the share capital offering, Alum was in a net liability position and consolidated at 100% and accordingly there was no impact of this investment on the consolidated financial statements.

Investment in associate. The Group acquired a 51% interest in an associate named Everwide in September 2006. Because of the fact that the Company did not control Everwide, the investment was classified as an interest in associate in accordance with IAS 28. The goodwill included in the cost of the investment is still preliminary of nature and will be finally determined as a result of the purchase price allocation of the 21 June acquisition as outlined below.

Acquisition of Everwide. On 21 June 2007, the Company acquired the remaining 49% of Everwide Ltd. through the issuance of 31,354,960 ordinary shares of the Company. The value of the ordinary shares used as the aggregate purchase price for the acquisition and the per share value is based on the actual offer price at Initial Public Offer of the Group's shares at London Stock Exchange which took place in July 2007. The aggregate purchase price also includes an estimate of \$300 of direct costs incurred to acquire the remaining 49%. This cost estimate excludes costs of registering and issuing the shares being sold in connection with this offering.

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The preliminary purchase price has been allocated as follows:

	Book Value	Fair Value Adjustment	Fair Value
Net assets of Everwide Ltd. (excluding minority interest)	146,418	-	146,418
Interest purchased			49.00%
Net assets acquired			71,744
Consideration			282,494
Goodwill			210,750

The table reflects the preliminary allocation of the purchase price, based on the book value of net assets of Everwide at 21 June 2007. The company made on a preliminary basis an analysis of the sales cut off, which might be subject to further adjustment based on more detailed analysis. An independent appraisal will be performed to determine the fair value of acquired assets and liabilities, including any identifiable intangible assets. The final purchase price allocation could result in a materially different allocation than that presented.

The Group accounted for Everwide as equity investment from the date of the 51% acquisition in September 2006 till 21 June 2007. Starting 21 June 2007 after acquisition of the remaining 49% the Group accounts for Everwide on a fully consolidated basis.

As of the date of acquisition Everwide had minority interest of \$198,925 in Yulian, subsidiaries of Yulian and subsidiaries of Zhongfu, which were assumed by the Group.

3. Goodwill

Goodwill consists of the following:

	30 June 2007	31 December 2006
Everwide	217,538	-
Alro	27,024	27,024
Alprom	6,160	6,160
Translation difference	5,093	3,090
Total	255,815	36,274
Balance as of 31 December 2006		36,274
Additions		210,750
Reclassification from equity investment		6,789
Translation adjustment		2,002
Balance as of 30 June 2007		255,815

4. Land use rights

Additions of land use rights in the amount of \$22,420 were acquired as a result of the purchase of Everwide and its subsidiaries.

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5. Inventories

	30 June 2007	31 December 2006
Raw materials	118,959	87,868
Work in progress	90,288	58,290
Finished goods	32,569	32,737
Less provision for obsolescence	(13,608)	(10,263)
Total	228,208	168,632

Movements in provision for obsolescence are as follows:

	2007	2006
Balance at 1 January	(10,263)	(10,112)
Recorded in cost of sales	(2,544)	3,351
Utilisations and other movements	161	67
Translation	(962)	(922)
Balance at 30 June	(13,608)	(7,616)

Balance of inventories include pledged inventory in the amount of \$15,518 as of 31 December 2006. The pledge was released in January 2007 as a result of repayment of the loan for which the inventory was pledged. There was no pledged inventory as of 30 June 2007.

6. Restricted cash

Increase in restricted cash by \$133,517 was a result of acquisition and consolidation of Everwide and its subsidiaries. The restricted cash is held as guarantee under issued bills of exchange.

The remaining balance of \$17,475 represent restricted cash held in escrow as a guarantee under provisions of a loan agreement with Bank of Austria. The guarantee represents estimated interest expenses to be paid by the Company within the following 15 months.

7. Cost of Revenues

	2007	2006
Raw materials	150,253	132,305
Electricity, water and gas	109,891	87,870
Wages	30,259	29,954
Consumables	14,594	13,300
Depreciation and amortization	20,551	14,816
Provision for obsolete stocks	2,544	(3,351)
Other direct costs	5,748	6,361
Total	333,840	281,255