



ANNUAL BULLETIN 2005
According to the decision
7/372/15.02.2006 of the Board of Directors
of the Greek Capital Market Commission



«ALFA-BETA» VASSILOPOULOS S.A.

ANNUAL BULLETIN 2005



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1. Information on the structure of the Annual Bulletin and the Company's Auditors

1.1 Responsible Persons

The present Annual Bulletin is issued in order to provide complete and precise information to shareholders and investors. It comprises all the necessary information and financial figures for the proper estimation of the property, the financial status, the results and the perspectives of "ALFA-BETA" VASSILOPOULOS S.A.

Investors requesting more information may contact, during working days and office hours, the head office of "ALFA-BETA" VASSILOPOULOS S.A. at 81, Spaton Ave., Gerakas – Attica, Tel.no.: +30 210 66.08.000 (responsible persons: Mrs. Maria Kuhkalani, tel: +30 210 66.08.201 and Mr. Ioannis Milonidis, tel: +30 210 66.08.218).

This Annual Report has been produced and is available according to the provisions of the decisions no. 5/204/14.11.2000 and no. 7/372/15.02.2006 of the Capital Market Commission. The persons held responsible for the report and the accuracy of the data stated are:

- a. Mrs. Maria Kuhkalani (Finance Executive Director)
- b. Mr. Ioannis Milonidis (General Accounting and Tax Compliance Manager)

The Board of Directors of the Company states that all its members are fully aware of the Annual Bulletin' contents and, together with the authors, certify that:

- a. All information and data included is complete and true.
- b. There are no other data and no such events have occurred so that their concealment or omission could prove, in whole or in part, the data and the information included in this Annual Bulletin deceptive.

This Bulletin is available at the head office of "ALFA-BETA" VASSILOPOULOS S.A. (81, Spaton Ave., Gerakas – Attica).

1.2 Legal Auditors

The company is audited by certified accountants. The audit of both standalone and consolidated financial statements for the fiscal years ending on 31/12/2005, 31/12/2004 and 31/12/2003 was carried out by the certified accountant Mr. Nikolaos Sofianos (Deloitte.), 250-254, Kifissias Ave., Halandri, ICAAGr.12231.



2. Information on "ALFA-BETA" VASSILOPOULOS S.A.

2.1 Brief History

In December 1969 the Societe Anonyme "Gerasimos and Haralampos Vassilopoulos ALFA-BETA COMMERCIAL-MANUFACTURING COMPANY SOCIETE ANONYME " (Government Gazette Issue no. 1333/16.12.1969) was founded, with its main object being the operation of a manufacture and commercial business of nutritional products of high quality, the elaboration, standardization, packaging and sale of meat, agricultural products, dried nuts, herbs and other articles of domestic and personal use, the organization and establishment of supermarkets, for the disposal of the aforementioned products, through modern marketing and distribution methods. The object included the organization of centers for the storage of such products and the creation of establishments for their elaboration, outfitted with the necessary technical equipment. Based in Athens, the term 50 years and the share capital 6 million GRD.

In 1990, the company listed in the Athens Stock Exchange and in the same year it established the MEGA HELLINIKO store, which was awarded by the International Association of Retail Traders (A.I.D.A.) in 1991 for being the best and most complete store in Europe. Since July 1992 "ALFA-BETA" has become a member of the International food retailer Delhaize Group (www.delhaize.com).

In 2001 the company acquired TROFO S.A. and its subsidiary, the wholesale company, ENA S.A. In December 2004, the four-year long efforts for the integration of TROFO personnel and stores into the operations and culture of "ALFA-BETA" culminated in the merger and absorption of TROFO also as a legal entity by "ALFA-BETA".

"ALFA-BETA" is the second largest food retailer in Greece and its stores network comprises 135 stores. From these, 101 are retail stores operating under the banners "ALFA-BETA" and AB City, 10 are wholesales stores under the banner ENA Cash-and-Carry and 24 stores belong to the Company's franchise network and are under the banners AB Shop&Go, AB Food Market and ΤΡΟΦΟmarket.

"ALFA-BETA" VASSILOPOULOS S.A. being loyal to its philosophy of providing high quality products and services and taking advantage of the new developments, is continuously enhancing its competitive position. Quality, product assortment, service, competitive prices, implementation of strict rules of food safety and hygiene and innovative concepts constitute the strongpoint that differentiate it from its competitors.



2.2 Subsidiaries

Information regarding subsidiary companies is stated analytically at the paragraphs 6.16 and 6.17 of the present Annual Bulletin.

The following companies are not included in the consolidated statements for the reasons stated below:

Company Name	% of participation	Reasons for excluding subsidiaries from consolidation
ORA S.A.	50,0%	The participation of "ALFA-BETA" in the share capital of ORA S.A. is non-essential due to its insignificant financial value. Furthermore, by decision of the General Assembly on October 29, 2001 the company went into liquidation.
SAK LTD	40,0%	The participation of "ALFA-BETA" to the share capital of SAK S.A. is non-essential due to its insignificant financial value. Furthermore, it is noted that the company is dormant since 1984.



2.3 General Information

2.3.1 "ALFA-BETA" VASSILOPOULOS S.A.

The Company is listed in the Societes Anonymes Register of the Ministry of Commerce at the Prefecture of East Attica with Reg.No. 13363/06/B/86/17, under the title «ΑΛΦΑ-ΒΗΤΑ» ΒΑΣΙΛΟΠΟΥΛΟΣ Α.Ε. and the distinctive title «ΑΒ ΒΑΣΙΛΟΠΟΥΛΟΣ.. και του πουλιού το γάλα!». For the Company's foreign relations the title is defined as "ALFA-BETA" VASSILOPOULOS S.A. and the distinctive title as "AB VASSILOPOULOS...even the bird's milk!"

The Company's Registered Office is the Municipality of Gerakas – Attica (81, Spaton Ave., tel.no. +30-210-66.08.000). Term: 50 years from the date of establishment, i.e. until 16.12.2019.

The object of "ALFA-BETA", as mentioned in article 2 of the Articles of Association, is:

- 1) The operation of a manufacture and commercial business of high quality nutrition products, in particular the elaboration, standardization, packaging and sale of meat, agricultural products, dry nuts, herbs and other articles of domestic and personal use, the organization and establishment of supermarkets and mixed food stores, for the disposal of the aforementioned products, through modern marketing and distribution methods. The object include the organization of centers for the gathering of such products and the creation of establishments for their elaboration, which centers shall have the necessary technical equipment, as well as the establishment and operation of systematic agricultural and breeding facilities of a business form.
- 2) The undertaking of any sort of technical works and constructions, the purchase of real estate for further sale and for the creation of supermarkets and mixed food stores.
- 3) The operation of gas stations on private or leased premises.
- 4) The owning or/and the publishing of magazines concerning the promotion of the sales and of the Company's image (AB MAGAZINE etc.)
- 5) The representation, agency and cooperation with domestic or foreign firms or other businesses.
- 6) The providing of goods and services through a system of issuing and granting of vouchers.
- 7) The cooperation with financial institutions for the issuing of credit cards bearing the Company's trademark.
- 8) The collection of money on behalf of and by order of third parties.

The selection of means for the fulfillment of the Company's objects belongs to the Board of Directors. No administration act is exempt of these means that are recognized as objects on their own.

For the fulfillment of the Company's objects, the Company may establish, after a resolution of the Board of Directors, branches and agencies in or out of Greece and workshops on premises either purchased or leased for this purpose.



The object of the Company automatically includes, as an object of its own, any act or transaction in general, commercial or manufacturing, that may be a medium for the fulfillment of the main objects referred to in par. 1, 2, 3 and 4 of the present art. 2.

The Company applies the principles and regulations of the R.L.2190/1920 relating to Societes Anonymes.

2.3.2 ENA S.A.

The company ENA S.A. under the distinctive title ENA Cash & Carry was established in 1991 (Government Gazette Issue 00650/1991) and it is listed in the Societes Anonymes Register with Reg.No. 23791/04/B/91/136(01). The Company's term is 50 years from the date of establishment and it can be prolonged after a relevant decision of the Shareholders General meeting.

The Company's Registered Office is the Municipality of Gerakas – Attica (81, Spaton Ave., tel.no. +30-210-66.08.000).

The object of the company as mentioned in the Articles of Association, is:

The support and the progress of its shareholders and of the enterprises that have joined in it relating to the wholesale and the retail sale of all consuming goods as well as the activities related to this object. More specifically:

- 1) Through the sharing of experience internationally.
- 2) Through the organization of wholesale and retail sale by its members.
- 3) Through the modernization of the shareholders' merchandises and of the stores of its members in all commercial aspects.
- 4) Through the continuous enhancement of quality.
- 5) Through the combined advertisement regarding the increase and the promotion of its banners and product brands.
- 6) Through the continuous training and education of its members, both wholesalers and retailers who have joined it as well as of its personnel.
- 7) Through the continuous improvement of its relations with the consumers and their associations.
- 8) Through the development, registration and protection of the common trademarks and manufacturing rights, the implementation of these rights, the control and the supervision of their use as well as the continuous quality control of the goods traded under these trademarks.

An additional object of the company is the establishment and the operation of wholesale and retail stores for food and consumer products, the supply of goods and the provision of services through a franchising scheme with enterprises contracted for this purpose, the direct and indirect trading of all kinds of goods, especially food, on its own behalf or on the behalf of third party. The above listing is indicative.



By a decision of the Extraordinary General Meeting of Shareholders dated 26.06.1998 the following object was added. For the accomplishment of the aforementioned objects the Company, independently or in cooperation with other individuals or legal entities, may establish enterprises or, after a relevant decision of the Shareholders General Meeting, it can participate in other enterprises of any legal form which are under establishment or are already operating and which have the same or similar objects as the company and are located either in Greece or abroad.



2.4 Description of Activities

"ALFA-BETA" is a food retailer, which operates 101 supermarkets in the broader Athens area (65 stores), in Peloponissos (15 stores), in Sterea Ellada except Attica (6 stores), in the district of Magnissia (2 stores), in Ioannina (3 stores), in the Ionian islands (2 stores), in the Aegean islands (2 stores) and in Thessaloniki (6 stores). Additionally, the Company's sales network also comprises 24 franchising stores out of which 8 stores are located in Attica, 6 stores in the Aegean islands, 6 stores in Peloponissos, 3 stores in Sterea Ellada & Evoia and 1 store in Zakynthos.

ENA S.A. is a wholesale company and operates 10 stores throughout Greece. More specifically, it operates one store in each of the following areas: Athens, Volos, Halkida, Argos, Serres, Kalamata, Corfu, Ioannina, Crete and Patra.

The analysis of the Company's sales for the period from 01.01.2005 till 31.12.2005, per financial activity according to the Statistical Financial Activities Sectors Classification is as follows (amounts in thousand Euro):

Code	Activity	Amount	%
521.1	Large stores of general sales of which food, drinks or tobacco prevail	792.048	89,97
513.9	Non specialized wholesale trade of food, drinks and tobacco	85.306	9,69
505.0	Retail Sale of fuel and lubricants for vehicles	2.597	0,30
515.1	Wholesale trade of solid, liquid and gas fuel and similar products	391	0,04
744.0	Advertising	-	-
Total		880.342	100,00

The analysis of the Consolidated sales of the Group for the period from 01.01.2005 till 31.12.2005, per financial activity according to the Statistical Financial Activities Sectors Classification is as follows (amounts in thousand Euro):

Code	Activity	Amount	%
521.1	Large stores of general sales of which food, drinks or tobacco prevail	792.049	87,23
513.9	Non specialized wholesale trade of food, drinks and tobacco	112.964	12,44
505.0	Retail Sale of fuel and lubricants for vehicles	2.597	0,29
515.1	Wholesale trade of solid, liquid and gas fuel and similar products	391	0,04
744.0	Advertising	-	-
Total		908.001	100,00



2.5 Net Sales Analysis

"ALFA-BETA" specializes in food products emphasizing mainly in fresh food, which constitutes the greatest part of its sales. The analysis of "ALFA-BETA" VASSILOPOULOS Net Sales based on sold product categories for the fiscal years 2004-2005 is stated (in thousand Euro) in the following table:

Category	FY 2005	% Participation	FY 2004	% Participation
Food	679.096	77,14	651.262	76,84
Non food	201.246	22,86	196.286	23,16
Total Net Sales	880.342	100,00	847.548	100,00

The analysis of the Consolidated Net Sales based on sold product categories for the fiscal years 2004-2005 is stated (in thousand Euro) in the following table:

Category	FY 2005	% Participation	FY 2004	% Participation
Food	700.437	77,14	670.987	76,85
Non food	207.564	22,86	202.127	23,15
Total Net Sales of the Group	908.001	100,00	873.114	100,00



2.6 Sales and Distribution Network

The stores of "ALFA-BETA" are classified in five categories according to their sales area, turnover, assortment as well as their lay out. All stores are equipped with modern scanning checkouts, technologically advanced refrigerators monitoring temperature, as well as with storing facilities whose organization and equipment is in compliance with recent international standards. At 31.12.05, "ALFA-BETA" sales network counted 101 stores; ENA S.A. network comprised 10 stores, whereas Company's franchising network comprised 24 sales points.

Table of the Group Stores

(a) Supermarkets ("ALFA-BETA")

Stores with a sales area of 2.000–5.000 sq.m. (Mega format), which represent the 7.9% of the Group's total retail stores. The stores categorized in this format are 8 from a total of 101 retail stores.

Stores with a sales area of 1.200–1.900 sq.m. (Large format), which represent the 27.7% of the Group's total retail stores. The stores categorized in this format are 28 from a total of 101 retail stores.

Stores with a sales area of 800–1.100 sq.m. (Medium format), which represent the 38.6% of the Group's total retail stores. The stores categorized in this format are 39 from a total of 101 retail stores.

Stores with a sales area of 400–600 sq.m. (Small format), which represent the 16.8% of the Group's total retail stores. The stores categorized in this format are 17 from a total of 101 retail stores.

City stores, convenient self-service stores which represent the 8.9% of the Group's total retail stores. The stores categorized in this format are 9 from a total of 101 retail stores.

(b) Cash-and-Carry stores (ENA S.A.)

Cash-and-Carry format stores with a sales area of 1.400 – 4.500 sq.m. The total number of this store category is 10.

(c) Franchising network stores

AB Shop & Go stores with a sales area of 200–350 sq.m. which represent the 45.8% of the Company's franchising network. The stores categorized in this format are 11 from a total of 24 stores.

AB Food Market stores with a sales area of 500 – 700 sq.m. which represent the 37.5% of the Company's franchising network. The stores categorized in this format are 9 from a total of 24 stores.



Additionally, at the end of 2005, the franchising network also comprised 4 stores under the banner **ΤΡΟΦΟ market** that represent the 16.7% of the Company's franchising network and which are going to change their banner into AB Shop & Go or AB Food Market during 2006.

2.7 Share Capital Evolution

The share capital of the Company was initially fixed to 6,000,000 GRD divided into 1,200 unregistered shares of nominal value 5,000 GRD each paid up in cash as mentioned in the initial Articles of Association of the Company (Government Gazette Issue no. 1333/06.12.1969). Numerous increases have followed from then onwards (1974, 1976, 1978, 1982, 1984, 1987, 1988, 1990, 1998, 2001,2002) resulting in today's share capital of 19,099,080.00 EUR consisting of 12,732,720 ordinary shares with voting rights and a par value of 1.50 EUR each.

By a decision of the Ordinary General Meeting of Shareholders dated 04.06.2002 a share capital increase was approved and realized by capitalization of the revaluation surplus of the Company's fixed assets amounting to 4,404,564.06 EUR and extraordinary reserves amounting to 299,747.94 EUR. The nominal value of each share was increased from 1.47 to 1.50 euro by the issuing and the free distribution (3 new shares for each 10 existing ones) of 2,938,320 new shares of a par value 1.50 EUR each.

After the free distribution, fractional shares have arisen and remained in a specific account of the Company. They corresponded to 186 shareholders and totalled 92 shares.

By a decision of the Ordinary General Meeting of Shareholders dated 03.06.2003, the Board of Directors was authorized to dispose the abovementioned 92 shares to the shareholder DELHAIZE "THE LION" NEDERLAND B.V. The disposal was realized off- exchange and the shares were disposed at the higher closing share price of the week prior to Ordinary General Meeting of 03.06.2003. The corresponding value of the fractional shares was credited to each payee by checks sent by registered post on that date.



Information on "ALFA-BETA" VASSILOPOULOS S.A.

The evolution of the Company's share capital is shown in the table below:

Date of General Assembly	Share Capital Increase through Cash Payment	Share Capital Increase through Capitalization of Reserves	Share Capital Increase through Capitalization of the Revaluation Surplus of Fixed Assets	Total Share Capital	Nominal Value	New shares issued	Total Number of Shares
Establishment				6.000.000 GRD	5.000 GRD		1.200
30.12.1974	4.000.000 GRD	5.000.000 GRD		15.000.000 GRD	5.000 GRD	1.800	3.000
22.12.1976	2.500.000 GRD	7.500.000 GRD		25.000.000 GRD	5.000 GRD	2.000	5.000
30.12.1978	17.000.000 GRD	8.000.000 GRD		50.000.000 GRD	5.000 GRD	5.000	10.000
22.12.1982	37.000.000 GRD	34.733.602 GRD	28.266.398 GRD	150.000.000 GRD	5.000 GRD	20.000	30.000
31.12.1984	52.000.000 GRD	18.000.000 GRD		220.000.000 GRD	5.000 GRD	14.000	44.000
31.12.1987	80.000.000 GRD			300.000.000 GRD	5.000 GRD	16.000	60.000
30.06.1988	100.000.000 GRD			400.000.000 GRD	5.000 GRD	20.000	80.000
29.12.1988	52.082.192 GRD		247.917.808 GRD	700.000.000 GRD	5.000 GRD	60.000	140.000
04.07.1990	Decrease of the shares' nominal value with a corresponding increase of shares' number				250 GRD	2.660.000	2.800.000
04.07.1990	196.000.000 GRD			896.000.000 GRD	250 GRD	392.000 (κ) + 392.000 (π)	3.192.000(κ)+ 392.000(π)= 3.584.000
16.03.1994	736.400.000 GRD			1.632.400.000 GRD	250 GRD	2.553.600 (κ)+ 392.000 (π)	5.745.600(κ)+ 784.000(π)= 6.529.600
29.06.1994		858.256.000 GRD	774.144.000 GRD	3.264.800.000 GRD	500 GRD	-	6.529.600
29.10.1994	Conversion of the entirety of the shares of the Company from bearer to registered						
28.05.1997	Conversion of the preferred non-voting shares to common nominal shares with voting right						
28.12.1998			1.632.400.000 GRD	4.897.200.000 GRD	500 GRD	3.264.800	9.794.400
19.06.2001		8.839.446 GRD		4.906.039.446 GRD	500,90 GRD		9.794.400
04.06.2002				14.397.768,00 EUR	1,47 EUR		9.794.400
04.06.2002		299.747,94 EUR	4.401.564,06 EUR	19.099.080,00 EUR	1,50 EUR	2.938.320	12.732.720



The shareholding proportion in "ALFA-BETA" on 31/12/2005 is analysed as follows:

Shareholder	Number of Shares	Proportion
Delhaize The Lion Nederland BV	7.722.033	60,65%
Vassilopoulos Gerassimos	700.000	5,50%
Clearstream Banking	630.669	4,95%
HSBC M/F Developing	389.431	3,06%
Rest Institutional Shareholders	954.341	7,50%
Rest Shareholders	2.336.246	18,35%
Total	12.732.720	100,00%

It is noted that the Company did not proceed to a purchase of its own shares.

In the following table an analysis of Shareholders Equity and share's book value as at 31.12.2005 (amounts in thousand Euro) is stated:

Number of Shares	12.732.720
Nominal Value	1,50
Share Capital	19.099
Share Premium	13.560
Other Shareholder Accounts	38.046
Total shareholders Equity	70.705
Share's Book Value	5,6

The shareholding proportion of ENA S.A. on 31/12/2005 is analyzed as follows:

Shareholder	Number of Shares	Proportion
"ALFA-BETA" VASSILOPOULOS S.A.	3.998.436	99,96%
Dimitrios Spanos	782	0,02%
Konstantinos Spanos	782	0,02%
Total	4.000.000	100,00%



2.8 Management and Advisory Members

The composition of the Board of Directors of "ALFA-BETA", as it was elected by the General Assembly (Minutes No. 842/22.11.2005 of the Board of Directors) is as follows:

Board of Directors	
Rafael Moissis	Chairman, Non Executive member
Pierre-Olivier Beckers	Deputy Chairman, Non Executive member
George Anagnostopoulos	Deputy Chairman, Executive member
Konstantinos Macheras	Managing Director, Executive member
Jean-Claude Coppieters't Wallant (until 22.11.2005)	Non Executive member
Michael Waller (since 22.11.2005)	Non Executive member
Renaud Cogels	Non Executive member
Craig Owens	Non Executive member
Michel Eeckhout	Non Executive member
Baudouin Van der Straten Waillet	Non Executive member
Trifon Kollintzas,	Independent, Non Executive member
Alexandros Filaktopoulos	Independent, Non Executive member

The tenure of the above Board of Directors is three years, extended until the Ordinary General Assembly that will approve the annual financial statements of the expiry year of their tenure, this is limited to four years. The members of the Board of Directors do not have significant participation in "ALFA-BETA" VASSILOPOULOS S.A. share capital.

The General Management as well as the Directors are listed as follows:

Managing Director	Konstantinos Macheras ①
Management	
Executive Director, Finance	Maria Kuhkalani ①
Executive Director, Commercial	Leonidas Vrettakos ①
Executive Director, Retail Operations	Dimitrios Printzios ①
Executive Director, Supply Chain	Nikolaos Iossipou ①
Executive Director, Human Resources	Vassilios Stavrou ①
Executive Director, Business Development	Petros Trahanas ①
Director, Development & Technical Support	Dimitrios Koliolios
Director, Information Technology	Dimitrios Maniadakis
Director, Internal Audit	Spyridon Kyrousis

① *Member of the Executive Committee*



The total number of shares held by the members of the management and advisors are 86,841 or 0.68%.

The board of Directors of ENA S.A. is as follows:

Board of Directors	
Georgios Anagnostopoulos	Chairman
Nikolaos Iossipou	Member
Petros Trahanas	Member
Leonidas Vrettakos	Member
Maria Kuhkalani	Member

2.9 Persons related to the article 8 of the L.3340/2005

The persons listed below may not trade with "ALFA-BETA" shares or with derivatives of "ALFA-BETA" share or its related companies without a relevant notification addressed to the Board of Directors of the company. This notification has to be published promptly to the Daily Official List Announcements of A.S.E.

Name	
The members of the Board of Directors	(as shown in the par.2.8 of the present Annual Bulletin)
The members of the Executive Committee	(as shown in the par.2.8 of the present Annual Bulletin)
Ioannis Milonidis	General Accounting and Tax Compliance Manager
Theodossia Avramidou	Investor Relations Officer
Spiridon Kyroussis	Internal Audit Director
Eleni Providi	Legal Department Officer
Alexandros Paschalis	Legal Department Officer
Christina Kaprou	Legal Department Officer
Nikolaos Sofianos	Statutory Auditor- Deloitte S.A.
Tilemahos Georgopoulos	Substitute Statutory Auditor- Deloitte S.A.
Delhaize "The Lion" Nederland BV	Main shareholder by 60,65 %



2.10 Human Resources

On 31.12.2005 the Group employed 6,744 staff members.

"ALFA-BETA" employs 6,472 persons of various expertises. The evolution of the Company's personnel per specialization and the total for the fiscal years 2004-2005 is shown below:

"ALFA-BETA"	2005	2004
Administrative staff	396	390
Employees	5.795	5.542
Workers	281	317
TOTAL	6.472	6.249
Full-timers / Part-timers	3.199/ 3.273	3.207/ 3.042

Correspondingly, ENA S.A. employs 272 persons. The evolution of the Group's personnel per specialization for the fiscal years 2004-2005 is shown below:

GROUP "ALFA-BETA"	2005	2004
Administrative staff	420	415
Employees	6.036	5.775
Workers	288	327
TOTAL	6.744	6.517
Full-timers / Part-timers	3.419 / 3.325	3.419/3.098

2.11 Information regarding Public Offers

During 2005 neither "ALFA-BETA" nor ENA S.A. have issued a public offering for the purchase or the exchange of the shares of any other company nor third parties made any offer for the purchase of the Group's shares.



3. Activity Review

During 2005, three new stores operated. In July a new supermarket was inaugurated in Perissos, in August a supermarket opened in Halandri whereas in December a new store opened in Koridallios. At the end of 2005, the retail network of "ALFA-BETA" consisted of 101 stores with a sales area of 117.080m². Moreover, eight existing stores were remodeled, i.e. Psichiko, Holargos, Erithrea, Papagos, N. Ionia, Vrilissia, Glika Nera as well as the Mega Ethniki store. "ALFA-BETA"'s franchising network expanded to twenty-four stores in Attica and provinces.

During 2005 the Company focused on strengthening its competitive position by lowering the prices of 2,000 additional basic products and it placed emphasis on its differentiation through quality, service and implementation of strict rules of food safety and hygiene.

The private label range of products under the brand "365", an attractive range offering good quality at low prices which was created as an alternative to hard discount products, was enriched and expanded to 240 items. Additionally in 2005, "ALFA-BETA" launched a new exclusive range of detergents and cleansers, the "alin" range, also at prices in line with the hard discounters.

In addition, during 2005, the Company continued to upgrade its Bake-off department in 26 additional stores and proceeded to an innovation, the creation of the Self-traiteur Department which, provides fresh meal solutions prepared daily, comprises 45 different items, and aims to optimize the services provided to busy consumers.

The permanent enhancement of food safety and hygiene as well as the continuous personnel training regarding this sector, is one of the basic axes of "ALFA-BETA" culture and every day practice. In the central warehouse of the Company as well as in 40 of its stores the most reliable system of quality control, the HACCP system, is implemented. The implementation of the HACCP principles will be extended to the total of the Company's stores by 2008. During 2005, the Quality Assurance department of the Company proceeded to the certification of the HACCP implementation in three stores, these of Melissia, Patra II and MEGA Macedonia store. The HACCP implementation in these stores was certified by the independent organization TUV HELLAS (member of RWTUV Group) and the Greek standard EL0T 1416 was used.

During 2005, a year of significant development regarding "ALFA-BETA" franchising network, two new store formats were initiated.

- The stores carrying the **AB Shop & Go** banner aiming to cover consumers' every day needs. The sales area of an AB Shop & Go store varies between 200 to 350sq.m. The company aims to expand the franchising network through this store format, in town centers and densely populated urban areas as well as in central commercial points of smaller cities.



- Stores carrying the **AB Food Market** banner aim to cover consumers' needs both basic weekly as well as daily. AB Food Market sales area varies from 500 to 700sq.m, and the parking area is a necessary condition. The main locations of these stores are the urban areas (at the outskirts of the towns or in central streets), as well as populated, long season tourist centers.

Furthermore, it is worth mentioning that in 2005, "ALFA-BETA was awarded, with the "Oikopolis Award 2005", by Ecocity, an independent, non-profitable organization for its environmental policy and sensitivity. This distinction rewards the Company's policy for the protection of the environment via the installation of fully equipped Recycling Centers in 25 of its stores.

Finally, another distinction for the Company was the fact that MEGA Helliniko store was awarded as the best Food Retail Store for 2005 in the annual competition run by the "Retail Business" magazine.



4. Summarized Annual Financial Statements and Information

The summarized annual financial statements and information for the period from 1 January 2005 until 31 December 2005 (published in terms of R.L. 2190, art. 135 for companies which draw their individual and consolidated annual financial statements in terms of IFRS) are stated below.

The following data aim at giving general information about the financial situation and results of "ALFA-BETA" VASSILOPOULOS S.A. We therefore recommend that in order to obtain a holistic view of the financial position and results of the company, one should consult the annual financial statements in terms of International Financial Reporting Standards as well as the auditors' report thereon. The above-mentioned statements are available on the Company's web site.

4.1 Company Information

Registered Office:	81, Spaton Avenue, 153 44 Gerakas, Attica
Athens Register of Commerce:	13363/06/B/86/17
Competent Prefecture:	Ministry of Development, Department of Commerce, Division of Societes Anonymes and Trust
Board of Directors:	Moissis Rafael Pierre-Olivier Beckers Anagnostopoulos George Macheras Konstantinos Jean-Claude Coppieters't Wallant (until 22.11.2005) Michael Waller (from 22.11.2005) Renaud Cogels Craig Owens Michel Eeckhout Baudouin Van der Straten Waillet Kolintzas Trifon Filaktopoulos Alexandros
Date of approval of the annual financial statements (from which arose the condensed financial figures):	February 27, 2006
Auditor:	Nikolaos Sofianos
Auditing company:	Deloitte.
Type of audit report:	Unqualified opinion with an emphasis of matter
Internet address	www.ab.gr

4.2 Balance Sheet

Amounts in thousands of EUR

	Consolidated		Non Consolidated	
	31-Dec-05	31-Dec-04	31-Dec-05	31-Dec-04
ASSETS				
Fixed Assets	245.509	230.270	242.313	225.607
Inventory	73.937	82.770	69.073	77.072
Trade Receivables	18.154	15.082	27.646	25.985
Other Assets	2.062	1.833	1.909	1.671
Cash and cash equivalents	<u>30.363</u>	<u>13.113</u>	<u>26.728</u>	<u>7.320</u>
TOTAL ASSETS	<u>370.025</u>	<u>343.068</u>	<u>367.669</u>	<u>337.655</u>
LIABILITIES				
Long-term borrowings	84.297	44.628	84.297	44.628
Other long-term liabilities	14.651	12.120	13.930	11.466
Short-term loans	-	15.400	-	15.400
Other short-term liabilities	<u>204.252</u>	<u>216.390</u>	<u>198.737</u>	<u>207.153</u>
Total Liabilities (a)	<u>303.200</u>	<u>288.538</u>	<u>296.964</u>	<u>278.647</u>
Share Capital	19.099	19.099	19.099	19.099
Other Net Equity	<u>47.725</u>	<u>35.431</u>	<u>51.606</u>	<u>39.909</u>
Total of Shareholders Equity (b)	66.824	54.530	70.705	59.008
Minority Rights (c)	<u>1</u>	-	-	-
Total of Equity (d)=(b)+(c)	<u>66.825</u>	<u>54.530</u>	<u>70.705</u>	<u>59.008</u>
TOTAL EQUITY & LIABILITIES (a) + (b)	<u>370.025</u>	<u>343.068</u>	<u>367.669</u>	<u>337.655</u>



4.3 Profit & Loss Statement

Amounts in thousands EUR

	Consolidated		Non Consolidated	
	01.01-31.12.2005	01.01-31.12.2004	01.01-31.12.2005	01.01-31.12.2004
Turnover (sales)	908.001	873.114	880.342	847.548
Gross Profit / (Loss)	197.674	186.126	186.708	175.904
Profit / (Loss) before tax, financial, investing activities, depreciation and amortization	41.098	41.152	38.912	39.908
Profit / (Loss) before tax, financial and investing activities	24.151	24.750	22.830	24.368
Profit / (Loss) before tax	22.125	23.082	20.452	22.394
Less Tax	9.830	5.637	8.755	6.365
Profit / (Loss) after tax	12.295	17.445	11.697	16.029
Allocated to:				
Shareholders	12.294	17.445	11.697	16.029
Minority Rights	1	-	-	-
Profit / (Loss) after tax per share (in Euro)	0,97	1,37	0,92	1,26
Proposed dividend per share (in Euro)	0,31	-	0,31	-

4.4 Net Change In Equity Statement

Amounts in thousands EUR

	Consolidated		Non Consolidated	
	31-12-05	31-12-04	31-12-05	31-12-04
Equity at the beginning of the year (01.01.2005 and 01.01.2004 respectively)	54.530	40.141	59.008	66.121
Profit / (Loss) after tax	12.294	17.445	11.697	16.029
Increase / (decrease) of share capital	-	-	-	-
Transfers due to merge	-	-	-	(20.086)
Dividend distribution	-	(3.056)	-	(3.056)
Net income recorded directly to Equity	-	-	-	-
Minority rights	1	-	-	-
Buy / Sale of own shares	-	-	-	-
Equity at the end of the year (01.01.2005 and 01.01.2004 respectively)	<u>66.825</u>	<u>54.530</u>	<u>70.705</u>	<u>59.008</u>



4.5 Cash Flow Statement (Indirect method)

Amounts in thousands EUR

	Consolidated		Company	
	01.01.2005 -31.12.2005	01.01.2004- 31.12.2004	01.01.2005 -31.12.2005	01.01.2004- 31.12.2004
<u>Operating activities</u>				
Profit before tax	22.125	23.082	20.452	22.394
Plus / minus adjustments for:				
Depreciation and amortization	16.947	16.402	16.082	15.540
Provisions	3.341	2.354	3.318	1.186
(Gain) / Loss from fixed assets' disposal	319	(32)	314	48
Results from investing activity	(590)	(1.256)	(238)	(949)
Finance Costs	2.616	2.924	2.616	2.923
Plus / minus adjustments for changes in working capital or in relation to operating activities				
Decrease / (increase) of inventory	8.833	988	7.999	209
Decrease / (increase) of receivables	(3.632)	29.266	(2.272)	34.243
(Decrease) / increase of liabilities (excluding bank loans)	(8.797)	11.685	(8.867)	11.129
Less:				
Interest paid	(1.509)	(3.465)	(1.509)	(3.464)
Income tax paid	(12.048)	(4.132)	(8.255)	(4.132)
Total of inflow / (outflow) from operating activities (a)	27.605	77.816	29.640	79.127
<u>Investing activities</u>				
Purchase of tangible and intangible fixed assets	(35.654)	(32.471)	(35.173)	(31.354)
Investment in subsidiaries	-	-	-	(1.000)
Proceeds on disposal of tangible and intangible fixed assets	109	450	103	438
Interest received	590	1.256	238	949
Total of inflow / (outflow) from investing activities (b)	(34.955)	(30.765)	(34.832)	(30.967)
<u>Financing activities</u>				
New bank loans raised (bonds)	40.000	-	40.000	-
Repayment of borrowings	(15.400)	(49.540)	(15.400)	(49.540)
Dividends paid	-	(3.056)	-	(3.056)
Total of inflow/(outflow) from financing activities (c)	24.600	(52.596)	24.600	(52.596)
Net increase / (decrease) in cash and cash equivalents of the period (a)+(b)+(c)	17.250	(5.545)	19.408	(4.436)
Cash and cash equivalents beginning of the period	13.113	18.658	7.320	11.756
Cash and cash equivalents end of the period	30.363	13.113	26.728	7.320

4.6 Equity Reconciliation at the Beginning of the Period 01.01.2005 - 01.01.2004 between Greek GAAP and IFRS

amounts in thousands of EUR

	Consolidated		Company	
	01.01.2005	01.01.2004	01.01.2005	01.01.2004
Equity at the beginning of the period (per Greek GAAP)	81.458	43.519	89.395	62.715
Adjustment of fiscal year's 2003 dividend (stated into account "Dividends Payable" in the Balance Sheet of fiscal year 2003 based on Greek GAAP).	-	3.056	-	3.056
Readjustment of fixed assets' value due to the use of the asset's estimated useful life for the calculation of depreciation, to the restatement of the adjusted cost value based on tax Laws (L.2065/92 etc.) to historical cost and to the revaluation of fixed the assets of the subsidiaries that were acquired in 2000 during the first year of their acquisition as well as the calculation of the relative deferred taxes.	10.160	8.553	9.159	8.218
Write off of intangible assets that had been recorded according to Greek GAAP.	-	(90)	-	-
Equity adjustment so as the absorption of the subsidiary TROFO S.A. to be stated under IFRS and not according to L.2166/93 as stated in the Balance Sheet based on Greek GAAP.	3.284	-	3.284	-
Difference in valuation of participation on subsidiaries.	(8.906)	-	(8.906)	-
Difference in elimination of participation on subsidiaries.	8.906	-	-	-
Goodwill Adjustment.	(21.236)	(7.653)	(14.111)	-
Adjustment of the Provision for staff termination indemnity according to IFRS as well as calculation of the relative deferred taxes.	(6.655)	(5.087)	(6.358)	(3.695)
Adjustment of the provision for untaken leave pay according to IFRS as well as calculation of the relative deferred taxes.	(1.255)	(1.385)	(1.153)	(1.222)
Assessment of a proportion of vendor allowances to inventories as well as calculation of the relative deferred taxes.	(5.436)	(3.876)	(5.388)	(3.636)
Assessment of assets / liabilities arising from other deferred taxation according to IFRS.	2.234	3.462	1.073	1.086
Impact of the tax audit for the 1999 – 2000 fiscal years	(7.606)	-	(7.606)	-
Other	(37)	168	-	125
Calculation of financial derivatives, which are measured at fair value, as well as of currency differences arising from the appraisal of loan in foreign currency.	(381)	(526)	(381)	(526)
Equity at the beginning of the period per IFRS.	54.530	40.141	59.008	66.121

4.7 Additional Information

(Amounts in thousands of EUR)

1. The companies included in the consolidated financial statements of "ALFA-BETA" VASSILOPOULOS S.A., their addresses as well as the proportion of the parent company in their share capital, are shown in the table below:

Company name	Registered Office	% of participation of the parent company in the share capital of its subsidiary
"ALFA-BETA" VASSILOPOULOS S.A.	Greece, Gerakas Attica	-----
ENA S.A. (subsidiary)	Greece, Gerakas Attica	99,96%

2. The consolidated financial statements are compiled according to the method of total consolidation. The same method has been implemented for the formation of the financial statements of December 31, 2004.
3. For the parent company "ALFA-BETA" VASSILOPOULOS S.A., a tax audit was conducted and concluded up to the fiscal year 2002 and the only pending issue is the audit regarding the fee of the related company GROUPE DELHAIZE S.A. for services provided, for the 2001-2002 fiscal years, which has been referred to a specific committee of the Ministry of Finance. As regards the absorbed subsidiary TROFO S.A., whose absorption by "ALFA-BETA" VASSILOPOULOS S.A. was approved by the decision of the Ministry of Development no K2-14950/10.12.04 and was listed in the Societes Anonymes Register on December 10, 2004, only the 2003 fiscal year is still unaudited. Regarding the company ENA S.A., which is included in the consolidated statements, a tax audit has been conducted up to the fiscal year 2000. The liability, if any, that may result from such audits, cannot be estimated for the present with reasonable accuracy and thus no provision has been made.
4. The company GROUPE DELHAIZE S.A., which is headquartered in Brussels, Belgium and owns 60.65% of "ALFA-BETA" VASSILOPOULOS S.A. shares, compiles consolidated financial statements in which the financial statements of the Group are included. These consolidated financial statements are available in the headquarters of the Belgian company.
5. There is no encumbrance on company's property.
6. Cases under court or arbitration procedures:
 - 6.1 Doubtful accounts and bad debts include claims from the Greek State for taxation charges amounting to 206 thousand Euros approximately, which are under dispute, and for which the company has made a provision.

6.2 On the subject of the court case against the ex-owners of TROFO S.A., at 7th of December 2004 the 42/2004 decision from the Arbitration Court was issued and ruled in favor of "ALFA-BETA" VASSILOPOULOS S.A. the amount of six billion drachmas, or EURO 17,608, an amount which had already reduced the acquisition price for the 100% shares of TROFO S.A. It is noted that the ex-owners of TROFO have submitted on March 7, 2005 an application for the cancellation of the aforementioned decision, which, according to the decision of the Arbitration Court No 9420/2005, was rejected. The company in consultation with its legal advisors is assessing the procedures to follow in order to resolve the additional claim, amounted to EURO 21,570 (39,178-17,608) approximately.

6.3 For the reliable and prompt communication with the investors, we notify that, on July 5, 2005, the Greek Competition Committee issued its decision no 284/IV/2005 related to the broader food retail sector. According to the decision above a fine of EURO 739 (stamp duty included) has been imposed to the company for contravention of the L.703/1977. Concerning the aforementioned Company's management declares that:

- a. The company has made a relevant provision that is included in its published financial statements.
- b. The Company has appealed to the appropriate courts against the decision issued by the Competition Committee and the relevant decision is expected, until which time the obligation to pay is postponed based on decision 117/2005 of the Appeals Board.

6.4 There are no other cases under court procedure for which there are pending decisions or claims for cancellation of decisions issued that may seriously affect the financial position or the operation of the company without the related provisions, except for the ones described above.

7. The staff-number of the Group as well as that of the Company at the end of fiscal years 2004 and 2005 was the following:

	Group	Company
December 31, 2005	6.744	6.472
December 31, 2004	6.517	6.249



8. Transactions between «ALFA-BETA» VASSILOPOULOS S.A. and related companies:

8.1 During the period from January 1, 2005 up to December 31, 2005, "ALFA-BETA" VASSILOPOULOS S.A. and ENA S.A. in the share capital of which the former participates by 99.96%, the following transactions have been effected:

Net Sales of merchandise from «ALFA-BETA» to ENA (net of vendor allowances)	67.694
Sales of packing material from «ALFA-BETA» to ENA	129
«ALFA-BETA» revenue arising from rental of property to ENA S.A.	159
Purchases of ENA from «ALFA-BETA»	67.824
ENA S.A. expenses arising from hire of property from «ALFA-BETA»	159
«ALFA-BETA» receivables from ENA S.A.	13.066
«ALFA-BETA» liabilities to ENA S.A.	6

8.2 During the period from January 1, 2005 up to December 31, 2005, between the Group "ALFA-BETA" VASSILOPOULOS S.A. and the GROUPE DELHAIZE S.A. that owns the 60.65% of "ALFA-BETA" share capital, the following transactions have been effected:

Sales of merchandise to GROUPE DELHAIZE	10
Purchases of merchandise from GROUPE DELHAIZE	1.936
Administrative Expenses (services provided by GROUPE DELHAIZE)	1.618
Purchases of fixed assets from GROUPE DELHAIZE	34
Other Income (charges to GROUPE DELHAIZE)	219
Other Expenses (charges from GROUPE DELHAIZE)	35
Receivables from GROUPE DELHAIZE	208
Liabilities to GROUPE DELHAIZE	2.231

8.3 Liabilities arising as at December 31, 2005 from a Bond contract between the related companies DELCOR S.A. and DELFINANCE S.A. are stated below:

	DELCOR S.A.	DELFINANCE S.A.
Finance cost (interests, expenses)	1.473	4
Interests payable	1.330	3
Bond	32.212	85



5. Annual Financial Statements in Accordance with the International Financial Reporting Standards that have been Adopted by the European Union

The Annual Financial Statements, prepared in Accordance with the International Financial Reporting Standards that have been adopted by the European Union for the period 1 January – 31 December 2005 for the Group and the company «ALFA-BETA» VASSILOPOULOS S.A., are stated below:

5.1 Income Statement for the year ended December 31, 2005

(amounts in thousand EUR except for earnings per share)

	Note	Group		Company	
		01.01.2005 - 31.12.2005	01.01.2004 - 31.12.2004	01.01.2005 - 31.12.2005	01.01.2004 - 31.12.2004
Turnover (sales)	6.4	908.001	873.114	880.342	847.548
Cost of Sales		(710.327)	(686.988)	(693.634)	(671.644)
Gross Profit		197.674	186.126	186.708	175.904
Other operating income	6.5	3.544	3.684	3.364	3.489
Distribution cost		(145.687)	(134.637)	(137.314)	(126.250)
Administrative expenses		(31.318)	(30.341)	(29.866)	(28.693)
Impairment charges		(62)	(82)	(62)	(82)
Profit from operations		24.151	24.750	22.830	24.368
Finance costs	6.7	(2.616)	(2.924)	(2.616)	(2.923)
Income from investments		590	1.256	238	949
Profit before taxes	6.8	22.125	23.082	20.452	22.394
Income tax expense	6.10	(9.830)	(5.637)	(8.755)	(6.365)
Profit after tax		12.295	17.445	11.697	16.029
Attributable to:					
Equity holders of the parent		12.294	17.445	11.697	16.029
Minority interest		1	-	-	-
		12.295	17.445	11.697	16.029
Earnings per share (in EUR)	6.11	0,97	1,37	0,92	1,26

The notes set out on pages 43 to 77 constitute an integral part of the financial statements.



5.2 Balance Sheet as at December 31, 2005

(amounts in thousand EUR)

		Group		Company	
	Note	31.12.2005	31.12.2004	31.12.2005	31.12.2004
ASSETS					
Non-Current Assets					
Property, plant and equipment	6.12	169.501	151.282	159.123	140.512
Investment property	6.13	57	57	13	13
Goodwill	6.14	69.712	69.712	69.712	69.712
Intangible assets	6.15	21	23	1	
Investment in subsidiaries	6.16	-	-	7.375	7.375
Long-term receivables	6.17	5.324	4.868	5.223	4.770
Deferred tax asset	6.18	894	4.328	866	3.225
Total Fixed Assets		245.509	230.270	242.313	225.607
Current Assets					
Inventory	6.19	73.937	82.770	69.073	77.072
Trade receivables	6.20	18.154	15.082	27.646	25.985
Income tax advances		115	115	-	-
Prepayments		448	229	438	210
Other receivables- accrued income	6.21	1.499	1.489	1.471	1.461
Cash and cash equivalents	6.22	30.363	13.113	26.728	7.320
Total Current Assets		124.516	112.798	125.356	112.048
TOTAL ASSETS		370.025	343.068	367.669	337.655
LIABILITIES					
Shareholders Equity					
Share Capital	6.23	19.099	19.099	19.099	19.099
Share Premium	6.24	13.560	13.560	13.560	13.560
Reserves	6.25	30.057	30.057	30.336	30.336
Retained Earnings	6.26	4.108	(8.186)	7.710	(3.987)
Equity attributable to equity holders of the parent		66.824	54.530	70.705	59.008
Minority Interests		1	-	-	-
Total Equity		66.825	54.530	70.705	59.008
Long-term Liabilities					
Long- term Borrowings	6.27	72.296	27.972	72.296	27.972
Retirement benefit plans	6.28	12.443	10.620	11.861	10.126
Derivative Instruments	6.29	12.001	16.656	12.001	16.656
Provisions	6.30	1.934	1.078	1.795	919
Other long-term liabilities		274	422	274	421
Total Long-term Liabilities		98.948	56.748	98.227	56.094
Short-term Liabilities					
Short- term Borrowings		-	15.400	-	15.400
Trade payables	6.31	165.103	174.017	160.744	169.381
Accrued expenses	6.32	9.954	8.853	9.421	8.486
Income tax payable		11.320	16.986	11.320	13.193
Other short-term liabilities	6.33	17.875	16.534	17.252	16.093
Total short-term Liabilities		204.252	231.790	198.737	222.553
TOTAL LIABILITIES & SHAREHOLDERS EQUITY		370.025	343.068	367.669	337.655

The notes set out on pages 43 to 77 constitute an integral part of the financial statements.

5.3 Changes in Equity Statement for the year ended December 31, 2005

(amounts in thousand EUR)

Group

As at 31.12.2005

As at 01.01.2005	19.099	13.560	30.057	(8.186)	-	54.530
Net Profit of the year	-	-	-	12.294	1	12.295
As at 31.12.2005	19.099	13.560	30.057	4.108	1	66.825

As at 31.12.2004

As at 01.01.2004	19.099	13.560	25.051	(17.569)	-	40.141
Changes from appropriation of 2003 profits	-	-	5.006	(5.006)	-	-
Dividends	-	-	-	(3.056)	-	(3.056)
Net Profit of the year	-	-	-	17.445	-	17.445
As at 31.12.2004	19.099	13.560	30.057	(8.186)	-	54.530

Share Capital	Share Premium	Reserves	Retained Earnings	Minority Rights	Total
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Company

As at 31.12.2005

As at 01.01.2005	19.099	13.560	30.336	(3.987)	-	59.008
Net Profit of the year	-	-	-	11.697	-	11.697
As at 31.12.2005	19.099	13.560	30.336	7.710	-	70.705

As at 31.12.2004

As at 01.01.2004	19.099	13.560	25.051	8.411	-	66.121
Transfers as a result of merger	-	-	279	(20.365)	-	(20.086)
Changes from appropriation of 2003 profits	-	-	5.006	(5.006)	-	-
Dividends	-	-	-	(3.056)	-	(3.056)
Net Profit of the year	-	-	-	16.029	-	16.029
As at 31.12.2004	19.099	13.560	30.336	(3.987)	-	59.008

The notes set out on pages 43 to 77 constitute an integral part of the financial statements.



5.4 Cash Flow Statement for the year ended December 31, 2005

(amounts in thousand EUR)

	Group		Company	
	01.01.2005- 31.12.2005	01.01.2004- 31.12.2004	01.01.2005 - 31.12.2005	01.01.2004- 31.12.2004
Note				
Operating activities				
Profit before tax	22.125	23.082	20.452	22.394
Plus / (minus) adjustments for:				
Depreciation and amortization	16.947	16.402	16.082	15.540
Provisions	3.341	2.354	3.318	1.186
(Gain) / Loss on disposal of fixed assets	319	(32)	314	48
Results from investing activity	(590)	(1.256)	(238)	(949)
Finance costs	2.616	2.924	2.616	2.923
Plus / (minus) adjustments for changes in working capital				
Decrease / (increase) of inventory	8.833	988	7.999	209
Decrease / (increase) of receivables	(3.632)	29.266	(2.272)	34.243
(Decrease) / increase of liabilities (excluding bank loans)	(8.797)	11.685	(8.867)	11.129
Less:				
Interest paid	(1.509)	(3.465)	(1.509)	(3.464)
Income tax paid	(12.048)	(4.132)	(8.255)	(4.132)
Net cash provided by (used in) operating activities (a)	27.605	77.816	29.640	79.127
Investing activities				
Purchase of tangible and intangible fixed assets	(35.654)	(32.471)	(35.173)	(31.354)
Investment in subsidiaries	-	-	-	(1.000)
Proceeds on disposal of tangible and intangible fixed assets	109	450	103	438
Interest received	590	1.256	238	949
Net cash used in investing activities (b)	(34.955)	(30.765)	(34.832)	(30.967)
Financing activities				
New bank loans raised (bond)	40.000	-	40.000	-
Repayment of borrowings	(15.400)	(49.540)	(15.400)	(49.540)
Dividends paid	-	(3.056)	-	(3.056)
Net cash provided by (used in) financing activities (c)	24.600	(52.596)	24.600	(52.596)
Net increase / (decrease) in cash and cash equivalents of the period (a)+(b)+(c)	17.250	(5.545)	19.408	(4.436)
Cash and cash equivalents beginning of the period	13.113	18.658	7.320	11.756
Cash and cash equivalents end of the period	30.363	13.113	26.728	7.320

The notes set out on pages 43 to 77 constitute an integral part of the financial statements.



6. Notes to the Accounts for the year ended December 31, 2005

6.1 General Information

"ALFA-BETA" VASSILOPOULOS S.A. is a Societe Anonyme, incorporated in Greece according to the regulations of C.L. 2190/1920, situated at 81, Spaton Avenue, 153 44 in Gerakas, Attica. "ALFA-BETA" VASSILOPOULOS S.A. is a food retail company and its main object is the operation of a manufacture and commercial business of high quality nutrition products, in particular the processing, standardization, packaging and sale of meat, agricultural products, nuts, herbs and other items of domestic and personal use, the organization and establishment of supermarkets and wide-ranging food stores, for the trading of the aforementioned products through modern marketing and distribution methods, as well as the development of a franchising network in food retailing. Additionally, the Company's commercial activity encompasses wholesale trading through its subsidiary ENA S.A

The staff of the Group and that of the Company at the end of the fiscal year 2005 numbered 6.744 and 6.472 people respectively.

6.2 Basic Accounting Principles

6.2.1 Basis of Presentation

The financial statements have been prepared in accordance to International Financial Reporting Standards (IFRS), taking into consideration the provisions of IFRS 1 for first-time application and are expressed in thousand Euro, unless stated differently. The financial statements have been prepared on the historical cost basis.

The preparation of Financial Statements according to Generally Accepted Accounting Principles requires management to make assumptions and estimates, which may possibly affect both the reported amounts of assets and liabilities, as well as the disclosures of contingent assets and liabilities at the date of the Financial Statements and the stated amounts of revenues and expenses recognized during the period. The use of sufficient information and the application of subjective assessments are integral elements for the evaluation of assets, liabilities arising from personnel benefits, write-down of receivables, unaudited tax years and pending legal cases. The actual future results may differ from the above estimates.

6.2.2 Adoption of International Financial Reporting Standards (IFRS)

The company has adopted IFRS for the first time for the preparation of the Financial Statements of the fiscal year ended on December 31, 2005. The company applied the provisions of IFRS 1 in the adjustments of the opening balances for the comparative figures of 2004. The impact from the application of IFRS on the financial statements of the comparative periods which were prepared in accordance with the accounting principles generally accepted in Greece is disclosed in note 6.39.

New standards, interpretations and revised standards

Certain new standards, interpretations and revised standards have been issued that are effective for years commencing from January 1st 2006 and thereafter. These are stated below:

- IAS 19 (Amendment), Employee Benefits (effective from 1 January 2006).
- IAS 39 (Amendment), Cash Flow Hedge Accounting of Forecast Intra-group Transactions (effective from 1 January 2006).
- IAS 39 (Amendment), The Fair Value Option (effective from 1 January 2006).
- IAS 39 and IFRS 4 (Amendment), Financial Guarantee Contracts (effective from 1 January 2006).
- IFRS 1 (Amendment), First-time Adoption of International Financial Reporting Standards and IFRS 6 (Amendment), Exploration for and Evaluation of Mineral Resources (effective from 1 January 2006).
- IFRS 7, Financial Instruments: Disclosures, and a complementary Amendment to IAS 1, Presentation of Financial Statements - Capital Disclosures (effective from 1 January 2007).
- IFRIC 4, Determining whether an Arrangement contains a Lease (effective from 1 January 2006).
- IFRIC 5, Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds (effective from 1 January 2006).

Management anticipate the future adoption of these new standards, interpretations and revisions will not have a significant impact on the Group and Company financial statements either because they are not relevant to the Group's operation or because they refer to supplementary disclosure.



6.3 Summary of Accounting Principles

The Accounting Principles applied are the following:

6.3.1 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of "ALFA-BETA" VASSILOPOULOS S.A. (parent company) and of ENA S.A. (subsidiary).

The consolidated financial statements are prepared with the method of full consolidation. Specifically, the initial investment cost of the parent company in the subsidiary, any possible share capital increases as well as any provisions for the write-down of investments thereafter are eliminated. The equity of the subsidiary on the date of acquisition as well as any possible share capital increases thereafter are respectively eliminated from the total equity of the subsidiary company. The difference between the elimination in the participations of the parent company and the elimination in the equity of the subsidiary company is recorded as Goodwill.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Minority interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

6.3.2 Goodwill

Goodwill arising after the merger by absorption of TROFO S.A. by "ALFA-BETA" VASSILOPOULOS S.A. represents the excess of the cost of the acquisition over the Company's interest in the fair value of the identifiable assets and liabilities of the absorbed company on the date of the acquisition.

Goodwill is recorded at cost. Until December 31, 2003 amortization has been calculated using a depreciation rate 5% according to IFRS 22. From January 1, 2004 Goodwill is no longer amortized but reduced, where considered necessary, by any losses arising from impairment according to IFRS 3, as applied.

Impairment of Goodwill applies if after the valuation of each cash-generating unit / store it appears that its net present value is lower than its proportionate goodwill. This valuation is performed annually.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units expected to benefit from the synergies of the combination. The allocation has been made based on the sales of each cash-generating unit. Cash generating units to which goodwill has been allocated are tested for impairment annually.



6.3.3 Revenue Recognition

Retail sales at sales points (stores), wholesale sales from the central warehouse as well as sales of merchandise to subsidiaries or franchising enterprises are recognized as revenue.

Sales of goods are recognized when goods are received by the customer and title has passed. Discounts and rebates to customers are recorded as sales' reductions.

Interest income is accrued on the accrual basis, by reference to the principal outstanding and at the effective applicable interest rate. Dividend income from investments is recognized when the shareholders' rights to receive payment have been established.

6.3.4 Leases

The Group has operating leases only.

The Group as lessor

Revenues from operating leases are recognized based on the straight-line method throughout the duration of the respective lease.

The Group as lessee

Rents payable in the case of operating lease affect the results based on the straight-line method throughout the duration of the respective lease.

6.3.5 Foreign Currencies

Transactions in currencies other than Euro are initially recorded at the rates prevailing on the dates of transactions. Monetary assets and liabilities denominated in such currencies are retranslated at the official rates prevailing on the balance sheet date. Gains and losses arising on exchange differences are included in the net profit or loss for the period.



6.3.6 Borrowing Costs

Borrowing costs are recognized in profit or loss when they are incurred.

6.3.7 Government Grants

Government grants for staff training are recognized as revenue over the periods necessary to match them with the related costs.

6.3.8 Retirement Costs

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses that exceed 10 per cent of the greater of the present value of the Group's defined benefit obligation and the fair value of plan assets are amortized over the expected average remaining working lives of the participating employees. Past service costs are recognized immediately to the extent that the benefits are already vested, and otherwise are amortized on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation adjusted by unrecognized actuarial gains and losses, by unrecognized past service costs and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to unrecognized actuarial losses and past service costs, plus the present value of available refunds and reductions in future contributions to the plan.

6.3.9 Taxation

Income tax expense represents the sum of the current and deferred tax.

The tax currently payable is based on taxable profit of the year. Taxable profit differs from profit as reported in the income statement as it excludes items of income or expense that are taxable or deductible in future years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using the tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary



differences and deferred tax assets are recognized to the extent that there will be taxable profits available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet 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 asset to be recovered.

Deferred tax is calculated at the tax rates, which are expected to apply in the period when the liability is settled or the asset realized. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

6.3.10 Property, plant and equipment

Land and buildings are recorded at cost and stated at historical cost less depreciation and exclude the revaluation based on tax laws (i.e. L.2065/92 etc.). Additionally, the fixed assets of the acquired subsidiaries TROFO S.A. and ENA S.A. were revalued on the acquisition date. Fixtures and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction, over their estimated useful lives, using the straight-line method. The estimated useful lives are stated below:

Tangible fixed asset	Estimated useful life
Owned buildings	40 years
Buildings' installations (Permanent or non-permanent)	10-15 years
Plant and machinery	5-10 years
Vehicles	4-9 years
Electronic equipment	1-10 years
Furniture-other equipment	1-10 years

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recorded in profit or loss.



6.3.11 Investment Property

Investment property was stated at book value on the date of IFRS first-time application. The Group does not provide depreciation on Investment Property when the net realizable value is equal or higher than the book value.

6.3.12 Impairment

At each balance sheet date, the Group reviews the carrying amounts (net book value) of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. An indication of impairment loss exists if the carrying amounts of tangible and intangible assets are estimated to be higher than their recoverable value. The recoverable value is the higher between the fair value reduced by the selling costs and the value in use. At each balance sheet date, the Group tests whether there is any indication of impairment of the cash generating units' (stores). The Group considers as an indication of impairment loss of tangible and intangible assets when the cash generating units (stores) show negative operating cash flows during the last three consecutive years provided that they are not stores opened in the last three years or stores remodeled in the last two years. For these stores, at the balance sheet date, the Group evaluates the recoverable value of the cash generating unit (store) using a twenty year discounted cash flow method with the general assumptions that inflows will increase by the estimated inflation rate plus one base point, the structure of cash flows is based on historical data and a discount rate equal to the Company's weighted average cost of capital (wacc).

The Group proceeds to impairment when both of the following conditions apply:

- the carrying value of the cash generating unit (store) is higher than its value in use, and
- the carrying value of the cash-generating unit (store) is higher than its fair value.

6.3.13 Inventories

Inventories of tradable merchandise are stated at the lower of cost or net realizable value. The purchase cost of all tradable inventories includes the invoice purchase value both increased by specific purchase expenses (transportation costs, insurance premiums etc.) and reduced by discounts and vendor allowances. Inventories are valued using the weighted average cost method.



6.3.14 Financial Instruments

Financial assets and financial liabilities are recognized on the Group's balance sheet when the Group becomes party to the contractual provisions of the instrument.

Trade receivables

Appropriate allowances for estimated irrecoverable amounts are recognized in profit or loss when there is objective evidence that the asset is impaired. The allowance recognized is calculated as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments (up to 3 months) that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade payables

Trade payables are interest free and are shown at their nominal value reduced by any receivables arising from vendor allowances.

Derivative financial instruments

The Group does not use derivative financial instruments for speculative purposes.

Derivative financial instruments are initially measured at fair value on the contract date, and are remeasured to fair value at subsequent reporting dates.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting, are recognized in profit or loss as they arise.

Bank Borrowings

Interest bearing bank loans and overdrafts are initially recorded at fair value and are subsequently measured at amortized cost, using method of effective interest method. Any difference between proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs.



6.3.15 Provisions

Provisions are recognized when:

- a) there is a present legal or presumptive engagement as a result of past events,
- b) it is possible that an outflow for the settlement of the engagement will be demanded and
- c) this outflow can be assessed reliably.



6.4 Revenue

Group and Company revenue arise exclusively from retail store sales to consumers and wholesale sales of goods from to small third party operating units which are located in various regions of the country, as well as from sales of goods to franchisees, as stated below:

	Group		Company	
	01.01.2005- 31.12.2005	01.01.2004- 31.12.2004	01.01.2005- 31.12.2005	01.01.2004- 31.12.2004
Retail sales	795.055	770.881	795.055	770.881
Sales to franchisees and other third parties	17.593	11.156	17.593	11.156
Wholesales	95.353	91.077	67.694	65.511
Total	908.001	873.114	880.342	847.548

6.5 Other Operating Income

	Group		Company	
	01.01.2005- 31.12.2005	01.01.2004- 31.12.2004	01.01.2005- 31.12.2005	01.01.2004- 31.12.2004
Sales of auxiliary materials	146	141	282	270
Income from suppliers (coupons, quality control of products)	153	215	149	207
Training subsidy (OAED)	310	292	298	274
Other Income (related mainly to services provided and other fees)	671	1.131	577	845
Income deriving from contracts with the franchisees	620	217	263	212
Income from rents	1.644	1.688	1.795	1.681
Total	3.544	3.684	3.364	3.489



6.6 Business Segments

The company monitors its commercial activity through the following companies:

1. "ALFA-BETA" VASSILOPOULOS S.A. and
2. ENA S.A.

	Period from 01.01.2005 until 31.12.2005				Period from 01.01.2004 until 31.12.2004			
	"ALFA-BETA"	ENA S.A.	Elimination of Intercompany Transactions	Total	"ALFA-BETA"	ENA S.A.	Elimination of Intercompany Transactions	Total
Turnover (sales)								
Retail sales	795.055	-	-	795.055	770.881	-	-	770.881
Sales to entrepreneurs	-	95.353	-	95.353	-	91.078	-	91.078
Intercompany sales	67.694	-	(67.694)	-	65.512	-	(65.512)	-
Sales to franchisees	15.930	-	-	15.930	9.371	-	-	9.371
Sales to third parties	1.663	-	-	1.663	1.784	-	-	1.784
Total sales per segment	880.342	95.353	(67.694)	908.001	847.548	91.078	(65.512)	873.114
Profit before taxes	20.452	1.687	(14)	22.125	22.394	824	(136)	23.082
Profit after taxes	11.697	1.042	(444)	12.295	16.029	822	594	17.445
Other information								
Fixed assets' net additions	30.962	413	-	31.375	30.222	1.101	(3)	31.320
Net depreciation of the period	(12.287)	(770)	(40)	(13.097)	(14.893)	(808)	33	(15.668)
Impairment of fixed assets	(62)	-	-	(62)	(82)	-	-	(82)
Total	18.613	(357)	(40)	18.216	15.247	293	30	15.570

Assets and liabilities per segment as at 31.12.2005:

	Period from 01.01.2005 until 31.12.2005				Period from 01.01.2004 until 31.12.2004			
	"ALFA-BETA"	ENA S.A.	Elimination of Intercompany Transactions	Total	"ALFA-BETA"	ENA S.A.	Elimination of Intercompany Transactions	Total
Balance Sheet								
Assets								
Segment assets	347.221	20.890	1.914	370.025	315.839	24.870	2.359	343.068
Related companies' assets	20.448	-	(20.448)	-	21.816	-	(21.816)	-
Total assets	367.669	20.890	(18.534)	370.025	337.655	24.870	(19.457)	343.068
Liabilities								
Segment long-term and short-term liabilities	296.964	6.237	(1)	303.200	278.647	9.891	-	288.538
Liabilities to related companies	-	13.073	(13.073)	-	-	14.440	(14.440)	-
Total liabilities	296.964	19.310	(13.074)	303.200	278.647	24.331	(14.440)	288.538

The Group does not analyze the revenue per geographical region.



6.7 Finance Costs

	Group		Company	
	01.01.2005 - 31.12.2005	01.01.2004 - 31.12.2004	01.01.2005 - 31.12.2005	01.01.2004 - 31.12.2004
Interest on bank overdrafts and loans	2.943	3.219	2.943	3.218
Loss/(Profit) from Bond's valuation	4.325	(2.195)	4.325	(2.195)
(Profit)/Losses due to translation of bond in foreign currency	(4.655)	1.896	(4.655)	1.896
Other finance costs	3	4	3	4
Total finance costs	2.616	2.924	2.616	2.923

The exchange difference arising from the translation of the bond from USD to Euros is accounted for and the derivative instrument is valued at fair value. Any change arising from the above affects the results for the year and is included in "Finance Costs".

6.8 Profit before Taxes

Profit before taxes for the year has been arrived at after charging /(crediting) the following :

	Group		Company	
	01.01.2005 - 31.12.2005	01.01.2004 - 31.12.2004	01.01.2005 - 31.12.2005	01.01.2004 - 31.12.2004
Depreciation of tangible assets for the period	16.606	15.946	15.745	15.084
Impairment losses	62	82	62	82
Depreciation of intangible assets for the period	341	456	337	455
Total depreciation and impairment losses of the period	17.009	16.484	16.144	15.621
Foreign exchange losses / (gains) from trading activities	(13)	(37)	(13)	(23)
Losses / (gains) from fixed assets disposals	319	(32)	314	48
Cost of inventory sold	683.656	662.641	599.304	581.895
Write-down of inventory	435	272	400	174
Staff remuneration and other benefits	107.878	99.097	102.563	93.942
Provision for staff retirement indemnity	1.823	1.317	1.735	1.263



6.9 Dividend

On 10.12.2004 by decision no. K2-14950/10.12.06 of the Minister of Development the absorption of the 100% subsidiary TROFO S.A. by "ALFA-BETA" VASSILOPOULOS S.A. was approved. The prior years transferred losses of the absorbed entity TROFO S.A. were netted off with the profits of the absorbing Company. For this reason and according to article 44a par. 2 of C.L. 2190/1920 the distribution of dividend for the fiscal year 2004 was not feasible.

The Board of Directors of the Company resolved to propose to the General Meeting of Shareholders the dividend distribution of thirty-one cents (0.31 Euros) per share. The dividend is subject to the approval of the Annual Ordinary General Meeting of Shareholders and has thus not been accounted for as a liability in the financial statements. The distribution of the dividend to the recipient shareholders will take place on 12.05.2006 via EUROBANK.

6.10 Income tax

	Group		Company	
	01.01.2005 - 31.12.2005	01.01.2004 - 31.12.2004	01.01.2005 - 31.12.2005	01.01.2004 - 31.12.2004
Income Tax				
Current income tax:	5.242	7.464	5.242	7.464
- Interest on late payment of taxes related to prior years	1.014	-	1.014	-
- Additional tax	130	142	130	142
- Differences arising from previous years tax audit	10	-	10	-
Deferred tax:				
- Current period	2.426	1.076	1.843	696
- Tax proportion due to a decrease in income tax rate	1.008	(946)	516	(5)
- For the 2004 fiscal year impact arising from the readjustment of the tax value of fixed assets (L.2065/1992)	-	(2.099)	-	(1.932)
Total	9.830	5.637	8.755	6.365

Income tax rate on estimated taxable income has changed from 35% in 2004 to 32% for 2005.



Income tax expenses are accounted for and charged to the income statement as follows:

	Group			
	01.01.2005- 31.12.2005		01.01.2004- 31.12.2004	
	%		%	
Profit before taxes	22.125		23.082	
Tax proportion to income tax rate 32% (2004:35%)	7.080	32,0	8.079	35,0
Tax impact arising from non-deductible expenses	588	2,7	462	2,0
Additional Taxes	130	0,6	142	0,6
Interest on late payment of taxes related to prior years	1.014	4,6	-	0,0
Differences arising from previous years tax audit	10	0,0	-	0,0
Decrease in deferred tax assets/ liabilities arising from a decrease in income tax rate	1.008	4,6	(946)	(4,1)
For the 2004 fiscal year impact arising from the readjustment of the tax value of fixed assets (L.2065/1992)	-	-	(2.100)	(9,1)
Income tax expenses and effective income tax rate for the period	9.830	44,4	5.637	24,4

	Company			
	01.01.2005- 31.12.2005		01.01.2004- 31.12.2004	
	%		%	
Profit before taxes	20.452		22.394	
Tax proportion to income tax rate 32% (2004:35%)	6.545	32,0	7.838	35,0
Tax impact arising from non-deductible expenses	540	2,6	322	1,4
Additional Taxes	130	0,6	142	0,6
Interest on late payment of taxes related to prior years	1.014	5,0	-	0,0
Differences arising from previous years tax audit	10	0,0	-	0,0
Decrease in deferred tax assets/ liabilities arising from a decrease in income tax rate	516	2,5	(5)	0,0
For the 2004 fiscal year impact arising from the readjustment of the tax value of fixed assets (L.2065/1992)	-	-	(1.932)	(8,6)
Income tax expenses and effective income tax rate for the period	8.755	42,8	6.365	28,4



6.11 Earnings per share

The calculation of the basic earnings per share is based on the following data:

	Group		Company	
	01.01.2005 - 31.12.2005	01.01.2004 - 31.12.2004	01.01.2005 - 31.12.2005	01.01.2004 - 31.12.2004
Net Profit of the period in thousand Euro	12.294	17.445	11.697	16.029
Weighted average number of shares of the period	12.732.720	12.732.720	12.732.720	12.732.720
Earnings per share (in Euro)	0,97	1,37	0,92	1,26



6.12 Property, Plant and Equipment

	Land	Owned buildings	Installations in third parties' property	Furniture and Fixtures	Vehicles	Construction in progress and advances	Total
Group - 2005							
Cost							
As at 01.01.2005	32.740	68.413	44.068	107.948	7.092	1.222	261.483
Purchases-additions	3.566	1.466	5.896	15.591	769	8.027	35.315
Transfers	(2)	2	440	210	-	(650)	-
Sales and disposals	-	(107)	(151)	(3.754)	(267)	-	(4.279)
As at 31.12.2005	36.304	69.774	50.253	119.995	7.594	8.599	292.519
Accumulated depreciation							
As at 01.01.2005	463	14.776	24.156	66.468	4.256	-	110.119
Depreciation of the period	58	2.017	4.358	9.430	743	-	16.606
Transfers	(1)	1	-	-	-	-	-
Sales and disposals	-	(25)	(114)	(3.452)	(260)	-	(3.851)
As at 31.12.2005	520	16.769	28.400	72.446	4.739	-	122.874
Provision for impairment of assets							
As at 01.01.2005	-	-	-	82	-	-	82
Provision for the period	-	-	70	74	-	-	144
Reversal of impairment	-	-	-	(82)	-	-	(82)
As at 31.12.2005	-	-	70	74	-	-	144
Net book value							
As at 31.12.2005	35.784	53.005	21.783	47.475	2.855	8.599	169.501
Group - 2004							
Cost							
As at 01.01.2004	22.850	65.172	41.207	94.782	6.513	-	230.524
Purchases-additions	9.992	3.101	3.151	13.683	843	1.222	31.992
Transfers	-	155	(155)	-	-	-	-
Sales and disposals	(102)	(15)	(135)	(517)	(264)	-	(1.033)
As at 31.12.2004	32.740	68.413	44.068	107.948	7.092	1.222	261.483
Accumulated depreciation							
As at 01.01.2004	387	12.812	20.036	57.885	3.787	-	94.907
Depreciation of the period	77	1.963	4.121	9.043	742	-	15.946
Sales and disposals	-	-	(1)	(460)	(273)	-	(734)
As at 31.12.2004	464	14.775	24.156	66.468	4.256	-	110.119
Provision for impairment of assets							
As at 01.01.2004	-	-	-	-	-	-	-
Provision for the period	-	-	-	82	-	-	82
As at 31.12.2004	-	-	-	82	-	-	82
Net book value							
As at 31.12.2004	32.276	53.638	19.912	41.398	2.836	1.222	151.282

There are no encumbrances on the property of the Group.



	Land	Owned buildings	Installations in third parties' property	Furniture and Fixtures	Vehicles	Construction in progress and advances	Total
Company - 2005							
Cost							
As at 01.01.2005	29.958	63.800	41.835	103.057	6.816	1.222	246.688
Purchases-additions	3.566	1.386	5.888	15.240	728	8.027	34.835
Transfers	(2)	2	440	210	-	(650)	-
Sales and disposals		(108)	(151)	(3.686)	(266)		(4.211)
As at 31.12.2005	33.522	65.080	48.012	114.821	7.278	8.599	277.312
Accumulated depreciation							
As at 01.01.2005	454	14.005	23.176	64.365	4.095	-	106.095
Depreciation of the period	57	1.852	4.141	8.993	702	-	15.745
Transfers	(1)	1	-	-	-	-	-
Sales and disposals		(25)	(114)	(3.396)	(260)		(3.795)
As at 31.12.2005	510	15.833	27.203	69.962	4.537	-	118.045
Provision for impairment of assets							
As at 01.01.2005	-	-	-	82	-	-	82
Provision for the period	-	-	70	74	-	-	144
Reversal of impairment	-	-	-	(82)	-	-	(82)
As at 31.12.2005	-	-	70	74	-	-	144
Net book value							
As at 31.12.2005	33.012	49.247	20.739	44.785	2.741	8.599	159.123
Company - 2004							
Cost							
As at 01.01.2004	13.455	49.285	27.747	70.488	6.001	-	166.976
Purchases-additions	9.992	3.064	3.025	12.753	843	1.222	30.899
Property owned through subsidiaries acquisition	6.613	11.302	11.354	20.330	230	-	49.829
Transfers	-	155	(155)	-	-	-	-
Sales and disposals	(102)	(7)	(135)	(513)	(258)	-	(1.015)
As at 31.12.2004	29.958	63.799	41.836	103.058	6.816	1.222	246.689
Accumulated depreciation							
As at 01.01.2004	380	11.119	13.871	48.157	3.551	-	77.078
Depreciation of the period	74	1.804	3.913	8.595	699	-	15.085
Property owned through subsidiaries acquisition	-	1.082	5.393	8.026	77	-	14.578
Sales and disposals	-	-	-	(413)	(233)	-	(646)
As at 31.12.2004	454	14.005	23.177	64.365	4.094	-	106.095
Provision for impairment of assets							
As at 01.01.2005	-	-	-	-	-	-	-
Provision for the period	-	-	-	82	-	-	82
As at 31.12.2005	-	-	-	82	-	-	82
Net book value							
As at 31.12.2004	29.504	49.794	18.659	38.611	2.722	1.222	140.512

There is no encumbrance on the Company's property.



6.13 Investment Property

	Group Investment property	Company Investment property
2005		
Book value		
As at 01.01.2005	57	13
As at 31.12.2005	57	13
2004		
Book value		
As at 01.01.2004	64	-
Assets acquired through the absorption of a subsidiary	-	20
Sales and disposals	(7)	(7)
As at 31.12.2004	57	13

6.14 Goodwill

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
As at 01.01.2005	69.712	69.712	69.712	69.712
As at 31.12.2005	69.712	69.712	69.712	69.712

The impairment test method applied is the twenty-year Discounted Cash Flow under the general assumptions of increased cash inflow by the estimated inflation rate increased by one basis point, structure of cash flow based on historical data and a discounted rate (WACC) of 7,7%.

The Company, with the adoption of IFRS, provided for Goodwill impairment of 6.760 Euros, which was charged to shareholder equity as at 31.12.2003.

No impairment charge for the year-ended 31.12.2005 was necessary from the impairment test performed.



6.15 Intangible Assets

	Group Software	Company Software
2005		
Cost		
As at 01.01.2005	479	455
Purchases- additions	339	338
As at 31.12.2005	818	793
Accumulated depreciation		
As at 01.01.2005	456	455
Depreciation of the period	341	337
As at 31.12.2005	797	792
Net book value		
As at 31.12.2005	21	1
2004		
Cost		
As at 01.01.2004	110	43
Purchases- additions	479	455
Property owned through Subsidiaries' acquisition	-	67
Sales and disposals	(110)	(110)
As at 31.12.2004	479	455
Accumulated depreciation		
As at 01.01.2004	-	-
Depreciation of the period	456	455
As at 31.12.2004	456	455
Net book value		
As at 31.12.2004	23	-

Intangible assets comprise software and especially use licenses, operating systems and protection programs for computers. The depreciation period of software is 1 year.



6.16 Investment in subsidiary

Information regarding subsidiary company is stated below:

Company Name	Registered Office	Percentage of participation of the parent company to the share capital of the subsidiary	Activity
ENA S.A.	Gerakas, Attica	99.96%	Wholesale and retail sale of consumer goods

The subsidiary is stated at cost and amounts to 7.375 Euro.

6.17 Long-term Receivables

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Guarantees	4.669	4.170	4.568	4.072
Other Receivables	655	647	655	647
Participation in related companies ⁽¹⁾	-	51	-	51
Total	5.324	4.868	5.223	4.770

⁽¹⁾ The Company participates in the following companies:

Company name	Participation cost	Impairment provision	Net Participation Value
SAK LTD	6	(6)	-
ORA S.A.	59	(59)	-



6.18 Deferred Tax Asset

Analysis for financial reporting purposes:

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Deferred tax assets	7.121	8.162	6.364	6.806
Deferred tax liabilities	(6.227)	(3.834)	(5.498)	(3.581)
Net deferred tax asset /(liability) of the period	894	4.328	866	3.225

The movements for the period in Company's net deferred tax position were as follows:

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
As at January 1st	4.328	2.359	3.225	1.984
Charge to the income for the period	(2.426)	(1.076)	(1.843)	(696)
For the 2004 fiscal year impact arising from the readjustment of the tax value of fixed assets (L.2065/1992)	-	2.099	-	1.932
Effect of change in tax rate	(1.008)	946	(516)	5
At the end of the period	894	4.328	866	3.225

The calculation of the deferred tax is based on the effective tax rates:

35% for 2004

32% for 2005

29% for 2006

25% for 2007 and onwards.



The following are the major deferred tax liabilities and assets recognized by the Company and movements thereon during the period:

	Provision for staff termination indemnity	Accrued expenses	Inventories	Provision for impairment loss	Difference in net book values of assets	Derivative Instrument	Assessed losses utilized	Other	Total
Group									
As at 01.01.2004	2.599	1.755	1.995	-	(5.608)	276	1.333	9	2.359
Charge to the income of the period	56	(131)	563	26	1.773	(153)	(172)	7	1.969
As at 01.01.2005	2.655	1.624	2.558	26	(3.835)	123	1.161	16	4.328
Charge to income of the period	456	(183)	(637)	10	(2.393)	(83)	(632)	28	(3.434)
As at 31.12.2005	3.111	1.441	1.921	36	(6.228)	40	529	44	894

	Provision for staff termination indemnity	Accrued expenses	Inventories	Provision for impairment loss	Difference in net book values of assets	Derivative Instrument	Assessed losses utilized	Other	Total
Company									
As at 01.01.2004	2.445	1.730	1.958	-	(4.425)	276	-	-	1.984
Transfers due to merger	657	63	92	-	(1.994)	-	1.043	39	(100)
Charge to the income of the period	(570)	(218)	486	26	2.838	(153)	(1.043)	(25)	1.341
As at 01.01.2005	2.532	1.575	2.536	26	(3.581)	123	-	14	3.225
Charge to income for the period	434	(185)	(640)	10	(1.917)	(83)	-	22	(2.359)
As at 31.12.2005	2.966	1.390	1.896	36	(5.498)	40	-	36	866



6.19 Inventories

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Merchandise	72.870	81.838	68.006	76.140
Raw materials, consumables, spare parts and packing materials	1.032	850	1.032	850
Advances for the purchase of inventories	35	82	35	82
Total	73.937	82.770	69.073	77.072

6.20 Trade Receivables

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Trade receivables (from third parties)	4.845	3.219	3.977	2.185
Trade receivables (intercompany)	-	-	13.064	14.430
Debtors	5.472	6.857	4.621	6.028
Cheques and bills receivable	7.522	6.121	4.281	3.109
Receivables from suppliers	5.385	3.491	4.934	3.557
Provision for doubtful receivables	(5.070)	(4.606)	(3.231)	(3.324)
Total	18.154	15.082	27.646	25.985

The average collection period of trade receivables for the Group in 2005 is 7,3 days against 6,3 days in 2004. Respectively, the average collection period of trade receivables for the Company in 2005 is 11,5 days against 11,2 days in 2004. Company's management considers that the carrying amount of trade and other receivables approximates their fair value.

Credit Risk

- The amounts presented in the balance sheet include provisions for doubtful receivables, estimated by the Company's management based on prior experience and the current economic environment. The Company estimates that, except for the provisions already made, there is no further risk deriving from trade receivables.
- The Company estimates that it has no significant concentration of receivables from individuals apart from its subsidiary ENA S.A., from which no case of credit risk arises. The rest of the receivables are spread over a large number of customers, debtors and suppliers.



6.21 Other Receivables – Accrued Income

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Due from the Greek State – Withholding taxes	374	352	354	329
Other accrued income	1.125	1.137	1.117	1.132
Total	1.499	1.489	1.471	1.461

6.22 Cash and Cash equivalents

Cash and cash equivalents refer to Group's cash and short-term (up to 3 months) deposits. Company's management considers that the carrying amount of Cash and Bank Balances represents their fair value.

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Banks	25.810	8.952	22.584	3.412
Cash	4.553	4.161	4.144	3.908
Total	30.363	13.113	26.728	7.320

6.23 Share Capital

	31.12.2005	31.12.2004
Share Capital		
12.732.720 common shares of 1,50 Euro (1 Euro and 50 cents) each	19.099	19.099

There were no changes in Company's share capital during the fiscal years 2004 and 2005.

6.24 Share Premium

	31.12.2005	31.12.2004
Share Premium		
	13.560	13.560

There were no changes in Company's share premium during the fiscal years 2004 and 2005.



6.25 Reserves

On 31.12.2005 tax free or specially taxed, according to tax income regulations, reserves amounted to 17.433 thousand Euro for the Group and 15.591 thousand Euro for the Company. The difference compared to the tables below arises from: a) the reserves of the subsidiary ENA S.A which are eliminated upon consolidation by the amount of the participation of the parent company and b) the reserves stated upon the acquisition of the absorbed TROFO S.A. which, upon the absorption, were accounted for as Goodwill reduction. In the event of distribution of the aforementioned reserves, subject to approval of the General Meeting of Shareholders, there will be a tax liability depending on the year of the distribution and the enacted tax rate ruling then. Indicatively, using the effective tax rates in a possible distribution of the above reserves of the Company, in 2006 the related tax liability would amount to 4.522 Euro while in 2007 it would amount to 3.898 Euro.

Group

Balance as at 01.01.2004
Changes from appropriation of 2003 profits
Balance as at 31.12.2004 and at 31.12.2005

Legal reserves	Extraordinary reserves	Reserves arising from special regulation and laws	Revaluation Reserves for Investments	Total
2.811	11.045	11.195	-	25.051
400	3.443	1.163	-	5.006
3.211	14.488	12.358	-	30.057

Company

Balance as at 01.01.2004
Transfers due to merger
Changes from appropriation of 2003 profits
Balance as at 31.12.2004 and at 31.12.2005

Legal reserves	Extraordinary reserves	Reserves arising from special regulation and laws	Revaluation Reserves for Investments	Total
2.811	11.045	11.195	-	25.051
-	-	-	279	279
400	3.443	1.163	-	5.006
3.211	14.488	12.358	279	30.336

There were no changes in the Company's reserves during 2005.



6.26 Retained Earnings

	Group	Company
Balance as at 01.01.2004	(17.569)	8.411
Changes from appropriation of 2003 profits and Transfers due to merger	(5.006)	(25.371)
Dividends paid	(3.056)	(3.056)
Net profit for the year 2004	17.445	16.029
Balance as at 01.01.2005	(8.186)	(3.987)
Net profit for the year	12.294	11.697
Balance as at 31.12.2005	4.108	7.710

6.27 Long-term Borrowings

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Bond due for settlement on 05.02.2007	32.296	27.972	32.296	27.972
Bond due for settlement on 09.02.2010	40.000	-	40.000	-
Total	72.296	27.972	72.296	27.972

The above borrowings will be settled as follows:

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
In the second year	32.296	-	32.296	-
In the third to fifth years inclusive	40.000	27.972	40.000	27.972
Total	72.296	27.972	72.296	27.972

The average interest rate paid was as follows:

	Group		Company	
	2005	2004	2005	2004
Bond loan contracted with related companies	3,305%	3,260%	3,305%	3,260%
Bank loans (Bonds)	3,895%	-	3,895%	-

Other principal information on Company's borrowings is stated below:



a) According to the decision of the General Meeting of "ALFA-BETA" VASSILOPOULOS on June 19, 2001 a bond loan agreement between the Company and DELCOR S.A., a member of DELHAIZE GROUP, was contracted on February 5, 2002, with a duration of five years, amounting to 38,100 thousand USD or equivalent 44,138 EUR according to the swap agreement, divided in 38 bonds, 1 of which was transferred from DELCOR S.A. to DELFINANCE S.A. which is also a member of DELHAIZE GROUP. The aforementioned amount of 44,138 EUR will be fully repaid on February 5, 2007.

The foreign currency difference arising from the translation of the loan from USD to Euro is accounted for, while the derivative is valued at its fair value. Any change arising from the above affects the results for the year and it is included in "Finance Cost".

b) According to the decision of the Board of Directors dated on December 22, 2004 the Company issued, on February 7 2005, a five-year bond loan amounting to 40,000 Euros, divided into 4 bearer bonds of 10,000 million Euros each, which are transferable with the Company's consent. The bond loan was fully issued and covered by Alpha Bank and it will be fully repaid on February 9, 2010.

6.28 Retirement Benefit Plans

Defined Contribution Plans

Employees of the Group, in accordance with the relevant legislation, for social security and retirement purposes are covered by the Social Insurance Institute (I.K.A), the employer contributions are charged as an expense as they fall due.

Moreover, the Company provides to its managers a private pension plan. The obligation of the Company in this plan concerns only the payment of a fixed amount to a private insurance company (defined contribution plan). The amount charged to the results for the 2005 year 2005 amounted to 340 Euro for the Group and 327 Euro for the Company, while for the year 2004 the respective amounts are 318 and 307 thousand Euro, and is included in line "staff remuneration and other benefits".

Defined Benefit Plans

The amount included in the balance sheet arising from Company's obligation to contribute to defined retirement benefit plans was calculated based on an actuarial study and is as follows:

	Group		Company	
	2005	2004	2005	2004
Present value of obligations	14.467	12.607	13.703	11.983
Unrecognised actuarial losses	(1.755)	(1.757)	(1.588)	(1.642)
Unrecognised past service costs	(269)	(230)	(254)	(215)
Total	12.443	10.620	11.861	10.126



The amounts recognized as expenses regarding the retirement benefit plan, are the following:

	Group		Company	
	2005	2004	2005	2004
Current service cost	1.562	1.320	1.482	1.258
Interests cost	561	498	533	474
Amortization of unrecognised losses	27	-	25	-
Amortization of past service cost	14	6	12	6
Additional Settlement and termination costs not provisioned but affecting the results of the year	437	379	396	302
Total	2.601	2.203	2.448	2.040

Note: The figures are based on an actuarial study.

The charge for the year is included in personnel expenses in the following lines of the Profit and loss Statement:

	Group		Company	
	2005	2004	2005	2004
Cost of Sales	215	184	215	184
Distribution cost	449	500	303	392
Administrative expenses	1.937	1.519	1.930	1.464
Total	2.601	2.203	2.448	2.040

The changes in the fair value of the defined benefits are as follows:

	Group		Company	
	2005	2004	2005	2004
Obligations at the beginning of the year	12.607	10.109	11.983	9.632
Current service cost	1.562	1.320	1.482	1.258
Interests cost	561	498	533	474
Actuarial gain	52	1.054	(5)	981
Benefits paid	(778)	(886)	(713)	(777)
Additional obligation	463	512	423	415
Total	14.467	12.607	13.703	11.983

The principal assumptions used are the following:

	Group		Company	
	2005	2004	2005	2004
Discount rate	4,0%	4,5%	4,0%	4,5%
Expected rate of salary increases	4,0%	4,0%	4,0%	4,0%



6.29 Derivative Instrument

As analytically described in note 6.27, the derivative instrument stated below arose from the bond loan that "ALFA-BETA" contracted with DELCOR S.A. in USD. Parallel to this "ALFA-BETA" entered into a swap agreement in order to manage its exposure against any exchange risk.

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Balance as at 01.01.2005	16.656	14.760	16.656	14.760
Revaluation to fair value	(4.655)	1.896	(4.655)	1.896
Balance as at 31.12.2005	12.001	16.656	12.001	16.656

6.30 Provisions

	Group	Company
	Legal Cases	Legal Cases
As at 01.01.2005	1.078	919
Changes during the year	856	876
As at 31.12.2005	1.934	1.795

6.31 Trade payables

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Suppliers	129.963	128.091	126.985	125.505
Notes payable	4.411	4.684	4.411	4.684
Creditors	15.790	21.408	14.910	19.902
Cheques payable	11.858	16.163	11.838	15.993
Other obligations	480	428	15	69
Discounts to customers	2.601	3.243	2.585	3.228
Total	165.103	174.017	160.744	169.381

The Company's management considers that the carrying amount of trade payables approximates their fair value.



6.32 Accrued Expenses

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Provision for bonus and vacation leave	4.738	3.937	4.419	3.657
Interests payable	2.744	1.310	2.744	1.310
Other obligations	2.472	3.606	2.258	3.519
Total	9.954	8.853	9.421	8.486

6.33 Other Short-term Liabilities

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Other Taxes payable (VAT, Withholding, etc.)	7.118	6.801	6.924	6.766
Social security funds	5.343	4.902	5.090	4.663
Salaries payable	3.789	3.330	3.613	3.163
Others	1.625	1.501	1.625	1.501
Total	17.875	16.534	17.252	16.093

6.34 Operating Leases

The Group has entered into leases and subleases the commitments are as follows:

Future Liabilities

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Within one year	19.643	17.266	19.169	16.813
In the second to fifth years inclusive	70.818	68.728	69.543	67.138
After five years	119.623	84.952	119.173	84.361

Future Receivables

	Group		Company	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Within one year	1.544	1.467	1.700	1.613
In the second to fifth years inclusive	4.579	4.259	5.287	4.869
After five years	6.103	4.821	6.540	5.350



6.35 Related Parties' Transactions

The transactions for the period between "ALFA-BETA" VASSILOPOULOS and related parties are the following:

1. During the period from January 1 up to December 31, 2005, between "ALFA-BETA" VASSILOPOULOS S.A. and ENA S.A., in the share capital of which the former participates by 99.96%, the following transactions have been effected:

01.01.2005-31.12.2005	
Net Sales of merchandise from «ALFA-BETA» to ENA (net of vendor allowances)	67.694
Sales of packing material from «ALFA-BETA» to ENA	129
«ALFA-BETA» revenue arising from rental of property to ENA S.A.	159
Purchases of ENA from «ALFA-BETA»	67.824
ENA S.A. expenses arising from hire of property from «ALFA-BETA»	159
«ALFA-BETA» receivables from ENA S.A.	13.066
«ALFA-BETA» liabilities to ENA S.A.	6

2. During the period from January 1, 2005 up to December 31, 2005, between the companies of the Group "ALFA-BETA" VASSILOPOULOS S.A. and GROUPE DELHAIZE S.A. that owns the 60.65% of "ALFA-BETA" share capital, the following transactions have been effected:

01.01.2005-31.12.2005	
Sales of merchandise to GROUPE DELHAIZE	10
Purchases of merchandise from GROUPE DELHAIZE	1.936
Administrative Expenses (services provided by GROUPE DELHAIZE)	1.618
Purchases of fixed assets from GROUPE DELHAIZE	34
Other Income (charges to GROUPE DELHAIZE)	219
Other Expenses (charges from GROUPE DELHAIZE)	35
Receivables from GROUPE DELHAIZE	208
Liabilities to GROUPE DELHAIZE	2.231



3. Liabilities arising as at December 31, 2005, from a Bond contract between the related companies DELCOR S.A. and DELFINANCE S.A. are stated below:

	DELCOR S.A.	DELFINANCE S.A.
Finance cost (interests, expenses)	1.473	4
Interests payable	1.330	3
Bond	32.212	85

4. The remuneration of Executive, Non executive-Independent members of the Company's Board of Directors as well as of the members of the Company's Executive Committee for years 2005 and 2004 are analyzed as follows:

	2005	2004
Remunerations	1.834	1.787
Bonus	268	316
Employer's Contribution	92	89
Retirement Benefit Plans	66	61
Healthcare Plan Contribution	14	13
Total	2.274	2.266

6.36 Capital Commitments

The Company's commitments for the acquisition of property, plant and equipment amount to 9.731 Euro.

6.37 Contingent Liabilities

1. For the parent company "ALFA-BETA" VASSILOPOULOS S.A., a tax audit was conducted and concluded up to the fiscal year 2002 and the only pending issue is the audit regarding the fee of the related company GROUPE DELHAIZE S.A. for services provided, for the 2001-2002 fiscal years, which has been referred to a specific committee of the Ministry of Finance. As regards the absorbed subsidiary TROFO S.A., whose absorption by "ALFA-BETA" VASSILOPOULOS S.A. was approved by the decision of the Ministry of Development no K2-14950/10.12.04 and was listed in the Societes Anonymes Register on December 10, 2004, only the 2003 fiscal year is still unaudited. For ENA S.A., which is included in the consolidated statements, a tax audit has been conducted up to the fiscal year 2000. The liability, if any that may result when such tax audits are performed cannot be estimated with reasonable accuracy and thus no provision has been made.



2. Group's Cases under court or arbitration procedures:

- 2.1 Doubtful accounts and bad debt include claims from the Greek State for taxation charges amounting to 206 Euros approximately, for which the appeal is pending, and for which the company has made a provision.
- 2.2 In connection with the court case against the ex-owners of TROFO S.A., at 7th of December 2004 the 42/2004 decision from the Arbitration Court was issued and ruled in favor of "ALFA-BETA" VASSILOPOULOS S.A. the amount of six billion drachmas, or 17,608 Euro, an amount which had already reduced the acquisition price for the 100% shares of TROFO S.A. It is noted that the ex-owners of TROFO submitted on March 7, 2005 an application for the cancellation of the aforementioned decision, which, according to the decision of the Arbitration Court No 9420/2005, was rejected. The company in consultation with its legal advisors is assessing the procedures to follow in order to resolve the additional claim, amounting to 21,570 Euros (39,178-17,608) approximately.
- 2.3 For the reliable and prompt communication with the investors, we notify that, on July 5, 2005, the Greek Competition Committee issued its decision no 284/IV/2005 related to the broader food retail sector. According to the decision above a fine of 739 Euros, stamp duty included, has been imposed on the company for contravention of the L.703/1977. Concerning the aforementioned the Management of the Company states that:
- a. The company has made a relevant provision that is included in its published financial statements.
 - b. The Company has appealed to the appropriate courts against the decision issued by the Competition Committee and the relevant decision is pending, until which time the obligation to pay is postponed based on decision 117/2005 of the Appeals Board.
- 2.4 Other than the cases noted above there are no other cases under court procedures for which there are pending decisions or claims for cancellation of decisions issued that may significantly affect the financial position or the operation of the company for which provision has not been made.



6.38 Restatement of the Tax Audit Results of the Companies TROFO S.A. and ENA S.A. in the Published Financial Figures of the 2004 Fiscal Year

After the acquisition of TROFO and ENA in 2001, "ALFA-BETA" became aware of indications of fraud committed by the former owners of both companies before their acquisition. "ALFA-BETA" filed criminal charges against the persons involved, who have been prosecuted and indicted.

In the year 2005 the tax audit, which was in process on the date of transition to IFRS, was completed and the Greek tax authorities recently rejected the accounting records of TROFO and ENA for the years 1999 and 2000 because of forgery of the accounting records before their acquisition, and disallowed the tax losses incurred in 2000 and the determined the taxation of both companies on a fixed rate basis for the years 1999-2000.

On December 23, 2005, "ALFA-BETA" VASSILOPOULOS reached an agreement with the Greek tax authorities for the settlement of the tax audit of TROFO and ENA for certain years before the acquisition of these two entities by "ALFA-BETA" in early 2001. The settlement has been recorded in Alfa-Beta's consolidated financial statements as a EUR 10,232 increase of goodwill on the TROFO and ENA acquisition and a EUR 1,806 decrease of Group equity in the opening balance sheet of 2004, the first year for which IFRS reporting by "ALFA-BETA" is presented. The financial impact of the settlement further increased the tax burden by an amount of EUR 11.150 resulting mainly from the disallowance of tax losses incurred in 2000. The impact of the above accounting treatment in the published interim financial statements and the equity reconciliation table for the transition to IFRS, on the first-time application according to IFRS 1, are as follows:

	Group		Company	
	2004		2004	
	As previously reported	As restated	As previously reported	As restated
For the year ended December 31,				
Net Income Before Tax	23.082	23.082	22.394	22.394
Taxation	(2.564)	5.637	(1.837)	6.365
Net Income After Tax	25.646	17.445	24.231	16.029
At December 31,				
Goodwill	60.252	69.712	60.252	69.712
Deferred tax asset	6.857	4.328	5.755	3.225
Income tax receivable	2.772	115	2.658	-
Income tax payable	-	16.986	-	13.193
Accumulated profits	(21.118)	(25.630)	(15.501)	(20.016)



6.39 Explanations about Transition to IFRS

The changes of the accounting policies resulted to the alteration of Company's Equity on January 1, 2005 and January 1, 2004 as stated below:

	Group		Company	
	01.01.2005	01.01.2004	01.01.2005	01.01.2004
Equity at the beginning of the period (per Greek GAAP)	81.458	43.519	89.395	62.715
Adjustment of fiscal year's 2003 dividend (stated into account "Dividends Payable" in the Balance Sheet of fiscal year 2003 based on Greek GAAP).	-	3.056	-	3.056
Readjustment of fixed assets' value due to the use of the asset's estimated useful life for the calculation of depreciation, to the restatement of the adjusted cost value based on tax Laws (L.2065/92 etc.) to historical cost and to the revaluation of fixed assets of the subsidiaries that were acquired in 2000 during the first year of their acquisition as well as the calculation of the relative deferred taxes.	10.160	8.553	9.159	8.218
Write off of intangible assets that had been recorded according to Greek GAAP.	-	(90)	-	-
Equity adjustment so as the absorption of the subsidiary TROFO S.A. to be stated under IFRS and not according to L.2166/93 as stated in the Balance Sheet based on Greek GAAP.	3.284	-	3.284	-
Difference in valuation of participation on subsidiaries.	(8.906)	-	(8.906)	-
Difference in elimination of participation on subsidiaries.	8.906	-	-	-
Goodwill Adjustment.	(21.236)	(7.653)	(14.111)	-
Adjustment of the Provision for staff termination indemnity according to IFRS as well as calculation of the relative deferred taxes.	(6.655)	(5.087)	(6.358)	(3.695)
Adjustment of the provision for untaken leave pay according to IFRS as well as calculation of the relative deferred taxes.	(1.255)	(1.385)	(1.153)	(1.222)
Assessment of a proportion of vendor allowances to inventories as well as calculation of the relative deferred	(5.436)	(3.876)	(5.388)	(3.636)
Assessment of assets / liabilities arising from other deferred taxation according to IFRS.	2.234	3.462	1.073	1.086
Impact of the tax audit for the 1999 – 2000 fiscal years	(7.606)	-	(7.606)	-
Other	(37)	168	-	125
Calculation of financial derivatives, which are measured at fair value, as well as of currency differences arising from the appraisal of loan in foreign currency.	(381)	(526)	(381)	(526)
Equity at the beginning of the period per IFRS.	54.530	40.141	59.008	66.121



The changes in the Results of the Period 01.01.2004 – 31.12.2004, due to IFRS transition are stated below:

	Group			
	Local GAAP	Reclassifications	Adjustments	IFRS
	01.01.2004- 31.12.2004	01.01.2004- 31.12.2004	01.01.2004- 31.12.2004	01.01.2004- 31.12.2004
Turnover (sales)	934.556	(61.442)	-	873.114
Cost of Sales	(720.418)	35.219	(1.789)	(686.988)
Gross Profit	214.138	(26.223)	(1.789)	186.126
Other operating income	3.961	(353)	76	3.684
Distribution cost	(198.320)	24.538	8.804	(164.978)
Impairment charges	-	-	(82)	(82)
Profit from operations	19.779	(2.038)	7.009	24.750
Finance cost	(3.288)	66	298	(2.924)
Income from investments	1.125	131	-	1.256
Extraordinary expenses	(1.840)	1.840	-	-
Profit before taxes	15.776	(1)	7.307	23.082
Income tax expense	-	-	(5.637)	(5.637)
Other taxes not included in operating cost	(615)	-	615	-
Profit after tax	15.161	(1)	2.285	17.445
Minority interest	(1)	1	-	-
Net profit of the year	15.160	-	2.285	17.445

	Company			
	Local GAAP	Reclassifications	Adjustments	IFRS
	01.01.2004- 31.12.2004	01.01.2004- 31.12.2004	01.01.2004- 31.12.2004	01.01.2004- 31.12.2004
Turnover (sales)	908.176	(60.628)	-	847.548
Cost of Sales	(705.035)	35.216	(1.825)	(671.644)
Gross Profit	203.141	(25.412)	(1.825)	175.904
Other operating income	3.650	(161)	-	3.489
Distribution cost	(187.674)	24.228	8.503	(154.943)
Impairment charges	-	-	(82)	(82)
Profit from operations	19.117	(1.345)	6.596	24.368
Finance cost	(3.280)	59	298	(2.923)
Income from investments	904	45	-	949
Extraordinary expenses	(645)	645	-	-
Profit before taxes	16.096	(596)	6.894	22.394
Income tax expense	-	-	(6.365)	(6.365)
Other taxes not included in operating cost	(596)	596	-	-
Profit after tax	15.500	-	529	16.029
Minority interest	-	-	-	-
Net profit of the year	15.500	-	529	16.029



Correspondingly, the changes in the Balance Sheet of the year ended on 31.12.2004, due to IFRS transition are stated below:

		Group			
		Local GAAP	Reclassifications	Adjustments	IFRS
	Note	31.12.2004	31.12.2004	31.12.2004	31.12.2004
ASSETS					
Non-Current Assets					
Property, plant and equipment	1	134.027	(57)	17.312	151.282
Investment property		-	57	-	57
Goodwill	2	78.910	-	(9.198)	69.712
Intangible fixed assets	1	177	(177)	23	23
Subsidiaries		72	(72)	-	-
Long-term receivables		4.170	698	-	4.868
Deferred tax asset	3	-	-	4.328	4.328
Total Fixed Assets		217.356	449	12.465	230.270
Current Assets					
Inventory	4	94.948	(4.074)	(8.104)	82.770
Trade receivables		11.856	3.226	-	15.082
Income tax advances	5	3.102	(2.987)	-	115
Prepayment		219	10	-	229
Other receivables- accrued income		12.656	(11.167)	-	1.489
Cash and Banks	6	38.425	(25.312)	-	13.113
Total Current Assets		161.206	(40.304)	(8.104)	112.798
TOTAL ASSETS		378.562	(39.855)	4.361	343.068
LIABILITIES					
Shareholders Equity					
Share Capital		19.099	-	-	19.099
Share Premium	7	44.709	-	(31.149)	13.560
Other Reserves	7	33.387	-	(3.330)	30.057
Retained Earnings	8	(15.737)	-	7.551	(8.186)
Total Shareholders Equity		81.458	-	(26.928)	54.530
Long-term Liabilities					
Long- term Borrowings	9	44.138	-	(16.166)	27.972
Retirement benefit plans	10	1.310	-	9.310	10.620
Derivative Instruments	9	-	-	16.656	16.656
Provisions		2.964	(1.886)	-	1.078
Other long-term liabilities		422	-	-	422
Total Long-term Liabilities		48.834	(1.886)	9.800	56.748
Short-term Liabilities					
Short- term Borrowings		15.400	-	-	15.400
Trade payables	6	211.709	(37.692)	-	174.017
Accrued expenses	11	6.216	792	1.845	8.853
Income tax payable	12	6.800	(9.458)	19.644	16.986
Other short-term liabilities		8.145	8.389	-	16.534
Total short-term Liabilities		248.270	(37.969)	21.489	231.790
TOTAL LIABILITIES & SHAREHOLDERS EQUITY		378.562	(39.855)	4.361	343.068



Notes

1. Adjustment of fixed assets' value due to the use of the asset's estimated useful life for the calculation of depreciation, to the restatement of the adjusted cost value based on tax Laws (L.2065/92 etc.) to historical cost and to the revaluation of fixed the assets of the subsidiaries that were acquired in 2000 during the first year of their acquisition
2. Goodwill Adjustment based on IFRS and not based on L.2166/93
3. Recognition of deferred tax assets / liabilities according to IFRS
4. Assessment of a proportion of vendor allowances to inventories
5. Net- off of prepaid tax with tax payable
6. Reduction in trade payables and cash balance with cheques expired at balance sheet date.
7. Equity adjustment so as the absorption of the subsidiary TROFO S.A. to be stated under IFRS and not according to L.2166/93 as stated in the Balance Sheet based on Greek GAAP.
8. Impact on Equity due to IFRS implementation (refer to Equity reconciliation)
9. Recognition of financial derivatives at their fair value as well as evaluation of the bond in foreign currency
10. Adjustment of the Provision for staff termination indemnity according to IFRS
11. Adjustment of the provision for untaken leave pay according to IFRS
12. IFRS: Impact of tax audit of the years 1999-2000. RECLASSIFICATION: Net- off of prepaid tax with tax payable and transfer of other tax payable



	Note	Company			
		Local GAAP	Reclassifications	Adjustments	IFRS
		31.12.2004	31.12.2004	31.12.2004	31.12.2004
ASSETS					
Non-Current Assets					
Property, plant and equipment	1	124.443	(13)	16.082	140.512
Investment property		-	13		13
Goodwill	2	71.785	-	(2.073)	69.712
Intangible fixed assets		139	(139)	-	
Subsidiaries	3	20.147	(72)	(12.700)	7.375
Long-term receivables		4.072	698	-	4.770
Deferred tax asset	4	-	-	3.225	3.225
Total Fixed Assets		220.586	487	4.534	225.607
Current Assets					
Inventory	5	88.655	(3.586)	(7.997)	77.072
Trade receivables		22.931	3.054	-	25.985
Income tax advances	6	2.986	(2.986)	-	
Prepayment		200	10	-	210
Other receivables- accrued income		12.302	(10.841)	-	1.461
Cash and Banks	7	29.122	(21.802)	-	7.320
Total Current Assets		156.196	(36.151)	(7.997)	112.048
TOTAL ASSETS		376.782	(35.664)	(3.463)	337.655
LIABILITIES					
Shareholders Equity					
Share Capital		19.099	-	-	19.099
Share Premium	8	44.709		(31.149)	13.560
Other Reserves	8	33.666		(3.330)	30.336
Retained Earnings	9	(8.079)	-	4.092	(3.987)
Total Shareholders Equity		89.395	-	(30.387)	59.008
Long-term Liabilities					
Long- term Borrowings	10	44.138		(16.166)	27.972
Retirement benefit plans	11	1.237	-	8.889	10.126
Derivative Instruments	10		-	16.656	16.656
Provisions		2.547	(1.628)		919
Other long-term liabilities		421	-	-	421
Total Long-term Liabilities		48.343	(1.628)	9.379	56.094
Short-term Liabilities					
Short- term Borrowings		15.400	-	-	15.400
Trade payables	7	203.071	(33.690)	-	169.381
Accrued expenses	12	5.916	874	1.696	8.486
Income tax payable	13	6.766	(9.422)	15.849	13.193
Other short-term liabilities		7.891	8.202	-	16.093
Total short-term Liabilities		239.044	(34.036)	17.545	222.553
TOTAL LIABILITIES & SHAREHOLDERS		376.782	(35.664)	(3.463)	337.655



Notes:

1. Adjustment of fixed assets' value due to the use of the asset's estimated useful life for the calculation of depreciation, to the restatement of the adjusted cost value based on tax Laws (L.2065/92 etc.) to historical cost and to the revaluation of fixed the assets of the subsidiaries that were acquired in 2000 during the first year of their acquisition.
2. Goodwill Adjustment based on IFRS and not based on L.2166/93
3. Difference in evaluation of participation in a subsidiary (tax audit impact of the years 1999-2000 is also included)
4. Recognition of deferred tax assets / liabilities according to IFRS
5. Assessment of a proportion of vendor allowances to inventories.
6. Net- off of prepaid tax with tax payable
7. Reduction in trade payables and cash balance with cheques expired at balance sheet date
8. Equity adjustment so as the absorption of the subsidiary TROFO S.A. to be stated under IFRS and not according to L.2166/93 as stated in the Balance Sheet based on Greek GAAP.
9. Impact on Equity due to IFRS implementation (refer to Equity reconciliation)
10. Recognition of financial derivatives at their fair value as well as evaluation of the bond in foreign currency
11. Adjustment of the Provision for staff termination indemnity according to IFRS
12. Adjustment of the provision for untaken leave pay according to IFRS
13. IFRS: Impact of tax audit of the years 1999-2000. RECLASSIFICATION: Net- off of prepaid tax with tax payable and transfer of other tax payable



Finally, the changes in the Balance Sheet of the year ended on 31.12.2003, due to IFRS transition is stated below:

		Group			
		Local GAAP	Reclassifications	Adjustments	IFRS
	Note	31.12.2003	31.12.2003	31.12.2003	31.12.2003
ASSETS					
Non-Current Assets					
Property, plant and equipment	1	119.528	(102)	16.227	135.653
Investment property	1		64	-	64
Goodwill	2	65.328	-	4.385	69.713
Intangible fixed assets	1	219	38	(147)	110
Subsidiaries		47	(47)	-	
Long-term receivables		3.347	15.316	-	18.663
Deferred tax asset	3	-		2.259	2.259
Total Fixed Assets		188.469	15.269	22.724	226.462
Current Assets					
Inventory	4	94.842	(5.145)	(5.939)	83.758
Trade receivables		26.031	4.854	-	30.885
Income tax advances		3.079	(2.964)	-	115
Prepayment	5	223	10	15	248
Other receivables- accrued income		41.205	(38.901)	-	2.304
Cash and Banks	6	33.433	(14.775)	-	18.658
Total Current Assets		198.813	(56.921)	(5.924)	135.968
TOTAL ASSETS		387.282	(41.652)	16.800	362.430
LIABILITIES					
Shareholders Equity					
Share Capital		19.099	-	-	19.099
Share Premium		13.560	-	-	13.560
Other Reserves		25.051		-	25.051
Retained Earnings	7	(14.191)	3.056	(6.434)	(17.569)
Total Shareholders Equity		43.519	3.056	(6.434)	40.141
Minority interests		-		-	-
Total Equity		43.519	3.056	(6.434)	40.141
Long-term Liabilities					
Long- term Borrowings	8	44.138	-	(13.972)	30.166
Retirement benefit plans	9	960		8.343	9.303
Derivative Instruments	8		-	14.760	14.760
Provisions		1.630	(341)	-	1.289
Other long-term liabilities		253	34	-	287
Total Long-term Liabilities		46.981	(307)	9.131	55.805
Short-term Liabilities					
Short- term Borrowings		64.940	-	-	64.940
Trade payables	6	206.627	(57.542)		149.085
Accrued expenses	10	6.687	(400)	2.164	8.451
Income tax payable	11	7.663	(6.189)	11.939	13.413
Other short-term liabilities	12	10.865	19.730	-	30.595
Total short-term Liabilities		296.782	(44.401)	14.103	266.484
TOTAL LIABILITIES & SHAREHOLDERS EQUITY		387.282	(41.652)	16.800	362.430



Notes

1. Adjustment of fixed assets' value due to the use of the asset's estimated useful life for the calculation of depreciation, to the restatement of the adjusted cost value based on tax Laws (L.2065/92 etc.) to historical cost and to the revaluation of fixed the assets of the subsidiaries that were acquired in 2000 during the first year of their acquisition.
2. Goodwill Adjustment based on IFRS and not based on L.2166/93
3. Recognition of deferred tax assets / liabilities according to IFRS
4. Assessment of a proportion of vendor allowances to inventories.
5. Other
6. Reduction in trade payables and cash balance with cheques expired at balance sheet date.
7. Impact on Equity due to IFRS implementation (refer to Equity reconciliation)
8. Recognition of financial derivatives at their fair value as well as evaluation of the bond in foreign currency
9. Adjustment of the Provision for staff termination indemnity according to IFRS
10. Adjustment of the provision for untaken leave pay according to IFRS
11. IFRS: Impact of tax audit of the years 1999-2000. RECLASSIFICATION: Net- off of prepaid tax with tax payable and transfer of other tax payable
12. Adjustment of fiscal year's 2003 dividend (stated into account "Dividends Payable" in the Balance Sheet of fiscal year 2003 based on Greek GAAP).



	Note	Company			
		Local GAAP	Reclassifications	Adjustments	IFRS
		31.12.2003	31.12.2003	31.12.2003	31.12.2003
ASSETS					
Non-Current Assets					
Property, plant and equipment	1	77.253	-	12.644	89.897
Investment property		-	-	-	-
Goodwill		-	-	-	-
Intangible fixed assets		43	-	-	43
Subsidiaries		84.714	-	-	84.714
Long-term receivables		2.775	15.269	-	18.044
Deferred tax asset	2	-	-	1.983	1.983
Total Fixed Assets		164.785	15.269	14.627	194.681
Current Assets					
Inventory	3	75.327	(3.007)	(5.570)	66.750
Trade receivables		76.643	2.746	-	79.389
Income tax advances		2.658	(2.658)	-	-
Prepayment		174	8	-	182
Other receivables- accrued income		37.147	(36.218)	-	929
Cash and Banks	4	21.859	(13.837)	-	8.022
Total Current Assets		213.808	(52.966)	(5.570)	155.272
TOTAL ASSETS		378.593	(37.697)	9.057	349.953
LIABILITIES					
Shareholders Equity					
Share Capital		19.099	-	-	19.099
Share Premium		13.560	-	-	13.560
Other Reserves	5	25.051	-	5	25.056
Retained Earnings	5	5.006	3.056	344	8.406
Total Shareholders Equity		62.716	3.056	349	66.121
Long-term Liabilities					
Long- term Borrowings	6	44.138	-	(13.972)	30.166
Retirement benefit plans	7	846	-	6.139	6.985
Derivative Instruments	6	-	-	14.760	14.760
Provisions		883	(197)	-	686
Other long-term liabilities		168	-	-	168
Total Long-term Liabilities		46.035	(197)	6.927	52.765
Short-term Liabilities					
Short- term Borrowings		63.440	-	-	63.440
Trade payables	4	184.213	(53.485)	-	130.728
Accrued expenses	8	5.693	(510)	1.880	7.063
Income tax payable	9	7.250	(5.472)	(99)	1.679
Other short-term liabilities		9.246	18.911	-	28.157
Total short-term Liabilities		269.842	(40.556)	1.781	231.067
TOTAL LIABILITIES & SHAREHOLDERS EQUITY		378.593	(37.697)	9.057	349.953

Notes

1. Adjustment of fixed assets' value due to the use of the asset's estimated useful life for the calculation of depreciation, to the restatement of the adjusted cost value based on tax Laws (L.2065/92 etc.) to historical cost and to the revaluation of fixed the assets of the subsidiaries that were acquired in 2000 during the first year of their acquisition.
2. Recognition of deferred tax assets / liabilities according to IFRS
3. Assessment of a proportion of vendor allowances to inventories.
4. Reduction in trade payables and cash balance with cheques expired at balance sheet date.
5. Impact on Equity due to IFRS implementation (refer to Equity reconciliation)
6. Recognition of financial derivatives at their fair value as well as evaluation of the bond in foreign currency
7. Adjustment of the Provision for staff termination indemnity according to IFRS
8. Adjustment of the provision for untaken leave pay according to IFRS
9. Other

6.40 Note on the Cash Flow Statement

The provisions, which are included in the Cash Flow Statement, are analyzed as follows:

	Group		Company	
	2005	2004	2005	2004
Provision for impairment	62	82	62	82
Provision for legal cases	856	(210)	876	(280)
Provision for staff termination indemnity	1.823	1.317	1.735	1.263
Fine imposed by Competition Committee	739	-	739	-
Provision for doubtful receivables	(139)	1.165	(94)	121
Total	3.341	2.354	3.318	1.186



7. Auditors' Report

To the Shareholders of
«ALFA-BETA» VASSILOPOULOS A.E.

We have audited the accompanying financial statements as well as the consolidated financial statements of «ALFA-BETA» VASSILOPOULOS A.E., as of and for the year ended December 31, 2005. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Greek Auditing Standards, which are based on the International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, evaluating the overall financial statement presentation as well as assessing the consistency of the Board of Directors' report with the aforementioned financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the aforementioned financial statements give a true and fair view of the financial position of the Company and that of the Group (of which this Company is the holding Company) as of December 31, 2005 and of the results of its operations, and those of the Group and their cash flows and changes in shareholders' equity for the year then ended in accordance with the International Financial Reporting Standards that have been adopted by the European Union and the Board of Directors' Report is consistent with the aforementioned financial statements.

Without qualifying our report, we draw your attention to note 37.a. to the financial statements, which refers to the tax position of the Company and the Group and especially the unaudited fiscal years. The liability, if any, that may result from such audits cannot be estimated with reasonable accuracy, and hence no provision has been made.

Athens, February 28, 2006
The Certified Public Accountant
Nicos Sofianos
Reg. No (ICPA (GR)): 12231
250-254 Kifissias Ave., 152 31 Halandri
Deloitte.



7.1 Reformation of Financial Statements based on the Remarks of the Statutory Auditor

The only remark made by the Statutory Auditor for both the company and the Group, concerns the unaudited fiscal years. The liability, if any, that may result from such audits cannot be estimated with reasonable accuracy.



8. Restatement of Published Interim Financial Statements based on the decision of Capital Market Commission on 24/03/2006

According to the statement of Capital Market Commission on 24/03/2006 with regard to the explicatory directive No. 118/23.03.2006 of the Committee of Accountant Standardisation and Controls on the subject "On problems of first application of International Financial Reporting Standards" we would like to inform the investor public that with the preparation of annual Financial Statements of fiscal year 2005 according to IFRS the Company proceeded in modifications compared to the published interim financial statements, as described below:

In 2005 the tax audit, which was in process at the date of transition to IFRS, was finalized. Specifically, on December 23, 2005, "ALFA-BETA" VASSILOPOULOS reached an agreement with the Greek tax authorities for the settlement of the tax audit of TROFO and ENA for certain years before the acquisition of these two entities by "ALFA-BETA" in early 2001. According to the provisions of IFRS 1 Annex B Paragraph f ii, the readjustment of the goodwill arising from the acquisition and merger of enterprises before the date of transition to IFRS is allowed under certain preconditions. Based on the terms set in the above provisions of IFRS 1, the settlement has been recorded in Alfa-Beta's consolidated financial statements as a 10,232 thousand Euro increase of goodwill on the TROFO and ENA acquisition and a 1,806 thousand Euro decrease of Group equity in the opening balance sheet of 2004, the first year for which IFRS reporting by "ALFA-BETA" is presented. The financial impact of the settlement further increased the tax burden by an amount of 11.150 thousands Euro resulting mainly from the disallowance of tax losses incurred in 2000. From this impact a sum of 10.136 thousands Euro charged the Equity the 31/12/2004 and a sum of 1.014 thousands Euro the 2005 results (note 38 of the Annual Financial Statements for the Period 1 January - 31 December 2005). Moreover, for the more equitable presentation of Financial Statements there have been reclassifications in some lines the balance-sheet. The effect of above accounting treatment in the already published interim financial statements including beginning balance sheet, is as follows:

Period ending at 31/03/2005

The modifications concerning the published interim financial statements of 31/03/2005 have as follows:

A) Group

- 1) Beginning Balance sheet
- 1.1) In the line "Fixed assets" 230.270 thousand Euro instead of 229.327 thousand Euro in the published financial statements.
- 1.2) In the line "Trade receivable" 15.082 thousand Euro instead of 14.675 thousand Euro in the published financial statements.
- 1.3) In the line "Other assets" 1.833 thousand Euro instead of 14.158 thousand Euro in the published financial statements.
- 1.4) In the line "Other short-term liabilities" 216.390 thousand Euro instead of 208.664 thousand Euro in the published financial statements.



- 1.5) In the line "Shareholders equity" 54.530 thousand Euro instead of 73.231 thousand Euro in the published financial statements.
- 2) Balance Sheet at 31/03/2005
 - 2.1) In the line "Fixed assets" 227.967 thousand Euro instead of 226.202 thousand Euro in the published financial statements.
 - 2.2) In the line "Other assets" 9.699 thousand Euro instead of 12.356 thousand Euro in the published financial statements.
 - 2.3) In the line "Other short-term liabilities" 221.280 thousand Euro instead of 204.294 thousand Euro in the published financial statements.
 - 2.4) In the line "Shareholders' equity" 54.144 thousand Euro instead of 72.022 thousand Euro in the published financial statements.
- 3) Income Statement 01/01/2004-31/03/2004
 - 3.1) In the line "Less tax" -1.237 thousand Euro instead of -1.796 thousand Euro in the published financial statements.
 - 3.2) In the line "Profits after taxes" 1.101 thousand Euro instead of 1.660 thousand Euro in the published financial statements.
- 4) Income Statement 01/01/2005-31/03/2005
 - 4.1) In the line "Less tax" 756 thousand Euro instead of 1.578 thousand Euro in the published financial statements.
 - 4.2) In the line "Profits after taxes" -387 thousand Euro instead of -1.209 thousand Euro in the published financial statements.
- 5) Changes in Equity Statement 31/03/2004
 - 5.1) In the line "Equity at the beginning of the period" 40.141 thousand Euro instead of 58.343 thousand Euro in the published financial statements.
 - 5.2) In the line «Profit/(loss) after tax" 1.101 thousand Euro instead of 1.660 thousand Euro in the published financial statements
 - 5.3) In the line "Equity at the end of the period" 38.186 thousand Euro instead of 57.038 thousand Euro in the published financial statements.
- 6) Changes in Equity Statement 31/03/2005
 - 6.1) In the line "Equity at the beginning of the period" 54.530 thousand Euro instead of 73.231 thousand Euro in the published financial statements.
 - 6.2) In the line «Profit/(loss) after tax" -387 thousand Euro instead of -1.209 thousand Euro in the published financial statements.
 - 6.3) In the line "Equity at the end of the period" 54.144 thousand Euro instead of 72.022 thousand Euro in the published financial statements.

- 7) Equity Reconciliation at the Beginning of the Period 01/01/2004
 - 7.1) In the line "Goodwill adjustment" -7.653 thousand Euro instead of 8.706 thousand Euro in the published financial statements.
 - 7.2) In the line "Assessment of liabilities from other Deferred Taxation according to IFRS" 3.462 thousand Euro instead of 5.396 thousand Euro in the published financial statements.
 - 7.3) In the line "Equity at the beginning of the period per IFRS" 40.141 thousand Euro instead of 58.434 thousand Euro in the published financial statements.

- 8) Equity Reconciliation at the Beginning of the Period 01/01/2005
 - 8.1) In the line "Equity adjustment so as the absorption of the subsidiary TROFO S.A. to be stated under IFRS and not according to L.2166/93 as stated in the Balance Sheet based on Greek GAAP" 3.284 thousand Euro instead of -5.622 thousand Euro in the published financial statements.
 - 8.2) In the line " Difference in valuation of participation on subsidiaries" -8.906 thousand Euro instead of 0 thousand Euro in the published financial statements.
 - 8.3) In the line " Difference in valuation of participation on subsidiaries" 8.906 thousand Euro instead of 0 thousand Euro in the published financial statements.
 - 8.4) In the line "Goodwill adjustment" -21.236 thousand Euro instead of -3.764 thousand Euro in the published financial statements.
 - 8.5) In the line "Assessment of Liabilities from Other Deferred Taxation according to IFRS" 2.234 thousand Euro instead of 4.764 thousand Euro in the published financial statements.
 - 8.6) In the line "Impact of the tax audit for the 1999 – 2000 fiscal years» -7.606 thousand Euro instead of 0 thousand Euro in the published financial statements.
 - 8.7) In the line "Equity at the beginning of the period per IFRS" 54.530 thousand Euro instead of 73.231 thousand Euro in the published financial statements.

B) Company

- 1) Balance-sheet of Beginning
 - 1.1) In the line "Fixed assets" 225.607 thousand Euro instead of 228.459 thousand Euro in the published financial statements .
 - 1.2) In the line "Trade receivables" 25.985 thousand Euro instead of 27.172 thousand Euro in the published financial statements.
 - 1.3) In the line "Other assets" 1.671 thousand Euro instead of 12.456 thousand Euro in the published financial statements.
 - 1.4) In the line "Other short-term liabilities" 207.153 thousand Euro instead of 203.276 thousand Euro in the published financial statements.
 - 1.5) In the line "Shareholders' equity" 59.008 thousand Euro instead of 77.709 thousand Euro in the published financial statements.



- 2) Balance sheet at 31/03/2005
 - 2.1) In the line "Fixed assets" 223.775 thousand Euro instead of 225.803 thousand Euro in the published financial statements.
 - 2.2) In the line "Other assets" 6.617 thousand Euro instead of 9.274 thousand Euro in the published financial statements.
 - 2.3) In the line "Other short-term liabilities" 211.880 thousand Euro instead of 198.687 thousand Euro in the published financial statements.
 - 2.4) In the line "Shareholders' equity" 59.489 thousand Euro instead of 77.367 thousand Euro in the published financial statements.
- 3) Income statement 01/01/2004-31/03/2004
 - 3.1) In the line "Less tax" 528 thousand Euro instead of -3 thousand Euro in the published financial statements.
 - 3.1) In the line "Profits after taxes" 84 thousand Euro instead of 615 thousand Euro in the published financial statements.
- 4) Income statement 01/01/2005-31/03/2005
 - 4.1) In the line "Less tax" 465 thousand Euro instead of 1.288 thousand Euro in the published financial statements.
 - 4.2) In line "Profits after taxes" 481 thousand Euro instead of -342 thousand Euros in the published financial statements.
- 5) Changes in Equity Statement 31/03/2004
 - 5.1) In the line "Profit/(loss) after tax" 84 thousand Euro instead of 615 thousand Euro in the published financial statements.
 - 5.2) In the line "Equity at the end of the period" 63.149 thousand Euro instead of 63.680 thousand Euro in the published financial statements.
- 6) Changes in Equity Statement 31/03/2005
 - 6.1) In the line "Equity at the beginning of the period" 59.008 thousand Euro instead of 77.709 thousand Euro in the published financial statements.
 - 6.2) In the line "Profit/(loss) after tax" 481 thousand Euro instead of -342 thousand Euro in the published financial statements.
 - 6.3) In the line "Equity at the end of the period" 59.489 thousand Euro instead of 77.367 thousand Euro in the published financial statements.
- 7) Equity Reconciliation at the Beginning of the Period 01/01/2005
 - 7.1) In the line "Equity Adjustment so as to present the absorption of the subsidiary TROFO S.A. in line with IFRS and not based on L.2166/93 as stated in the Balance Sheet based on GreekGAAP" 3.284 thousand Euro instead of -5.622 thousand Euro in the published financial statements..
 - 7.2) In the line "Difference in valuation of participation on subsidiaries" -8.906 thousand Euro instead of 0 thousand Euro in the published financial statements.



- 7.3) In the line "Goodwill adjustment" -14.111 thousand Euro instead of -5.546 thousand Euro in the published financial statements.
- 7.4) In the line "Assessment of Liabilities from Other Deferred Taxation according to IFRS" 1.073 thousand Euro instead of 3.603 thousand Euro in the published financial statements.
- 7.5) In the line "Impact of the tax audit for the 1999 – 2000 fiscal years" -7.606 thousand Euro instead of 0 thousand Euro in the published financial statements.
- 7.6) In the line "Equity at the beginning of the period per IFRS" 59.008 thousand Euro instead of 77.709 thousand Euro in the published financial statements.

Period ending at 30/06/2005

The modifications concerning the published interim financial statements of 30/06/2005 have as follows:

A) Group

- 1) Beginning Balance sheet
- 1.1) In the line "Goodwill" 69.712 thousand Euro instead of 60.252 thousand Euro in the published financial statements.
- 1.2) In the line «Deferred tax asset» 4.328 thousand Euro instead of 6.858 thousand Euro in the published financial statements.
- 1.3) In the line "Trade receivables" 15.082 thousand Euro instead of 14.742 thousand Euro in the published financial statements.
- 1.4) In the line "Income tax advances" 115 thousand Euro instead of 2.772 thousand Euro in the published financial statements.
- 1.5) In the line "Deferred expenses" 229 thousand Euro instead of 218 thousand Euro in the published financial statements.
- 1.6) In the line "Other receivables – accrued income" 1.489 thousand Euro instead of 1.479 thousand Euro in the published financial statements.
- 1.7) In the line "Retained earnings" -8.186 thousand Euro instead of 4.528 thousand Euro in the published financial statements.
- 1.8) In the line "Trade payables" 174.017 thousand Euro instead of 173.667 thousand Euro in the published financial statements.
- 1.9) In the line "Accrued expenses" 8.853 thousand Euro instead of 17.085 thousand Euro in the published financial statements.
- 1.10) In the line "Income tax payable" 16.986 thousand Euro instead of 0 thousand Euro in the published financial statements.
- 1.11) In the line «Other short-term liabilities" 16.534 thousand Euro instead of 8.290 thousand Euro in the published financial statements.



- 2) Balance sheet at 30/06/2005
 - 2.1) In the line "Goodwill" 69.712 thousand Euro instead of 60.252 thousand Euro in the published financial statements.
 - 2.2) In the line "Deferred tax asset" 2.750 thousand Euro instead of 3.483 thousand Euro in the published financial statements.
 - 2.3) In the line "Income tax advances" 115 thousand Euro instead of 2.787 thousand Euro in the published financial statements.
 - 2.4) In line "Other receivables-accrued income" 1.568 thousand Euro instead of 1.554 thousand Euro in the published financial statements.
 - 2.5) In the line "Retained earnings" -4.618 thousand Euro instead of 6.299 thousand Euro in the published financial statements.
 - 2.6) In the line "Income tax payable" 16.986 thousand Euro instead of 0 thousand Euro in the published financial statements
- 3) Income statement 01/01/2004-30/06/2004
 - 3.1) In the line "Less tax" 1.101 thousand Euro instead of -971 thousand Euro in the published financial statements.
 - 3.2) In the line «Profit after tax" 4.977 thousand Euro instead of 7.049 thousand Euro in the published financial statements.
- 4) Income statement 01/01/2005-30/06/2005
 - 4.1) In the line "Less tax" 1.587 thousand Euro instead of 3.384 thousand Euro in the published financial statements.
 - 4.2) In the line "Profit after tax" 3.568 thousand Euro instead of 1.771 in the published financial statements.
- 5) Changes in Equity Statement 30/06/2004
 - 5.1) In the line "Equity at the beginning of the period" 40.141 thousand Euro instead of 44.653 thousand Euro in the published financial statements.
 - 5.2) In the line "Profit/(loss) after tax" 4.977 thousand Euro instead of 7.049 thousand Euro in the published financial statements
 - 5.3) In the line "Equity at the end of the period" 42.062 thousand Euro instead of 48.646 thousand Euro in the published financial statements.
- 6) Changes in Equity Statement 30/06/2005
 - 6.1) In the line "Equity at the beginning of the period" 54.530 thousand Euro instead of 67.244 thousand Euro in the published financial statements.
 - 6.2) In the line "Profit/(Loss) after tax" 3.568 thousand Euro instead of 1.771 thousand Euro in the published financial statements
 - 6.3) In the line "Equity at the end of the period" 58.098 thousand Euro instead of 69.015 thousand Euro in the published financial statements



- 7) Equity Reconciliation at the Beginning of the Period 01/01/2004
 - 7.1) In the line "Goodwill adjustment" -7.653 thousand Euro instead of -5.075 thousand Euro in the published financial statements.
 - 7.2) In the line "Assessment of Liabilities from Other Deferred Taxation according to IFRS" 3.462 thousand Euro instead of 5.396 thousand Euro in the published financial statements.
 - 7.3) In the line "Equity at the beginning of the period per IFRS" 40.141 thousand Euro instead of 44.653 thousand Euro in the published financial statements.
- 8) Equity Reconciliation at the Beginning of the Period 01/01/2005
 - 8.1) In the line "Goodwill adjustment" -21.236 thousand Euro instead of -18.658 thousand Euro in the published financial statements.
 - 8.2) In the line "Assessment of Liabilities from Other Deferred Taxation according to IFRS" 2.234 thousand Euro instead of 4.764 thousand Euro in the published financial statements.
 - 8.3) In the line "Impact of the tax audit for the 1999 – 2000 fiscal years» -7.606 thousand Euro instead of 0 thousand Euro in the published financial statements.
 - 8.4) In the line "Equity at the beginning of the period per IFRS" 54.530 thousand Euro instead of 67.244 thousand Euro in the published financial statements.

B) Company

- 1) Beginning Balance sheet
 - 1.1) In the line "Goodwill" 69.712 thousand Euro instead of 60.252 thousand Euro in the published financial statements.
 - 1.2) In the line "Subsidiaries" 7.375 thousand Euro instead of 11.169 thousand Euro in the published financial statements.
 - 1.3) In the line "Deferred tax asset" 3.225 thousand Euro instead of 5.755 thousand Euro in the published financial statements.
 - 1.4) In the line "Trade receivables" 25.985 thousand Euro instead of 25.995 thousand Euro in the published financial statements.
 - 1.5) In the line "Income tax advances" 0 thousand Euro instead of 2.658 thousand Euro in the published financial statements.
 - 1.6) In the line "Deferred expenses" 210 thousand Euro instead of 197 thousand Euro in the published financial statements.
 - 1.7) In the line "Other receivables – accrued income" 1.461 thousand Euro instead of 1.451 thousand Euro in the published financial statements.
 - 1.8) In the line "Retained earnings" -3.987 thousand Euro instead of 8.730 thousand Euro in the published financial statements.
 - 1.9) In the line "Accrued expenses" 8.486 thousand Euro instead of 16.312 thousand Euro in the published financial statements.
 - 1.10) In the line "Income tax payable" 13.193 thousand Euro instead of 0 thousand Euro in the published financial statements.



- 1.11) In the line "Other short-term liabilities" 16.093 thousand Euro instead of 8.256 thousand Euro in the published financial statements.
- 2) Balance sheet at 30/06/2005
 - 2.1) In the line "Goodwill" 69.712 thousand Euro instead of 60.252 thousand Euro in the published financial statements.
 - 2.2) In the line "Subsidiaries" 7.375 thousand Euro instead of 11.169 thousand Euro in the published financial statements.
 - 2.3) In the line "Deferred tax asset" 1.813 thousand Euro instead of 2.546 thousand Euro in the published financial statements.
 - 2.4) In the line "Income tax advances" 0 thousand Euro instead of 2.672 thousand Euro in the published financial statements.
 - 2.5) In the line "Other receivables-accrued income" 1.536 thousand Euro instead of 1.521 thousand Euro in the published financial statements.
 - 2.6) In the line "Retained earnings" -394 thousand Euro instead of 10.523 thousand Euro in the published financial statements.
 - 2.7) In the line "Income tax payable" 13.193 thousand Euro instead of 0 thousand Euro in the published financial statements
- 3) Income statement 01/01/2004-30/06/2004
 - 3.1) In the line "Less tax" 2.012 thousand Euro instead of -5 thousand Euro in the published financial statements.
 - 3.2) In the line "Profit after tax" 2.742 thousand Euro instead of 4.759 thousand Euro in the published financial statements.
- 4) Income statement 01/01/2005-30/06/2005
 - 4.1) In the line "Less tax" 1.422 thousand Euro instead of 3.218 thousand Euro in the published financial statements.
 - 4.2) In the line "Profit after tax" 3.593 thousand Euro instead of 1.796 thousand Euro in the published financial statements.
- 5) Changes in Equity Statement 30/06/2004
 - 5.1) In the line "Profit/(loss) after tax" 2.742 thousand Euro instead of 4.759 thousand Euro in the published financial statements.
 - 5.2) In the line "Equity at the end of the period" 65.807 thousand Euro instead of 67.824 thousand Euro in the published financial statements.



- 6) Changes in Equity Statement 30/06/2005
 - 6.1) In the line "Equity at the beginning of the period" 59.008 thousand Euro instead of 71.721 thousand Euro in the published financial statements.
 - 6.2) In the line "Profit/(loss) after tax" 3.593 thousand Euro instead of 1.796 thousand Euro in the published financial statements.
 - 6.3) In the line "Equity at the end of the period" 62.601 thousand Euro instead of 73.517 thousand Euro in the published financial statements.
- 7) Equity Reconciliation at the Beginning of the Period 01/01/2005
 - 7.1) In the line "Goodwill adjustment" -14.111 thousand Euro instead of -11.533 thousand Euro in the published financial statements.
 - 7.2) In the line "Assessment of Liabilities from Other Deferred Taxation according to IFRS" 1.073 thousand Euro instead of 3.603 thousand Euro in the published financial statements.
 - 7.3) In the line "Impact of the tax audit for the 1999 – 2000 fiscal years" -7.606 thousand Euro instead of 0 thousand Euro in the published financial statements.
 - 7.4) In the line "Equity at the beginning of the period per IFRS" 59.008 thousand Euro instead of 71.721 thousand Euro in the published financial statements.

Period ending at 30/09/2005

The modifications concerning the published interim financial statements of 30/09/2005 have as follows:

A) Group

- 1) Beginning Balance sheet
 - 1.1) In the line "Fixed assets" 230.270 thousand Euro instead of 223.340 thousand Euro in the published financial statements.
 - 1.2) In the line "Trade receivables" 15.082 thousand Euro instead of 14.742 thousand Euro in the published financial statements.
 - 1.3) In the line "Other assets" 1.833 thousand Euro instead of 4.469 thousand Euro in the published financial statements.
 - 1.4) In the line "Other short-term liabilities" 216.390 thousand Euro instead of 199.042 thousand Euro in the published financial statements.
 - 1.5) In the line "Net equity" 54.530 thousand Euro instead of 67.244 thousand Euro in the published financial statements.



- 2) Balance sheet at 30/09/2005
 - 2.1) In the line "Fixed assets" 231.381 thousand Euro instead of 222.726 thousand Euro in the published financial statements.
 - 2.2) In the line "Other assets" 1.992 thousand Euro instead of 4.650 thousand Euro in the published financial statements.
 - 2.3) In the line "Other short-term liabilities" 183.975 thousand Euro instead of 166.989 thousand Euro in the published financial statements.
 - 2.4) In the line "Net equity" 59.720 thousand Euro instead of 70.709 thousand Euro in the published financial statements.
- 3) Income statement 01/01/2004-30/09/2004
 - 3.1) In the line "Less tax" 2.055 thousand Euro instead of -480 thousand Euro in the published financial statements.
 - 3.2) In the line "Profit/(Loss) after tax" 6.409 thousand Euro instead of 8.944 thousand Euro in the published financial statements.
- 4) Income statement 01/01/2005-30/09/2005
 - 4.1) In the line "Less tax" 2.435 thousand Euro instead of 4.160 thousand Euro in the published financial statements.
 - 4.2) In the line "Profit/(Loss) after tax" 5.191 thousand Euro instead of 3.466 thousand Euro in the published financial statements.
- 5) Changes in Equity Statement 30/09/2004
 - 5.1) In the line "Equity at the beginning of the period" 40.141 thousand Euro instead of 44.653 thousand Euro in the published financial statements.
 - 5.2) In the line "Profit/(loss) after tax" 6.409 thousand Euro instead of 8.944 thousand Euro in the published financial statements
 - 5.3) In the line "Equity at the end of the period" 43.494 thousand Euro instead of 50.541 thousand Euro in the published financial statements.
- 6) Changes in Equity Statement 30/09/2005
 - 6.1) In the line "Equity at the beginning of the period" 54.530 thousand Euro instead of 67.244 thousand Euro in the published financial statements.
 - 6.2) In the line "Profit/(Loss) after tax" 5.190 thousand Euro instead of 3.465 thousand Euro in the published financial statements
 - 6.3) In the line "Equity at the end of the period" 59.721 thousand Euro instead of 70.710 thousand Euro in the published financial statements



- 7) Equity Reconciliation at the Beginning of the Period 01/01/2004
 - 7.1) In the line "Goodwill adjustment" -7.653 thousand Euro instead of -5.075 thousand Euro in the published financial statements.
 - 7.2) In the line "Assessment of Liabilities from Other Deferred Taxation according to IFRS" 3.462 thousand Euro instead of 5.396 thousand Euro in the published financial statements.
 - 7.3) In the line "Equity at the beginning of the period per IFRS" 40.141 thousand Euro instead of 44.653 thousand Euro in the published financial statements.

- 8) Equity Reconciliation at the Beginning of the Period 01/01/2005
 - 8.1) In the line "Goodwill adjustment" -21.236 thousand Euro instead of -18.658 thousand Euro in the published financial statements.
 - 8.2) In the line "Assessment of Liabilities from Other Deferred Taxation according to IFRS" 2.234 thousand Euro instead of 4.764 thousand Euro in the published financial statements.
 - 8.3) In the line "Impact of the tax audit for the 1999 – 2000 fiscal years» -7.606 thousand Euro instead of 0 thousand Euro in the published financial statements.
 - 8.4) In the line "Equity at the beginning of the period per IFRS" 54.530 thousand Euro instead of 67.244 thousand Euro in the published financial statements.

B) Company

- 1) Beginning Balance sheet
 - 1.1) In the line "Fixed assets" 225.607 thousand Euro instead of 222.471 thousand Euro in the published financial statements.
 - 1.2) In the line "Trade receivables" 25.985 thousand Euro instead of 25.996 thousand Euro in the published financial statements.
 - 1.3) In the line "Other assets" 1.671 thousand Euro instead of 4.305 thousand Euro in the published financial statements.
 - 1.4) In the line "Other short-term liabilities" 207.153 thousand Euro instead of 193.949 thousand Euro in the published financial statements.
 - 1.5) In the line "Net equity" 59.008 thousand Euro instead of 71.721 thousand Euro in the published financial statements.

- 2) Balance sheet at 30/09/2005
 - 2.1) In the line "Fixed assets" 228.076 thousand Euro instead of 223.214 thousand Euro in the published financial statements.
 - 2.2) In the line "Other assets" 1.823 thousand Euro instead of 4.480 thousand Euro in the published financial statements.
 - 2.3) In the line "Other short-term liabilities" 173.881 thousand Euro instead of 160.688 thousand Euro in the published financial statements.
 - 2.4) In the line "Net equity" 63.992 thousand Euro instead of 74.980 thousand Euro in the published financial statements.



- 3) Income statement 01/01/2004-30/09/2004
 - 3.1) In the line "Less tax" 2.299 thousand Euro instead of -153 thousand Euro in the published financial statements.
 - 3.2) In the line "Profit/(Loss) after tax" 2.809 thousand Euro instead of 5.261 thousand Euro in the published financial statements.
- 4) Income statement 01/01/2005-30/09/2005
 - 4.1) In the line "Less tax" 1.557 thousand Euro instead of 3.282 thousand Euro in the published financial statements.
 - 4.2) In the line "Profit/(Loss) after tax" 4.984 thousand Euro instead of 3.259 thousand Euro in the published financial statements.
- 5) Changes in Equity Statement 30/09/2004
 - 5.1) In the line "Profit/(loss) after tax" 2.809 thousand Euro instead of 5.261 thousand Euro in the published financial statements.
 - 5.2) In the line "Equity at the end of the period" 65.874 thousand Euro instead of 68.326 thousand Euro in the published financial statements.
- 6) Changes in Equity Statement 30/09/2005
 - 6.1) In the line "Equity at the beginning of the period" 59.008 thousand Euro instead of 71.721 thousand Euro in the published financial statements.
 - 6.2) In the line "Profit/(loss) after tax" 4.984 thousand Euro instead of 3.259 thousand Euro in the published financial statements.
 - 6.3) In the line "Equity at the end of the period" 63.992 thousand Euro instead of 74.980 thousand Euro in the published financial statements.
- 7) Equity Reconciliation at the Beginning of the Period 01/01/2005
 - 7.1) In the line "Goodwill adjustment" -14.111 thousand Euro instead of -11.533 thousand Euro in the published financial statements.
 - 7.2) In the line "Assessment of Liabilities from Other Deferred Taxation according to IFRS" 1.073 thousand Euro instead of 3.603 thousand Euro in the published financial statements.
 - 7.3) In the line "Impact of the tax audit for the 1999 – 2000 fiscal years" -7.606 thousand Euro instead of 0 thousand Euro in the published financial statements.
 - 7.4) In the line "Equity at the beginning of the period per IFRS" 59.008 thousand Euro instead of 71.721 thousand Euro in the published financial statements.

Relevant tables regarding the aforementioned restatements are available on Company's web site (www.ab.gr)



9. Risk Factors

Please refer to paragraph 6.37 of the present Annual Bulletin.

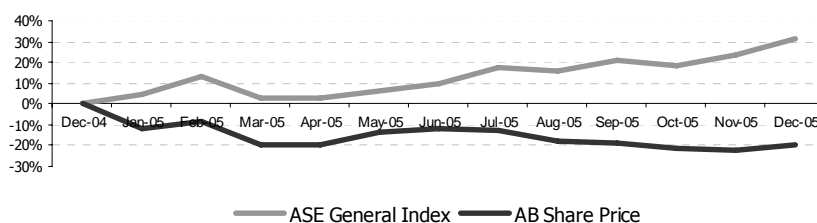
10. Share Price Evolution and Dividend Policy

In 2005 the General Index of Athens Stock Exchange increased by 31.5%, from 2,786.18 units at 31.12.2004 to 3,663.9 units at 31.12.2005. The "ALFA-BETA" share price decreased by 19.4%. Its closing price at 31.12.2004 was 14.00 EUR where as its closing price was 11.28 EUR at 31.12.2005. In the table below the evolution of "ALFA-BETA" share closing price as well as the monthly value and volume of the share's transactions is shown.

"ALFA-BETA" Share Price and Value of Transactions Evolution

Date	"ALFA-BETA" Share Price Closing	A.S.E. General Index Closing	Month	Monthly Value of "ALFA-BETA" Share Transactions	Monthly Volume of "ALFA-BETA" Share Transactions
01/31/05	12,40	2919,93	January	2.531.593,70	206.360
02/28/05	12,80	3145,16	February	2.021.461,62	159.236
03/31/05	11,30	2854,91	March	518.001,70	41.855
04/28/05	11,30	2868,45	April	226.321,30	20.444
05/31/05	12,10	2959,53	May	504.104,00	46.322
06/30/05	12,30	3060,73	June	1.659.210,32	134.367
07/29/05	12,18	3271,78	July	376.904,18	31.552
08/31/05	11,44	3231,48	August	2.165.624,85	188.591
09/30/05	11,40	3381,96	September	555.560,48	49.214
10/31/05	11,00	3307,32	October	124.458,08	11.242
11/30/05	10,90	3441,64	November	20.164.057,80	1.769.481
12/30/05	11,28	3663,9	December	248.989,16	22.534

The following chart shows the "ALFA-BETA" share price evolution as compared to that of the A.S.E. General Index.





During the period 2001-2005 the dividend policy of the company was as follows:

Dividend Policy	2005	2004	2003	2002	2001
Dividend (in thousand Euro)	3.947	-	3.056	3.056	2.587
Dividend per Share (in Euro)	0,31	-(²)	0,24	0,24	0,26
Total Shares	12.732.720	12.732.720	12.732.720	12.732.720 ⁽¹⁾	9.794.400

⁽¹⁾ Capitalization of the overvalue of the fixed assets by issuing 2,938,320 new shares, distributed to the shareholders at a proportion of 3 free new shares for every 10 existing ones.

⁽²⁾ According to the decision of the Ministry of Development no K2-14950/10.12.04, the absorption by the ALFA-BETA VASSILOPOULOS S.A. of its 100% subsidiary company TROFO S.A. was approved on December 10, 2004. As a consequence of the absorption, TROFO's assessed losses carried forward are netted off against the profits of the absorbing Company. For this reason, and according to the article 44a par.2 of the R.L. 2190/1920, the payment of dividend for the fiscal year 2004 was not possible.



11. Information related to the article 10 of the L.3401/2005 according to the article 8 par.f, of the decision No 7/372/15.02.2006 of the Capital Market Commission

During 2005, the Company has published and made available to investors the information below which is also available on the Company's web site, www.ab.gr under the topics: Investors/ Announcements to A.S.E.

25/2/2005: Press Release on Publication of 2005 and Fourth Quarter 2005 Results

12/5/2005: Press Release on Publication of First Quarter 2005 Results

19/5/2005: Press Release on «ALFA-BETA» VASSILOPOULOS S.A. Shareholders' Meeting

11/08/2005: «ALFA-BETA» VASSILOPOULOS S.A. First Semester 2005 Results

20/8/2005: ALFA-BETA» VASSILOPOULOS S.A. First Semester 2005 Results

9/11/2005: «ALFA-BETA» VASSILOPOULOS S.A. Third Quarter 2005 Results

23/12/2005: ALFA-BETA Reaches Settlement with Tax Authorities

27/12/2005: Accounting Impact of ALFA-BETA Settlement with Tax Authorities

It is noted that all the announcements of the Company are available in English language too, since the implementation of the new A.S.E. regulation on November 28, 2005.

Moreover, during 2005, the Belgian company Delhaize "The Lion" Nederland B.V., purchased 1.273.272 shares of "ALFA-BETA" VASSILOPOULOS S.A. as shown in the table below:

Date of Transaction	Number of Shares
26/08/2005	160.703
15/11/2005	996.760
21/11/2005	115.809

With the above purchase, the participation of the company Delhaize "The Lion" Nederland B.V. in the share capital of "ALFA-BETA" VASSILOPOULOS S.A. reached 60.65%.



12. Board of Directors Reports

12.1 Board of Directors Report on the financial statements of 31.12.2005 of «ALFA-BETA» VASSILOPOULOS S.A.

BOARD OF DIRECTORS REPORT

To the Ordinary General Meeting of Shareholders
of «ALFA-BETA» VASSILOPOULOS S.A.
(Reg.No. 13363/06/B/86/17)
On the financial statements of 31.12.2005

The present Report is written in compliance with the provisions of Law 2190/1920 and the Company's Articles of Association.

Dear Shareholder,

We are pleased to present you the «ALFA-BETA» VASSILOPOULOS S.A. report for the fiscal year 2005, a difficult year for the Greek retail market. The slight drop in disposable income coupled with a significant shift in consumer spending towards new services such as mobile telephony and cheap imported goods from Asia, reduced the proportion of spending power reaching supermarket checkouts. As was only to be expected, there was stiff, constantly intensifying competition for market share between traditional Greek chains and the newly arrived foreign chains whose stores keep increasing in number.

Furthermore, in the year 2005 the food retail business had to face a series of 'crises of trust' relating to various types of food products. Produce such as meat, poultry, dairy produce and even Greek honey, all came in for severe criticism concerning the effects they may have on health. Every single one of these 'crises' had an immediate, noticeable impact on sales of products in that particular food category and recovery was, in some cases, extremely slow.

In addition to difficulties pertaining to food retail as a whole, in 2005 "ALFA-BETA" also had to face two particularly adverse circumstances created by state authorities. There were the imposition of a high fine by the Competition Committee, and the outcome of the tax audit of the previous years' accounts of TROFO, accounts that had been handled by the previous management of the company.

The results, which we are pleased to present, show that the Company withstood all these difficulties, both those facing the broader food retail sector and the particular ones concerning "ALFA-BETA". Thus, the Board and the Management have been able to meet shareholders' expectations and propose a dividend payment of € 0.31 per share. This amount is the highest ever distributed by the Company, thus partially counterbalancing in this way the non-distribution of dividends in 2005.



These successes, there is no doubt, are due to the hard work and dedication of our staff, which numbered 6,472 at the end of the year 2005. The sales figures are the result of the hard work put in by staff at all levels, but mainly by those who are in the 'front line' of customer service. Successful financial results were achieved thanks to the skill, experience and professionalism of key personnel supported by the expertise of key Delhaize personnel. The Chairman of the Board of Directors and the Managing Director would like to express our heartfelt thanks to everybody for everything.

Concisely, the Company's financial figures during 2005 evolved as follows:

Turnover amounted to 880.3 million EUR from 847.5 million EUR in 2004 showing an increase by 3.9%. Despite the continuous weak market performance and the intense price competition all year long, as well as the price reduction of 2,000 products aiming to strengthen company's competitive position, "ALFA-BETA" managed to preserve its strong presence in the retail market.

Gross Profit increased by 6.1% from 175.9 million EUR in 2004 to 186.7 million EUR in 2005, an increase higher than that of Sales. This comparison confirms that the Company pursues a proper commercial policy as well as an effective inventory management.

Operating Expenses increased by 7.9% from 155.0 million EUR in 2004 to 167.2 million EUR in 2005. It is noted that Operating Expenses include all necessary provisions, including that to address the fine imposed by the Competition Committee. Furthermore, expenses were influenced by an increase in actual costs such as advertising expenses supporting the price initiatives, increased cost of packaging materials because of the rise of oil price and increased maintenance expenses related to the total remodeling and renovation of eight large existing stores. The latter category, as well as expenses regarding new store openings in the coming period, represent investments aiming to strengthen the Company's competitive position.

Profit before Tax, Financial, Investing Activities, Depreciation and Amortization (EBITDA) amounted to 38.9 million EUR in 2005 from 39.9 million EUR in 2004, showing a decrease by 2.5%.

Profit before Tax, Financial and Investing Activities (Operating Profit) amounted to 22.8 million EUR in 2005 from 24.4 million EUR in 2004, showing a decrease of 6.3% as a result of the increased expenses.

Profit before Tax amounted to 20.5 million EUR, from 22.4 million EUR in 2004 due to the higher expenses. It is noted that the results of 2004 fiscal year, included extraordinary income from interests amounted to 0.9 million EUR arising from an amount of 17.6 million EUR that was held in escrow and which was ruled in favor of "ALFA-BETA" after a relevant decision of the arbitration court, regarding the legal dispute with TROFO former owners.

Profit after Tax amounted to 11.7 million EUR against 16.0 million EUR in 2004. This decrease is due to:
a) the increase of deferred tax assets at 31.12.2004 because of the implementation of the new income tax rates



- b) the fact that the revaluation of the tax value of fixed assets in the 2004 fiscal year, increased the tax value thereof which resulted in a decrease in the deferred tax liability and had a favorable effect in the year's results
- c) an amount of 1.0 million EURO, which arose from the tax audit of TROFO and ENA for certain years before the acquisition of these two entities by "ALFA-BETA".

The share price from 14.00 EUR on 31/12/2004 decreased and reached 11.28 EUR on 31/12/2005.

As regards its growth and its commercial policy, in 2005, "ALFA-BETA" has developed a series of innovative initiatives, in response to new market conditions and challenges. The Company is developing a sales network consisting of many different store formats, it is extending its product assortment, especially its own-label products, and is applying a multi-level price policy, suggesting alternative opportunities to suit customers with differing purchasing power. The introduction of 'Smart Retailing' project, the adoption of "assisted self-service" and dynamic sections like meals to order (self traiteur) and bake-offs, have contributed to the diversification and improvement of the sales network. The Renovated design for Company stores was put into practice in three new stores in 2005 and eight stores were remodeled along the same lines. "ALFA-BETA"'s business approach to the Franchising Network was completed in 2005 and two new types of store were created; medium-sized stores carrying the banner AB Food Market, and smaller stores under the banner AB Shop & Go. By the end of the year the Franchising network numbered 24 sales outlets, six of which (5 AB Food Markets and 1 AB Shop & Go store) began operating during the year.

Furthermore, "ALFA-BETA" earns its customers' trust through quality and stringent rules of safety and hygiene, such as the HACCP system implementation, the emphasis on control of fresh products and the frequent sample controls.

Corporate Social Responsibility was and remains part of this Company's identity. Preservation of the Environment is an important factor in how we express our social role. "ALFA-BETA" is the only company in Greece that has been officially certified for handling recycled packaging materials for private label and imported products. Moreover, the Company increased to 25 the number of stores where Recycling Centers are installed.

The Donations' Committee continued its social work in 2005 and once more managed the donations fund, donating sums to social and educational organizations. It is particularly pleasing that in 2005, as in the previous year, "ALFA-BETA" received Awards of Merit in many different sectors.



PERSPECTIVE 2006

With the year 2005 now behind us, it is only natural that our shareholders' main interest and thoughts should focus on 2006. For 2006, "ALFA-BETA" VASSILOPOULOS S.A. plans to accelerate its expansion by adding 19 new stores to its network expanding it to 154 outlets including the stores of franchising network. In the commercial sector, priority will be given both to the price policy aiming to "every day competitive prices" as well as to the enrichment of our variety with new product categories emphasizing on exclusive and locally sourced products, on the development of private label products' and organic ones. Furthermore, the implementation of "Smart Retailing" project, which has significantly contributed to a reduce of in-store inventories and shrinkages, to the increase of productivity as well as and to the enhancement of service provided to customers, will continue.

Dear shareholder,

The Company's Management looks forward to 2006 and the following years with consideration and optimism. The company has once again shown that it has the ability to rise to circumstances and maintain its leading position in the face of challenges, and even in the face of adversity. Its well-established strengths, foremost among them being the loyalty its customers place in it and the dedication of its staff, lead us to have faith in its achievement of its long-term quantitative and qualitative aims, which all converge in the overall aim of increasing the value of the company for its shareholders.

BASIC ACCOUNTING PRINCIPLES

The financial statements have been compiled in accordance with the International Financial Reporting Standards (IFRS). Analytical information for the Basic Accounting principles followed, are stated in the Notes on the Accounts of December 31, 2005.

APPROPRIATION OF NET PROFIT

Following the above mentioned, the Board of Directors of the Company intends to propose to the General Meeting the distribution of a dividend of 0.31 EURO per share.



The Balance Sheet of the fiscal period 01.01.2005-31.12.2005 is as follows:

BALANCE SHEET

Amounts in thousands of EUR

	31-Dec-05
<u>ASSETS</u>	
Fixed Assets	242.313
Inventory	69.073
Trade Receivables	27.646
Other Assets	1.909
Cash and cash equivalents	26.728
TOTAL ASSETS	<u>367.669</u>
<u>LIABILITIES</u>	
Long-term borrowings	84.297
Other long-term liabilities	13.930
Short-term loans	-
Other short-term liabilities	<u>198.737</u>
Total Liabilities (a)	<u>296.964</u>
Share Capital	19.099
Other Net Equity	<u>51.606</u>
Total of Shareholders Equity (b)	70.705
Minority Rights (c)	-
Total of Equity (d)=(b)+(c)	<u>70.705</u>
TOTAL EQUITY & LIABILITIES (e)=(a)+(d)	<u>367.669</u>

PROFIT & LOSS

Amounts in thousands of EUR

	01.01-31.12.2005
Turnover (Sales)	880.342
Gross Profit / (Loss)	186.708
Profit / (Loss) before tax, financial, investing activities, depreciation and amortization	38.912
Profit / (Loss) before tax, financial and investing activities	22.830
Profit / (Loss) before tax	20.452
Less Tax	8.755
Profit / (Loss) after tax	11.697
<u>Allocated to:</u>	
Shareholders	11.697
Minority Rights	-
 Profit / (Loss) after tax per share (in Euro)	 0,92
 Proposed dividend per share (in Euro)	 0,31



Following the above, Ladies and Gentlemen Shareholders, we ask you to approve the Balance Sheet 31.12.2005 and the Results for the fiscal year 2005, and to release the members of the Board of Directors and the Auditors of any liability for the fiscal year 2005 according to the Law and the Statutes of the Company.

Gerakas, February 27, 2006

For the Board of Directors,

Raphael Moissis

Chairman of the Board of Directors



12.2 Board of Directors Report on the Consolidated Financial Statements of 31.12.05 of «ALFA-BETA» VASSILOPOULOS S.A.

CONSOLIDATED BOARD OF DIRECTORS REPORT

To the Ordinary General Meeting of Shareholders
of «ALFA-BETA» VASSILOPOULOS S.A.

(Reg.No. 13363/06/B/86/17)

On the consolidated financial statements of 31/12/2005

Dear Shareholders,

We are pleased to present you the "ALFA-BETA" VASSILOPOULOS S.A. report for the fiscal year 2005, a difficult year for the Greek retail market. The slight drop in disposable income coupled with a significant shift in consumer spending towards new services such as mobile telephony and cheap imported goods from Asia, reduced the proportion of spending power reaching supermarket checkouts. As was only to be expected, there was stiff, constantly intensifying competition for market share between traditional Greek chains and the newly arrived foreign chains whose stores keep increasing in number.

Furthermore, in the year 2005 the food retail business had to face a series of 'crises of trust' relating to various types of food products. Produce such as meat, poultry, dairy produce and even Greek honey, all came in for severe criticism concerning the effects they may have on health. Every single one of these 'crises' had an immediate, noticeable impact on sales of products in that particular food category and recovery was, in some cases, extremely slow.

In addition to difficulties pertaining to food retail as a whole, in 2005 "ALFA-BETA" also had to face two particularly adverse circumstances created by state authorities. There were the imposition of a high fine by the Competition Committee, and the outcome of the tax audit of the previous years' accounts TROFO and ENA, accounts that had been handled by the previous boards of these two companies.

The results, which we are pleased to present, show that the Company withstood all these difficulties, both those facing the broader food retail sector and the particular ones concerning "ALFA-BETA".

These successes, there is no doubt, are due to the hard work and dedication of our staff, which numbered 6,744 at the end of the year 2005. The sales figures are the result of the hard work put in by staff at all levels, but mainly by those who are in the 'front line' of customer service. Successful financial results were achieved thanks to the skill, experience and professionalism of key personnel supported by the expertise of key Delhaize personnel. The Chairman of the Board of Directors and the Managing Director would like to express our heartfelt thanks to everybody for everything.



Concisely, the consolidated financial figures during 2005 evolved as follows:

Turnover of the Group increased by 4.0% to 908.0 million EUR from 873.1 million EUR in 2004. Despite the continuous weak market performance and the intense price competition all year long, as well as the price reduction of 2,000 products aiming to strengthen company's competitive position, "ALFA-BETA" managed to preserve its strong presence in the retail market.

Consolidated Gross Profit increased by 6.2% from 186.1 million EUR in 2004 to 197.7 million EUR in 2005, an increase, higher than that of sales. This comparison confirms that the Group pursues a proper commercial policy as well as an effective inventory management.

Consolidated Operating Expenses increased by 7.3% from 165.1 million EUR in 2004 to 177.1 million EUR in 2005. It is noted that Operating Expenses include all necessary provisions including that to address the fine imposed by the Competition Committee. Furthermore, expenses were influenced by an increase in actual costs such as advertising expenses supporting the price initiatives, increased cost of packaging materials because of the rise of oil price and increased maintenance expenses related to the total remodeling and renovation of eight large existing stores. The latter category, as well as expenses regarding new store openings in the coming period, represent investments aiming to strengthen the Company's competitive position.

Consolidated Profit before Tax, Financial, Investing Activities, Depreciation and Amortization (EBITDA) amounted to 41.1 million EUR in 2005 from 41.2 million EUR in 2004, showing a slight decrease by 0.1%.

Consolidated Profit before Tax, Financial and Investing Activities (Operating Profit) amounted to 24.2 million EUR in 2005 from 24.7 million EUR in 2004, showing a decrease by 2.4% as a result of the increased expenses.

Consolidated Profit before Tax amounted to 22.1 million EUR, from 23.1 million EUR in 2004 due to the higher expenses. It is noted that the results of 2004 fiscal year, included extraordinary income from interests amounted to 0.9 million EUR arising from an amount of 17.6 million EUR that was held in escrow and which was ruled in favor of "ALFA-BETA" after a relevant decision of the arbitration court, regarding the legal dispute with TROFO former owners.

Consolidated Profit after Tax amounted to 12.3 million EUR against 17.4 million EUR in 2004. This decrease is due to:

- a) the increase of deferred tax assets at 31.12.2004 because of the implementation of the new income tax rates
- b) the fact that the revaluation of the tax value of fixed assets in the 2004 fiscal year, increased the tax value thereof which resulted in a decrease in the deferred tax liability and had a favorable effect in the year's results
- c) an amount of 1.0 million EURO, which arose from the tax audit of TROFO and ENA for certain years before the acquisition of these two entities by "ALFA-BETA".

As regards its growth and its commercial policy, in 2005, "ALFA-BETA" has developed a series of innovative initiatives, in response to new market conditions and challenges. The Company is developing a sales network



consisting of many different store formats, it is extending its product assortment, especially its own-label products, and is applying a multi-level price policy, suggesting alternative opportunities to suit customers with differing purchasing power. The introduction of 'Smart Retailing' project, the adoption of "assisted self-service" and dynamic sections like meals to order (self traiteur) and bake-offs, have contributed to the diversification and improvement of the sales network. The renovated design for Company stores was put into practice in three new stores in 2005 and eight stores were remodeled along the same lines. "ALFA-BETA"'s business approach to the Franchising Network was completed in 2005 and two new types of store were created; medium-sized stores carrying the banner AB Food Market, and smaller stores under the banner AB Shop & Go. By the end of the year the Franchising network numbered 24 sales outlets, six of which (5 AB Food Markets and 1 AB Shop & Go store) began operating during the year. Together with the 10 Cash-and-Carry sales points, the group sales network counted 135 stores on total, at the end of 2005.

Furthermore, "ALFA-BETA" earns its customers' trust through quality and stringent rules of safety and hygiene, such as the HACCP system implementation, the emphasis on control of fresh products and the frequent sample controls.

Corporate Social Responsibility was and remains part of this Company's identity. Preservation of the Environment is an important factor in how we express our social role. "ALFA-BETA" is the only company in Greece that has been officially certified for handling recycled packaging materials for private label and imported products. Moreover, the Company increased to 25 the number of stores where Recycling Centers are installed.

The Donations' Committee continued its social work in 2005 and once more managed the donations fund, donating sums to social and educational organizations. It is particularly pleasing that in 2005, as in the previous year, 'ALFA-BETA' received Awards of Merit in many different sectors.

PERSPECTIVE 2006

With the year 2005 now behind us, it is only natural that our shareholders' main interest and thoughts should focus on 2006. For 2006, "ALFA-BETA" VASSILOPOULOS S.A. plans to accelerate its expansion by adding 19 new stores to its network expanding it to 154 outlets including the stores of franchising network. In the commercial sector, priority will be given both to the price policy aiming to "every day competitive prices" as well as to the enrichment of our variety with new product categories emphasizing on exclusive and locally sourced products, on the development of private label products' and organic ones. Furthermore, the implementation of "Smart Retailing" project, which has significantly contributed to a reduce of in-store inventories and shrinkages, to the increase of productivity as well as and to the enhancement of service provided to customers, will continue.

As concerns ENA, the policy followed in 2005 and lead to the positive evolution of its results continues in 2006 with the same consistency. Special emphasis is given to the more efficient stock management as well as to the reduction of personnel expenses and the elimination of costs related to doubtful receivables.

Dear shareholder,



The Company's Management looks forward to 2006 and the following years with consideration and optimism. The company has once again shown that it has the ability to rise to circumstances and maintain its leading position in the face of challenges, and even in the face of adversity. Its well-established strengths, foremost among them being the loyalty its customers place in it and the dedication of its staff, lead us to have faith in its achievement of its long-term quantitative and qualitative aims, which all converge in the overall aim of increasing the value of the company for its shareholders.

BASIC ACCOUNTING PRINCIPLES

The financial statements have been compiled in accordance with the International Financial Reporting Standards (IFRS). Analytical information for the Basic Accounting principles followed, are stated in the Notes on the Accounts of December 31, 2005.



The Consolidated Balance Sheet of the fiscal period 01.01.2005-31.12.2005 is as follows:

BALANCE SHEET	
<i>Amounts in thousands of EUR</i>	
	31-Dec-05
<u>ASSETS</u>	
Fixed Assets	245.509
Inventory	73.937
Trade Receivables	18.154
Other Assets	2.062
Cash and cash equivalents	30.363
TOTAL ASSETS	<u>370.025</u>
<u>LIABILITIES</u>	
Long-term liabilities	84.297
Other long-term liabilities	14.651
Short-term loans	-
Other short-term liabilities	<u>204.252</u>
Total Liabilities (a)	<u>303.200</u>
Share Capital	19.099
Other Net Equity	<u>47.725</u>
Total of Shareholders Equity (b)	66.824
Minority Rights (c)	1
Total of Equity (d)=(b)+(c)	<u>66.825</u>
TOTAL EQUITY & LIABILITIES (e)=(a)+(d)	<u>370.025</u>

PROFIT & LOSS	
<i>Amounts in thousands of EUR</i>	
	01.01-31.12.2005
Turnover (Sales)	908.001
Gross Profit / (Loss)	197.674
Profit / (Loss) before tax, financial, investing activities, depreciation and amortization	41.098
Profit / (Loss) before tax, financial and investing activities	24.151
Profit / (Loss) before tax	22.125
Less Tax	9.830
Profit / (Loss) after tax	12.295
<u>Allocated to:</u>	
Shareholders	12.294
Minority Rights	1
Profit / (Loss) after tax per share (in Euro)	0,97
Proposed dividend per share (in Euro)	0,31



Following the above, Ladies and Gentlemen Shareholders, we ask you to approve the Balance Sheet 31.12.2005 and the Results for the fiscal year 2005, and to release the members of the Board of Directors and the Auditors of any liability for the fiscal year 2005 according to the Law and the Statutes of the Company.

Gerakas, February 27, 2005

For the Board of Directors,

Raphael Moissis
Chairman of the Board of Directors



12.3 Board of Directors Report regarding the Transactions between Related Companies

According to article 2, per.4 of the Law 3016/2002, we have compiled this report, where we state analytically the transactions between "ALFA-BETA" VASSILOPOULOS S.A. and its related companies in line with the article 42e par. of the R.L2190/1920.

During the 2005 fiscal year between **"ALFA-BETA" VASSILOPOULOS S.A.** and **ENA S.A.**, in the share capital of which the former participates by 99.96%, the following transactions have been effected:

(amounts in thousand Euro)	01.01.2005- 31.12.2005
Net Sales of merchandise from «ALFA-BETA» to ENA (net of vendor allowances)	67.694
Sales of packing material from «ALFA-BETA» to ENA	129
«ALFA-BETA» revenue arising from rental of property to ENA S.A.	159
Purchases of ENA from «ALFA-BETA»	67.824
Δαπάνες της ENA Α.Ε από μισθώσεις ακινήτων της «ΑΛΦΑ-ΒΗΤΑ»	159
«ALFA-BETA» receivables from ENA S.A.	13.066
«ALFA-BETA» liabilities to ENA S.A.	6

During the 2005 fiscal year between "ALFA-BETA" VASSILOPOULOS S.A. and GROUPE DELHAIZE S.A., which owns the 60.65% of "ALFA-BETA" share capital, the following transactions have been effected:

(amounts in thousand Euro)	01.01.2005- 31.12.2005
Sales of merchandise to GROUPE DELHAIZE	10
Purchases of merchandise from GROUPE DELHAIZE	1.936
Administrative Expenses (services provided by GROUPE DELHAIZE)	1.618
Purchases of fixed assets from GROUPE DELHAIZE	34
Other Income for services provided to GROUPE DELHAIZE S.A.	219
Other Expenses for services provided by GROUPE DELHAIZE S.A.	35
Receivables from GROUPE DELHAIZE	208
Liabilities to GROUPE DELHAIZE	2.231

Between **"ALFA-BETA" VASSILOPOULOS S.A.** and **GROUPE DELHAIZE S.A.** there is a contract for the provision of services by the latter. These services relate to know-how, methods and techniques of stock management and organization, sales promotion, selection and design of new stores. The fee for the aforementioned services is approved by the Shareholders Annual Meeting annually. During 2005 fiscal year, the results of the company "ALFA-BETA" VASSILOPOULOS S.A. have been charged by 1,289 thousand Euro for services provided by GROUPE DELHAIZE S.A., as shown in the table below:



(amounts in thousand Euro)	01.01.2005- 31.12.2005
Administrative Expenses (services provided by GROUPE DELHAIZE S.A.)	1.473
Other Income for services provided to GROUPE DELHAIZE S.A.	219
Other Expenses for services provided by GROUPE DELHAIZE S.A.	35

A bond loan agreement between the Company and DELCOR S.A., a member of GROUPE DELHAIZE, was contracted on February 5, 2002, amounting to 38,100,000 USD and divided in 38 bonds, 1 of which was transferred from DELCOR S.A to DELFINANCE S.A., which is also a member of GROUPE DELHAIZE.

Interest charges amounting to 1,477 thousand Euro arising during 2005 fiscal year, from the aforementioned Bond contract are stated below:

(amounts in thousand Euro)	01.01.2005- 31.12.2005
DELCOR S.A	1.473
DELFINANCE S.A	4

During 2005 fiscal year, the results of the company ENA S.A. have been charged for services provided by GROUPE DELHAIZE S.A., as shown in the table below:

(amounts in thousand Euro)	01.01.2005- 31.12.2005
Administrative Expenses (services provided by GROUPE DELHAIZE S.A.)	145



13. Investors' Update

For the continuous and prompt information of the investors and its shareholders the company maintains a corporate web site in the address www.ab.gr.

In this web site, and more specifically under the topic "Investors", information regarding share ownership and market share price is provided without any charge. Moreover, the corporate announcements, the financial statements of the Company and the Group on a quarterly and annual basis, the financial statements of the company ENA S.A. which are included in the consolidated financial statements on annual basis, the Annual Bulletin, the Annual Report as well as the presentations of the company are available on the web site.